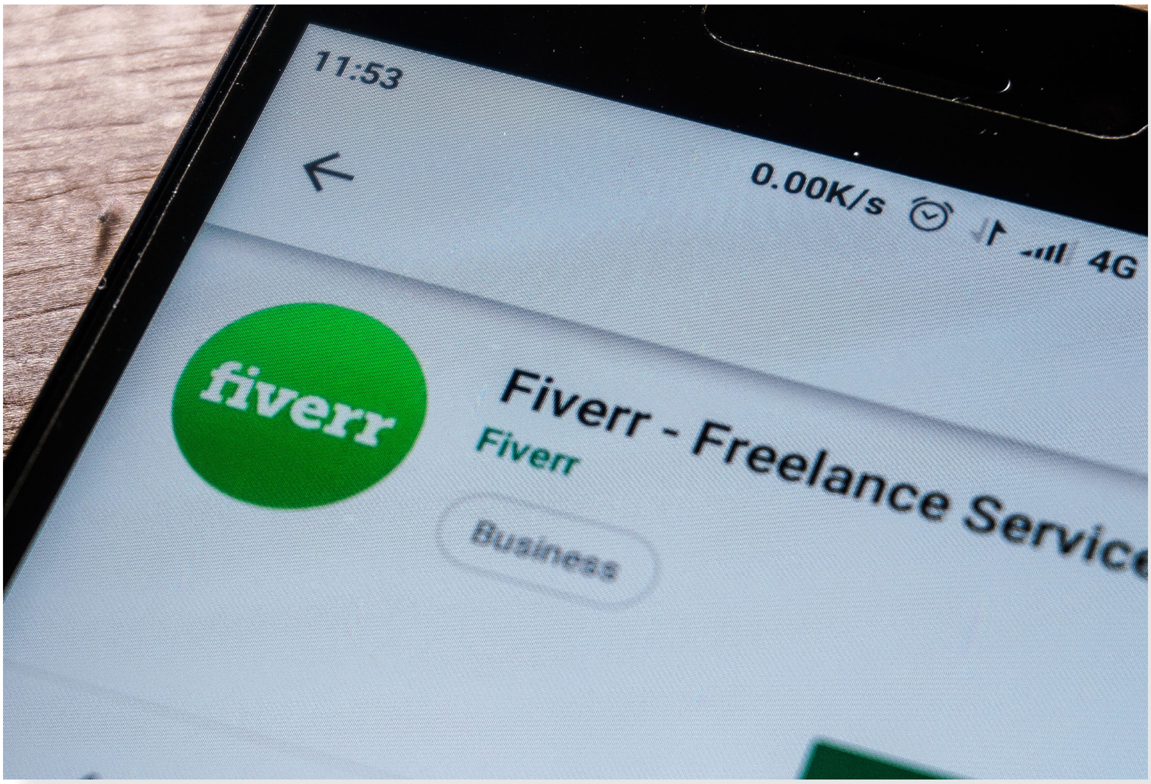
UNDERVALUED SHARES

Fiverr



Fiverr operates an online marketplace for freelancers from the creative industries. Since its inception in 2010, Fiverr has facilitated over 50m transactions. The company is 100% digital, i.e., no physical goods change hands.

Long known for awful logo designs and scammy offers, Fiverr has undergone an impressive transformation. In June 2019, it went public on the New York Stock Exchange and raised USD 110m. Its ambition is to move a growing percentage of the world's USD 5tr p.a. freelancer economy online.

Is Fiverr stock an investment similar to Amazon in the late 1990s? It might just be.

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UNDERVALUED SHARES

Holding a tiger by its tail?

Dear Member,

I vividly remember Amazon's IPO.

That was in 1997. The company's service wasn't even available outside of the US. I lived in Germany at the time, where it launched in 1998.

An article that I read in *Going Public* left me unimpressed:

- Why would I use such a service instead of going to a book store?
- The company was burning cash and break-even seemed far away.
- Its stock seemed outrageously overvalued.

The rest is, of course, history.

I could have bought Amazon stock at USD 1.50. It recently traded at USD 2,461. A USD 10,000 investment would have turned into 16.4m.

At the time, I was very much a classic value investor, mainly hunting for companies that owned underutilised real estate or had significant free cash flow.

Missing out on Amazon left a mark on me. Why didn't I see it coming? It seems so obvious in hindsight.

Maybe you have similar feelings about the likes of Amazon, Google, Netflix or Apple?

As one self-made billionaire investor once instilled in me: "*Never look back! Always look forward! There is always another chance waiting for you somewhere.*"

How right he was. The stock market does throw up ever-new opportunities (and I spend most of my time trying to track them down).

My latest find is a bit speculative, and it is for that reason that I am excited to send this report to you.

Looking to new horizons (in the age of COVID-19)

Software, Internet platforms and technology companies are an asset class of their own.

I am not a technology expert. However, I do have common sense, and I spend a lot of time researching clues for what might lie behind the horizon. I also come across interesting stuff because I swap notes with many people from different industries.

If you have followed Undervalued-Shares.com for a while, you will have come across the story of **Hypoport** (ISIN DE0005493365), the German online marketplace I discovered in 2010. That one did turn out to be a ground floor opportunity, and its stock went up 51 times over the coming decade.

In October 2019, I featured **SNP Schneider-Neureither & Partner** (ISIN DE0007203705) as a kind of spiritual successor to Hypoport. It's another German software company and one that has done pretty well for my readers already (though it's early days and I view it as a longer-term opportunity).

After initial hesitation and a lot of subsequent contemplation, I am going to stick my neck out for another such company:

Fiverr (ISIN IL0011582033), an online marketplace for freelancers.

It's a USD 1.16bn company that listed on the New York Stock Exchange not too long ago.

Some of you will have heard of it already. Most of you probably haven't.

The company is already well-known enough to have made it into a recent 82-page Internet sector report by JP Morgan. But it's still obscure enough to feature at the very end of that report.

I believe it'll become a lot more widely known over the coming 12 to 24 months, and it could even become a household name during the rest of the decade. If I am right, the next ten years could be transformative for Fiverr. Its stockholders could see the company grow to many times its current size.

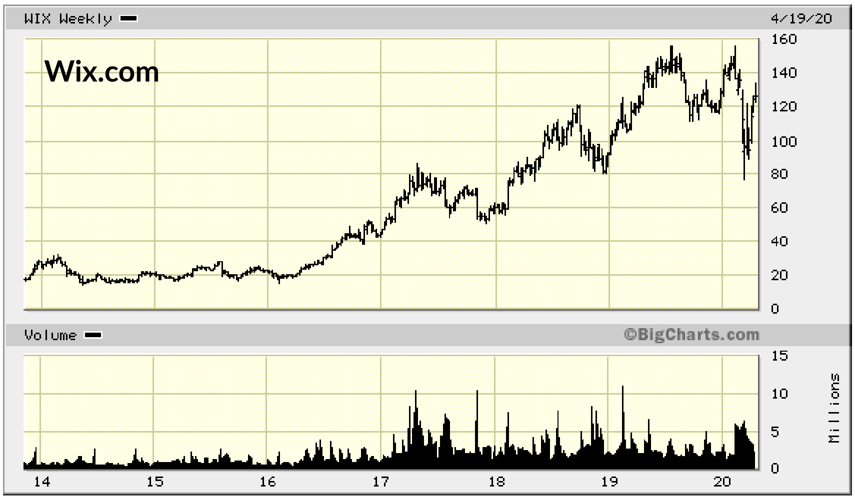
Fiverr probably won't turn into a 100-bagger, but it could feasibly be a 10, 20 or maybe 50-bagger. No one knows. Perhaps it will turn into a 100-bagger eventually, given its market size and business model. However, at this stage, all calculations aimed at narrowing down its longer-term potential are mere finger-in-the-air exercises.

If I am no expert on software companies and it's so difficult to value the company, why do I feature it on a website for – undervalued – shares?

- I have been a client since 2013 (on and off) and have recently seen the company's products and services come into their own. I am convinced that Fiverr now has a moat that will make it very difficult for competitors to emulate its services.

- The company's revised and expanded management team includes people who previously built **Wix.com** (ISIN IL0011301780). Israel-based Wix.com was a huge success not just for its clients, but also for its shareholders – up 839% since 2013.

Enabling Internet users to build their own website proved a lucrative business



- Last but not least, Fiverr's total addressable market is humongous. If it manages to unlock just a fraction of this market, then today's stock price could turn out to have been as undervalued as Amazon was in 1997. That's undervalued relative to its long-term potential for continuous compounding at >25% per annum.

That's the good news.

The bad news is that the company is, indeed, tough to value at this stage.

You can make a strong case that Fiverr stock is currently trading at a sky-high valuation; it is indeed if you base your analysis on current metrics. Equally, you can make a strong case that it's presently trading at a bargain price because the stock price only reflects a fraction of its longer-term growth potential. It's very much a question of perspective and personal beliefs, as well as your time horizon. In 1997, ANY price for Amazon stock would have been a good price had you bought it with a ten-year horizon. (In 2007, it was already trading at USD 93.)

Fiverr could even still go bust. It's currently burning cash to fund its growth, and without further cash injections, it might not make it.

I have considered and weighed these opposing scenarios against each other.

For example, what's the real risk of not getting funding to fuel Fiverr's growth? The company already has a ten-year track record in executing a growth strategy in a mega-size market that no one else has as yet managed to capture online. Will funding its growth be an issue? I don't think it will. That's aside from the fact that the current cash runway comfortably extends to at least 2022.

On balance, I believe the company (and its stock) has a much higher chance of succeeding than it has a risk of failing. If it does succeed, the payoff could be enormous. Also, there is currently a perception gap because the market has not yet fully grasped the enormity of this opportunity.

If anything, I figured it's an equity story you will be interested in taking a look at. Based on today's report, you can form your own view of which scenario is more likely.

The never-ending difficulty of short-term timing

If you end up considering investing in today's story, the tricky part will be to time any purchases.

There is a lot of short-term variability in Fiverr's price. Over the past six weeks, the stock has fallen from USD 35 to USD 21, only to go straight back to USD 35.

It might fall back again if the markets go back into bear market mode. (Although you could say that's true for any stock.)

It also has a high ratio of short positions, which further complicates assessing where it might go in the immediate future. The shorties could be proven right, or they could end up amid one almighty short squeeze.

I like to look at Fiverr primarily from a longer-term perspective. Its products and services could go viral on a global scale. Fiverr has the potential to turn into a household name, similar to the other Internet giants whose names I don't even need to repeat. There is also the possibility that its users might want to own the stock, which in turn could create significant demand and remove stock from circulation. In that sense, it could become a bit like Apple, where a loyal user base has contributed to the rising share price by buying into the company and simply keeping the stock for the long term.

Whatever the short term might bring, my gut feeling is that 2020 and 2021 will be the years the Fiverr story starts to make waves on a global scale.

It could make for a terrifically exciting investment case. It can also help us learn how to find, analyse and profit from similar technology-related opportunities. That's one of the reasons why I decided to spell out what key metrics to look at in the case of such a company (see page 26).

Last but not least, Fiverr offers services that you might even find useful yourself. You could give its products and services a twirl. They all start at – you guessed it already – five dollars.

With all that in mind, enjoy today's story!

Best regards

Swen Lorenz
Undervalued-Shares.com

P.S.: This report was part-inspired by a lunch meeting with an Undervalued-Shares.com Member in New York. My Members are a terrific network, and their input regularly feeds straight into my content.

Executive Summary

Using the Internet to connect freelancers with potential buyers is an idea that has been around since the late 1990s. Surprisingly, no company has yet managed to create a truly global platform. The vast majority of freelance work is still arranged through individual negotiations or offline, and those platforms that do offer to connect buyers and sellers online are rather localised. There is no "Amazon for freelance work" yet, even though the potential market is up to USD 5tr in annual transactions globally.

Fiverr has succeeded in building a platform that focusses on freelancers in the creative industries. It caters to digital goods only, ranging from simple logo design to developing software code. The company currently offers access to over 250,000 freelancers worldwide who provide services and digital products in over 300 categories. The platform's 2.5m active buyers spend an average of USD 170 p.a. and 58% are repeat customers. Fiverr is the embodiment of the "gig economy" and charges an average of 25.7% commission on each transaction (25% base commission and some additional services).

The company had long been a slow burner, and its platform was riddled with problems. The requirements of buyers and sellers make this a part of the freelancer economy particularly complex to shift online. Its management team and early investors had recognised that the company was only going to win if it treated the challenge like a marathon. Other companies focussed on narrower niches and quicker wins, which, in turn, limited their growth potential. Fiverr decided to tackle these challenges in a unique way, which meant more upfront investment and a slower path to profitability, but a bigger eventual payoff.

In June 2019, Fiverr went public on the New York Stock Exchange and raised USD 110m. It has now started to become clear that Fiverr is the ONE company that could be about to crack this market and become a household name. Not only has it outgrown every comparable competitor but it also managed to outmanoeuvre its nemesis, **Upwork** (ISIN US91688F1049), through a notably different strategy.

Fiverr has already facilitated over 50m transactions. It recently started to introduce localised versions for significant countries, and it is launching one growth initiative after another. The company's management team has received considerable support from the team of Wix.com, the website building platform company whose stock has risen by 839% since its 2013 IPO.

In the new era following the coronavirus crisis, the market for freelancers providing digital goods and services is likely going to grow all the faster. Unemployed are looking to hire themselves out, small businesses are upping their digital capabilities, and everyone is comparing prices globally to keep costs low. Demand for Fiverr's platform is increasing and estimates for 2020 will probably have to be revised upwards.

Following its IPO, Fiverr stock nearly doubled, before crashing back to its IPO price. It subsequently climbed back to near its record level, before the coronavirus crash brought it back to its IPO price yet again. Within just two weeks, it has now rallied back to its old high. Will it surpass the previous high and reach new grounds, or will it fall back yet again?

Based on key metrics such as price-to-sales, the stock is anything but cheap (see page 37). However, it could be cheap after all if the company manages to become the "Amazon for digital freelancing services". The company's total addressable market is humungous, and there does not seem to be any directly comparable competitor. As such, this stock could be similar to buying into Amazon in 1997 – the stock was expensive, but it never became any cheaper.

In the current highly volatile environment, short-term predictions are even more difficult than usual. Anyone liking the idea of Fiverr as a long-term investment could purchase an initial position now and keep some powder dry to buy more if the price did come back down. The company is akin to publicly listed venture capital. As such, it could provide a huge payoff, but it does come with the risk of burning out if its ambitious plans don't materialise.

Fiverr– key data	
Stock price	USD 34.94
Outstanding shares	31.94m
Market cap	USD 1.16bn
ISIN	IL0011582033
Ticker symbol	FVRR (NYSE)
Major shareholders	Micha Kaufman (CEO, 7.7%), Jonathan Kolber (Angel Investor, 12.89%), Shai Wininger (Co-founder and veteran tech entrepreneur, 5.3%), various VC funds with stakes ranging from 5% to 12.4%. Details on Fintel.io website.
Corporate website	https://investors.fiverr.com

19 February 2020 estimates from UBS

Highlights (US$m)	12/17	12/18	12/19	12/20E
Revenues	52	76	107	140
EBIT (UBS)	(18)	(23)	(22)	(18)
Net earnings (UBS)	(18)	(23)	(18)	(13)
EPS (UBS, diluted) (US$)	(2.82)	(3.48)	(0.89)	(0.39)
DPS (US$)	0.00	0.00	0.00	0.00
Net (debt) / cash	24	53	134	126

Profitability/valuation	12/17	12/18	12/19	12/20E
EBIT margin %	-34.8	-30.8	-20.1	-12.7
ROIC (EBIT) %	-	<-500	(269.0)	(153.3)
EV/EBITDA (core) x	-	-	-34.6	-68.4
P/E (UBS, diluted) x	-	-	(25.9)	(77.0)
Equity FCF (UBS) yield %	-	-	(2.0)	(0.5)
Net dividend yield %	-	-	0.0	0.0

Highlights (US$m)	12/21E	12/22E	12/23E	12/24E
Revenues	178	217	257	298
EBIT (UBS)	(5)	9	26	44
Net earnings (UBS)	0	15	33	53
EPS (UBS, diluted) (US$)	(.00)	0.40	0.85	1.34
DPS (US$)	0.00	0.00	0.00	0.00
Net (debt) / cash	130	147	181	234

Profitability/valuation	12/21E	12/22E	12/23E	12/24E
EBIT margin %	-3.0	4.3	10.0	14.8
ROIC (EBIT) %	(88.8)	>500	<-500	<-500
EV/EBITDA (core) x	<-100	74.5	31.1	18.0
P/E (UBS, diluted) x	NM	74.2	35.2	22.3
Equity FCF (UBS) yield %	0.3	1.6	3.1	4.9
Net dividend yield %	0.0	0.0	0.0	0.0

Source: Company accounts, Thomson Reuters, UBS estimates. UBS adjusted EPS is stated before goodwill-related charges and other adjustments for abnormal and economic items at the analysts' judgement.
Valuations: based on an average share price that year, (E): based on a share price of US$30.00 on 19 Feb 2020 13:38 EST

Fiverr stock since going public

The Fiverr growth story

Fiverr operates an online market place for buyers and sellers of free-lance services and digital goods.

If you are a creative person, you can offer your skills to the world through Fiverr:

- Designing logos.
- Ghostwriting articles.
- Creating presentations.
- Editing videos.
- Doing voiceovers.
- Translating documents.
- Providing PR support.
- Supporting marketing efforts.
- Editing podcasts.
- Writing business plans.
- Researching genealogy.
- And many, many more.

If you are someone who needs such services, you can use the platform to choose someone whose work, past client reviews, and pricing you like. Crucially, jobs are agreed based on a fixed price rather than an hourly charge.

Fiverr, in turn, gets a 25% commission on all transactions: 20% from the buyer and 5% from the seller.

The company currently operates 300 different categories, which in turn have an almost infinite number of sub-categories. Users are welcome to be truly creative and offer services and products that no one has ever thought of before and which you cannot find anywhere else. You can see a complete list of all categories here.

None of them, however, is as (in)famous as logo design.

Incidentally, that's also where I made my first Fiverr experiences about seven years ago.

A steep learning curve for all parties involved

Fiverr started as a platform where anyone could offer any kind of digital service, provided it only cost five dollars (hence the name).

Logo design was a natural fit. Millions of small business owners need a logo, and an almost equal number of freelancer designers can churn out logo designs at incredibly low prices.

This part of the business grew rapidly, but it also contributed to the questionable reputation that Fiverr still has in the eyes of many past users.

To describe it in somewhat descriptive terms, earlier versions of Fiverr often connected buyers to logo designers who:

- Were able to offer insanely low prices because they operated out of ultra-low-cost jurisdictions, such as Pakistan, Bangladesh or India.
- Struggled to communicate effectively with buyers because of a lack of English language skills and cultural differences.
- Had no formal qualification and simply punted on making a quick buck off the Internet.

My own initial experiences with Fiverr logo design were mostly atrocious, too.

The most recent one was in 2018 when I used Fiverr to have a logo designed for the very website this report is published on, Undervalued-Shares.com. It was an exercise in frustration, wasted money and unacceptably bad designs that reflected none of what I set out in my design brief. After an unnerving process involving countless freelancers, I eventually got one design that I deemed acceptable (i.e. the current Undervalued-Shares.com logo).

However, I never gave up on following Fiverr, because I also had had some incredibly good experiences. In 2016, I used Fiverr to have a Spanish designer draw a map for a real estate project. I paid EUR 200 for a design that I would have happily paid EUR 1,000 for. It exceeded my expectations by far, and I would have never come across this particular freelancer if it hadn't been for the Fiverr platform. Being able to hand out work to freelancers in lower-cost jurisdictions, such as crisis-hit Spain, seemed like a valid idea to me.

I told myself: "*Surely, the problems that Fiverr suffers from must be fixable?!*"

I've kept an eye on the situation, all the more so since the company went public in June 2019.

Lo and behold, a lot has changed.

Fiverr's current headquarter in Tel Aviv

Artificial intelligence and a vast database meet logo design

If you want to have a bit of fun testing Fiverr, do create an account and try out their new logo design platform.

In the past, you had to try your luck with multiple logo designers. It was very hit and miss.

The new platform offers a different approach. The "Fiverr Logo Maker" asks you to:

- Enter the name of your company or brand.
- Enter a few keywords that describe what your company does.
- Select a few key parameters, e.g., do you want the logo to look "traditional" or "modern"?

Using artificial intelligence and its database of existing logos from previous gigs, the platform then suggests (entirely free of charge) a broad range of possible logo designs.

Once you have found one that you like, you can adjust it using a simple design platform. This way, you should be able to go 90% of the way towards creating a draft logo that fits your needs. Up to this point, you will have spent zero dollars.

You can then hire the designer who contributed this template to the database to do the finetuning and create the final version in different formats.

Done!

I tried it for two logos that I'd like to get, and the results blew me away!

So much for the changing quality of the Fiverr platform. If you have used it in the past but left in frustration, go back now and give it another try.

Having done a lot of reading on Fiverr recently, I am not surprised about these improvements. It's part of the ongoing improvement work the company has carried out ever since it was founded ten years ago. These improvements also happened on the back of the vast amount of behavioural data that the company has because of its 50m past transactions (Fiverr even employs a Chief Behavioural Science Officer).

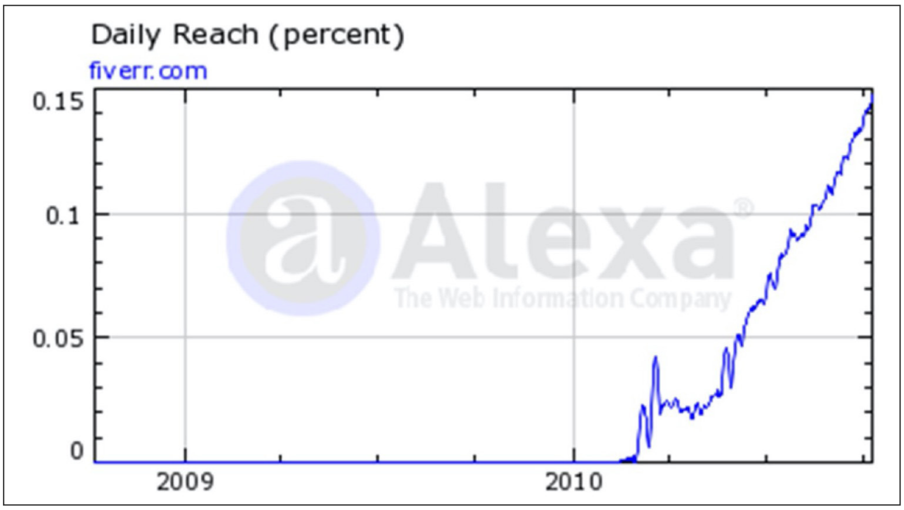
For a thorough understanding of the company, it is worth going back to its founding stage. Knowing about the origin of the company will put today's Fiverr platform into perspective.

A crazy idea with an ill-defined market

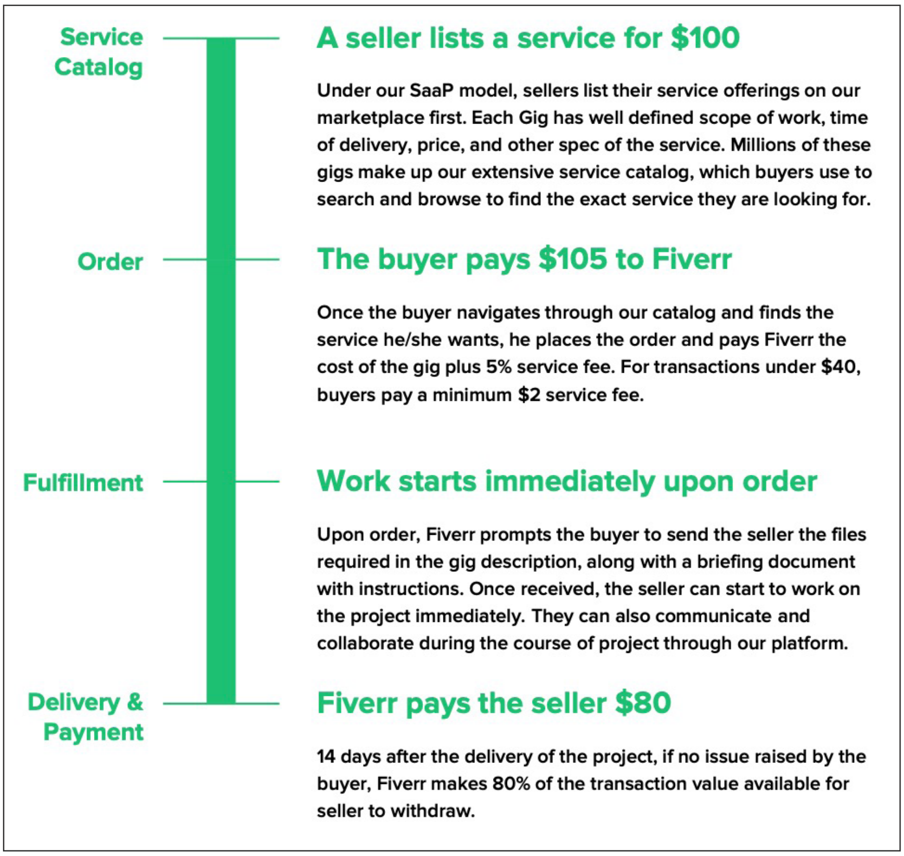
In 2010, Fiverr launched a platform that allowed anyone to offer any kind of digital product or service, provided the price was just USD 5.

The concept took off rapidly, as its early website traffic showed.

Despite zero marketing at the time, Fiverr's website achieved rapid growth after its launch



However, most venture capitalists thought the website was a novelty item that would just as quickly disappear again. Also, they didn't feel they were able to define the company's target market and thus the



"total addressable market" (TMA), a key valuation metric for all venture capitalists.

One company did invest, though: Bessemer Venture Partners, a Silicon Valley venture capital firm, led a USD 5m seed funding round.

Public records from this period are thin, but it's safe to assume that not everything went according to plan. Early reports about frustrated users and scams on the platform are legion. Still, the company continuously improved its offering.

In 2011, Fiverr allowed products to cost more than USD 5.

In 2013, its first user generated over USD 1m in annual sales on the platform.

By 2015, over 1m users purchased products on Fiverr.

By 2018, Fiverr reached the 5m registered user milestone. By that time, creators were allowed to charge up to USD 10,000 for their services.

During this entire period, customers increased their average spend, from just USD 83 in 2015 to USD 170 in 2019.

By 2018, the majority of Fiverr customers were happy with its services.

Of the revenue achieved that year, 57% came from repeat customers who had also purchased something the previous year.

Just how did the company achieve these ongoing improvements?

I believe the close involvement of Bessemer Venture Partners and management members of Wix.com provide a big part of the explanation. You will learn more about it in the next chapter.

Fiverr: A case study in successful execution

In case you don't know them yet, Wix.com is one of the better-known companies from the "gig economy".

The company offers a drag-and-drop platform that allows anyone to build their own website, even if they have never built a website before. There are several such services, and Wix.com's competitors include Squarespace, Weebly, and GoCentral.

The Wix.com success story since going public in 2013

I had my first experience with Wix.com in 2015, during a 9h layover in a Miami airport lounge. Never wanting to let time go to waste, I decided that I was going to use the day to teach myself how to build a website using one of these drag-and-drop platforms that everyone was talking about. More out of coincidence than anything else I chose Wix.com. At the end of my layover, I had a personal website that was perfectly presentable, given how little effort had gone into it.

Several of my friends have built Wix.com websites in recent times, and their quality is impressive when considering that they cost almost nothing. It doesn't surprise me that Wix.com stock has taken off the way it has. The company has empowered an entire generation of self-employed and small business owners to create their websites at minimal cost and with complete control over the process. For many, Wix.com (and similar services) are now a viable alternative to the vagaries and costs that come with hiring website designers.

Bessemer Venture Partners was an early investor in Wix.com (it had also successfully invested in household names such as Pinterest, Yelp, Shopify, and LinkedIn).

Given how Wix.com and Fiverr both address the gig economy, it seemed like Fiverr was going to be able to benefit from some of the ups and downs Wix.com had already gone through. Venture capital firms often tap into the expertise of their more mature portfolio companies to help the cause of their younger portfolio members.

Since the mid-2010s, there has been a notable presence of Wix.com management team members at Fiverr:

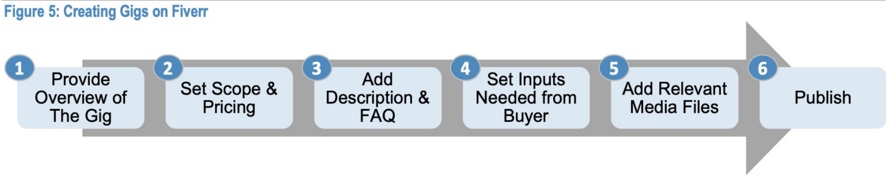
- Ofer Kath, the CFO of Fiverr, previously worked as CFO of Wix.com.
- Adam Fisher, a director of Fiverr, was a director of Wix.com for nine years.
- Ron Gutler, another director of Fiverr, remains on the board of Wix.com to this day.
- Nir Zohar, the President and COO of Wix.com, sits on the board of Fiverr.

I am known for my interest in management-related topics (as can easily be seen from my personal website, www.swen-lorenz.com). Having read through the genesis of Fiverr, the company does strike me as an excellent case study for taking an immature, crazy start-up and gradually building it into a professional, scalable company. Here are some of the metrics and decisions I found impressive:

Commoditisation of freelancing work

Fiverr has done a tremendous amount of thinking on how to commoditise freelancer labour. What do I mean by that? Other freelancer platforms mostly require you to hire freelancers by the hour. For buyers, this represents the risk of final costs coming out much higher than anticipated. Fiverr has turned the labour of its freelancers into "SKUs", stock-keeping units. As an example, a freelancer might offer to write a 500-word text for you for USD 20. The price is fixed, which makes it easier to compare different offers. Purchasing gig economy freelancers becomes (almost) as easy as purchasing items on Amazon. This approach dramatically lowers the transaction costs for both buyers and sellers, which in turn enables Fiverr to charge a higher percentage commission than other platforms. Instead of tediously pitching for individual jobs, freelancers simply need to create a list of SKUs they provide and wait for orders to come. It's as easy a system as anyone has ever created for hiring freelancers. No other firm in this space has achieved to build something of the same scope and breadth as Fiverr.

Figure 5: Creating Gigs on Fiverr



Source: J.P. Morgan estimates, Company data.

Staffing company	Fiverr
Short/long term temporary employment	Service-as-a-product (SaaP)
Bidding, vetting and contract negotiation	Browse, search, click to order
Opaque and non-standardized scope, timing and cost	Transparent timing, price and deliverables
Connection only	End-to-end platform

Virality in customer acquisition

Fiverr does need to invest heavily in marketing, which makes up the majority of its overall budget. However, the marketing is complemented by a high degree of virality of the company's content and products. Check out the videos below, all of which have millions of views.

There is a strong element of word-of-mouth because happy Fiverr customers share their experience with other potential clients: "*Hey, where did you get that cool drawing done? On a platform called Fiverr, you should check it out.*"

Acquiring customers through viral content is much more cost-effective than operating a sales team.

I Paid a Stranger $25 to edit my Pizza Commercial

[I made a FIVERR page & DRAW ANYTHING people want for $5!!]

[1 Monat auf FIVERR arbeiten & ___€ ZUHAUSE verdient | Selbstexperiment (German)]

Localisation

To improve the user experience and get more buyers signed up, Fiverr has started to create localised versions of the platform. These address potential problem such as language barriers, but also issues such as different currencies. Its German and Spanish versions (de.fiverr.com and es.fiverr.com), launched in February 2020, have been a success, and a whole raft of national versions is now rolled out in other countries.

Launch of new service levels, such as FiverrPro

Fiverr is continuously trialling new categories to help improve the user experience and increase the average transaction value per customer. One of these new categories is FiverrPro. The top 1% of its creators can apply for "Pro" status, which will get them featured in a separate group and enable them to ask for massively higher prices. For some creators and some buyers, this will be precisely what they needed. You bypass the gig workers and go straight to the more experienced creators.

The creator of the Apple logo, Rob Janoff, is now featured on FiverrPro. His logo design services cost USD 10,000 a pop.

There is a whole swathe of other new features, and more are being added regularly.

What about its competitors?

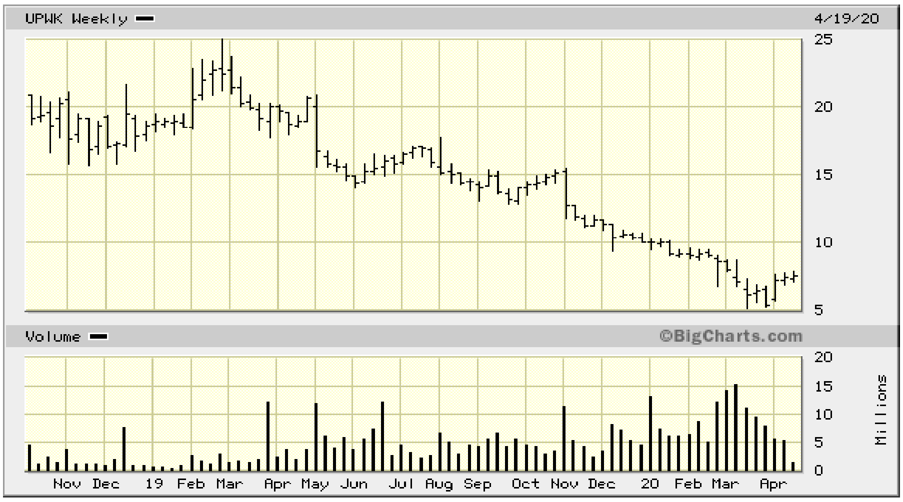
I did a deep dive of the Fiverr website as part of my research, which convinced me that the company could see transformative, explosive growth over the coming years.

Crucially, it's probably going to face less competition than you'd expect. Following its ten-year evolution, Fiverr has survived, outgrown and out-manoeuvred much of its competition. That's something the market has not yet fully realised (for reasons I'll explain at the end of this report).

There was never a lack of other companies trying to break into this market, although a detailed look at their respective business models shows how different they are from each other.

Upwork (ISIN US91688F1049) is the closest comparable company, yet it's not really comparable at all as its approach is quite different. Its services are primarily offered to corporate customers rather than the self-employed and small businesses. Upwork typically acquires customers that have 100+ employees, and it spends a lot of money on a sales team to acquire such customers. Customers pay on an hourly basis or per contract and typically spend upwards of USD 5,000 per year.

Upwork (Nasdaq:UPWK)



Freelancer (ISIN AU000000FLN2) is much more comparable to Fiverr, but it lacks dynamism and scale. The Australian company's share price has lost 80% over the past four years, and its 2019 revenue from gig commissions was less than half that of Fiverr. In the race for global scale, Freelancer doesn't strike me as the likely winner (nor does the market seem to expect as much).

Freelancer (ASX:FLN)

WorkMarket provides services for companies that want to manage their freelancers. As such, it pursues a very different business model than Fiverr. It was acquired by a payroll automation firm, Automatic Data Processing, in 2018.

Guru does a commendable job in connecting freelancers to clients, but it is a fraction of the size of Fiverr and barely counts as competition.

Crowdsite has a marketing message that is very similar to Fiverr, but it is also just a fraction of the size.

Sulekha.com is comparable to Fiverr but focusses on the Indian market.

Moonlighting also features a marketing message that is very similar to Fiverr, but it is just a fraction of the size.

Freelance job boards such as **Remote.co** or **Mediabistro** do not offer the functionalities that Fiverr offers.

Fiverr will never be the only company offering services that connect creative gig workers to potential buyers. Nor will Amazon ever be the only company selling books through the Internet. It does appear, though, that Fiverr is now ideally positioned to become the dominant player that pursues this particular approach for freelancers in the creative industries.

Since its inception, Fiverr has already executed over 50m transactions. The sheer number of users and transactions has now started to give Fiverr the benefit of a network effect. The company is using proprietary machine learning algorithms and vast datasets about user behaviour to continually improve the user experience. Smaller competitors simply cannot compete with Fiverr anymore.

Which leads to the question that Bessemer Venture Partners struggled with back in 2011. Just how large is the total addressable market?

A "TMA" that is too good to be true?

Because of its 300+ different product categories, there is a gamut of individual markets that Fiverr (and its users) can tap into. No one has so far added up what they all amount to, but there are some figures available about individual markets. Looking at a few of them will give you an idea for the overall size of the total addressable market.

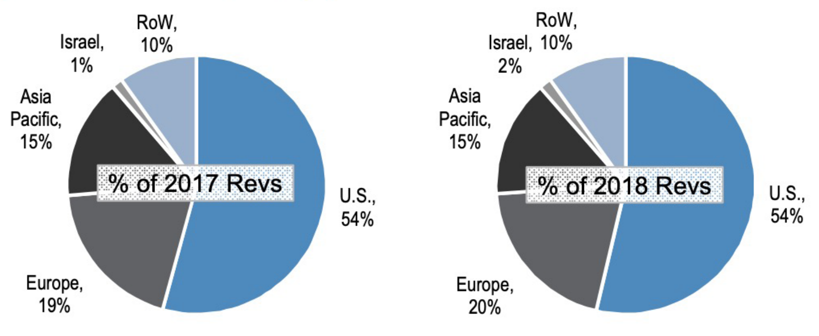
"Freelancing"

The "freelancing market" in the US is estimated at USD 135bn annually (there are different ways to define this figure, which is why I put the term in inverted commas).

The USD 135bn estimate is based on a 2018 study that counted 5.6m Americans working as freelancers in creative, technical or professional positions. These would all be potential sellers on Fiverr.

At the time, Fiverr had less than 250,000 freelancers offering their services on the platform, with the majority based outside the US (even though 54% of its buyers are US-based). Despite being the largest such platform in the world, it had only signed up a tiny fraction of the potential number of vendors in the US.

Figure 10: Fiverr Revenue by Geography



Source: Company data.

That's not yet accounting for the fact that a steadily increasing number of people are switching from traditional employment to some kind of freelancing.

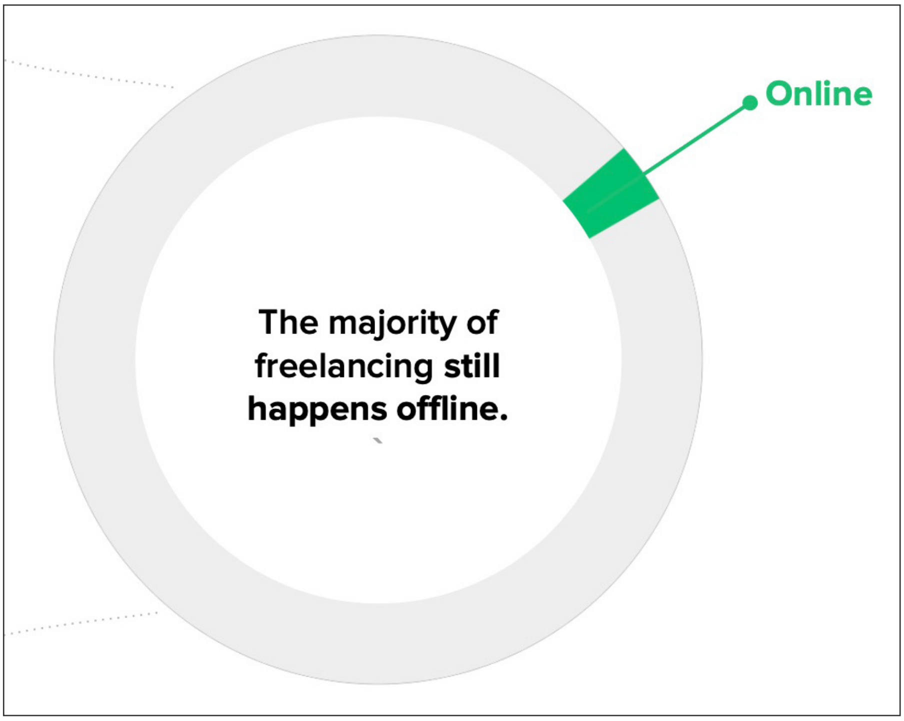
There are many different industry figures floating around. Fiverr has recently switched to using the following statistics in its publications:

- Total addressable market of freelancers in the US alone: USD 750bn.

- Relevant to Fiverr: USD 100bn.
- Other markets outside of the US: not yet quantifiable.

Freelancer, the Australian firm, puts the global freelancer economy at USD 5tr.

Whichever figure and methodology you apply, the market opportunity is vast. And the majority of it has not yet moved online. Freelancing is still predominantly arranged through one-to-one discussions or offline. It's not too dissimilar to the late 1990s when books were mostly sold in book shops.



Small and medium businesses

The majority of Fiverr buyers have always been small and medium businesses with less than 15 employees. Small businesses are typically more cost-conscious, and they are also faster at taking advantage of new technologies. In the US alone, there are 30m businesses that fall into this category.

Worldwide, Fiverr has 2.5m buyers who have made a purchase during the past 12 months (and a total of 5.5m registered user accounts).

Globally, there are probably hundreds of millions of small and medium businesses that could take an interest in Fiverr. This figure does not even include the self-employed ("one-man companies"), who are a category of their own.

Individual creative markets

One of the difficulties in defining Fiverr's total addressable market is the fact that its services address so many individual markets.

For example, Fiverr recently added architectural services to its service categories. The global market for architectural services amounts to USD 300bn per year.

It's unlikely that anyone in Germany is going to outsource the architectural design of their home to a Fiverr gig worker in India anytime soon. However, even small outsourcing tasks do add up. A Fiverr user could decide to have freelancers in India create artistic renderings of existing architectural plans. If only a tiny sliver of that overall market were shifted to Fiverr, it would significantly move the needle at the company.

The best possible description of the situation is probably not too dissimilar from Jeff Bezos' early ambition:

- Amazon set out to sell all things to all people.

- Fiverr wants to be the place where anyone purchases any creative service, provided it can be delivered digitally.

In that sense, Fiverr is a company with Amazon-esque ambitions that started 15 years later than its grown-up model. Its business model is also potentially more lucrative because it's purely digital and thus doesn't need any warehouses or other logistics. Once Fiverr has reached critical mass, its earnings could go through the roof.

How to analyse Fiverr's progress

Analysing the advances of Fiverr is best done based on the following metrics:

Number of active buyers
Buyers who have made a purchase during the past 12 months.

Annual spend per buyer
The total amount that the average active buyer has spent during the past fiscal year.

Repeat buyers
The percentage of active buyers who have made more than one purchase during the past 12 months.

Number of active sellers
All sellers who are registered on the platform and have done a transaction during the past 12 months.

Take rate
The percentage commission that the company charges across the total value of all transactions.

Revenue
Nota bene, only the commission charged by Fiverr turns up as revenue in the company's accounts. The gross merchandise value (GMV) is higher than the commissions, but the funds handled on behalf of the sellers are a mere transit item. If a Fiverr transaction is for a service costing USD 100, then USD 25 turns up as revenue on Fiverr's account (25% commission).

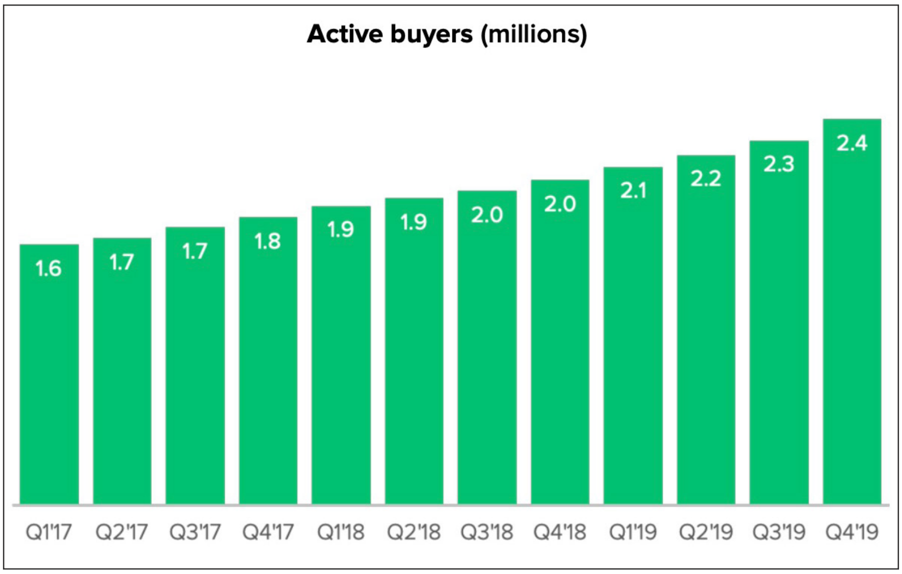
Time to return on investment
This figure requires a bit of effort to get your head around. In short, it expresses how many months it takes to earn back the marketing costs needed to sign up a new buyer.

A more technical description is that it represents the number of months required to recover the "performance marketing investment" during a particular period from the revenue generated by the new buyers acquired during that period. Performance marketing is a term that refers to online marketing and advertising programmes in which advertisers pay marketing companies when a specific action (such as as a click, lead or sale) is completed. When Fiverr advertises its brand name on a metro station, it does not count as performance marketing. When it promotes a gift of USD 5 to make new customers sign up to the platform, it does count as such. The difference is mostly one of semantics around different expense categories.

Adjusted EBITDA margin
Profit figures can be manipulated through accounting methods, which is why companies are often best compared based on the more objective EBITDA margin. The Earnings before Interest, Taxes, Depreciation and Amortisation focusses on the essentials of the business, i.e., its operating profitability and cash flow.

Here is how Fiverr has done in each of these categories:

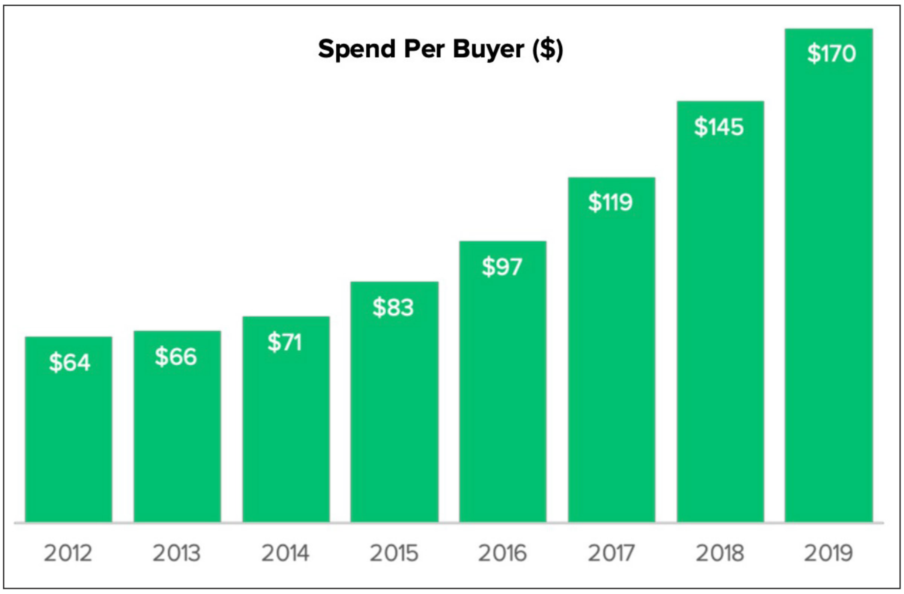
Number of active buyers
During 2019, Fiverr increased its number of active buyers to 2.4m, compared to 2m at the end of the previous year.

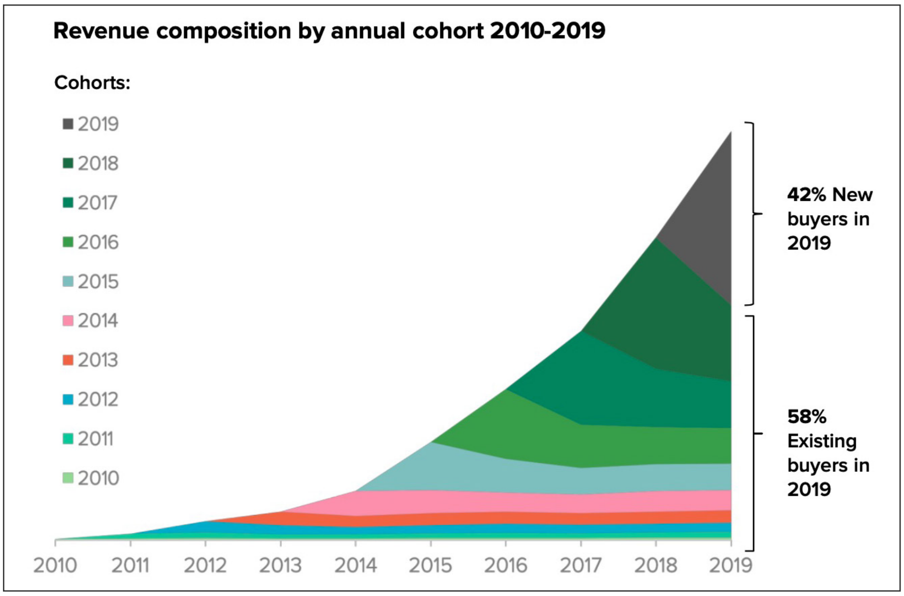


Annual spend per buyer
During 2019, the annual spend per active buyer rose to USD 166, up from USD 145 the previous year.

Repeat buyers
During 2019, 58% of active buyers were repeat customers (an excellent retention rate for online businesses).

Number of sellers
Fiverr does not publish ongoing statistics about the number of its active sellers. At last count, it had around 250,000, a number which seems to have gone upwards in recent years (albeit at a much slower pace than the number of active buyers). One can deduce that revenue





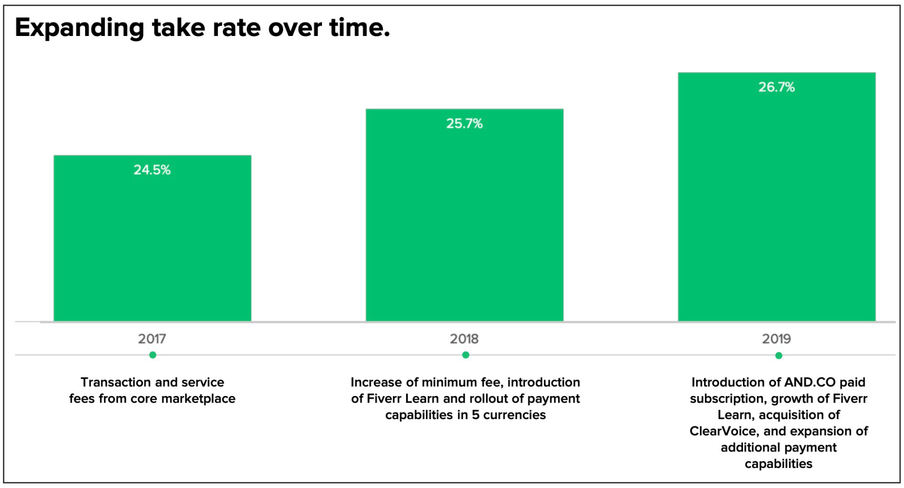
for the average active seller is increasing, which is good for Fiverr's standing in the industry.

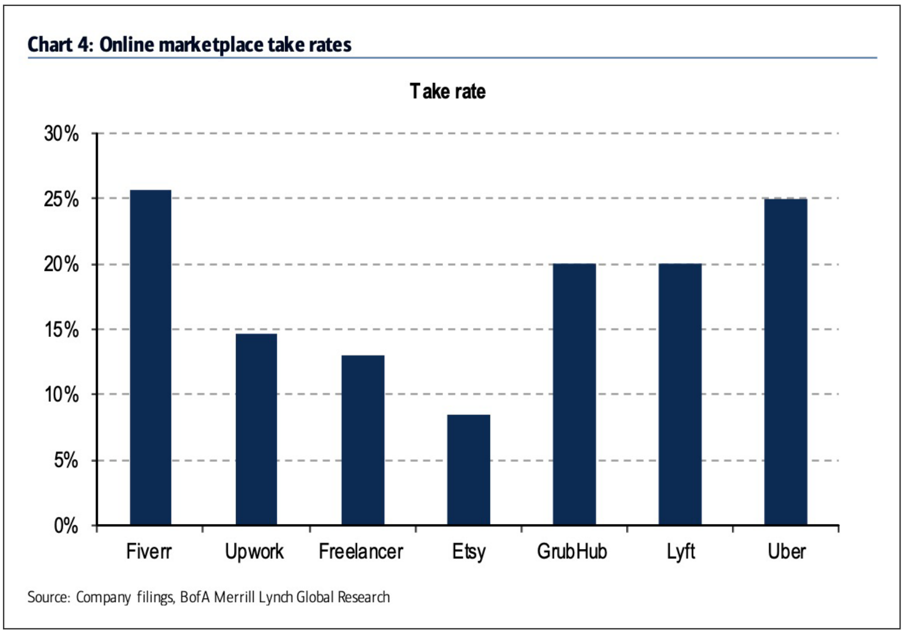
Take rate

Fiverr charges one of the highest commission rates in the industry. During the IPO, a lot of investors were concerned about the sustainability of the commission rate. It has even increased over the past few years, also due to new add-on services. Eventually, there will probably be some margin compression but for now, Fiverr is using the high commission to exploit the success of its unique approach.

Revenue

If 2020 comes out stronger than expected because of a COVID-19-driven push towards online services, Fiverr will have tripled its revenue between 2017 and 2020.





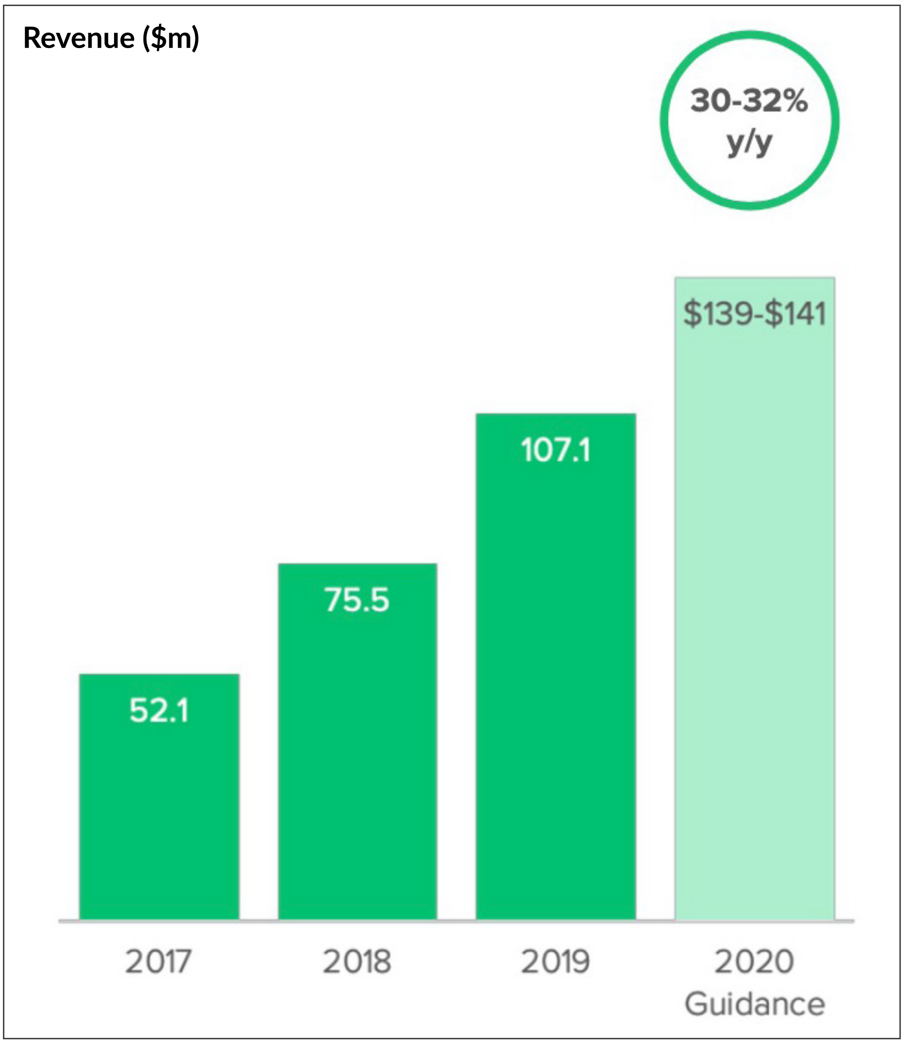
Time to return on investment

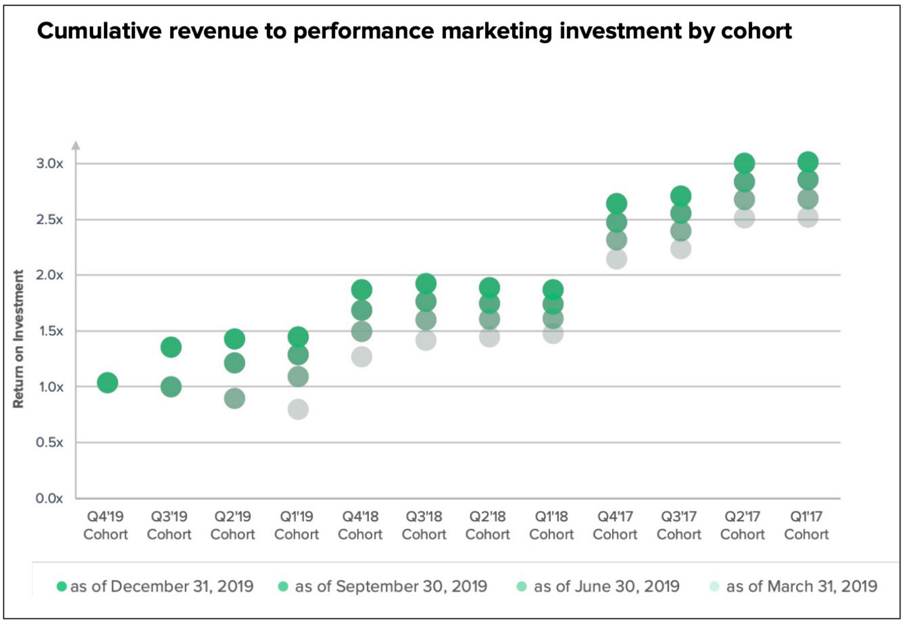
Historically, Fiverr has managed to earn back its investments in performance marketing within seven months – which is a good result. Between early 2017 and early 2019, the company had earned back 2.4 times the costs of its performance marketing (see graph below).

Going forward, the company wants to keep the "tROI" below 12 months.

Adjusted EBITDA margin

Since early 2018, Fiverr has gradually improved its (negative) EBITDA margin. The current business plan foresees a break-even in 2022, although according to recent indications, this timing could even be pulled forward.


Revenue ($m)
30-32% y/y
$139-$141
107.1
75.5
52.1
2017
2018
2019
2020 Guidance


Cumulative revenue to performance marketing investment by cohort
Return on Investment
3.0x
2.5x
2.0x
1.5x
1.0x
0.5x
0.0x
Q4'19 Cohort
Q3'19 Cohort
Q2'19 Cohort
Q1'19 Cohort
Q4'18 Cohort
Q3'18 Cohort
Q2'18 Cohort
Q1'18 Cohort
Q4'17 Cohort
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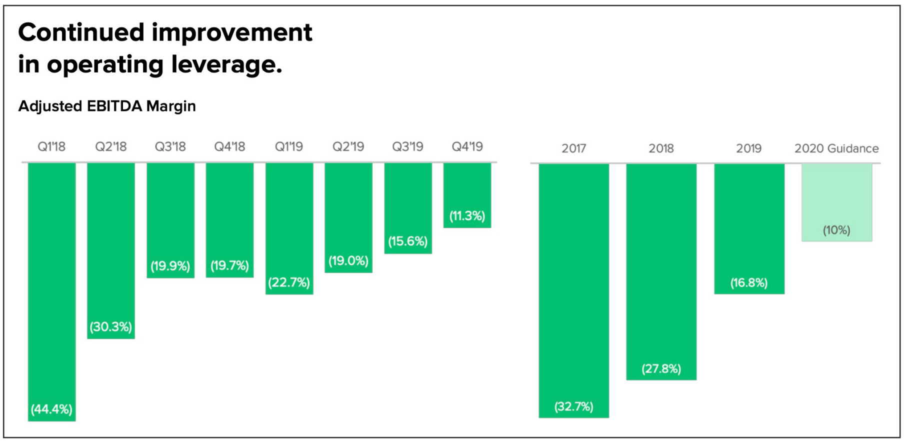
Q1'17 Cohort
as of December 31, 2019
as of September 30, 2019
as of June 30, 2019
as of March 31, 2019



What do we conclude?

In terms of successfully executing a growth strategy, I would say: "*So far, so good*".

The critical question is, does Fiverr stand a chance of achieving high annual growth rates throughout the 2020s? Only if Fiverr keeps growing at 25% to 40% p.a. is the stock going to become a multi-bagger investment (no matter what price you pay today).

The risk/reward ratio of venture capital

The company does not yet earn money. There is a possibility that the growth plans will fail, and Fiverr could end up on the graveyard of broken entrepreneurial dreams.

It does have a cash runway of two to three years. There could be ways for extending the cash runway, although it could also come out shorter if Fiverr decides to make one-off investments. Notably, Fiverr did not mention in the IPO materials when it expects to run out of cash. The company is in a fast-moving situation.

It does have a leading market position with its particular approach, but it's not yet an established Internet giant.

Plenty could still go wrong.

Among the significant risks are:

Risk #1 Take rate compression

I touched on it already, and it is probably by far the biggest threat to Fiverr.

Fiverr's take rate of over 25% is extraordinarily high, compared with major Internet businesses. Its two prime "competitors", Upwork and

Freelancer, charge a significantly lower fee and based on a different model:

- Upwork has a sliding scale whereby it charges 20% on the first USD 500, 10% for sales between USD 500 and USD 10,000, and just 5% for anything beyond that.
- Freelancer charges 10% to the seller and 3% to the buyer.
- Both of these firms are primarily using a per-hour approach, whereas Fiverr's model is based on charging a fixed amount for specific deliverables.

Interestingly, according to research, both buyers and sellers prefer Fiverr's fixed-price approach. When a research analyst approached sellers that were offering their services across several platforms, they mostly replied that they'd prefer to receive the job through Fiverr. Sellers seem to perceive the overall approach for managing their gig work through Fiverr as superior to the approaches taken by other firms. For buyers, too, the Fiverr model seems more attractive. Charging a fixed price for a product takes away the risk of someone running up excessive hourly charges.

Fiverr is unlikely to be able to sustain its high take rate for high-value jobs, and will suffer some take rate compression eventually. Then again, shareholders would be able to easily live with it if it came on the back of rapid growth. Charging less than 25% on a growing number of USD 10,000 transactions is better than solely charging 25% on USD 5 transactions.

Risk #2 Competition from bigger players

We have already seen that currently, there isn't any other platform that is bigger and offers quite what Fiverr offers.

However, such competition could arise from leading social networking sites, such as **Facebook** (ISIN US30303M1027) or LinkedIn. In theory, these sites could decide to target the market for freelance services. There is no guarantee that they wouldn't be able to develop a superior formula that sets them apart. Also, Upwork could decide to prop up its ailing equity story by having a go at the Fiverr model.

Then again, it has taken Fiverr no less than a decade to finetune its approach and build the platform to support it. Could such a platform be replicated easily and would users adopt it? It's not impossible, but not as easy as it may sound.

Also, the single most significant determinant of Fiverr's success may lie elsewhere altogether. The vast majority of freelance work is still arranged through one-to-one contacts. For as long as more of these offline activities move online, the overall pie gets bigger. If Facebook or LinkedIn tried to move in on Fiverr's market, it could even lead to free advertising for the whole concept and Fiverr's approach.

Risk #3 Totality of its key performance metrics

It's vital to pay close attention to the key operating metrics listed above. If you spotted several of them heading in the wrong direction, it would probably be time to bail out.

On the other hand, Fiverr has several exciting growth opportunities:

Opportunity #1 Increased viral growth

There is no doubt that the June 2019 IPO will have opened a new chapter in the company's growth story. Its listing on the New York Stock Exchange (not Nasdaq!) makes for additional credibility and brand awareness.

Fiverr raised USD 110m, which gives it considerable financial firepower to invest in marketing and improving its platform. Its cash reserves will enable the company to invest in going deeper into individual markets.

Now that Fiverr has successfully launched two localised versions of its website, it has the blueprint for doing the same in any number of major countries. In 2018, over 70% of the company's revenue was generated from buyers in the US, the UK, Canada, Australia, and New Zealand. The localised websites could add significant new cohorts of buyers.

There is a whole bunch of potential new growth stories to emerge from Fiverr. E.g., the company could use the US' 2020 election cycle to pull off a few marketing stunts. Its category for creative work in political campaigns strikes me as ideal for getting the company's name into the public domain. A few cheeky marketing messages could go a long way if they go viral.

Never mind the additional interest the company is currently likely to experience because of all the changes brought to the labour market by the coronavirus crisis.

Fiverr has so many potential areas for growth that the management team would have to screw up majorly not to achieve significant annual growth over the coming few years.

Opportunity #2 Major partnerships

Bigger players encroaching on Fiverr's space is a threat, but it could also be turned into an opportunity.

The company could make leaps forward by launching collaborations

The IPO was an important milestone

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Fiverr breaks from gig-economy IPO curse, CEO says market 'is like e-commerce 20 years ago'

Published: June 13, 2019 at 6:08 p.m. ET

By Emily Bary

5

Fiverr stock gains 90% on first day despite struggles of fellow gig-focused companies like Uber, Lyft and Upwork

Fiverr went public on the New York Stock Exchange on Thursday. **Fiverr**

Referenced Symbols
FVRR -3.69% ▼ UBER -3.54% ▼ LYFT -2.82% ▼ UPWK -2.71% ▼ IPO -3.48% ▼
SPY -3.06% ▼

Fiverr International Ltd. shares nearly doubled Thursday in the gig-economy software company's public debut.

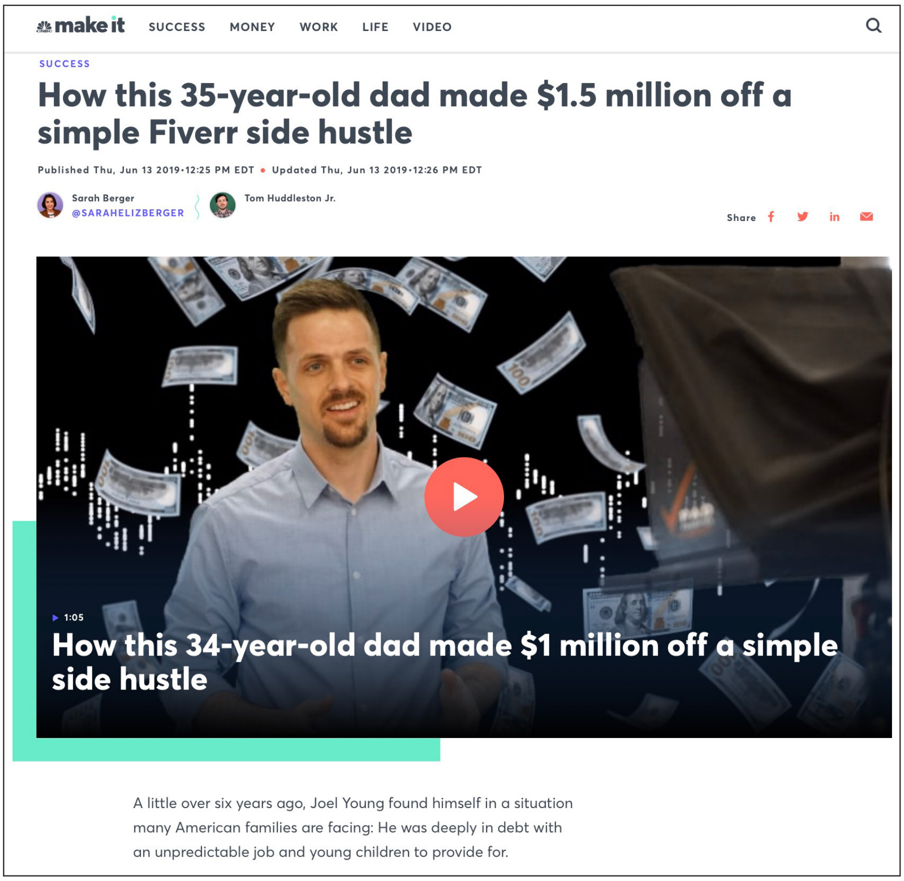
Israel-based Fiverr FVRR, -3.69%, which makes software that connects freelancers with companies that need projects completed, sees big potential in bringing the search for freelancers online. Chief Executive Micha Kaufman told MarketWatch that the online market for freelance services has a low single-digit share of the overall freelance market.

with other platforms. Platforms that enable the creation and growth of small and medium businesses, such as YouTube, Instagram, Twitch, and App stores, could cut a deal to drive new users to Fiverr.

With its high take rate, Fiverr could offer other platforms significant additional revenue through advertising, affiliate marketing, and other forms of compensation. Why build it yourself, if you can have an existing player pay you to access your user base?

Because of the recession, platforms such as YouTube and Instagram are currently experiencing a significant fall in ad revenue. Wouldn't this be a good time for Fiverr to offer them a new source of income based on a performance-based partnership agreement?

Media stories such as these will inspire other laid-off workers to try out Fiverr


make it SUCCESS MONEY WORK LIFE VIDEO

SUCCESS

How this 35-year-old dad made $1.5 million off a simple Fiverr side hustle

Published Thu, Jun 13 2019·12:25 PM EDT • Updated Thu, Jun 13 2019·12:26 PM EDT

Sarah Berger @SARAHELIZBERGER Tom Huddleston Jr.

Share

A little over six years ago, Joel Young found himself in a situation many American families are facing: He was deeply in debt with an unpredictable job and young children to provide for.

Opportunity #3 New revenue lines

Fiverr does have an opportunity to create entirely new sources of income.

Just a few weeks ago, it introduced promoted listings for sellers. Similar marketplaces see 10% to 20% of total revenue from such listings, which goes to show what a significant boost one single such initiative can provide for the company. There will be other areas where Fiverr can offer new services to generate more revenue from existing users.

Also, Fiverr wants to reach the next tier of buyers with up to 200 employees. Several recently introduced Fiverr services – such as Fiverr Studios – are aimed at attracting these larger customers.

And in conclusion?

I had planned to publish this report while the stock was trading around USD 23. As I put the proverbial pen to paper, the stock started to rise. It traded at USD 35 as I finished my report.

It's great to see the market starting to take an interest in Fiverr, just as expected. In the aftermath of the coronavirus crash and with everyone in lockdown, any stock that is related to the "digital transformation" is getting its fair share of interest.

It's frustrating, though, to have finished this report a week too late to benefit from the stock's latest moves.

Then again, in the current period of extreme uncertainty and volatility, the stock could fall back yet again. I wanted this this report to go out in case the markets make another major move south so that you'll then be prepared to make use of the lower prices. Do your research, so that you are prepared to strike when the price is right.

Also, you could even argue that in a ten-year horizon, buying a few dollars higher or lower isn't going to make much of a difference. Think back to Amazon in 1997. Whether you paid USD 1.50 or USD 2 to buy Amazon stock in 1997 didn't make much of a difference in the end.

Fiverr does not yet make a profit, and it won't have positive cash flow before 2022 at the earliest. At this stage, the most useful valuation metric is the price-to-sales ratio (see table next page).

The choice of companies I compare is somewhat arbitrary, but it does yield a few vital clues:

- Fiverr is trading at a much higher valuation than its peer, Upwork.
- It's far below the valuation of "uber-hot" tech stocks such as Slack and Zoom Video Communications.
- It's currently trading significantly above the average of the tech and Internet sector.

In that sense, Fiverr is not a screaming bargain based on 2020 estimates. Equally, it's not outrageously priced when compared to other tech stocks. And it could become cheap over the coming years if the company's growth takes off as expected.

Will it?

	Revenue estimate 2020 (USD bn)	Market cap (USD bn)	Price-to-sales ratio
Fiverr	0.14	1.16	8.3
Upwork	0.34	0.88	2.6
Wix.com	0.94	6.73	7.2
Slack	856	16.29	19.1
Etsy	971	7.28	7.5
Roku	1.6	15.6	9.75
Zoom Video Communications	921	41.5	45.0
Facebook	77	508	6.6
Google	191	868	4.5
Amazon	334	1.19	3.6
Average US Internet stocks			circa 5

Fiverr is a bet on some of the major trends of the 2020s:

- Ever-growing number of freelancers, "gig workers" and online entrepreneurs.
- Continued increase in the percentage of life and business that happens online.
- More pressure to look for the cheapest products and services.

These are all trends that already happened before the coronavirus crisis began, but they are now likely to accelerate. Everything and everyone seems to be moving online these days.

As Mary Meeker observed in her recent report "*Our New World*":

"*We have seen it with the likes of:*

- *Local stores adapting to sell products on information-only websites.*
- *Local communities experiencing rising connectedness.*
- *Instructors shifting from in-person to on-demand / virtual classes.*
- *Doctors shifting from in-person to telehealth appointments.*"

Many of the self-employed and small businesses that are shifting more of their business online could use some of the services offered on Fiverr.

Throw in the fact that more and more people are open to work in the way that Fiverr offers to its users. The digital native generations (Millennials and Gen Z) soon represent most of the workforce, and Millennials are starting to take up managerial positions. A CNBC survey found that millennial managers are twice as likely as baby boomers to use freelancers and remote services.

These are powerful trends that are going to play into the hands of Fiverr. The 2020s might see a whole confluence of factors providing uplift for Fiverr's business model.

Fiverr might even end up benefitting massively from a recession and rising unemployment.

In a downturn, more people are going to look for ways to make money. Fiverr could experience a rapid rise in sellers now that vast numbers of people in the US and Europe are losing their job. (I already have plans to send this report to several friends in the US, some of whom have lost their job recently. Speak of the virality of Fiverr's message!)

Businesses are even more likely to focus on getting things done rather than increasing their headcount. On Fiverr, you don't hire anyone but buy a well-defined product. You can use the platform to straddle the globe in search of cheap, competent labour. It's an approach that works even better during difficult times.

The company's 8 April 2020 letter to shareholders pointed in that direction:

"*Our takeaway is simple - people are turning to Fiverr to explore new income sources as they now have more time at home and as global unemployment increases.*"

There is a sad element to it from the perspective of individuals. Labour is becoming commoditised, and salaries/fees will remain under pressure. Freelancers in the US and Europe will have to compete with increasingly well-educated contemporaries from emerging economies where costs of living are much lower. Then again, the same argument can be made in reverse. Freelancers in emerging countries finally have a chance to offer their service worldwide, and decreasing costs will lead to an explosion of new ventures and jobs.

I believe Fiverr stands a solid chance of positioning itself at the crossroads of these trends. The company has managed to build trust in its ecosystem (50m+ transactions!), and an increasing number of its customers is willing to tender larger projects out on the platform. The company is riding the wave of the growing gig economy and remote working trends, and it has barely scratched the surface so far. Fiverr now operates a scalable platform and, going forward, could benefit from powerful network effects.

There are still plenty of question marks and challenges. For example:

- It remains to be seen how the company will address the price/quality association that may arise as it increasingly enters higher-valued freelancing verticals such as architecture and game development.

- The notion of competing against the offline world and pulling more business online is as yet unproven.

- Fiverr has only been a public company for less than a year. The market will want to see a few quarters of strong execution as a public company. Also, its PR and investor relations needs to become clearer. It's taken a lot of puzzle work to research this report!

There is a solid chance that the company's management team and key shareholders will continue to advance Fiverr in the way they have during the past few years.

In that case, the sky could indeed be the limit for Fiverr stock. Fingers crossed! If you are interested in following the company, mark 7 May 2020 in your diary. Fiverr will release its next set of figures and hold a (public) investor call at 8.30am EST (866 360-3590, or international +1 412 317-5278, reference "Fiverr").

(Turn page for overview of company finances and estimates)

UNDERVALUED SHARES

Source: BofA Global Research, 19 February 2020

iQprofile℠ Fiverr

iQmethod ℠ – Bus Performance*					
(US$ Millions)	2018A	2019A	2020E	2021E	2022
Return on Capital Employed	-43.6%	-14.1%	-6.8%	0.4%	NA
Return on Equity	-53.1%	-17.0%	-8.1%	0.5%	NA
Operating Margin	-27.8%	-16.8%	-8.5%	-0.1%	NA
Free Cash Flow	(52)	(15)	(11)	(2)	NA

iQmethod ℠ – Quality of Earnings*					
(US$ Millions)	2018A	2019A	2020E	2021E	2022
Cash Realization Ratio	NM	NM	NM	2.2x	NA
Asset Replacement Ratio	0.3x	0.3x	0.6x	0.7x	NA
Tax Rate	NM	NM	NM	NM	NA
Net Debt-to-Equity Ratio	-102.8%	-15.9%	-17.7%	-26.0%	NA
Interest Cover	NA	NA	NA	NA	NA

Income Statement Data (Dec)					
(US$ Millions)	2018A	2019A	2020E	2021E	2022
Sales	76	107	140	175	NA
% Change	44.9%	41.8%	30.9%	24.7%	NA
Gross Profit	61	87	113	141	NA
% Change	55.6%	42.1%	30.5%	24.8%	NA
EBITDA	(21)	(18)	(12)	0	NA
% Change	-23.3%	14.3%	34.1%	98.5%	NA
Net Interest & Other Income	0	1	1	1	NA
Net Income (Adjusted)	**(20)**	**(17)**	**(11)**	**1**	**NA**
% Change	**-20.2%**	**15.8%**	**34.5%**	**NM**	**NA**

Free Cash Flow Data (Dec)					
(US$ Millions)	2018A	2019A	2020E	2021E	2022
Net Income from Cont Operations (GAAP)	(36)	(193)	(31)	(22)	NA
Depreciation & Amortization	2	4	4	5	NA
Change in Working Capital	(29)	8	4	2	NA
Deferred Taxation Charge	NA	NA	NA	NA	NA
Other Adjustments, Net	12	168	15	17	NA
Capital Expenditure	(1)	(1)	(2)	(3)	NA
Free Cash Flow	**-52**	**-15**	**-11**	**-2**	**NA**
% Change	**-602.9%**	**71.5%**	**24.4%**	**85.3%**	**NA**

Balance Sheet Data (Dec)					
(US$ Millions)	2018A	2019A	2020E	2021E	2022
Cash & Equivalents	56	24	23	32	NA
Trade Receivables	NA	NA	NA	NA	NA
Other Current Assets	41	163	163	166	NA
Property, Plant & Equipment	5	5	4	2	NA
Other Non-Current Assets	9	44	43	42	NA
Total Assets	**111**	**236**	**233**	**242**	**NA**
Short-Term Debt	0	1	0	0	NA
Other Current Liabilities	53	81	97	115	NA
Long-Term Debt	0	0	0	0	NA
Other Non-Current Liabilities	3	6	5	5	NA
Total Liabilities	**57**	**88**	**103**	**120**	**NA**
Total Equity	**54**	**149**	**130**	**122**	**NA**
Total Equity & Liabilities	**111**	**236**	**233**	**242**	**NA**

* For full definitions of *iQmethod* ℠ measures, see page 6.

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