



27 February 2018

# Freelancer Limited

FY17 Full Year Results Presentation

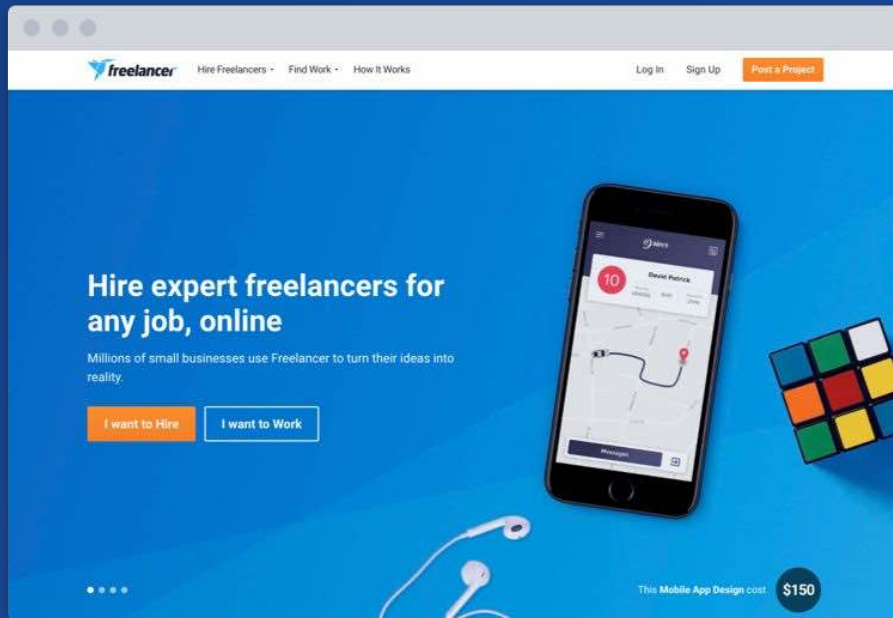
Video presentation of these results available at <http://frln.cr/DdwLJe>

**Matt Barrie**

Chief Executive Officer

[investor@freelancer.com](mailto:investor@freelancer.com)

# FREELANCER.COM



#1 Online Services Marketplace  
Over US\$3 billion in jobs posted

# ESCROW.COM

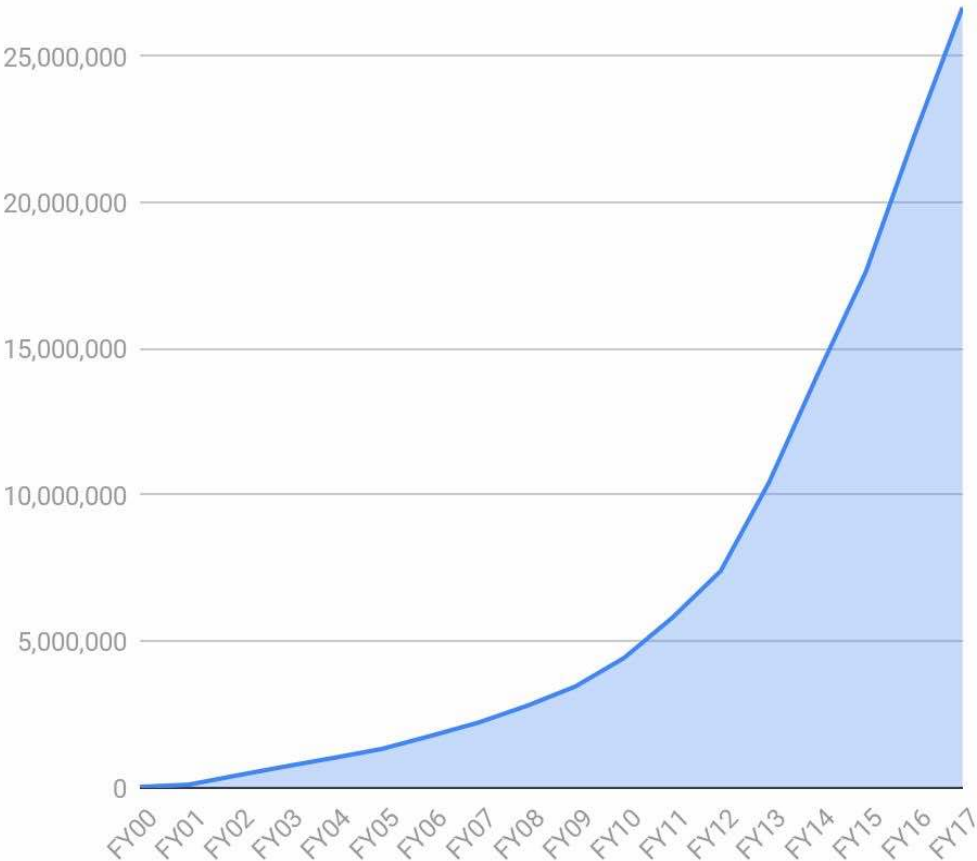


#1 for Secure Online Payments  
Over US\$3.5 billion in transactions

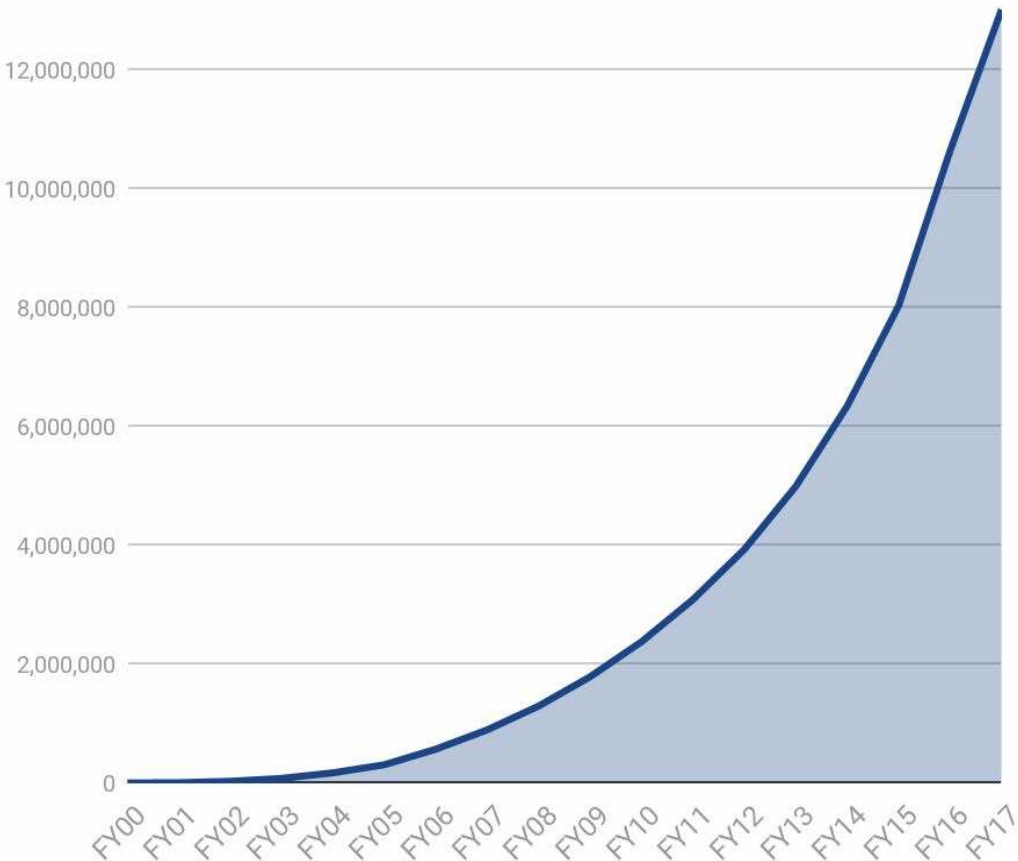
# FY17 completed with 27 million users and 13 million jobs

4.3 million registered users and 2.4 million jobs were added to the marketplace in 2017

### Total Registered Users



### Total Jobs Posted (Filtered)



1. Number of user accounts, and jobs (projects/contests posted) in the Freelancer marketplace as at 31 December 2017. User, project and contest data includes all users and projects from acquired marketplaces. Prior to 2009, all data is from acquired marketplaces. Jobs Posted (Filtered) is defined as the sum of Total Posted Projects and Total Posted Contests, filtered for spam, advertising, test projects, unawardable or otherwise projects that are deemed bad and unable to be fulfilled. Includes Escrow.com unique users.



# Freelancer FY17 Results

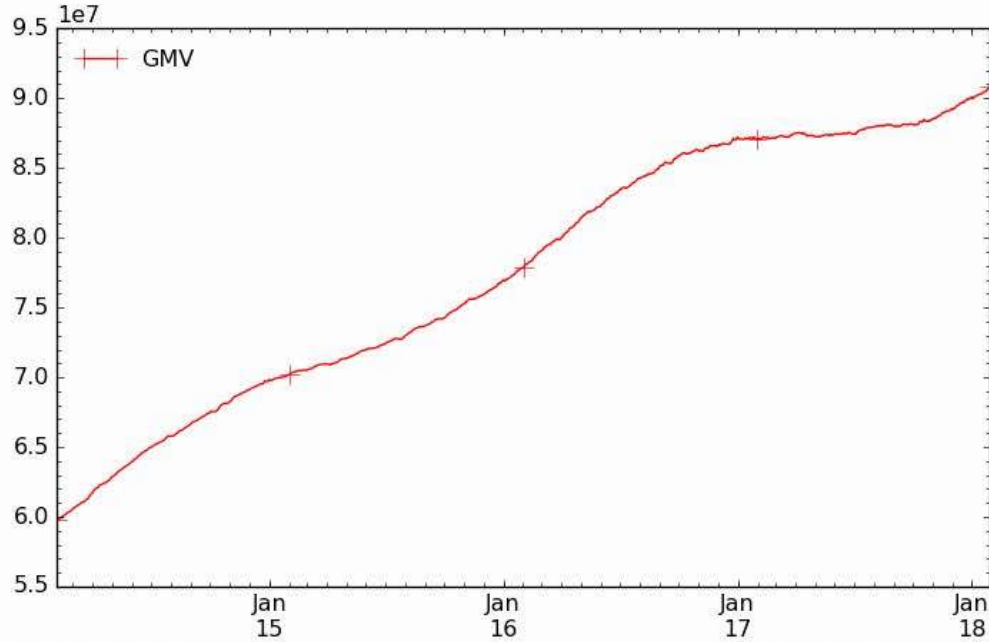
- GPV \$588m (down 11.8% on pcp)
- Net Revenue \$50.3m (down 4.7% on pcp)
- Gross Profit \$44m (down 4.2% on pcp)
- Gross margin 87.5%
- Operating Cash Flow (\$0.6m)
- Operating EBITDA (\$3.7m)
- Operating NPAT (\$3.8m)
- Cash & equivalents at 31 December \$32m (down 8%)



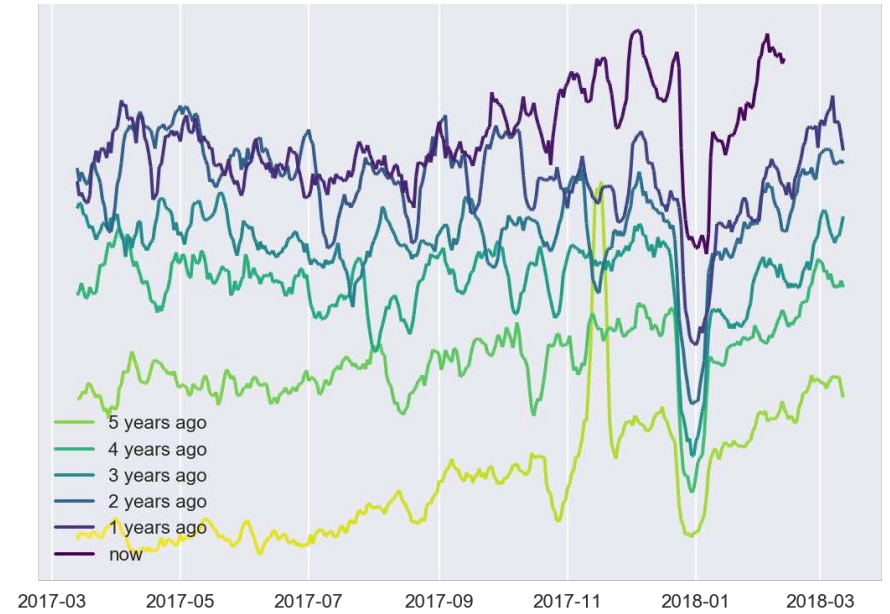
# Freelancer.com

Freelancer GMV returning to growth over the last 7 months, 1Q18 so far up 14% on pcp and climbing\*

### Freelancer.com GMV



### Milestones released (US\$) last 5 years



**Mobile App Redesign**  
By Nihal H.

★★★★★

**Design a Logo**  
By Olexandro N.

★★★★★

**T-shirt illustrations**  
By Francisco Rui P.

★★★★★

**Track Record Design**  
By Elsa K.

★★★★★

**Website Layout**  
By Made A.

★★★★★

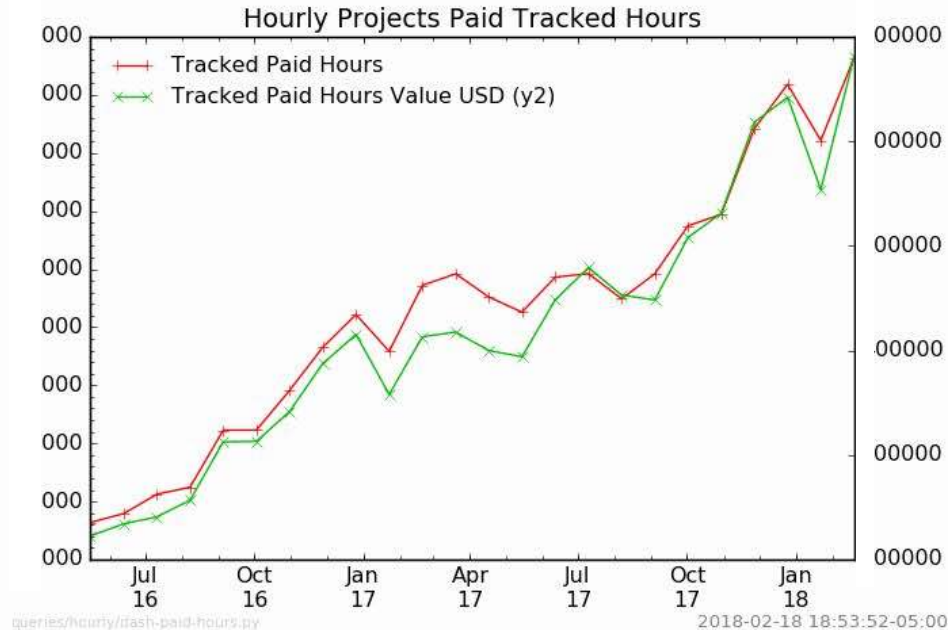
**Athlete's Icees Logo**  
By Hardik P.

★★★★★

\* Gross Marketplace Volume (GMV is a measure of total payments out of the system, i.e. to freelancers)

\* Comparing between '2018-01-01' to '2018-02-23' and 2017-01-01' to '2017-02-23'

Freelancer volume issues have been constrained to fixed-price desktop web projects which has been resolved



Hourly, recruiter and mobile projects continue to grow well

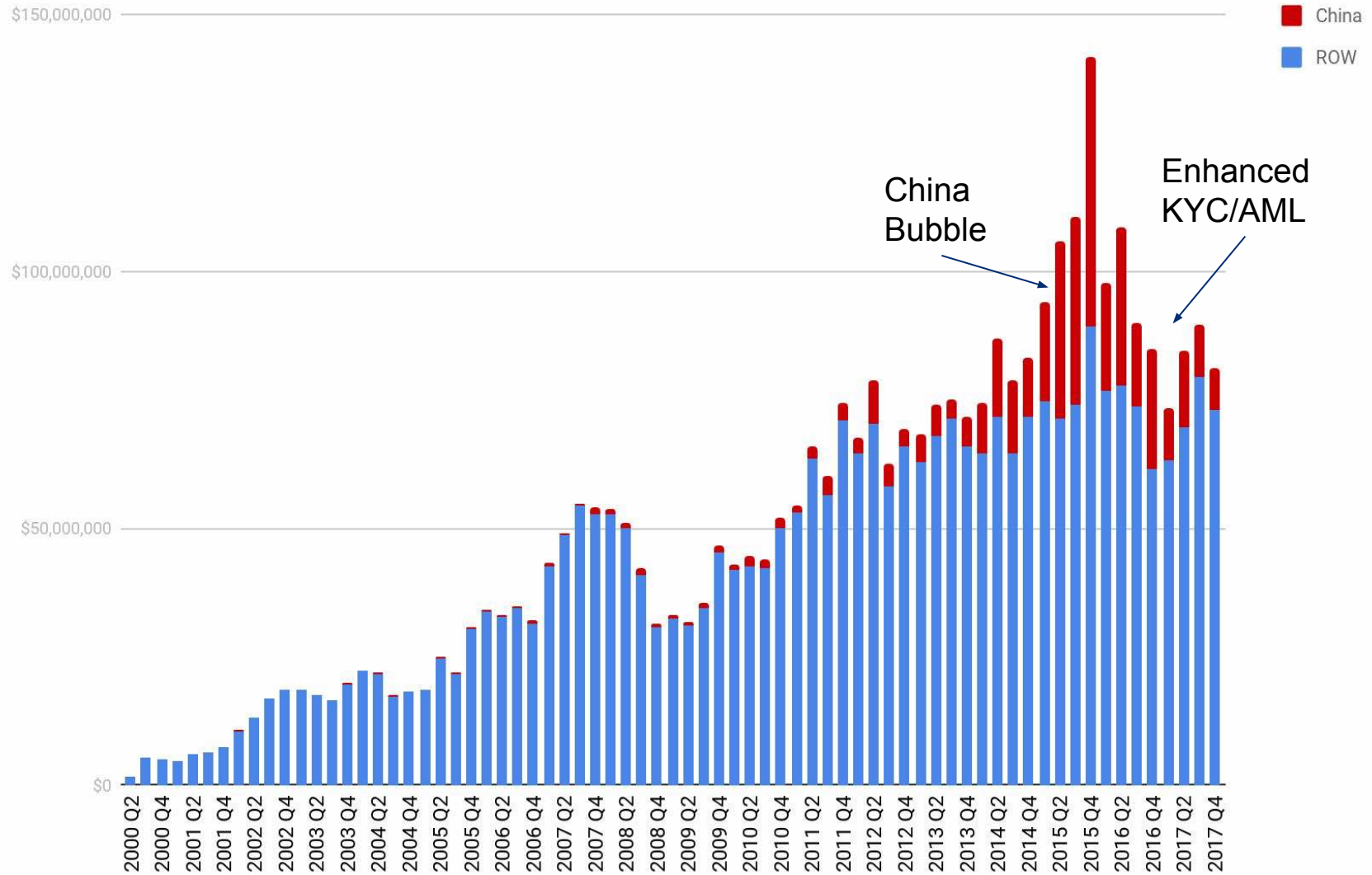
- **Hourly projects** - paid tracked hours up 26% 4Q17/3Q17 and 54% 4Q17/4Q16
- **Recruiter projects** - up 19% 4Q17/3Q17 and 30% 4Q17/4Q16
- **Mobile projects** - up 10% 4Q17/3Q17 and 56% 4Q17/4Q16

# Freelancer.com

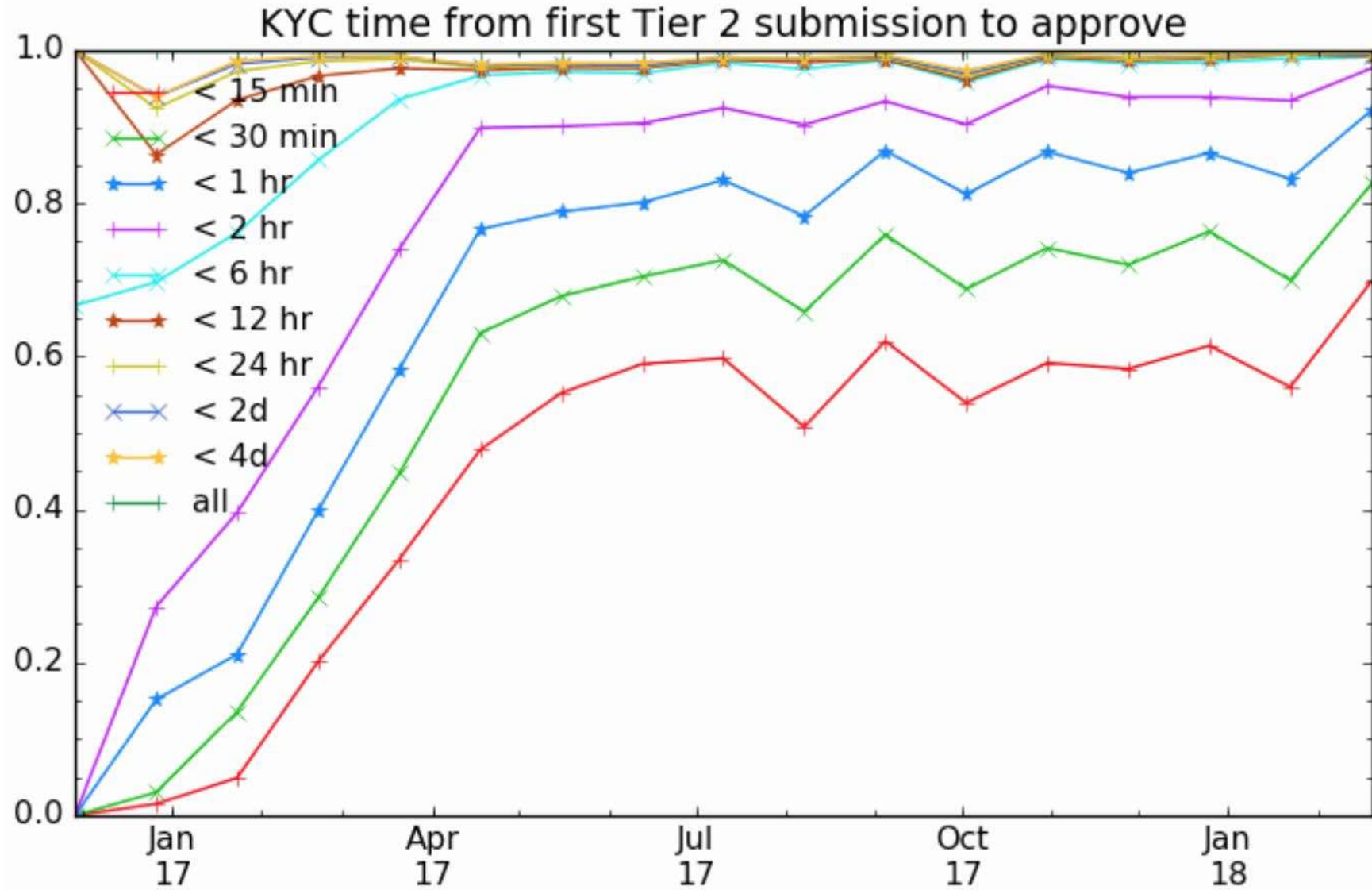
Freelancer.com revenue has been impacted by quality initiatives to improve customer feedback and retention

- **Membership fees** - were lowered as we deliberately tightened up the subscription funnels to ensure that only customers that would achieve tangible value from memberships subscribe.
- Additionally we cut back on the primary plan that we promoted from Professional (~\$44 per month) to Plus (~\$11 a month plan) to lift bid quality by cutting back on the number of spammy bids from freelancers (particularly through the trial period), and we focused on promoting monthly plans over annual plans to reduce chargeback ratios.
- **Upgrades** - we cut back on on the promotion for upgrades in certain parts of the funnel to improve the user experience.
- These two items were approximately a 5% drag in in revenue in FY17.
- **Refund Policy** - we improved the refund policy to increase the ease and scope for refunds to customers with the goal of lifting retention and user experience.
- All up, these changes have dropped the monetisation rate for Freelancer.com from 28.3% in FY16 to 27.5% in FY17 (note we erroneously reported this as 26.3% in 4Q17 4C).
- These quality improvements have seen our Trustpilot score has rise to 8.7 and ticket NPS to 63.
- **FX impact** was drag of 3% for revenue in FY17

Escrow.com GPV (US\$) by quarter



While improved KYC/AML churned volume, >70% of Tier 2 KYC submissions approved in 15 minutes, 90% in 1 hour



**Freelancer.com is changing  
the global dynamics  
in the marketplace for people**



# In a trillion dollar market



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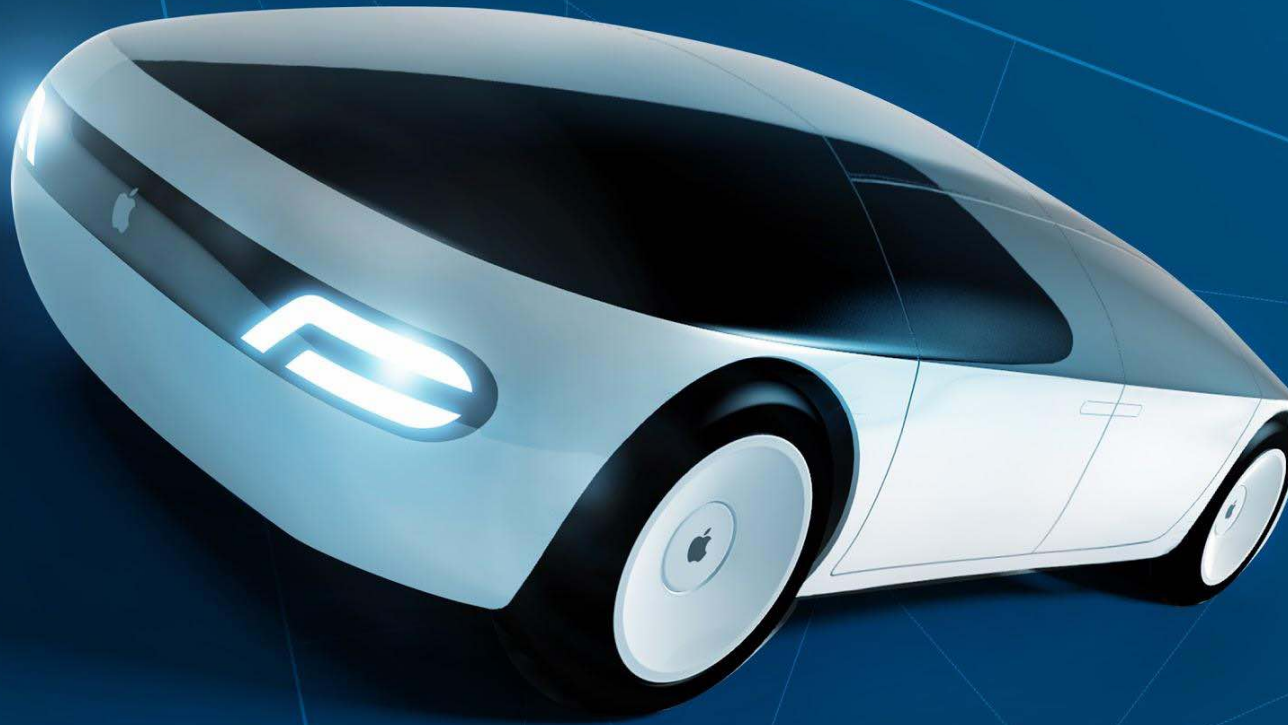
## The future of work is 5 billion customers looking for a good job

Posted Mar 8, 2016 by [David Nordfors \(@Dnordfors\)](#)



This **CAD Design** of the **rumored  
Apple Electric Car** cost

**\$1500**



**We help entrepreneurs  
build the future.**

We help small businesses, startups and entrepreneurs turn that  
spark of an idea into reality.



*Change Lives.*

## We continue to redefine the future of work.

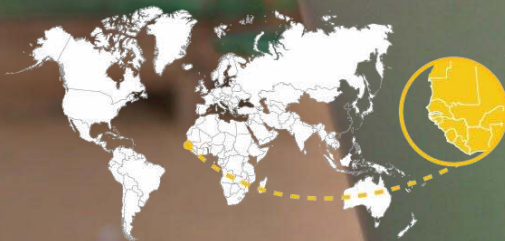
“Coming from a third-world country and the smallest in West Africa where opportunities are very limited, Freelancer.com has helped me expand globally by helping me make a living from something that I really have a passion for, design.”

**Sulayman Sanyang**

Video & Motion Graphics  
Banjul, Gambia



4.9/5.0 rating, 16 reviews







# Your idea brought to life in stunning visuals.

Small businesses and startups use our amazing freelancers to rapidly prototype products and build new businesses.



# Key financial highlights FY17

GPV \$588m (down 12%), Net Revenue \$50m (down 5%), Operating Cash Flow breakeven (\$0.6m)

A\$m, 31 December year end	FY17	FY16	Change
Gross Payment Volume <sup>1,2</sup>	\$587.5m	\$666.2m	-11.8%
Net Revenue <sup>1</sup>	\$50.3	\$52.7m	-4.6%
Gross Profit	\$44.1	\$45.6m	-3.3%
<i>Gross margin (%)<sup>3</sup></i>	87.5%	86%	<i>nm</i>
Operating EBITDA <sup>4</sup>	\$(3.7)m	\$0.5m	nm
Operating EBIT <sup>4</sup>	\$(4.4)m	\$(1.5)m	nm
Operating NPAT <sup>4</sup>	\$(3.8)m	\$0.1m	nm
Operating Cash Flow	\$(0.6)m	\$4.5m	nm
Cash balance	\$31.9m	\$34.8m	-8.3%

1. Net Revenue excluding Escrow.com for FY17 was \$43.9m (down 3% on pcp). GPV excluding Escrow.com for FY17 was \$159.4m (down .5% on pcp).

2. Gross Payment Volume (GPV) is calculated as the total payments to Freelancer and Escrow users for products and services transacted through the Freelancer and Escrow websites plus total Freelancer and Escrow revenue.

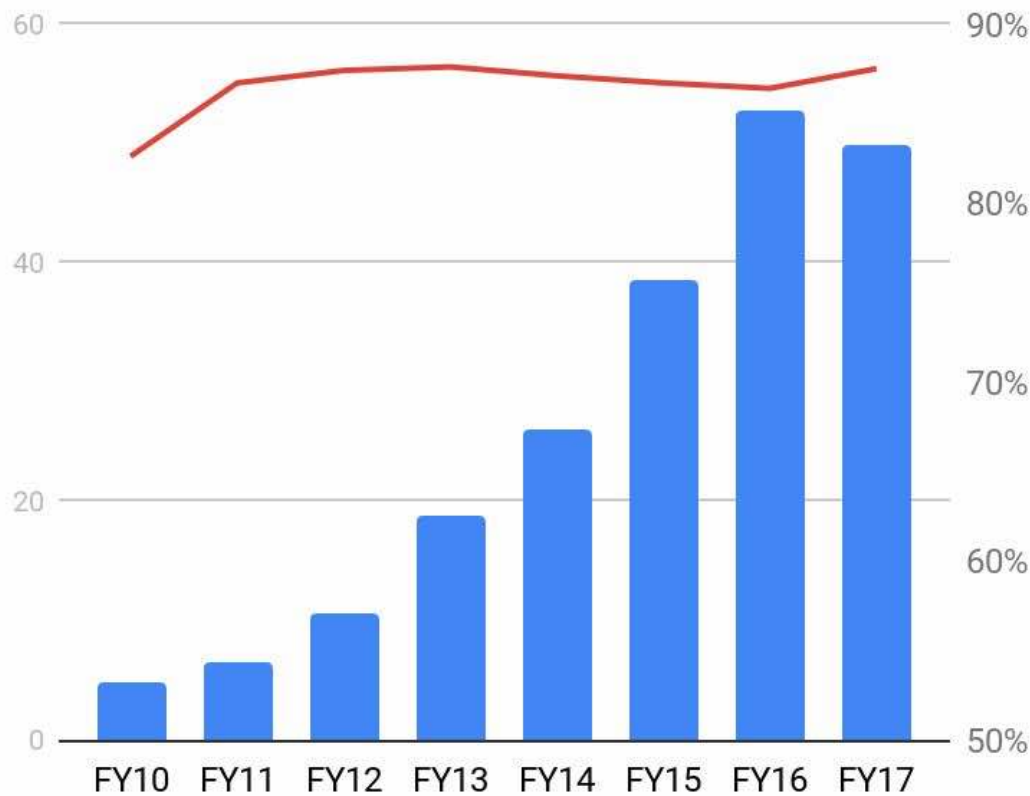
3. Gross margin % calculation excludes \$0.3m of proceeds from working capital adjustment on acquisition of Escrow.com, which is included in Net Revenue

4. Operating earnings are exclusive of non-cash share based payments expense of \$986k in FY17 and \$1,252k in FY16.

# Net Revenue

FY17 net revenue of \$50.3m (down 5% on pcp)

Net Revenue (A\$m) and Gross Margin (%)



Net revenue of \$50.3m, down 4.7% on FY16

- Freelancer revenue \$43.9m (pcp \$45.2m)
- Escrow revenue was \$6.1m (pcp \$7.6m)
- Includes \$0.3m of proceeds from working capital adjustment on acquisition of escrow.com

Revenue growth adversely impacted by:

- Drop in core desktop funnel driven by introduction of “1-click” funnel
- Initiatives to improve quality and NPS at expense of short term revenue impacts
- Drop in China volume for domain purchases in escrow
- Introduction of rigorous AML & KYC program in escrow resulted in increased friction and churn in volume
- FX drag of 3.0%

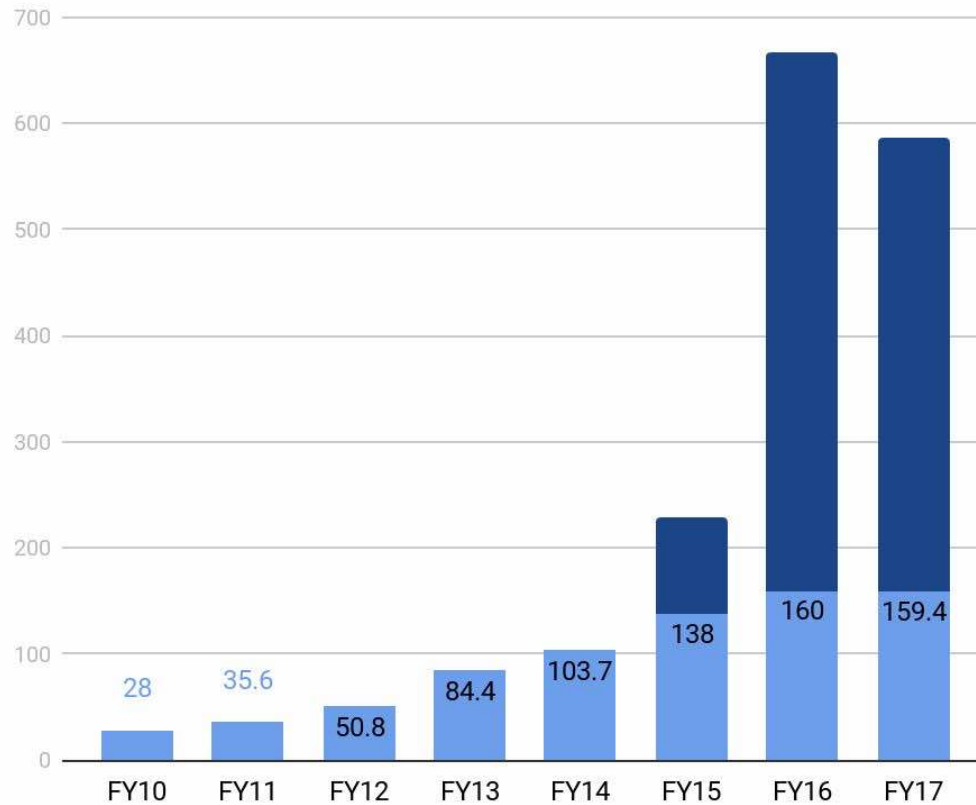
- Consistently high gross margins, ~87% since FY11

Revenue (A\$m)	4.7	6.5	10.6	18.8	26.1	38.6	52.7	50.3
Growth pcp	-	37%	64%	77%	39%	48%	37%	-5%
Gross margin	82.6%	86.7%	87.4%	87.6%	87.1%	86.7%	86.4%	87.5%

1. Average AUDUSD of 0.7674 (FY16: 0.7434)

# Gross Payment Volume (GPV)

Gross Payment Volume<sup>1</sup> of \$587.5m (down 12% on pcp)



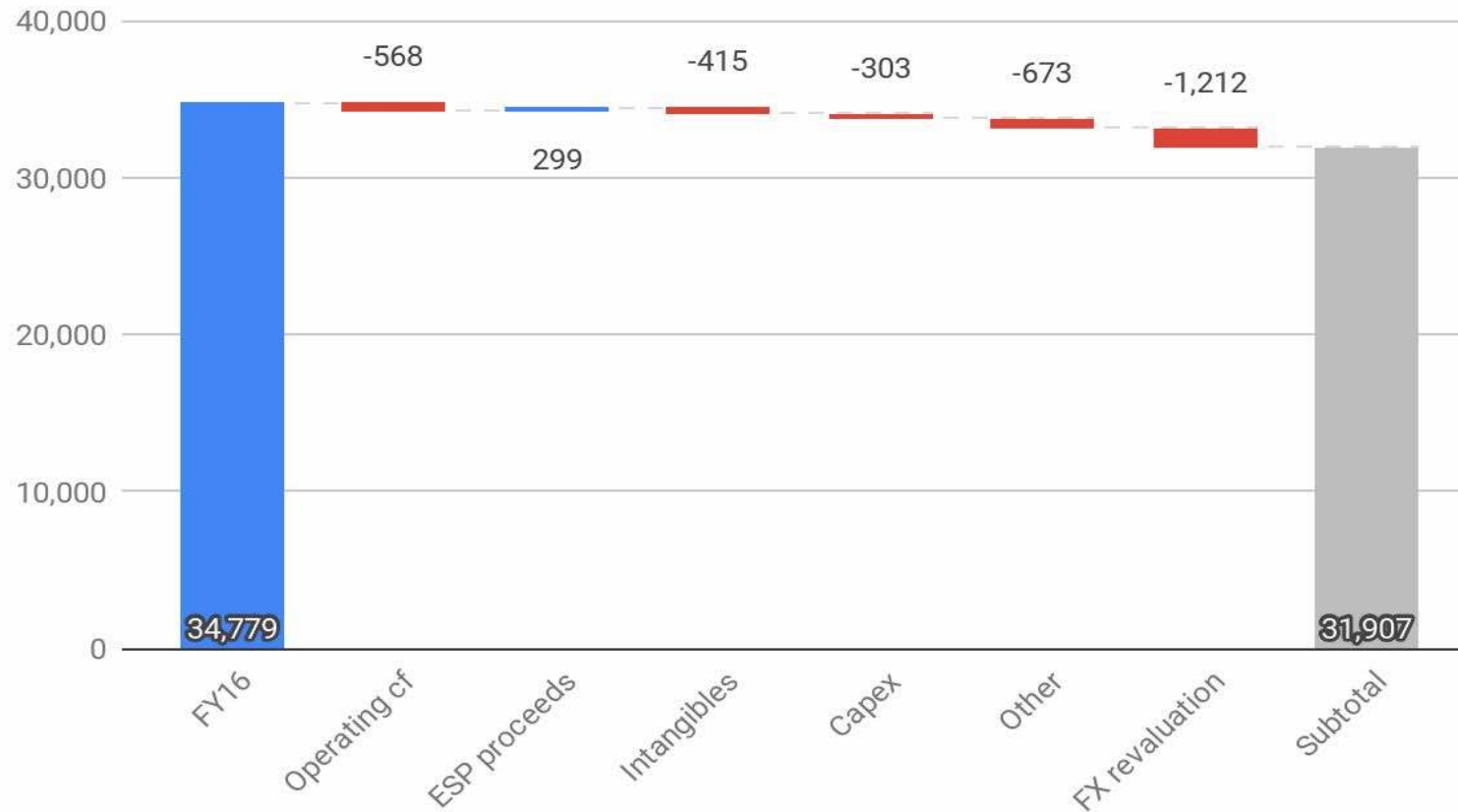
GPV (A\$m)	28.0	35.6	50.8	84.4	103.7	229.3	666.2	587.5
Growth pcp	-	27%	43%	66%	23%	120%	290%	-12%
Take rate <sup>2</sup>	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%	13.0%

- GPV of \$587.5m in FY17, down 12% on pcp
  - \$159.4m from Freelancer.com (27.5% M/R)
  - \$428.2m from Escrow.com (1.4% M/R)
- GPV adversely impacted by:
  - Drop in core desktop funnel driven by introduction of “1-click” funnel
  - Initiatives to improve quality and NPS at expense of short term revenue impacts
  - Drop in China volume for domain purchases in Escrow
  - Introduction of rigorous AML & KYC program in Escrow resulted in increased friction and churn in volume
  - FX drag of 3.0%
- Marketplace take rate remains at 13%
  - Commissions (3% for employers and 10% for freelancers) have remained unchanged

1. Gross Payment Volume (GPV) is calculated as the total payments to Freelancer or Escrow users for products and services transacted through the Freelancer or Escrow websites plus net Revenue. Based on Freelancer’s unaudited management accounts which have not been subject to an auditors review.  
 2. Take rate for the Marketplace segment is 3% employer commission and 10% freelancer commission, which has not changed since 2010.  
 3. Core Freelancer GPV of A\$159.4m. Escrow FY17 GPV of US\$329m,, average AUDUSD FX of 0.7674= A\$428.2m

# Cash flow profile FY17

Breakeven operating cashflow of -\$0.6m, cash balances at AU\$31.9m



- Total cash at period end of \$31.9m (down 8% on pcp)
- Operating cash flow includes \$1.7m of legal and regulatory outgoings, of which approximately \$0.7m are one off
- Other comprises increase in reserves to payment gateways
- -\$1.2m downward revaluation in cash balances due to ~8% appreciation in AUD/USD fx rate from Dec 16
- Small contributions arising from repayment of ESP loans



# Summary profit & loss statement FY17

Operating EBITDA and NPAT impacted by one off compliance and legal costs associated with financial licenses

(A\$m) 31 Dec y/e	FY17 Actual	FY16 Actual	Change
<b>Net Revenue</b>	<b>50.3</b>	<b>52.7</b>	-5%
<b>Gross Profit</b>	<b>44.1</b>	<b>45.6</b>	-3%
<i>Gross margin (%)</i> <sup>3</sup>	87.5%	86.4%	nm
Employee expenses	(22.0)	(21.8)	1%
Administrative expenses	(12.4)	(10.0)	24%
Marketing related expenses	(9.8)	(9.4)	4%
Occupancy costs	(2.8)	(2.9)	-5%
FX gains / (losses)	(0.8)	(0.9)	nm
Share based payments expense	(1.0)	(1.2)	nm
<b>EBITDA</b> <sup>2</sup>	<b>(4.7)</b>	<b>(0.7)</b>	nm
<b>EBIT</b>	<b>(5.4)</b>	<b>(1.5)</b>	nm
<b>NPAT</b>	<b>(4.8)</b>	<b>(1.2)</b>	nm
<b>Excluding share based payments expense</b> <sup>1</sup>			
<b>EBITDA</b> <sup>2</sup>	<b>(3.7)</b>	<b>0.5</b>	nm
<b>EBIT</b>	<b>(4.4)</b>	<b>(0.3)</b>	nm
<b>NPAT</b>	<b>(3.8)</b>	<b>0.1</b>	nm

- Decline in revenue of 5% on pcp
- Improved gross margins
- Cost control on all major expense lines has kept expenses flat with FY16, will provide operating leverage with rising revenue
- Administrative expenses up 24% on pcp principally due to regulatory, legal and compliance costs associated with money transmission and escrow licence applications, including one -offs
  - Regulatory, legal and compliance costs were \$2.7 million vs \$0.8 million in FY16
  - One-off regulatory penalties of \$1.1m (inclusive of \$0.9m in provisions) cleaning up historical Escrow operations prior to licensing
- 474 FTEs at year end (down 6% on FY16)
- Cost optimisation drove expenses in Q4 for product, advertising

# Summary balance sheet FY17

Strong balance sheet, no net debt

(A\$m) 31 Dec y/e	FY17 Actual	FY16 Actual	Change
Cash and cash equivalents	31.9	34.8	-8%
Trade and other receivables	3.9	4.4	-10%
Other assets	1.5	1.6	nm
Plant and equipment	0.9	1.3	nm
Intangibles	26.4	25.7	3%
Deferred tax assets	4.0	3.3	nm
<b>Total assets</b>	<b>68.6</b>	<b>71.1</b>	<b>-3%</b>
Trade and other payables	33.0	32.7	1%
Other liabilities	3.7	3.0	nm
<b>Total liabilities</b>	<b>36.7</b>	<b>35.7</b>	<b>3%</b>
<b>Net assets</b>	<b>31.9</b>	<b>35.4</b>	<b>-10%</b>
Contributed equity	38.0	37.8	nm
Reserves	3.4	2.4	nm
Retained earnings	(9.5)	(4.8)	nm
<b>Total equity</b>	<b>31.9</b>	<b>35.4</b>	<b>-10%</b>

- Total cash at period end of \$31.9m, no net debt
- Escrow.com additionally holds approximately \$32 million in cash, in trust, off balance sheet
- Trade and other receivables includes receivables from various payment gateways in relation to partially completed transactions
- Trade and other payables includes user obligations (user balances and milestone payments held on balance sheet)
- Increase in intangibles predominantly relates to domain names acquired



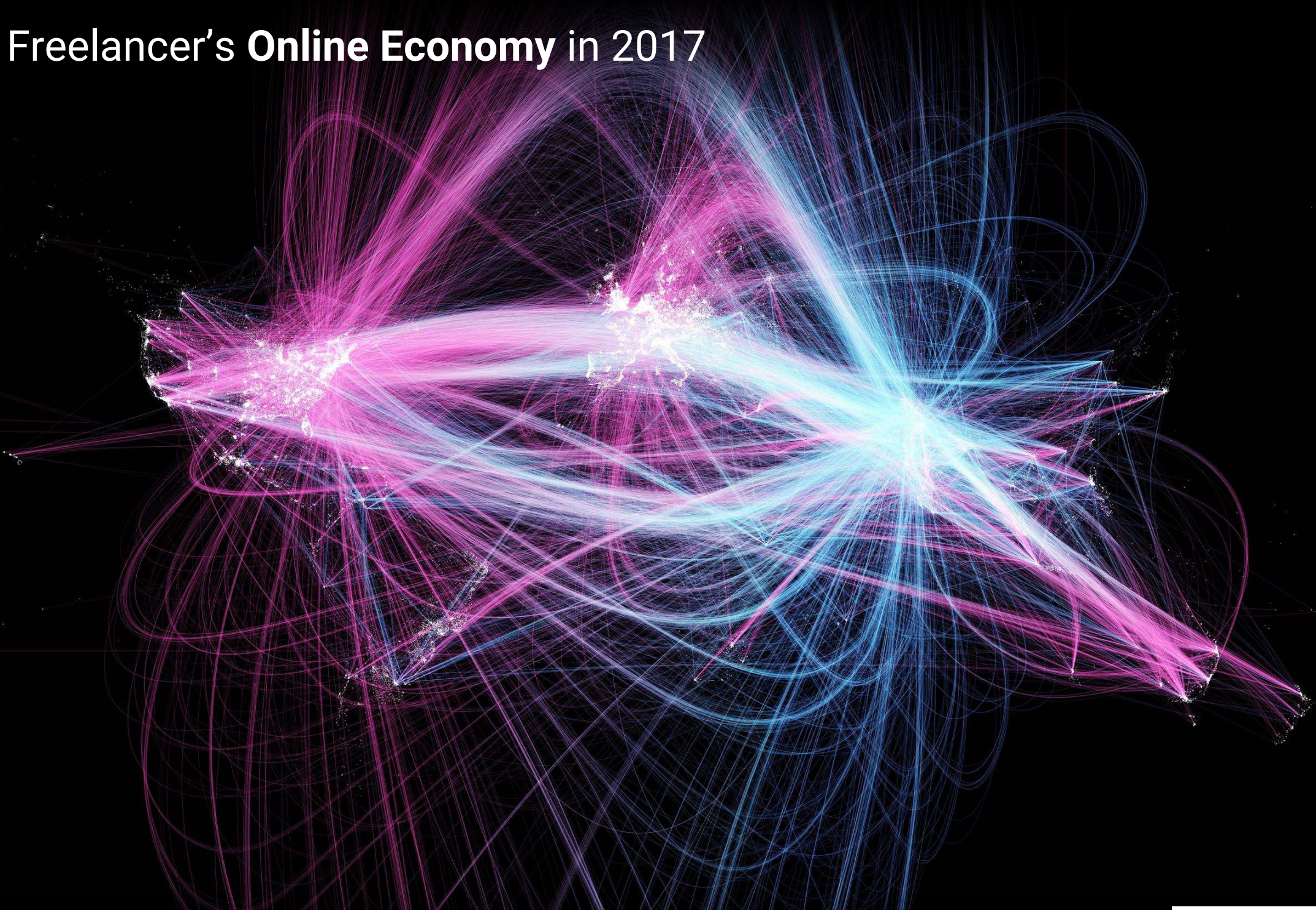


Freelancer Limited

**COMPANY**



# Freelancer's Online Economy in 2017



**Note: Sample of projects awarded in 2017.** The pink lines indicate where projects are being posted by employers, and the blue lines indicate where the projects are being performed by freelancers. Thicker lines indicate a higher volume of work. White dots indicate the location of Freelancer's users. Edges are sampled data from awarded projects in the period indicated.



# Freelancer's Online Economy in 2017 – USA



**Note: Sample of projects awarded in 2017.** The pink lines indicate where projects are being posted by employers, and the blue lines indicate where the projects are being performed by freelancers. Thicker lines indicate a higher volume of work. White dots indicate the location of Freelancer's users. Edges are sampled data from awarded projects in the period indicated.



# Freelancer's Online Economy in 2017 – Europe



**Note: Sample of projects awarded in 2017.** The pink lines indicate where projects are being posted by employers, and the blue lines indicate where the projects are being performed by freelancers. Thicker lines indicate a higher volume of work. White dots indicate the location of Freelancer's users. Edges are sampled data from awarded projects in the period indicated.



# Freelancer's Online Economy in 2017 – Australia



**Note: Sample of projects awarded in 2017.** The pink lines indicate where projects are being posted by employers, and the blue lines indicate where the projects are being performed by freelancers. Thicker lines indicate a higher volume of work. White dots indicate the location of Freelancer's users. Edges are sampled data from awarded projects in the period indicated.



# Freelancer's Online Economy in 2017 – India



**Note: Sample of projects awarded in 2017.** The pink lines indicate where projects are being posted by employers, and the blue lines indicate where the projects are being performed by freelancers. Thicker lines indicate a higher volume of work. White dots indicate the location of Freelancer's users. Edges are sampled data from awarded projects in the period indicated.



# 53

## Regional Websites

# 34

## Supported Languages

# 39

## Supported Currencies

### North America

- US (International)
- Canada
- Jamaica

### Africa

- South Africa
- Kenya

### Europe

- United Kingdom
- European Union
- France
- Germany
- Greece
- Portugal
- Spain
- Czech Republic
- Sweden
- Iceland
- Ireland
- Italy
- Netherlands
- Turkey
- Poland
- Romania
- Russia
- Ukraine
- Norway
- Hungary
- Finland
- Denmark
- Albania
- Slovenia

### Asia Pacific

- Australia
- New Zealand
- Hong Kong
- Bangladesh
- India
- Indonesia
- Japan
- Korea, Republic of
- Malaysia
- Pakistan
- Philippines
- P.R. China
- Singapore
- Thailand
- Vietnam

### Latin America

- Argentina
- Brazil
- Chile
- Colombia
- Ecuador
- Mexico
- Peru
- Uruguay

### Languages

- Afrikaans
- Bahasa Indonesia
- Bahasa Malaysia
- বাংলা
- Català
- Čeština
- Dansk
- Deutsch
- ελληνικά
- English
- Español
- Suomi
- Filipino
- Français
- हिन्द
- Magyar
- Italiano
- 日本語
- 한국어
- Norsk-Bokmål
- Nederlands
- Polski
- Português
- Română
- русский язык
- Shqip
- Slovene
- Svenska
- Kiswahili
- Thai
- Türkçe
- Tiếng Việt
- українська мова
- 中文(简体)

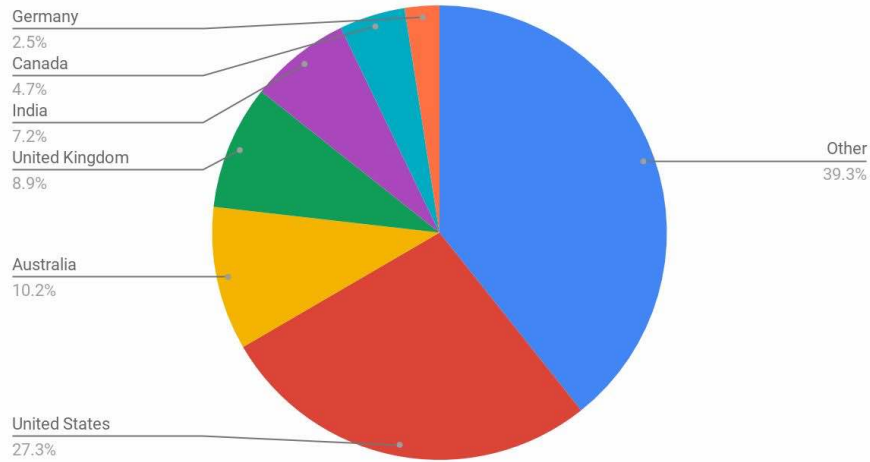
### Currencies

- USD
- NZD
- AUD
- GBP
- HKD
- SGD
- PHP
- EUR
- CAD
- ZAR
- INR
- JMD
- CLP
- MXN
- IDR
- MYR
- SEK
- JPY
- PLN
- BRL
- CNY
- DKK
- VND
- AED
- ARS
- BDT
- COP
- PKR
- CHF
- HUF
- ILS
- KRW
- NOK
- QAR
- RON
- RUB
- SAR
- THB
- TRY

# Marketplace dynamics FY17

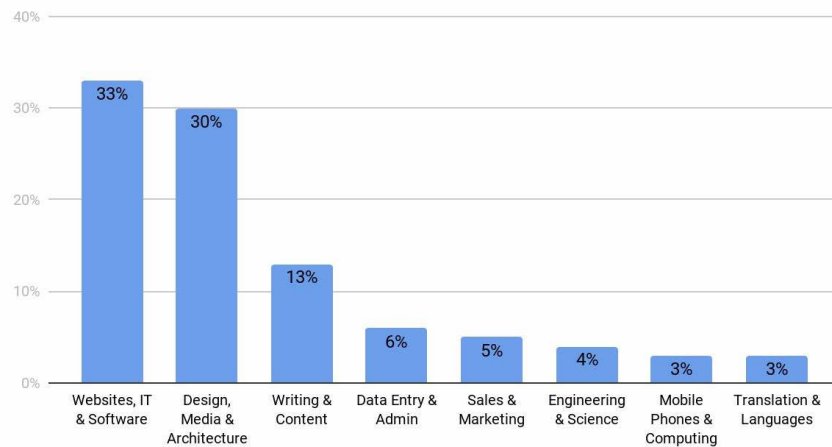
“Every job, every country, every language, every currency, at any time”

Top countries by completed projects in FY17 (%)

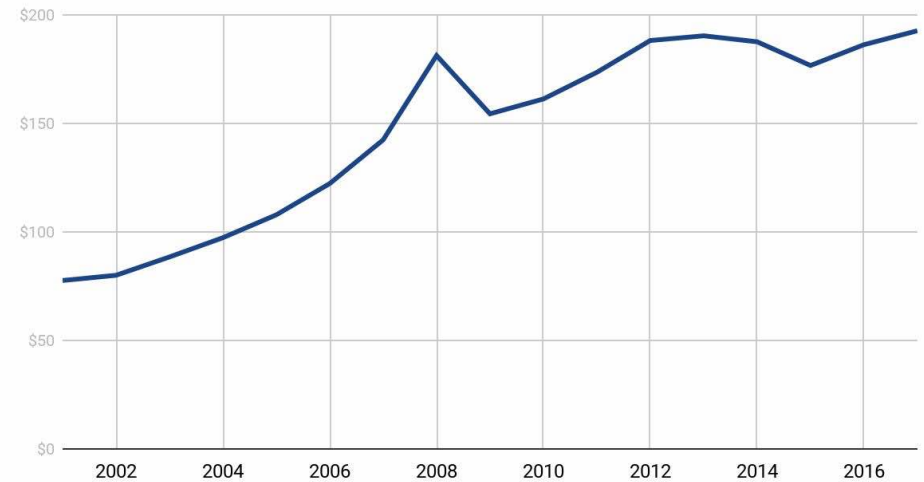


- Over 1,000 job categories as diverse as Aerospace Engineering, Biotechnology, Sales, Manufacturing, Mechanical Engineering
- Complexity & sophistication growing each year
- Average completed project US\$193 in FY17<sup>3</sup>

Top categories by completed projects FY17 (%)



Average Completed Project Size (US\$)



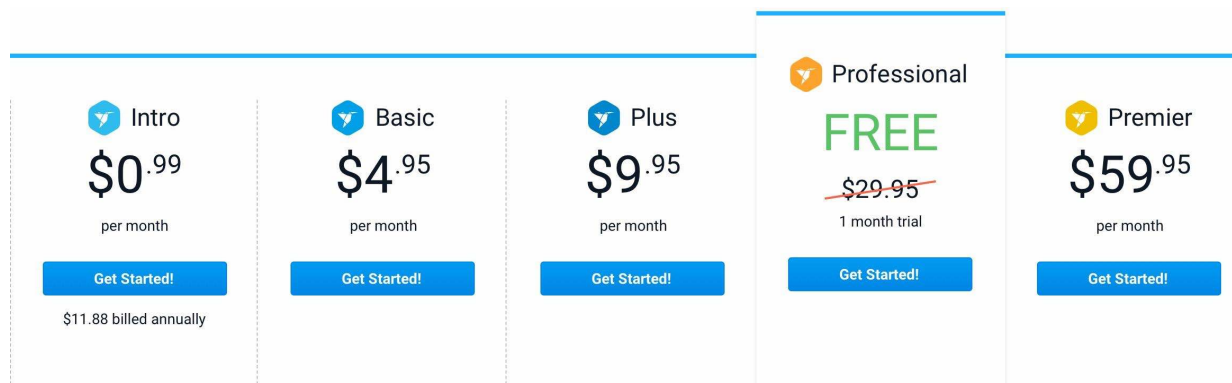
1. Based on the number of completed projects that were posted in FY17.  
2. Based on the value of project payments for projects that were posted in FY17.  
3. Average amount paid per awarded project



# Revenue Model

Freelancer's revenue is driven by users posting jobs – as a project or a contest

- For employers it's **free** to post a project, **free** to review bids, **free** to talk and review samples
  - **3%** project commissions paid by employers when a project is awarded and accepted
- For freelancers it's **free** to view projects posted, **free** to bid on projects, **free** to talk to employers and provide samples of work
  - **10%** project commissions paid by freelancers when a project is awarded and accepted
- Membership plans range from US\$0.99 to US\$59.95 a month, and provide additional features and benefits including increased bid limits, eligibility for preferred freelancer and high value project bidding.



- Other value added services include project upgrades, crowdsourcing contests and upgrades, bid upgrades, transaction fees, certification fees and advertising

# 3D design for an office

✓ COMPLETED

BUDGET \$30-250 USD

Freelancer > Jobs > 3D Modelling > 3D design for an office

AN 8x4 office , needs 3d design with rendering.

**Skills:** 3D Modelling, 3D Rendering, Building Architecture, Interior Design

**See more:** interior design 3 d rendering service company, d rendering interior design, d rendering for interior design, d rendering companies, d rendering cheap, d rendering cape town, d rendering buildings, d rendering architecture, d rendering architecture malaysia, d rendering animation design, d rendering and animation services, d plans for office design, d modelling design, d modelling contest, d modelling architecture, d modelling and autocad, d modelling and animation, d modelling 3d design, d modelling 3d animation 3d rendering 3ds max 3d design,, d modelling 3d animation 3d rendering 3ds max 3d design, d mechanical modelling, d max modelling, d jewellery modelling, d event modelling service, d do

**About the Employer:**

5.0 ★★★★★ ( 1 review ) Saudi Arabia

Project ID: #12663042

Looking to make some money?

✓ PROJECT COMPLETED

Your email address

Apply for similar jobs

- ✓ Set your budget and timeframe
- ✓ Outline your proposal
- ✓ Get paid for your work
- ✓ It's free to sign up and bid on jobs

🏆 Awarded to:



**rajdesigner7031** 🇮🇳

Hi, I am Raj Gautam, Architect. My specialization in 3D Architectural . I have 11 years Experience, I offer you 3D Photo realistic rendering quality service. Please visit my 3D (Commercial/Building-Office) Exterio [ More ]

\$88 USD in 4 days

4.5 ★★★★★ (40 Reviews)  
6.1 🟢🟢🟢🟢🟢

77 freelancers are bidding on average \$163 for this job



**dreams3ds** 🇪🇸

Hello, We have reviewed your project brief and are interested in working with you. This project is

\$250 USD in 3 days

5.0 ★★★★★ (342 Reviews)  
8.9 🟢🟢🟢🟢🟢

Post a project like this

## Similar jobs

- ▶ Looking for interior designers and architects (₹37500-75000 INR)
- ▶ interior design (\$750-1500 USD)
- ▶ Design project (Rp100000-300000 IDR)
- ▶ Need a 3D modeling of building with floor plan,,, 2 apartments, shopping mall, parking needs to be modeled ... ASAP (\$30-250 USD)
- ▶ I need custom event designer to design special events and weddings (\$30-250 USD)

< Previous Job

Next Job >



**3D design for an office**  
By rajdesigner7031

\$88.00 USD



CLOSED



# Chocolate package (front) design

€100 EUR

Description

Entries

**Louise C.**  
Entry #49

★★★★★

👍 0

## A winner has been chosen!

With 54 entries from 26 freelancers, this employer had the work done for €100 in 5 days.

Post a Contest like this

54 Total Entries

View: (54)

All Entries

Sort by:

Default

#49 by Louise C.

★★★★★

👍 0

#48 by Louise C. 🔒

★★★★★

👍 1

#42 by Louise C. 🔒

★★★★★

👍 1

#32 by Louise C. 🔒

★★★★★

👍 1

#15 by Louise C. 🔒

#35 by Mihai B.

#43 by ghieizact

#40 by Kelvin Ng

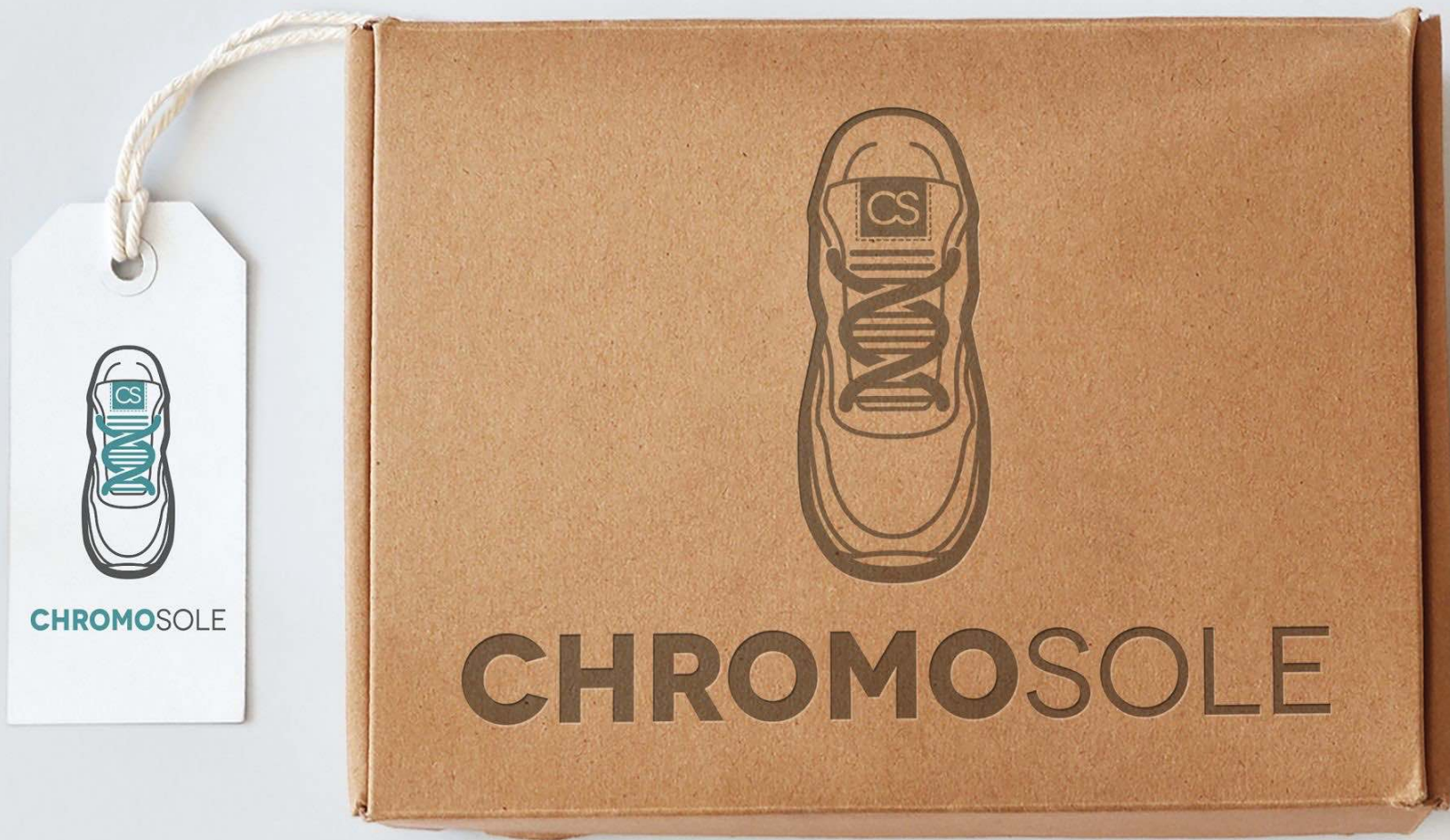




This Packaging Design cost

**€100**





# BEARDS of BARAKAH



This Label Design cost

**£10**





Calpain Painters  
\$40/hour  
Free in 2 days

Gordon Painters  
\$45/hour  
Free in 6 days

Paint and paint  
\$60/hour  
Free in 10 days

Free in 12 days

9:41 AM  
TRADIZ  
100%

YAMUNA VIHAR  
AUJPUR  
BABARPUR  
DILSHAD GARDEN

Richard Painter  
\$30/hour  
5km  
Free now

9:41 AM  
TRADIZ  
100%

Search  
Rank  
Rate  
Availability  
Distance

Richard Painter  
\$30/hour

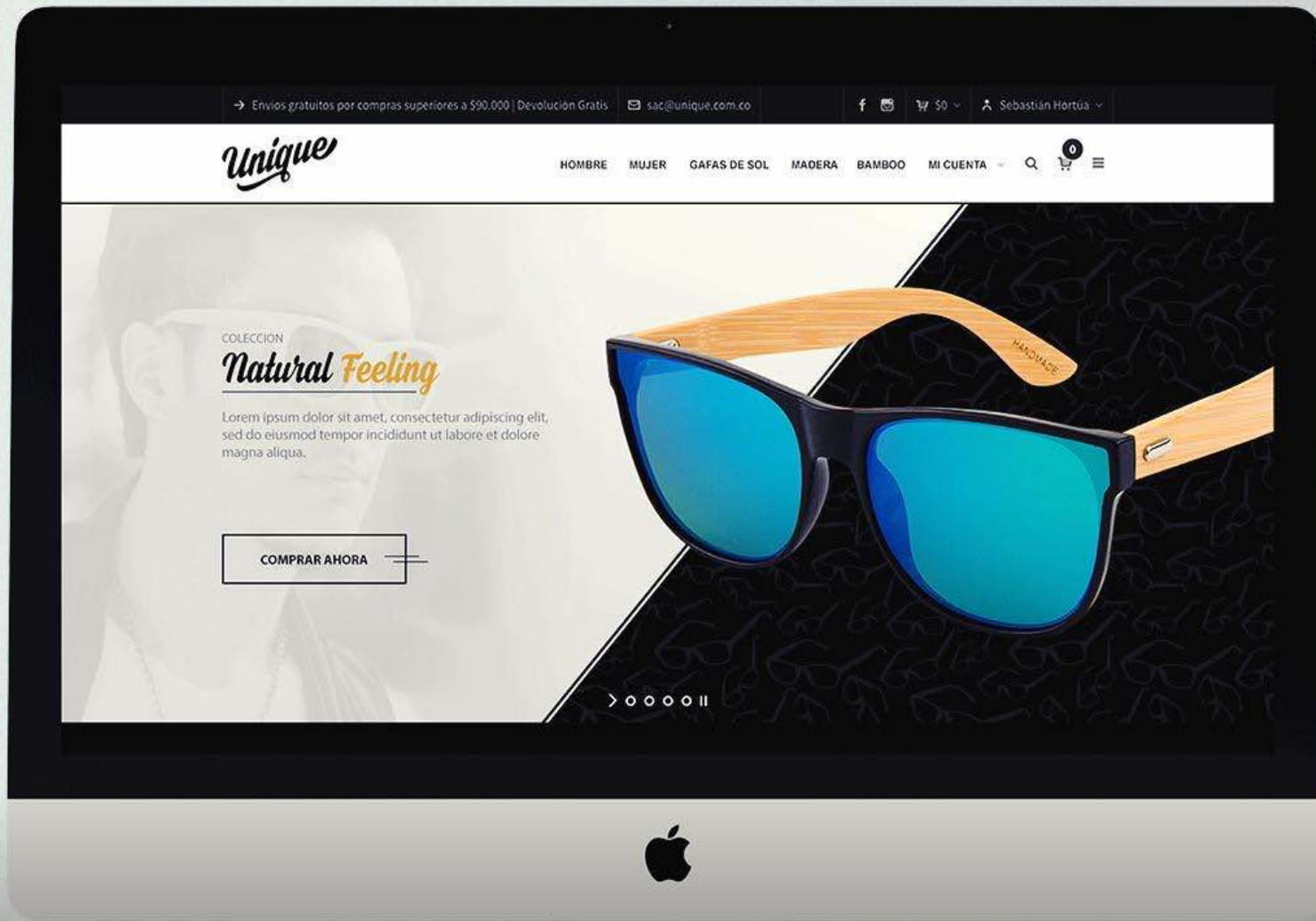
Jim Alteris  
\$35/hour  
Free now

Calpain Painters  
\$40/hour  
Free in 2 days

Paint and paint  
\$45/hour  
Free in 6 days

This Mobile App Design cost **\$30**





→ Envios gratuitos por compras superiores a \$90.000 | Devolucion Gratis | sac@unique.com.co | f | Instagram | \$0 | Sebastián Hortúa

Unique

HOMBRE MUJER GAFAS DE SOL MADERA BAMBOO MI CUENTA

COLECCION  
*Natural Feeling*

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua.

COMPRAR AHORA

> ○ ○ ○ ○ ○ ||









This 3D Model cost

**£100**

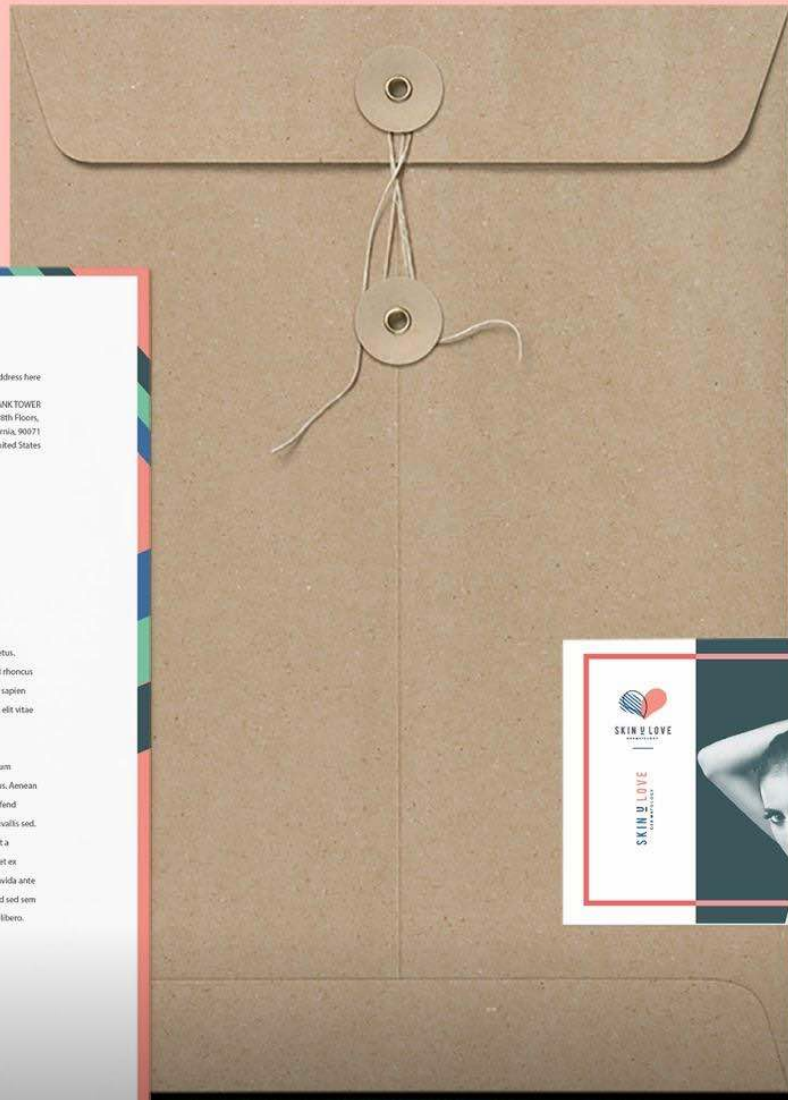




freelancer

This 3D Model cost

**£108**



This Branding cost

**\$500**





This Poster Design cost

**\$10**





This Menu Poster cost

**€35**





This Packaging Design cost

**€240**



First Floor

Ground Floor

Garage



This Architectural Design cost

**\$1613**



# NASA Challenge: Develop 3D Models for Robonaut S...

\$50 USD

Description Entries

121 Total Entries

View: (121) All Entries Sort by: Default

#59 by Miguel G.

★★★★★ 5

#130 by Balazs S.

★★★★★ 2

#63 by Nicolas G.

★★★★★ 2

#115 by Elena I.

★★★★★ 1

#87 by James C.

★★★★★ 1

#77 by Alexander B.

★★★★★ 1

#75 by Petar I.

★★★★★ 1

#57 by Jefferson B.

★★★★★ 1

#113 by Query O.

#85 by Diego Andres M.

#76 by marcosfernandezv

#67 by farbodpm



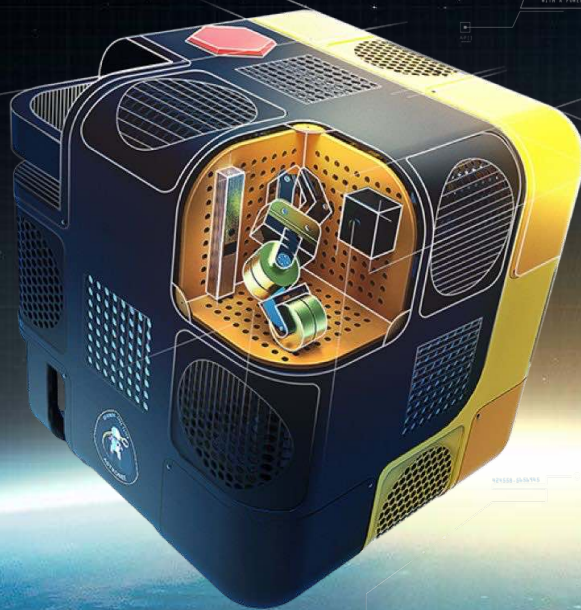
NASA got this 3D CAD Model for

**\$50**



# We push the boundaries of human innovation

The NASA Tournament Lab and Freelancer have teamed up to help crowdsource solutions to the most complex problems being faced by astronauts on the cutting edge of space exploration.



**4487** FREELANCERS PARTICIPATING

**126** COUNTRIES PARTICIPATING

**7666** ENTRIES TO DATE





### pufutama

Illustrator | 2D Animator | Concept Artist

Passionate award winning Director and Animator, with strong ability to translate from written descriptions or early concepts into more refined Illustrations, 2D Animations, as well as App and Game Assets.

My specialities include, but are not limited to, the following:

- 2D & 2.5D Animation & Motion Graphics
- Background Design
- Character Design
- Concept Design
- Cartoon
- Drawing
- Illustration
- Storyboard
- Portrait Painting
- Photo Editing & Manipulation
- Pre-production & Post Production

Hire Me

\$25 USD/hr

4.8 ★★★★★ 59 reviews

6.3 \$ ██████████

89% Jobs Completed

100% On Budget

91% On Time

23% Repeat Hire Rate

@pufutama



Bandung, Indonesia 8am

Member since January 6, 2014

9 Recommendations

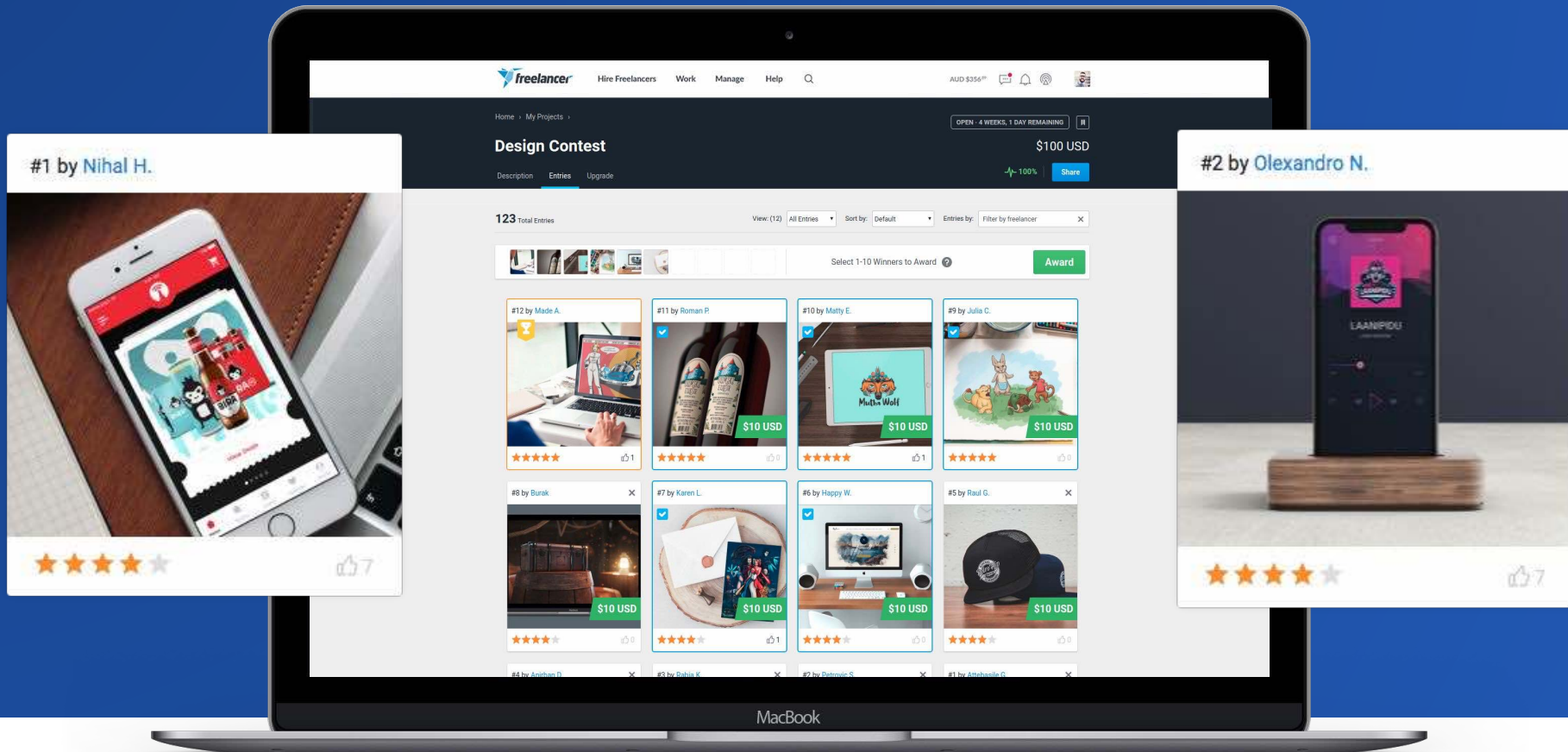
Freelancer > Freelancers in Indonesia > Illustrators > pufutama

### Portfolio





# Contests



Get the perfect design by crowdsourcing your ideas

90 entries per contest on average

62% of contests receive an entry in  
an hour

Easily buy all your favorite entries  
at once

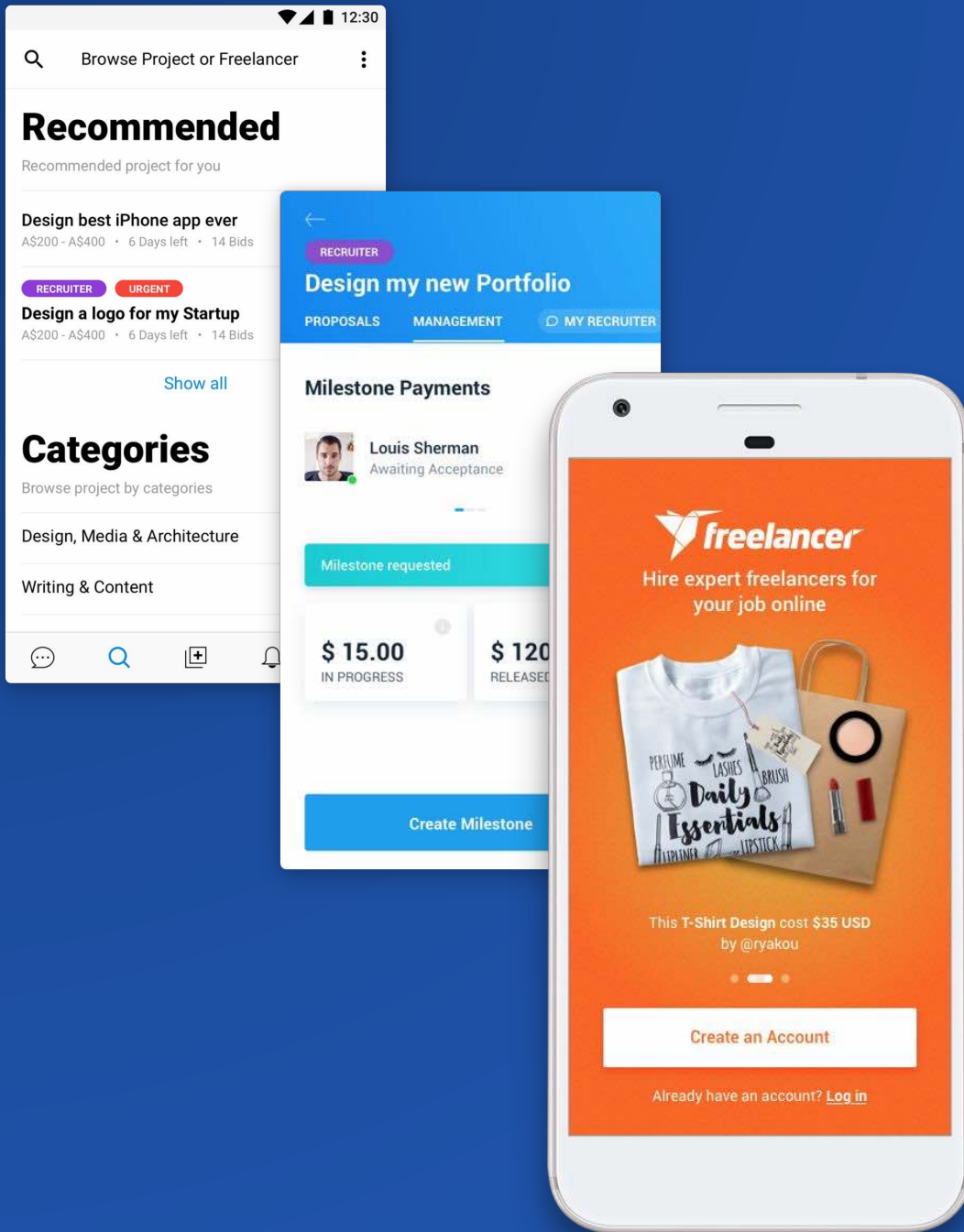
# Mobile

Stay productive on the go with Freelancer in your pocket

119% growth YoY milestones posted from mobile

Android application translated into Chinese and published in the Huawei app store

20% of good projects on average are now from mobile





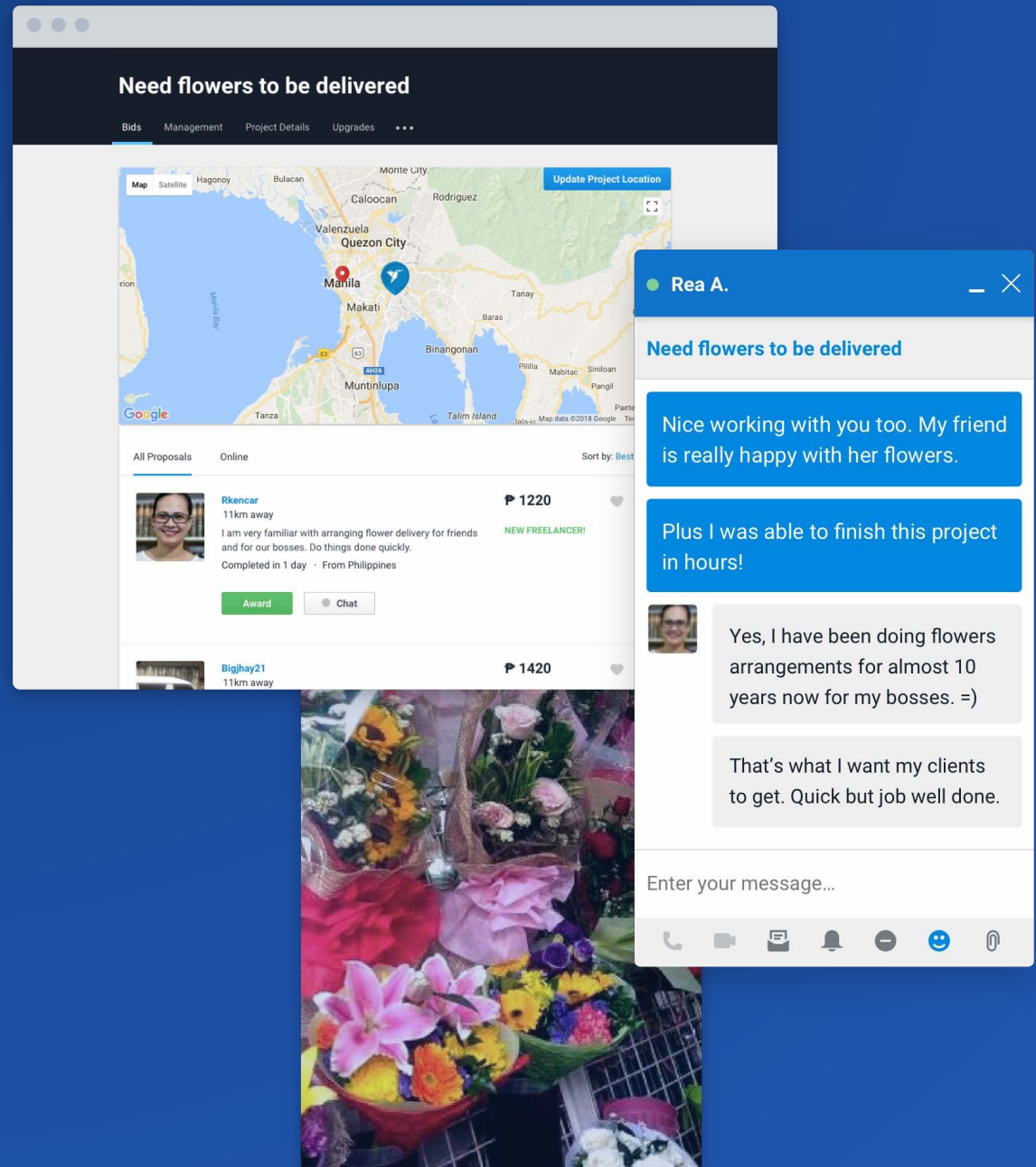
# Local Jobs

Find people in your area to help you

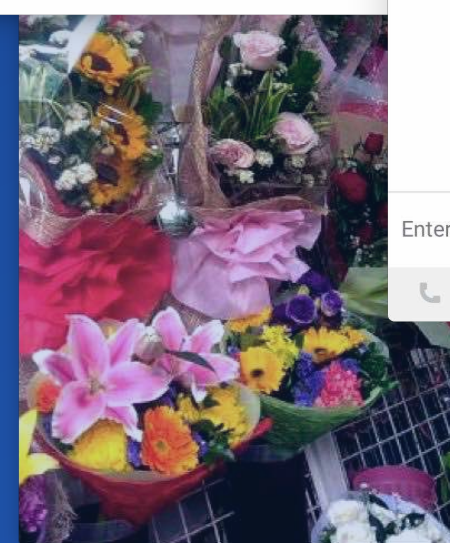
Find a freelancer with a skill and a location, anywhere in the world.

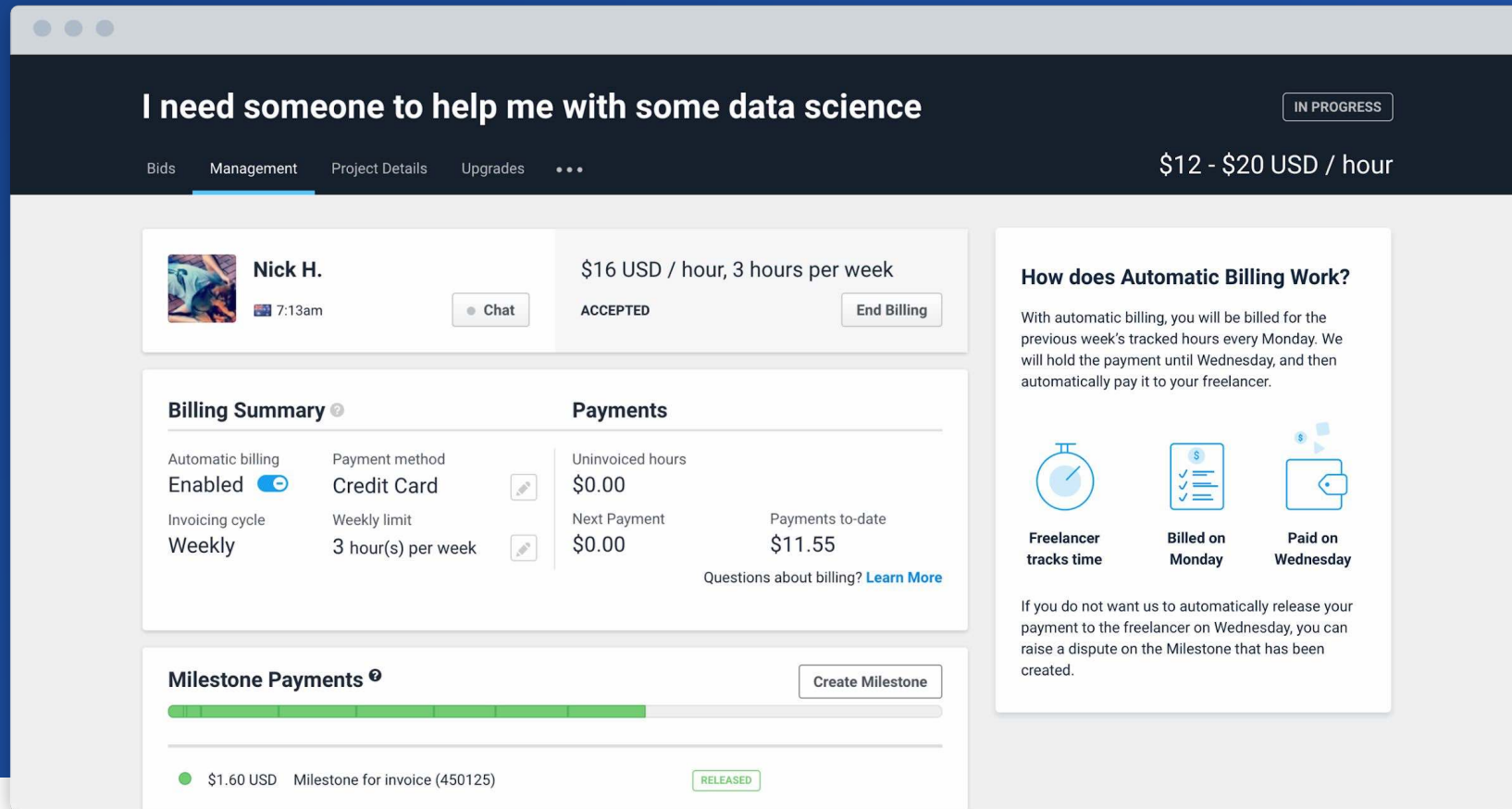
Average time to first bid reduced to 15 minutes. Globally.

Local jobs on average receive 5 bids. Globally.



The image shows a screenshot of a Freelancer project page titled "Need flowers to be delivered". The page includes a map of Manila, Philippines, with a location pin and an "Update Project Location" button. Below the map, there are two proposals from freelancers: "Rkencar" (11km away, 1220 bids) and "Bigghay21" (11km away, 1420 bids). A chat window is overlaid on the right, showing a conversation between "Rea A." and a freelancer. The chat messages are: "Nice working with you too. My friend is really happy with her flowers.", "Plus I was able to finish this project in hours!", "Yes, I have been doing flowers arrangements for almost 10 years now for my bosses. =)", and "That's what I want my clients to get. Quick but job well done." The chat window also includes a text input field and various communication icons.





## Building better tools for employers and freelancers to work together

We built a more intuitive hourly billing system

Hours paid through automatic billing grew 54% YoY

70% of hourly projects set up automatic billing



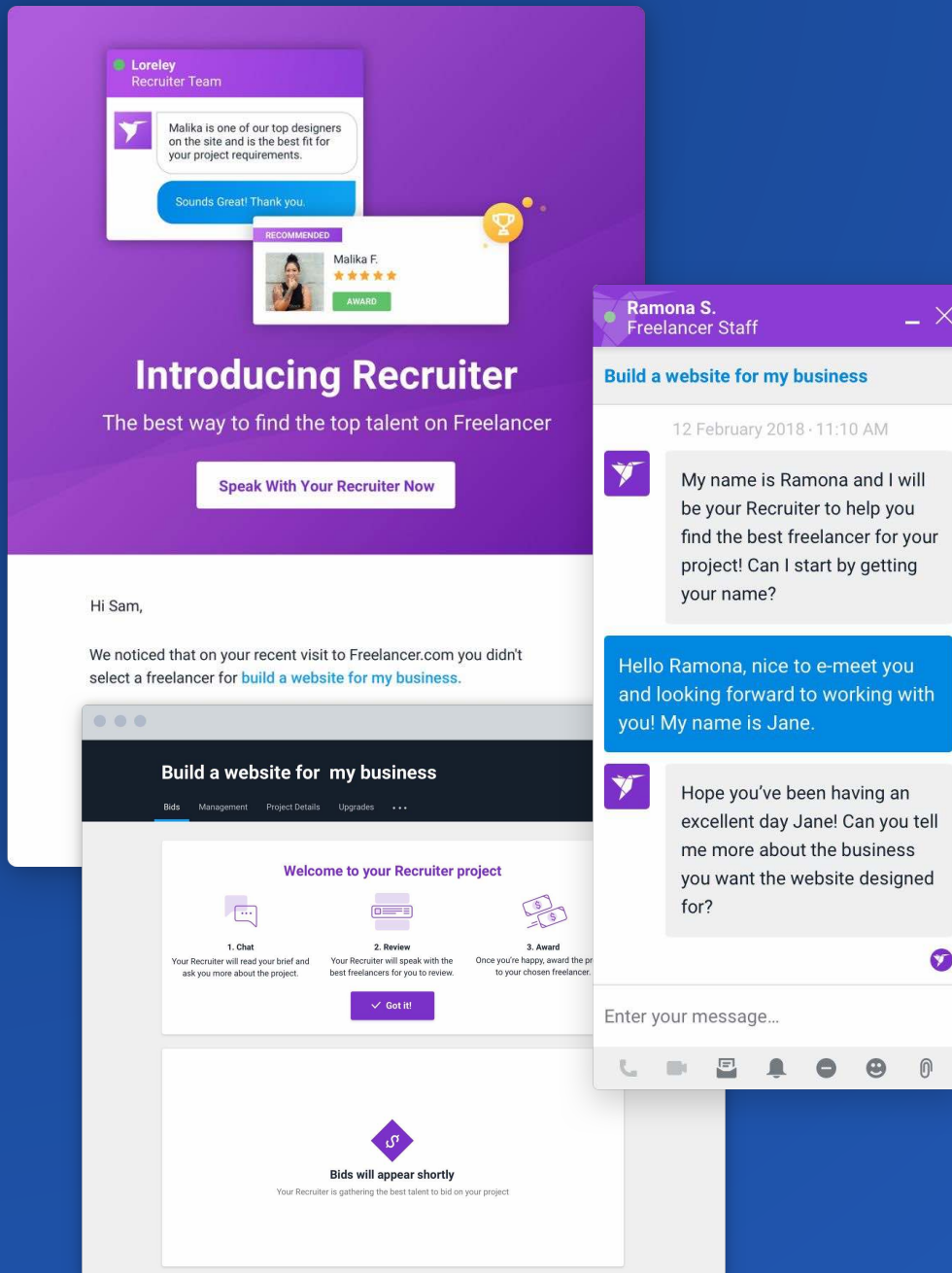
# Recruiter

Leave the hard work of finding the perfect freelancer to an expert

Source the top 1% of Freelancers easily

The fastest way to find top talent on Freelancer.com

71% 2H17 growth in Recruiter project volume



**Loreley**  
Recruiter Team

Malika is one of our top designers on the site and is the best fit for your project requirements.

Sounds Great! Thank you.

RECOMMENDED

Malika F.  
★★★★★  
AWARD

## Introducing Recruiter

The best way to find the top talent on Freelancer

Speak With Your Recruiter Now

Hi Sam,

We noticed that on your recent visit to Freelancer.com you didn't select a freelancer for [build a website for my business](#).

### Build a website for my business

Bids Management Project Details Upgrades ...

#### Welcome to your Recruiter project

- 1. Chat**  
Your Recruiter will read your brief and ask you more about the project.
- 2. Review**  
Your Recruiter will speak with the best freelancers for you to review.
- 3. Award**  
Once you're happy, award the project to your chosen freelancer.

✓ Got it!

**Bids will appear shortly**  
Your Recruiter is gathering the best talent to bid on your project

Ramona S.  
Freelancer Staff

### Build a website for my business

12 February 2018 · 11:10 AM

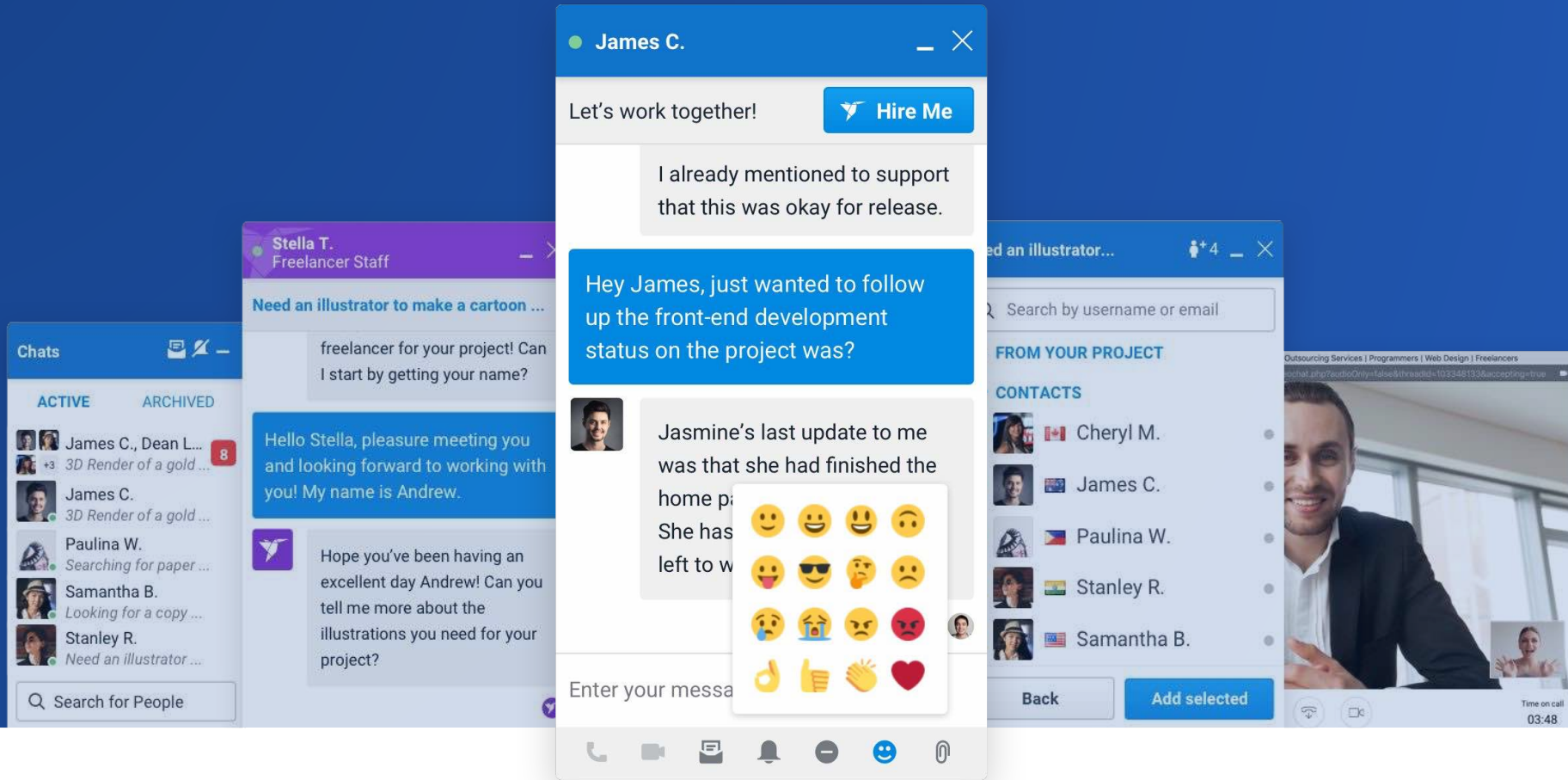
My name is Ramona and I will be your Recruiter to help you find the best freelancer for your project! Can I start by getting your name?

Hello Ramona, nice to e-meet you and looking forward to working with you! My name is Jane.

Hope you've been having an excellent day Jane! Can you tell me more about the business you want the website designed for?

Enter your message...

# Messaging



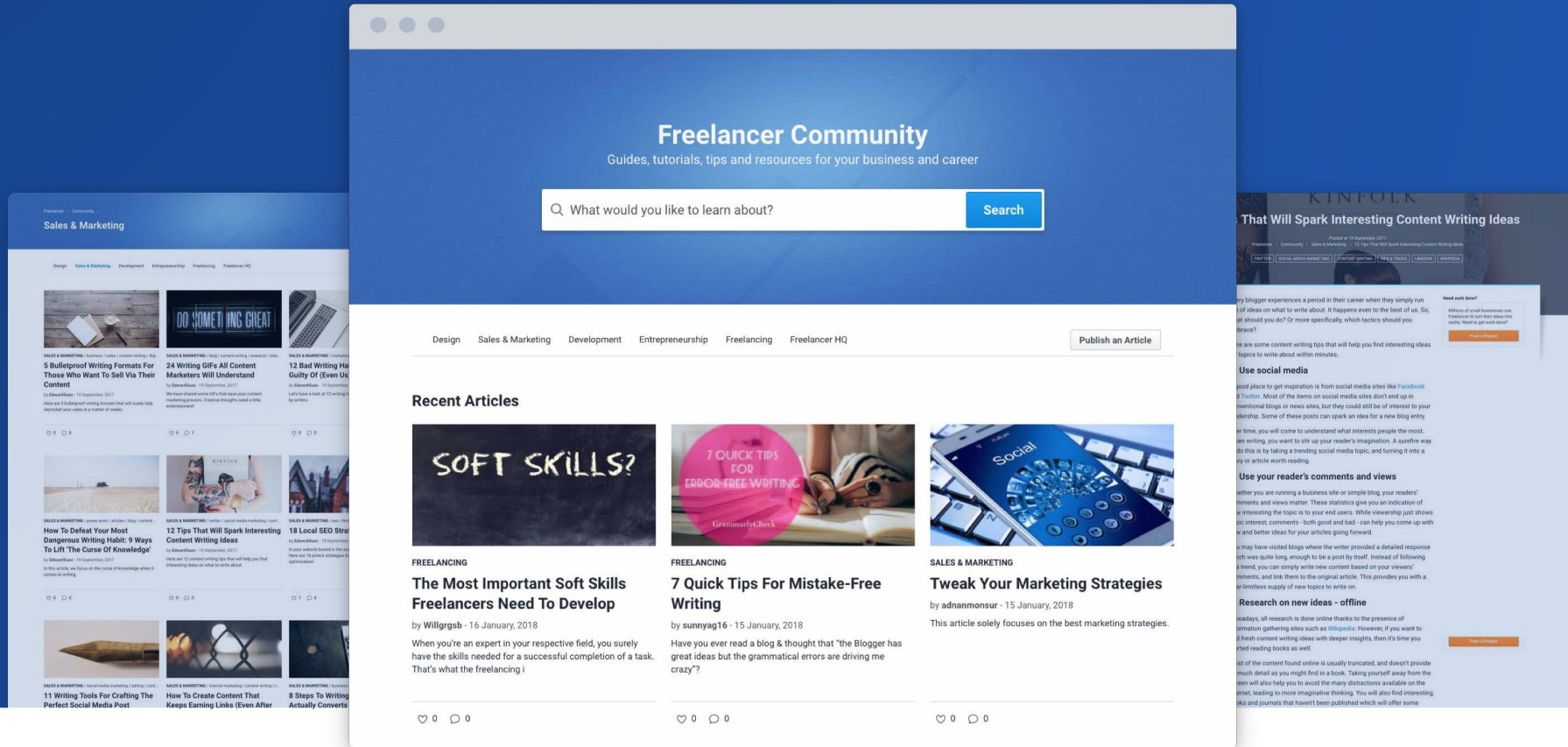
## Connecting through the power of rich messaging

New inbox interface makes messaging immersive and easy.

36% of freelancers respond to chat within 5 minutes. 65% <1 hour. Globally.

We process billions of messages per annum between our users.





## High quality technical content written by our talented community

Articles continuously ranked on the first page of Google, with most of the readership from US

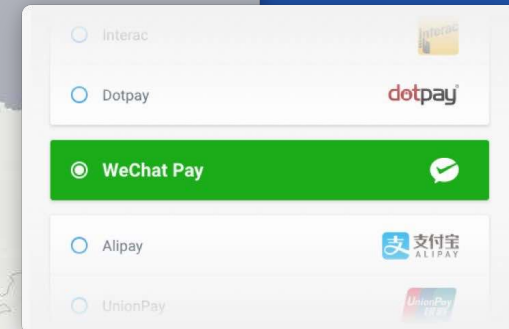
High quality technical content across a range of areas, written by 27m professionals

Over 2,500 articles shared on the platform, with 800 articles published in 2017 alone

# Payments

**Express withdrawal is available for China!**

It's the most convenient way to withdraw your money directly to your bank account



## Pay in, pay out within the Freelancer.com platform

Increased direct bank payout from 7 countries to 20+

Now supports all major payment methods in China

Local credit / debit card processing in Latin America



# Memberships

Designed to increase freelancer success and earnings

Paytm support for Indian users purchasing memberships

100% YoY growth in Professional members earning

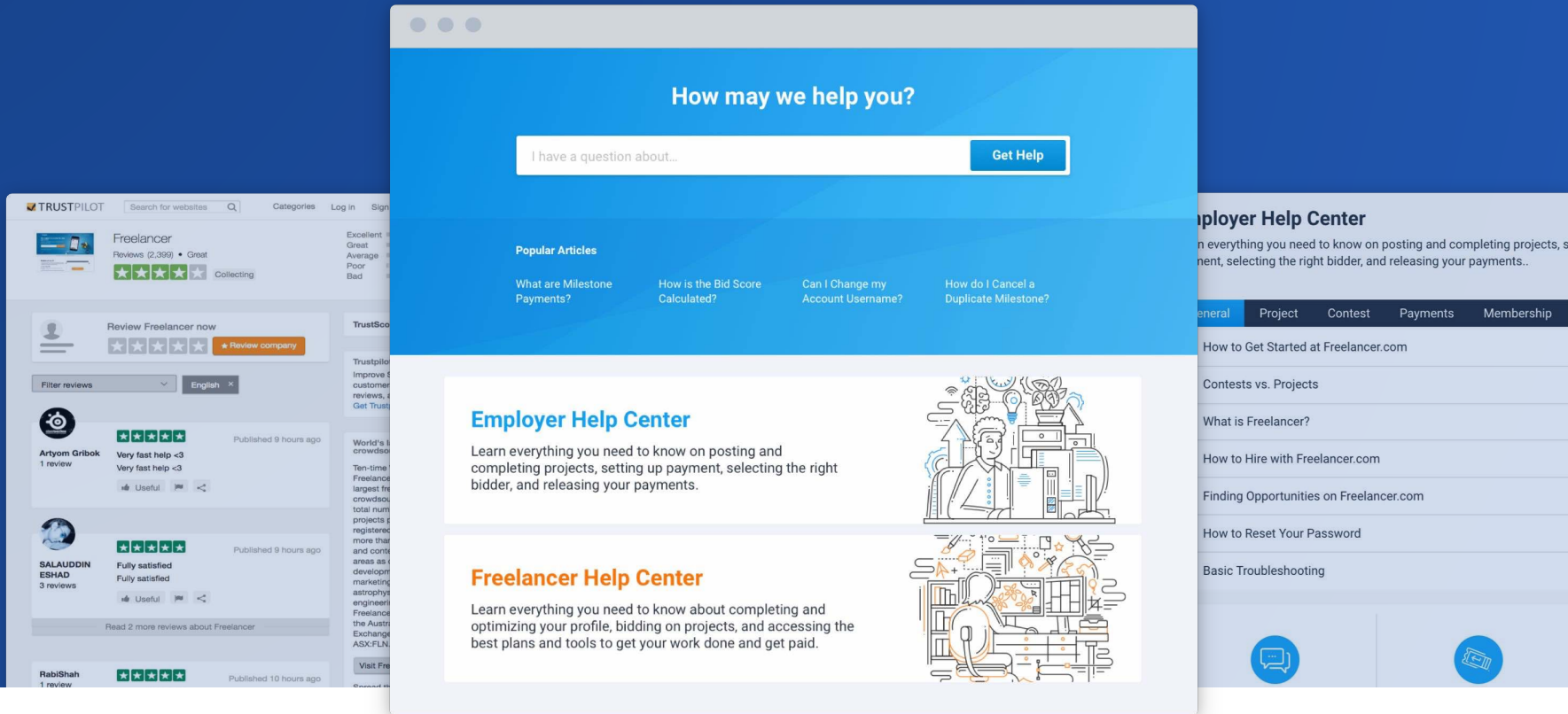
Freelancers can now pay for memberships on a discounted lock in annual contract

**Try a Freelancer Membership**  
 Designed to maximise your freelancing success and earnings! Save up to 20% on annual plans. Change plans anytime, conditions apply see FAQ.

Monthly Plan    Annual Plan, Paid Monthly <sup>NEW</sup>    **Annual Plan, Prepaid**

Intro	Basic	Plus	Professional	Premier
₹59.00	₹223.00	₹448.00	₹1342.00	₹2366.00
per month	per month	per month	per month	per month
<b>Get Started!</b>	<b>Get Started!</b>	<b>Get Started!</b>	<b>Get Started!</b>	<b>Get Started!</b>
\$11.88 billed annually				
15 Bids Per Month	50 Bids Per Month	100 Bids Per Month	300 Bids Per Month	1500 Bids Per Month
30 Skills	50 Skills	80 Skills	100 Skills	400 Skills
Unlock Rewards	Unlock Rewards	Daily Withdrawals	Daily Withdrawals	Daily Withdrawals
Unlimited Project Bookmarks	Unlimited Project Bookmarks	Unlock Rewards	Unlock Rewards	Unlock Rewards
Custom Cover Photo	Custom Cover Photo	Unlimited Project Bookmarks	Unlimited Project Bookmarks	Unlimited Project Bookmarks
	5 Employer Followings	Preferred Freelancer Eligible*	Preferred Freelancer Eligible*	Preferred Freelancer Eligible*
		Custom Cover Photo	Custom Cover Photo	Custom Cover Photo
		10 Employer Followings	20 Employer Followings	Unlimited Employer

# Customer Experience



## Increasing user satisfaction on the Freelancer platform

Optimization of the Help Center allowed us to service 30% more users

Improvements are validated by the 8.7 TrustPilot rating

NPS for support tickets at 63 ("excellent")

Reviews (2,555) • Great





# Freelancer Enterprise

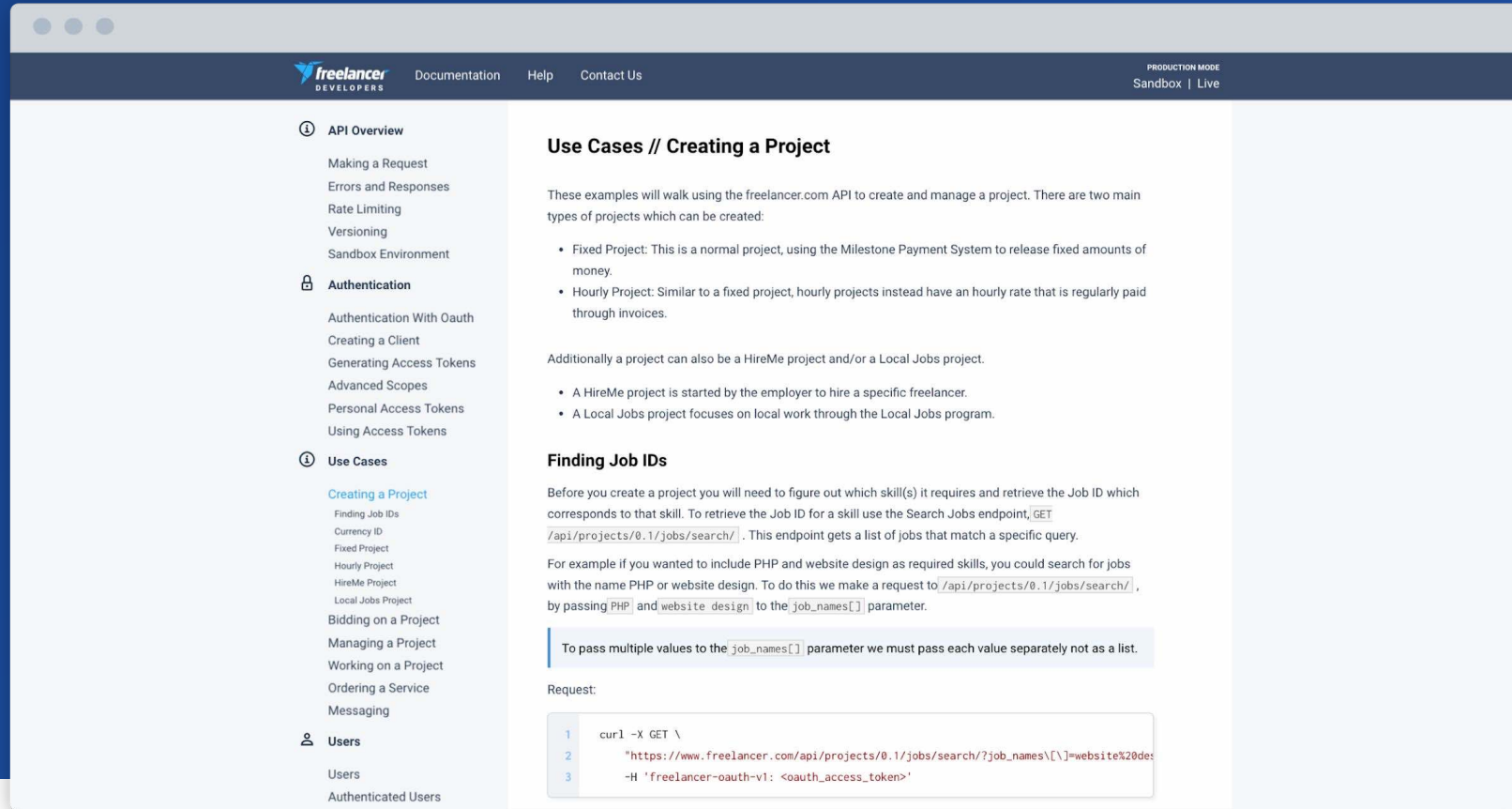


Over 70% of Fortune 500 companies use Freelancer.com to get work done

Fast track workforce automation  
with a fully featured API

Private Freelancer Cloud and  
Project Success Managers ensure  
quality work delivery

No fees - employer commissions  
are waived for volume clients



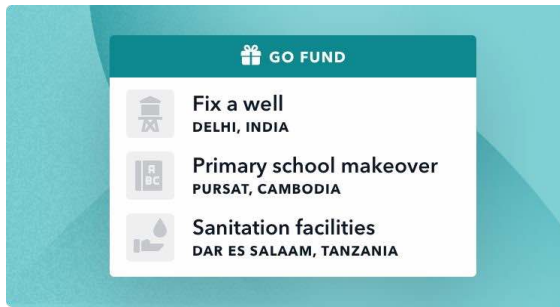
Make an API call to the cloud workforce from your website, app or software

Built by developers, for developers.  
**freelancer.com/api**

Automate your workforce at scale  
across the globe while cutting  
costs.

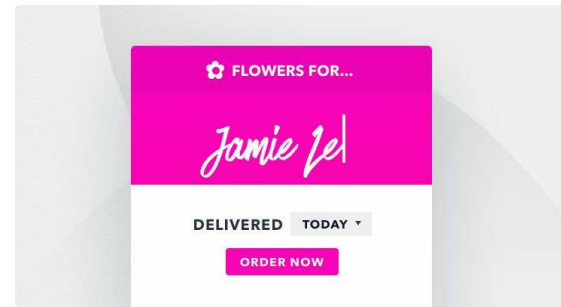
A perfect companion to Freelancer  
Enterprise customers.





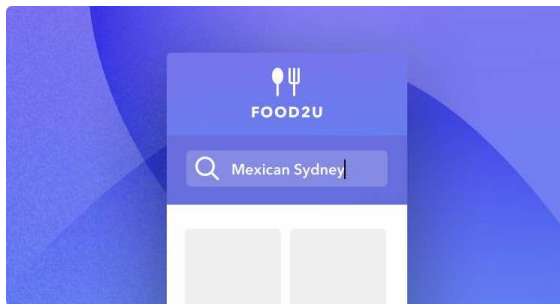
### Charity done right

A perfect companion for Freelancer Enterprise customers, the Freelancer API is perfect for large organisations doing big things.



### Button for everything

Using artificial intelligence, Freelancer's reputation system automatically ranks the best freelancers for the job based upon sophisticated algorithms.



### Food delivery

Why hire full time staff when you can simply make an API call to the cloud? You'll never fire freelancers, because you only pay as you task them.

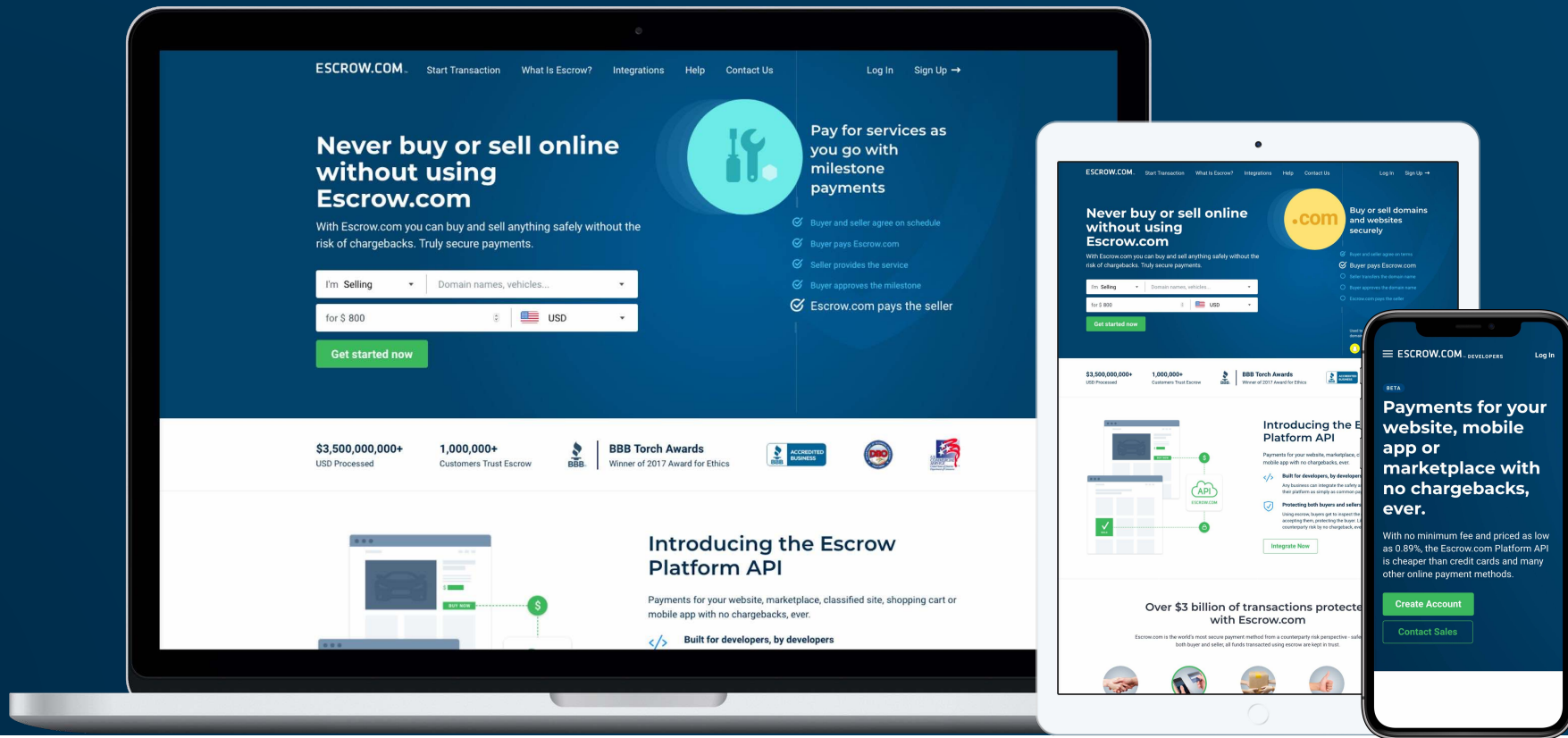


### Services in an app

With existing SDKs for Python & Android, you can get started with the Freelancer API today. More SDKs and expanded support coming soon.

# Freelancer API

You are only limited by your imagination.



# Over \$3.5 billion of transactions protected through Escrow.com

The world's most secure payment method from a counterparty risk perspective





DOMAINS



ANTIQUES



COMPUTER EQUIPMENT



JEWELLERY



MOTORCYCLES



CONSULTANTS



BOATS



CLASSIC CARS



CONTRACTORS



REFURBISHED EQUIPMENT



WEBSITES



HEAVY EQUIPMENT



IT SERVICES



COPYRIGHTS



ELECTRONICS



LEGAL SERVICES



RVs



WHOLESALE GOODS



MUSICAL INSTRUMENTS

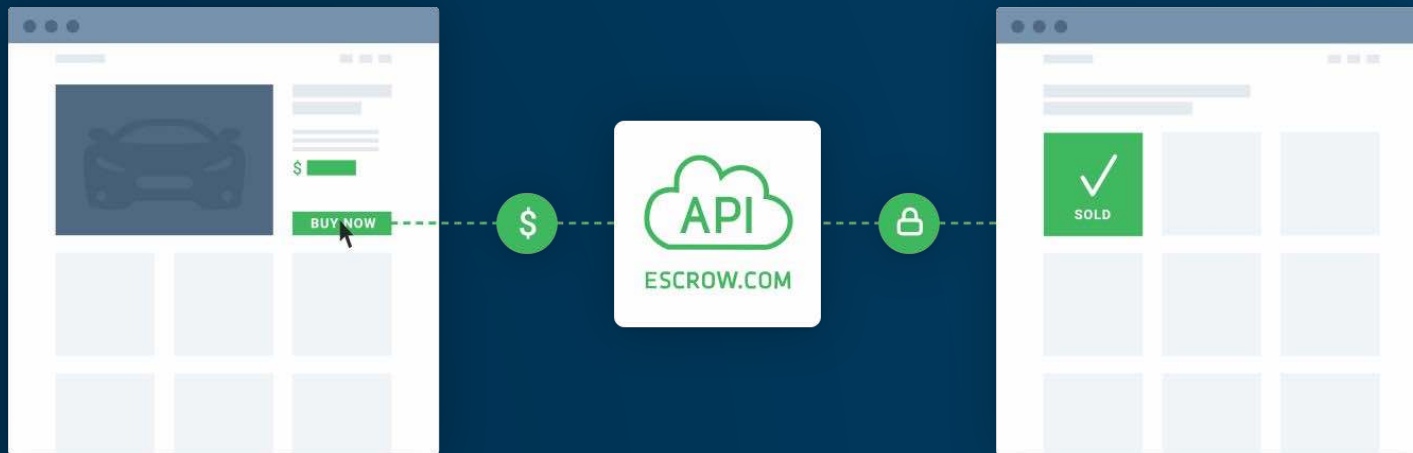


AUCTION ITEMS

**Escrow.com is used to secure  
a wide range of transaction types**

# Announcing the Escrow.com API

With no minimum fee and priced as low as 0.89%, the Escrow.com Platform API is cheaper than credit cards and other online payment methods.



## Beautiful Docs

Our step-by-step integration guides, code examples and centralized API reference make it simple to understand and easy to integrate so your can spend less time writing code.



## Real-time Insights

Stay up to date on the progress of each of your transactions through our portal or use our webhooks to get real time granular updates on the progress of each transaction.



## Versioning

Time to take control of your roadmap – your integration will work the same as it does today as it will tomorrow.



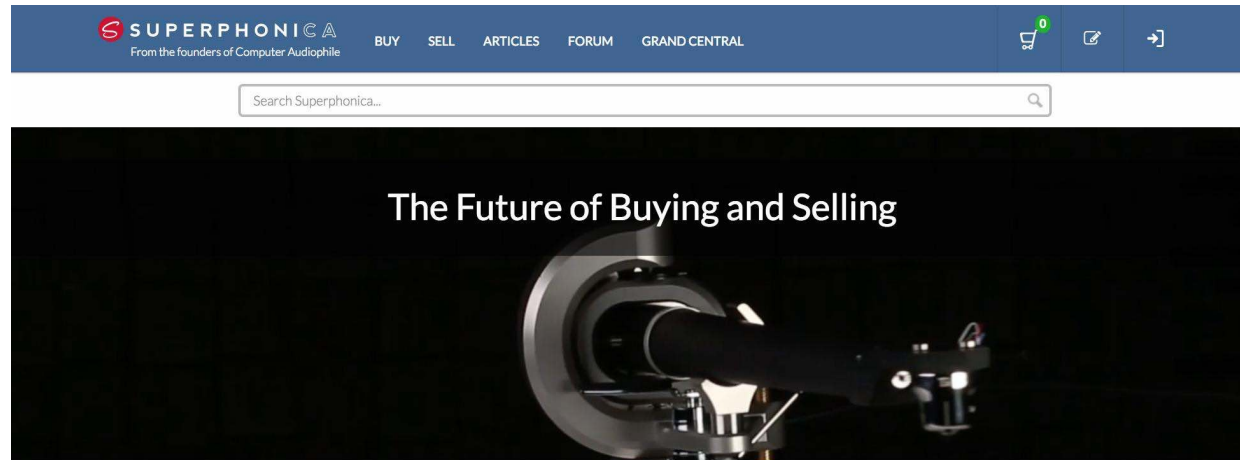
## Developers First

With a new developer portal, interactive documentation, and real-time dashboards, we are putting developers first. We can't wait to see what your build!



# Superphonica - example Escrow.com API integration

Tight integration of Escrow.com is highly promoted as a key feature of Superphonica



#### BEST RATES

Free to list, 1% fee to sell, maximum of \$349. List products from desktop, tablet, or mobile device with ease. Plus, free access to Superphonica's entire sales history.



#### HIFI FULFILLMENT

In addition to traditional transactions, Superphonica offers product fulfillment to ease buying, selling, and shipping.



#### ESCROW.COM

We don't just recommend Escrow.com, we have tight integration to ensure buyers and sellers have the best protection available.



#### WE GIVE BACK

We donate a portion of all proceeds to the MusiCares Foundation, which helps musicians in need.

#### Hand Selected Products



Red Wine Audio Black Lightning, PPA battery adapter

\$610.00

Adam Store



Magico M Project

\$69,500.00

JFP



Concert Fidelity CF-o80 LSX preamplifier

\$4,600.00

Ted\_b Store



Chord Hugo TT (silver)

\$3,495.00

CIAMARA

# Escrow plugin for WooCommerce

WooCommerce has 39 million downloads and powers 28% of all online stores \*

The screenshot shows the WordPress.org plugin page for 'Escrow.com Payments for WooCommerce'. The page header includes the WordPress.org logo, navigation links (Showcase, Themes, Plugins, Mobile, Support, Get Involved, About, Blog, Hosting), a search bar, and a 'Download WordPress' button. The plugin title is 'Escrow.com Payments for WooCommerce' by Escrow.com, with a 'Download' button. Below the title are tabs for 'Details', 'Reviews', 'Installation', 'Support', and 'Development'. The 'Description' section contains three paragraphs: the first describes the plugin as a secure payment solution; the second notes its usefulness in situations where buyers and sellers do not know each other; the third states that the plugin allows adding Escrow.com as a payment option. The 'PRIVACY POLICY' section includes a link to the privacy policy. The right sidebar shows technical details: Version 1.3.0, last updated 5 days ago, 60+ active installations, requires WordPress 4.0, tested up to 4.9.4, and requires PHP 5.6. It also lists tags: ecommerce, escrow, gateway, payment, and woocommerce. At the bottom, there is a 'Ratings' section with five stars and a 'See all' link.

Version:	1.3.0
Last updated:	5 days ago
Active installations:	60+
Requires WordPress Version:	4.0
Tested up to:	4.9.4
Requires PHP Version:	5.6

Tags: ecommerce, escrow, gateway, payment, woocommerce

[Advanced View](#)

**Ratings** [See all >](#)

★★★★★

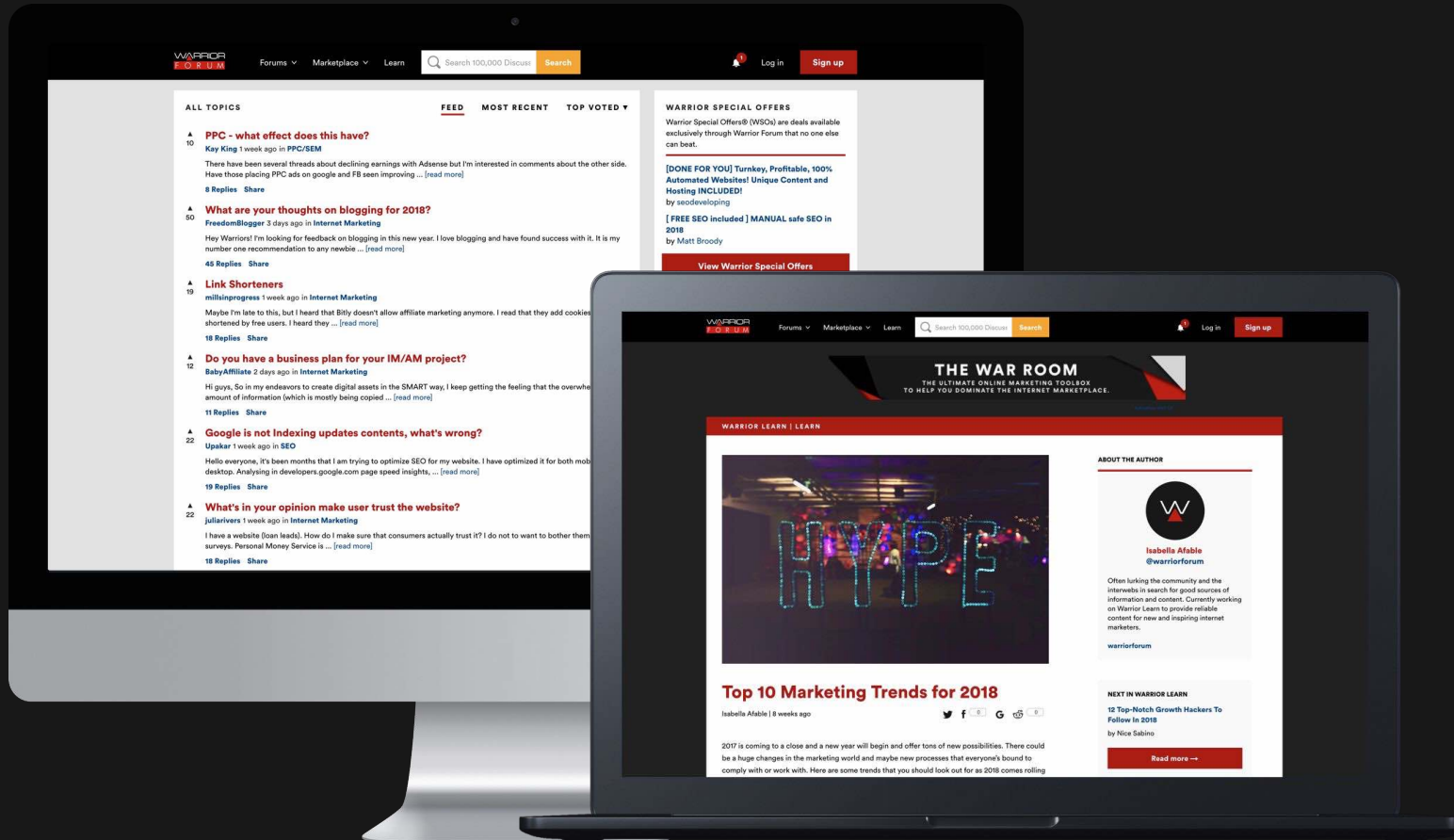
\* According to www.woocommerce.com



# Escrow.com highlights FY17

## Significant investments in new acquisition technologies and improvements to website pain points

- **Launch of Escrow Platform API** - Payments for your website, marketplace, classified site, shopping cart or mobile app with no chargebacks, ever.
- **Launch of API based plugin** - released a plugin for WooCommerce, the most popular e-commerce platform for Wordpress, with 39 million downloads which powers 28% of all online stores.
- **Improved payments and account backend** - Rebuilt trust accounting from a legacy technical stack to state of the art payments architecture.
- **Introduction of automation in payments processing** - payments are now processed automatically through internal systems rather than manual processing.
- **Improvements to KYC** - introduced more rigorous Anti-money Laundering and KYC process and reduced the friction of verifying personal and company identities, with over 70% processed in less than 15 minutes and 90% in less than one hour.
- **Improvements to trust and safety** - creation of a new management system for all transaction and user based fraud and anti-money laundering rules.



## The #1 Internet Marketing Forum Since 1997

**1,321,355+**  
USERS

**10,292,883+**  
POSTS

**1,027,109+**  
DISCUSSIONS



**Joanna Lord**

CMO @ CLASSPASS



## **Australia's Largest Startup & Growth Conference**

Exclusive International  
Speaker Lineup

4000 +  
PAX

60+ Keynotes  
& Workshops

120+ Technology  
Exhibitors

**Sold out 8 years in a row | [StartCon.com](http://StartCon.com) | Nov. 30 - Dec. 1, 2018**

# Awards in 2017



Gold Stevie for Communications  
Department of the Year

The 2017 International Business  
Awards



Gold Stevie for Freelancer.com  
IOS and Android App

The 2017 International Business  
Awards



Silver Stevie for Most Innovative  
Tech Company of the Year - Up to  
2,500 Employees

Silver Stevie for Most Innovative  
Tech Company of the Year - Up to  
2,500 Employees



Silver Stevie for Matt Barrie,  
Executive of the Year - Internet/  
New Media

The 2017 International Business  
Awards



Silver Stevie for Sebastian Siseles,  
PR Executive of the Year

The 2017 International Business  
Awards



Silver Stevie for Business Services

The 2017 International Business  
Awards



Silver Stevie for Best User  
Experience

The 2017 International Business  
Awards



2017 SPi Global Technology  
Company of the Year

ASIA CEO Awards



Winner NSW Innovation in Export  
Award

Premiers NSW Export Awards 2017



# Board of Directors

Technology focused entrepreneurial board with successful exits to major global corporations.



**Matt Barrie**  
Chief Executive Officer & Chairman

**BE (Hons I) BSc (Hons I) GDipAppFin MAppFin MSEE (Stanford) GAICD SEP FIEAust**  
Matt Barrie is an award winning technology entrepreneur. Matt was Adjunct Associate Professor at the Department of Electrical and Information Engineering at the University of Sydney where he taught Cryptography for fifteen years and, later, Technology Venture Creation. He is the co-author of over 20 US patent applications. Previously he founded and was CEO of Sensory Networks Inc., a vendor of high performance network security processors which sold to Intel Corporation (NASDAQ:INTC).



**Darren Williams**  
Non-Executive Director

**BSc (Hons I) PhD (Computer Science) MAICD**  
Darren transitioned from Executive Director and Chief Technology Officer of Freelancer to Non-Executive Director in late 2015. In his time as an executive he was responsible day-to-day for strategic leadership of the company's operating and technical direction. Darren has experience in computer security, protocols, networking and software. Prior to joining Freelancer, Darren was a co-founder of Sensory Networks, where he held the roles of Chief Technology Officer and subsequently Chief Executive Officer. In 2013 Sensory Networks sold to Intel Corporation (NASDAQ:INTC).



**Simon Clausen**  
Non-Executive Director

Simon is a founding investor of Freelancer. Simon has more than 17 years experience in high growth technology businesses in both Australia and the United States. His technical expertise includes proficiency in multiple software development languages, computer security and vulnerability analysis, and he is co-author and inventor of a number of technology patents. Simon founded and was CEO of PC Tools, which he grew to over \$100 million in revenue, more than 250 employees and offices in 7 countries. PC Tools was acquired by Symantec Corporation (NASDAQ:SYMC) in October 2008 in one of Australia's largest ever technology acquisitions.

# Senior Management Team

Specialists in growth, finance, operations, infrastructure, international execution, compliance and engineering



**Neil Katz**  
Chief Financial Officer  
*B Com (Hons) ACA  
EPGC (Stanford)*

Neil Katz is the Chief Financial Officer at Freelancer and is responsible for the finance and administration functions of the Company. Neil has over 20 years experience in finance, accounting and general management. Neil has held CFO roles at a number of technology companies, including IPscape, Threatmetrix, Sensory Networks and Aprix.



**Peter Phillips**  
Vice President, Engineering  
*BSc (Hons I) PhD  
(Computer Science)*

Peter Phillips is Vice President of Engineering at Freelancer. In this role, he is responsible for leading the global engineering teams and defining and executing the company's operating and technical direction. Peter has extensive experience in software engineering, scalable infrastructure and IT management.



**Amir Massoudi**  
Director, Growth  
*S.Eng, MSc  
(Computer Science)*

Amir Massoudi is a Director of Growth at Freelancer. In this role, he oversees all revenue, product management, data science and customer operations. Amir holds a masters degree (by research) in Computer Science specialising in Machine Learning and Computer Vision from University of New South Wales.



**Greg Robinson**  
Vice President, Compliance  
*ACI, SA Fin*

Greg Robinson is the Vice President of Compliance at Freelancer. Greg oversees the overall compliance environment within the Company. In this role, Greg is responsible for the development and maintenance of the governance and compliance risk programs to support the business. Before joining Freelancer, Greg worked for PayPal Australia as Head of Compliance.



**Sarah Tang**  
Global Operations  
*MSc (Wien) MA  
BCom (Queens)*

Sarah Tang is in charge of operations at Freelancer, across its global footprint. She leads a diverse range of teams across operations, support, talent and human resources. Sarah is a Millennium and Cansbridge Scholar with a double degree in Strategy & Innovation Management. Her thesis explored how face-reading software can be applied to user-driven product research by training it to measure human cognition, emotions and psychology.



**Adam Byrnes**  
Senior Director, International  
*BE (Electrical)  
(Hons I) / BSc  
(Adv) (Physics)*

Adam Byrnes is responsible for expanding Freelancer across the world, particularly into markets that are dominated by non-english native speakers, such as Asia and Latin-America. He leads teams in public relations, content, marketing and translation, and has been responsible for launching Freelancer's websites internationally, including 53 dedicated regional sites and 34 languages.



**Sebastián Siseles**  
Director, International  
*JD (University of Buenos Aires) / MBA  
(University of Pittsburgh) /  
Marketing Diploma  
(FAECC, Argentina)*

Sebastián Siseles is responsible for creating, communicating, maintaining, and aligning the company's international expansion strategy for long-term. An Argentine entrepreneur with an MBA from the University of Pittsburgh, Sebastián has a background in law specialising in corporate finance and M&A.



# Outlook Statement 2018

Freelancer has a firm foundation for revenue growth in FY18 and a clear path to profitability

- FY17 was a challenging year and already FY18 is looking brighter
  - For Freelancer.com, marketplace health is improving and growth is returning to trend. We are excited in particular about the build out of collaborative tools, usability improvements, mobile, performance, managed service, API and enterprise offerings.
  - For Escrow.com, China volume has returned to trend and while volume has churned due to a more rigorous AML/KYC program, we are highly optimistic about opportunities and growth with the new Escrow.com API and ecosystem we are developing around this API
- We will increase profitability to above breakeven in FY18
- Freelancer's marketplace business is acyclical. The global financial crisis led to the original emergence of the online crowdsourcing and freelancing industries
  - Employers looked online to hire freelancers rather than full time staff
  - Workers looked to the Internet to find new sources of employment
- The potential for significant macroeconomic volatility provides further additional upside to Freelancer's opportunities

# Unique Investment Thematics

Freelancer Limited (ASX:FLN) is a unique exposure to:

- Massive market: \$5 trillion TAM
- The on-demand and crowdsourced economy
- Increasing internet penetration of emerging markets
- Rising sophistication in emerging markets labour
- Software & mobile eating the world
- Structural imbalances in global labour markets
- Thrives in economic crises
- Incredibly deflationary
- Fintech & transition of global commerce to online (Escrow.com)
- Global Income (>95% of revenue is outside Australia: USD, GBP, EUR, CAD, etc.)



# ASX

FREELANCER LIMITED





Freelancer Limited

# INDUSTRY DRIVERS

**The other  
50%**

**of the world's  
population are  
about to join  
the Internet.**





# It's 2018

The other four billion are connecting to the Internet at a tremendous pace

- World population<sup>1</sup>: **7,634,757,932**
- Number on the Internet: **4,050,247,583 (51.8%)**

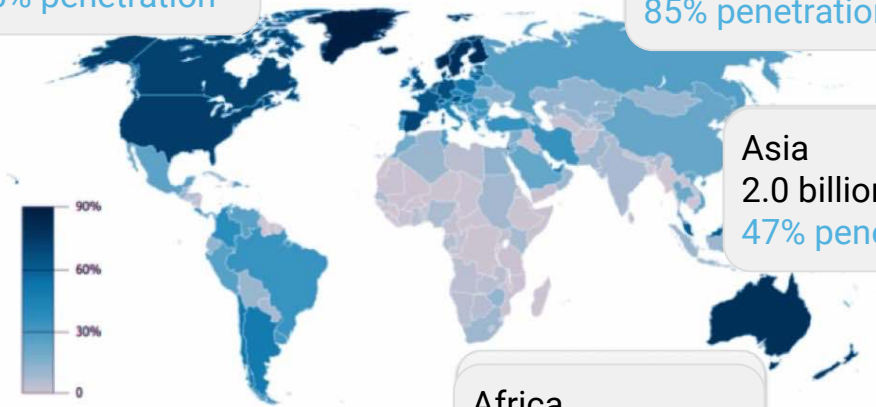
North America  
346 million users  
95% penetration

Europe  
700 million users  
85% penetration

Asia  
2.0 billion users  
47% penetration

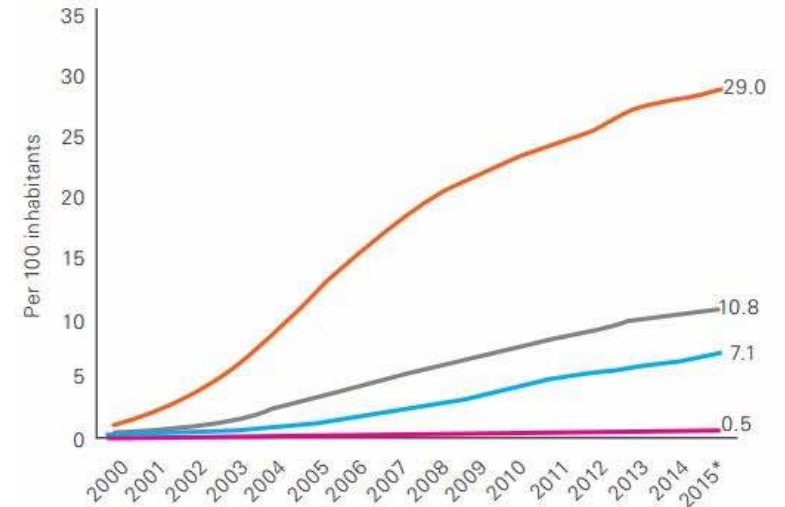
Africa  
412 million users  
32% penetration

Latin America  
425 million users  
65% penetration

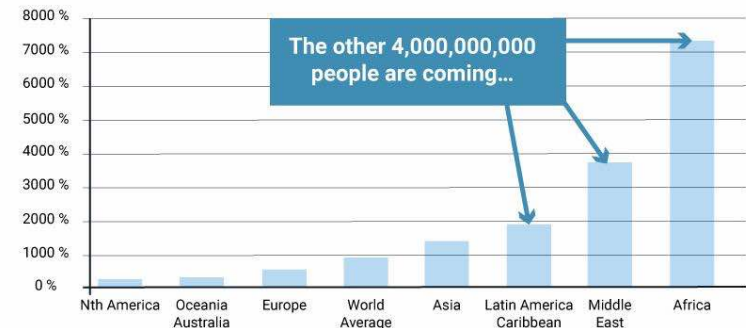


\* latest data

## Subscriptions



## Worldwide Internet Growth 2000-15



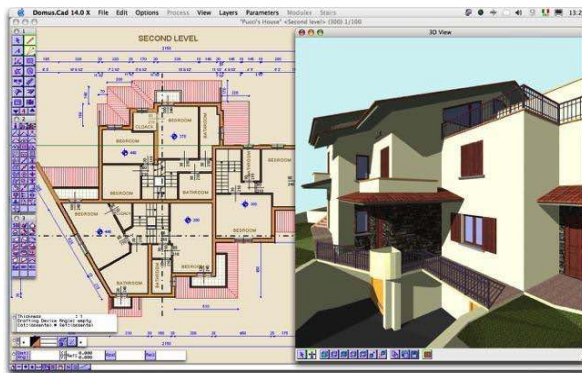
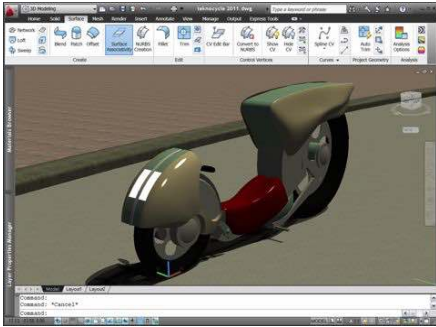
SOURCE: Internet World Stats (to 30 June 2016)

1. Source: Internet World Stats (to 31 December 2017)  
 2. International Telecommunications Union (<https://www.itu.int/en/ITU-D/Statistics/Documents/facts/ICTFactsFigures2015.pdf>)

# Software is eating the world

“We are in the middle of a dramatic and broad technological and economic shift in which software companies are poised to take over large swathes of the economy”<sup>1</sup>

- Every industry is being disrupted rapidly, and becoming dominated by software companies
- White collar job functions are all headed to software, and moving into the cloud



## Advertising



Physical



Software

## Telecommunications



Physical



Software

1. Marc Andreessen, Wall Street Journal, Why Software is Eating the World, 20 August 2011.



# Developing world self-educating to raise socio-economic status

The wealth of human knowledge is available online

- Five billion people live on \$10 a day or less

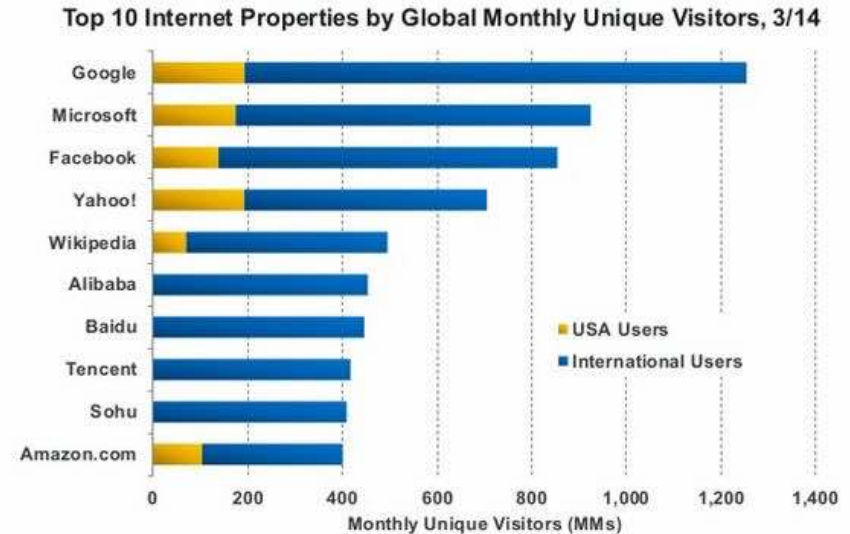


- The first thing they are looking to do online is raise their socio-economic status
- But it's never been easier to learn a trade
  - The wealth of human knowledge is available online
  - A revolution is also occurring in online education: Coursera, Udacity, Khan Academy, edX



- The other 4 billion are rapidly self educating
- \$10 per day to \$10 an hour+

- 86% of users of top 10 US sites are already foreign



- Twice as many Chinese on the Internet as Americans<sup>2</sup>

Rank	Country	2008-2012 Internet User Adds (MMs)	2012 Internet Users (MMs)	Y/Y Growth	Population Penetration
1	China	264	564	10%	42%
2	India	88	137	26	11
3	Indonesia	39	55	58	23
4	Iran	35	42	205	55
5	Russia	33	70	6	49
6	Nigeria	31	48	15	30
7	Philippines	28	34	32	35
8	Brazil	27	88	6	45
9	Mexico	19	42	9	37
10	USA	18	244	3	78
11	Argentina	17	28	57	68
12	Egypt	17	30	11	38
13	Colombia	14	25	39	54
14	Turkey	13	35	17	47
15	Vietnam	12	31	7	35
Top 15		654	1,473	15%	34%
World		902	2,406	8%	34%

1. Source: comScore Global, 8/11.

2. Source: International Telecommunications Union, ICT Facts and Figures 2013; CNNIC, 31 December 2012.

# The world is repeating itself 20 years later



**DEVELOPED  
WORLD**



**DEVELOPING  
WORLD**

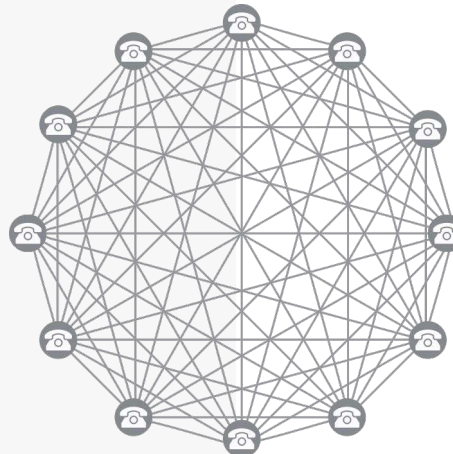
**amazon.com**

**ebay**



**freelancer**

**PRODUCTS**



**SERVICES**





Freelancer Limited

# HOW BIG IS THE MARKET?

**“160 million jobs, or about 11% of the projected 1.46 billion services jobs worldwide, could in theory be carried out remotely, barring any constraints in supply” \***

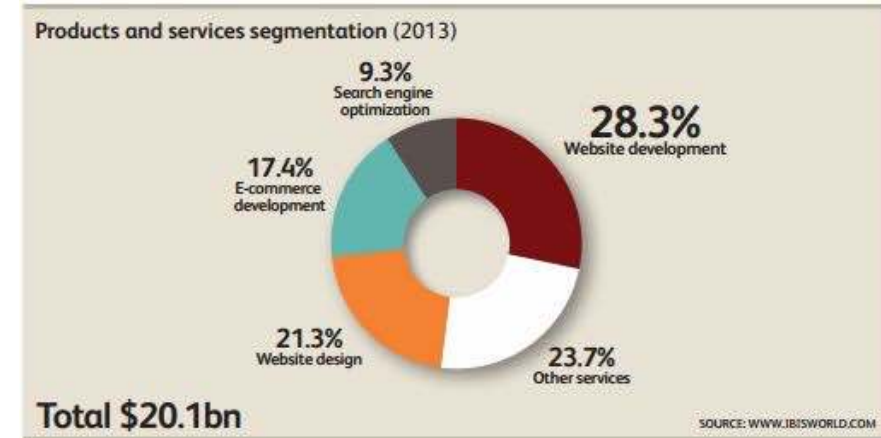
\* McKinsey Global Institute, The Emerging Global Labor Market, Part I: The Demand for Offshore Talent in Services.



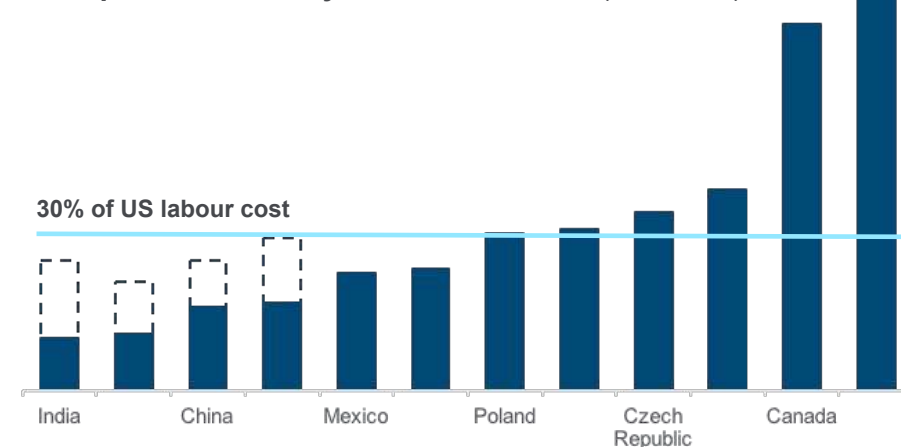
# Estimated demand for Web Design services (mid-high OECD)

Freelancer's global web design revenue opportunity estimated as \$2.7 billion per annum (\$10.5b GPV)

- Freelancer's estimated global web design revenue opportunity at c.\$2.7 billion (\$10.5b GPV).
- This is as a replacement of existing business only- there is also potential upside from opening up of new demand from lower cost labour services
  - e.g. for the first time, a café can get a website for c.\$100
- Indicative calculation:
  - web design in the US alone is US\$20 billion + industry<sup>1</sup>
  - wages constitute US\$12 billion of this
  - more than 50% of software engineering jobs can be outsourced at 30% of US wages<sup>2</sup>
  - US\$1.74 billion in wages outsourced @ 26% take rate = c.A\$620 million revenue opportunity for Freelancer in the US (Total Available Market)<sup>4</sup>
  - there are 28 million small businesses in the US, but at least 96 million more in other mid-high income OECD countries<sup>3</sup>
  - from this we estimate the global opportunity is  $(96+28)/28 = c.4.4x$  larger than the US market



Comparison of hourly labour cost, index (US = 100)<sup>2</sup>



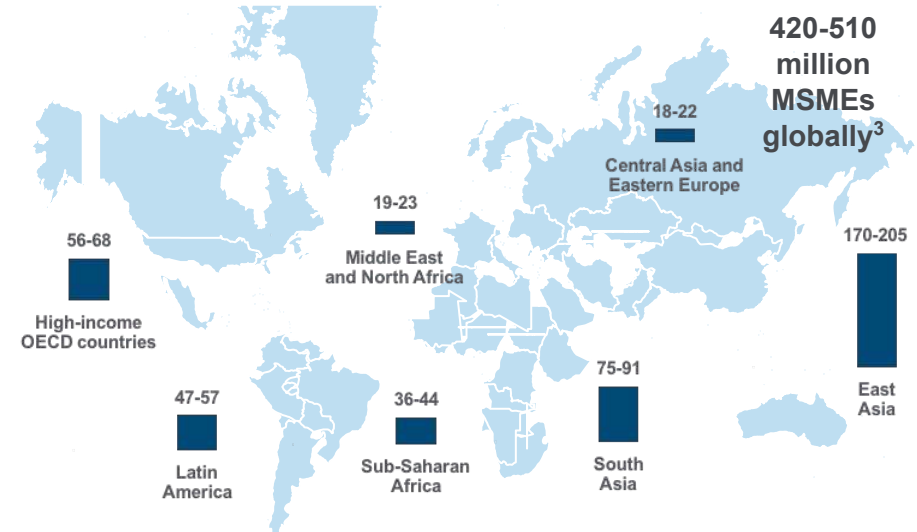
1. IBISWorld, "Web Design Services in the US" (August, 2013).  
2. McKinsey Global Institute, "The Emerging Global Labor Market: Part III: How Supply and Demand for Offshore Talent Meet" (June, 2005).  
3. Based on 28m SMEs in the US, 96m MSMEs outside the US in mid-high income OECD countries.  
4. Based on AUD/USD exchange rate of 0.73.

# Estimated demand from mid-high income OECD SMEs

Global small business revenue opportunity estimated as \$38 billion per annum (602 million projects, \$135 billion GPV)

- There are about 28 million small businesses in the US
  - 22 million of these are informal non-employers (yet generate >\$1 trillion per annum in revenue)<sup>1</sup>
- US job posters who posted more than one project posted on average 4.97 projects in 2016<sup>2</sup>
- Average project size in FY16 was US\$167, generating revenue of \$47 to Freelancer (28.3% monetisation rate)<sup>2</sup>
  - Implies A\$8.6 billion TAM (A\$30.4 billion GPV, 140 million projects) from US SMEs
- But there are 420 – 510 million micro, small and medium enterprises (MSMEs) globally<sup>3</sup>
- 96 million are formal employer MSMEs outside the US in mid-high income nations<sup>4</sup>
  - Additional A\$29 billion TAM (A\$104 billion GPV, 480 million projects)

- **Estimated global TAM from MSME market of c.\$38 billion (A\$135 billion GPV, 620 million projects)**
- This excludes another 100m+ informal (unregistered) MSMEs in high income nations globally including non-employer firms, sole proprietors and partnerships which could add materially to Freelancer's revenue opportunities



1. US Government, Small Business Administration Office of Advocacy.

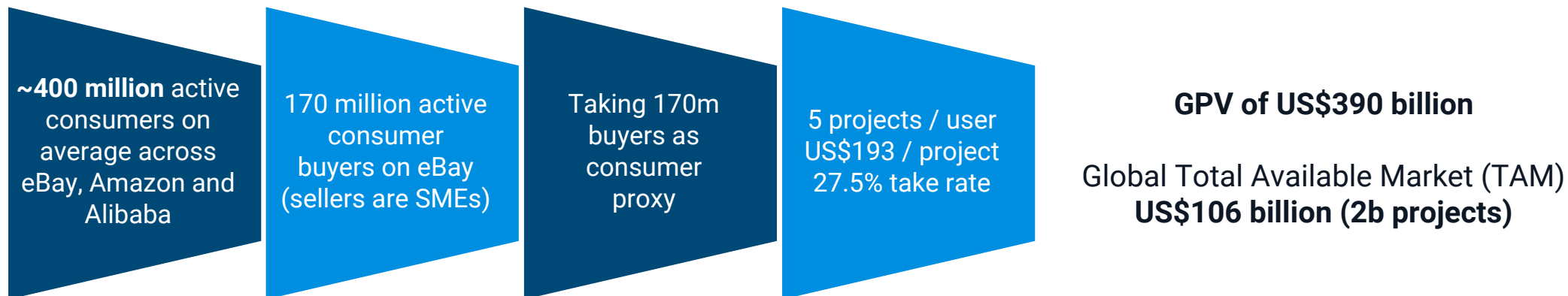
2. Based on Freelancer internal statistics. Average paid value of completed project was US\$167 in FY16. Monetisation rate = \$45.2m / 160m = 28.25%

3. McKinsey Global Institute, "Two trillion and counting: Assessing the credit gap for micro, small, and medium-size enterprises in the developing world" (October, 2010).

4. World Bank Statistics, International Finance Corporation. Excludes informal MSMEs including non-employer firms, sole proprietors and unincorporated partnerships.

# Estimated demand from consumers

Product marketplaces as proxy of consumer demand indicates TAM of US\$106 billion (2b projects, US\$390b GPV)



				
<b>2017 Revenue</b>	US\$9.6 billion <sup>1</sup>	US\$178 billion <sup>1</sup>	US\$158 billion <sup>3</sup>	A\$49.9 million
<b>2017 GMV/GPV</b>	US\$88.4 billion	US\$300+ billion <sup>2</sup>	US\$500+ billion <sup>4</sup>	A\$159.4 million
<b>2017 Users</b>	170 million active buyers	300+ million active buyers	488 million active buyers	27 million total registered users
<b>Geography</b>	Global	Global	Predominantly China	Global

Source: Company reports, Bloomberg, Statistica, Nasdaq.

<sup>1</sup> Actual year end 31 December 2017

<sup>2</sup> Based on analyst estimates

<sup>3</sup> Google Finance 31 December 2017

<sup>4</sup> Trailing 12 months as at 30 June 2017, company disclosure



# Estimated supply of professional labour in the developing world

370 million people, or 10% of the 3.7 billion working age population in the developing world have a tertiary qualification

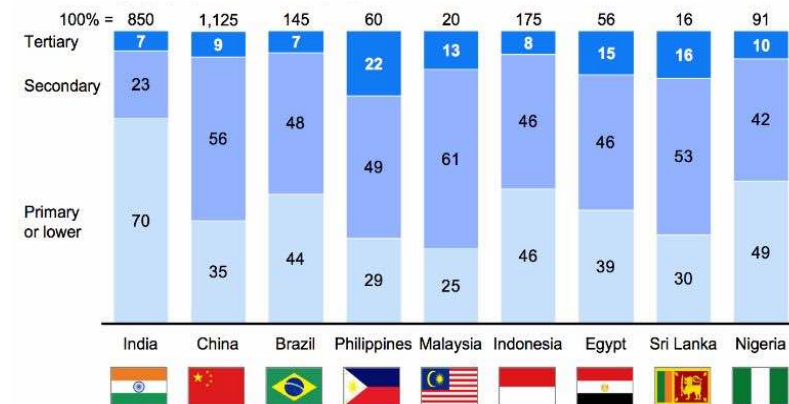
- 2010 global working age population: 3.7 billion, labour force: 2.9 billion<sup>1</sup>

Cluster	Young Developing	Young Middle-Income	India	China	Young Advanced	Russia & CEE	Southern Europe	Aging Advanced
Workers Million	322	640	469	783	290	141	60	145
GDP per capita \$	<3,000 <sup>2</sup>	3,000–20,000 <sup>3</sup>	3,000	7,000	25,000–50,000 <sup>4</sup>	10,000–20,000 <sup>5</sup>	20,000–30,000	30,000–45,000

- 2030 predicted global labour force: 3.5 billion<sup>1</sup>
- Of the 3.7 billion working age in the developing world in 2010:
  - 1.7 billion (46%) have a secondary education
  - 370 million (10%) have a tertiary education
- In the Philippines, tertiary education rose from 9% to 22% (13m) 1980-2010
  - Brazil, China, India @ 7 to 9%, yet produce c.5m STEM grads per annum<sup>3</sup>

- There are 220 million people with a tertiary degree between India, China, Brazil, Philippines, Malaysia, Indonesia, Egypt, Sri Lanka and Nigeria
- c.5 billion people to join the Internet over next decade that earn <\$10/day
- They have very little assets however are educated and can sell their services
- Freelancer.com is the first stop on the Internet for these people to raise their wages from \$10/day to \$10/hour +

Educational attainment (2010)  
% working age population; million people<sup>1</sup>



NOTE: Numbers may not sum due to rounding.

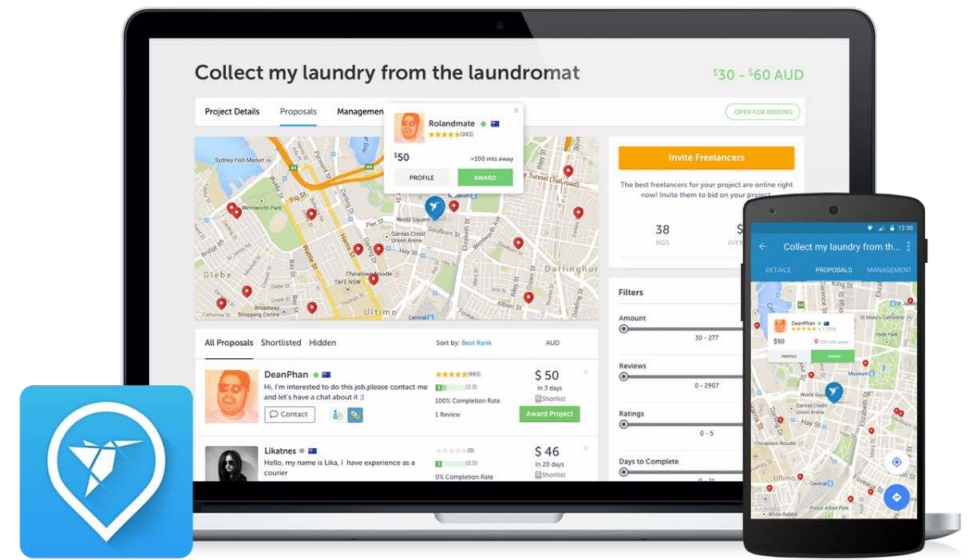
SOURCE: United Nations Population Division (2010 revision); IIASA; ILO; local statistics for India and China; McKinsey Global Institute analysis

1. McKinsey Global Institute: The World at Work: Jobs, Pay and Skills for 3.5 Billion People (June 2012)  
 2. McKinsey Global Institute, The Emerging Global Labor Market 2005, Part I: The Demand for Offshore Talent in Services  
 3. Accenture Institute for High Performance: Where will all the STEM talent come from? (May 2012)

# Estimated demand from Local Jobs in the US

Freelancer's expansion into 100 categories of Local Jobs expands the total addressable market by up to \$800 billion

- Online services is already a huge market, with enormous future potential
  - McKinsey Global Institute has estimated that “160 million jobs, or about 11% of the projected 1.46 billion services jobs worldwide, could in theory be carried out remotely, barring any constraints in supply”
- In the US alone, the temporary labour market is estimated to be in the order of \$100 billion<sup>1</sup>
  - MBO Partners<sup>2</sup> also found that in 2013 in the US there were 17.7 million independent workers
  - these generated \$1.2 trillion in total income per annum
  - Angie's List estimates the home services industry, which includes electricians, plumbers, dog walkers and other manual labour, alone is worth \$400 billion per annum
  - others put it at \$800 billion per annum<sup>4,5</sup>



1. <http://www.theverge.com/2012/7/23/3177860/taskrabbit-13-million-funding-peer-to-peer-labor-market-zaarly-done-exec>  
2. [http://info.mbopartners.com/rs/mbo/images/2013-MBO\\_Partners\\_State\\_of\\_Independence\\_Report.pdf](http://info.mbopartners.com/rs/mbo/images/2013-MBO_Partners_State_of_Independence_Report.pdf)  
3. <http://www.fool.com/investing/general/2015/04/03/does-a-market-exist-for-amazoncom-incs-home-servic.asp>  
4. [http://www.nytimes.com/2015/04/13/technology/amazon-google-and-more-are-drawn-to-home-services-market.html?\\_r=0](http://www.nytimes.com/2015/04/13/technology/amazon-google-and-more-are-drawn-to-home-services-market.html?_r=0)

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