



Upwork Confirms Receipt and Comments on Shareholder Letter

September 13, 2024

SAN FRANCISCO, Sept. 13, 2024 (GLOBE NEWSWIRE) -- Upwork Inc. (Nasdaq: UPWK), the world's largest work marketplace that connects businesses with independent talent across the globe, today issued the following statement in response to a letter from Engine Capital to Upwork's Board of Directors:

Upwork's Board of Directors and management team maintain an open dialogue with and value constructive input from investors. We continually evaluate options to enhance value and are committed to acting in the best interests of all shareholders. Upwork has met with Engine Capital on multiple occasions over the course of our regular shareholder engagement and appreciates their perspectives, as we do those of all our shareholders.

We are focused on the right core value drivers of the business and are making demonstrable progress:

- We are maintaining focus on the critical set of revenue and GSV growth levers clearly articulated in our Q2 2024 earnings call.
- We have significantly improved profitability, with adjusted EBITDA margins expanding from (2)% to 21% over the past five quarters.
- Upwork has returned meaningful capital to shareholders with \$100 million in share repurchases in 2024, representing approximately 7.5% of current market capitalization¹, and we will continue to be aggressive and opportunistic in our capital return program.
- We have taken significant steps and are continuing to optimize our cost base, including discontinuing brand marketing and further optimizing performance marketing over the past five quarters.
- As communicated during our Q2 2024 earnings call, we are actively evaluating and planning further reductions to our expenses, notably R&D, as part of ongoing cost management.

As we execute against our strategic priorities and growth and profitability goals, we look forward to continuing to engage with all of our shareholders.

Goldman Sachs & Co. LLC is serving as financial advisor, and Wachtell, Lipton, Rosen & Katz is serving as legal counsel to the Company.

ABOUT UPWORK

Upwork is the world's largest work marketplace that connects businesses with independent talent from across the globe. We serve everyone from one-person startups to large, Fortune 100 enterprises with a powerful, trust-driven platform that enables companies and talent to work together in new ways that unlock their potential. Our talent community earned over \$3.8 billion on Upwork in 2023 across more than 10,000 skills in categories including website & app development, creative & design, data science & analytics, customer support, finance & accounting, consulting, and operations. Learn more at [upwork.com](https://www.upwork.com) and join us on [LinkedIn](https://www.linkedin.com/company/upwork), [Facebook](https://www.facebook.com/upwork), [Instagram](https://www.instagram.com/upwork), [TikTok](https://www.tiktok.com/@upwork) and [X](https://twitter.com/upwork).

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This press release of Upwork Inc. (the "Company," "we," "us," or "our") contains "forward-looking" statements within the meaning of the federal securities laws. Forward-looking statements include all statements other than statements of historical fact, including any statements regarding our future operating results and financial position, information or predictions concerning the future of our business or strategy, anticipated events and trends, potential growth or growth prospects, competitive position, technological and market trends, including artificial intelligence, industry environment, the economy, our plans with respect to share repurchases, and other future conditions.

We have based these forward-looking statements largely on our current expectations and projections as of the date hereof about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. As such, they are subject to inherent uncertainties, known and unknown risks, and changes in circumstances that are difficult to predict and in many cases outside our control, and you should not rely on such forward-looking statements as predictions of future events. We make no representation that the projected results will be achieved or that future events and circumstances will occur, and actual results may differ materially and adversely from our expectations. The forward-looking statements are made as of the date hereof, and we do not undertake, and expressly disclaim, any obligation to update or revise any forward-looking statements, to conform these statements to actual results, or to make changes in our expectations, except as required by law. Additional information regarding the risks and uncertainties that could cause actual results to differ materially from our expectations is included under the caption "Risk Factors" in our Quarterly Report on Form 10-Q filed with the SEC on August 7, 2024, and in our other SEC filings, which are available on our Investor Relations website at investors.upwork.com and on the SEC's website at www.sec.gov.

Contacts:

Media:

Rachel Durfee, VP of Communications
press@upwork.com

Investors:

investor@upwork.com

¹ Based on market capitalization at market close on September 12, 2024.