

3rd May 2019

# **Freelancer Limited**

Annual General Meeting & 1Q19 Group Results

# **Matt Barrie**

#### **Board of Directors**

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



### 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).



#### 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 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.



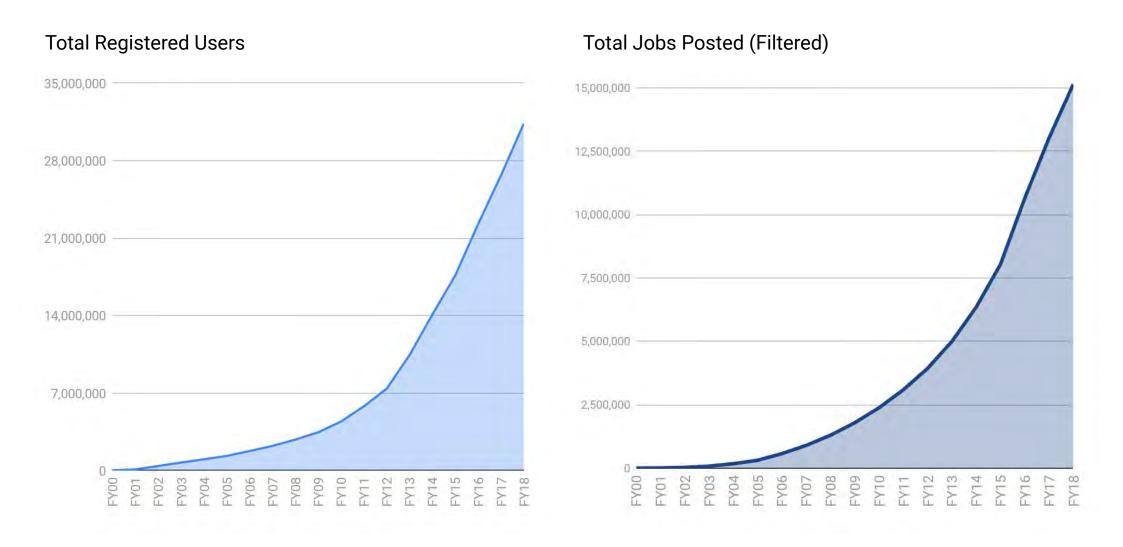
# Agenda

- Executive Chairman's Address
- Formal Business
- Questions & Answers
- Close of Business



# FY18 completed with 31.4 million users and 15.1 million jobs

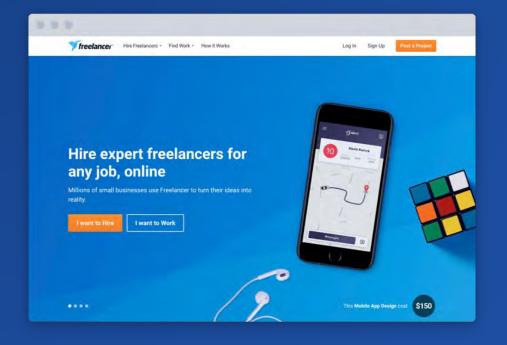
4.7 million registered users and 2.1 million jobs were added to the group in 2018



<sup>1.</sup>Number of user accounts, and jobs (projects/contests posted) in the Freelancer marketplace as at 31 December 2018. 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.com



# Escrow.com



#### Powering the world's entrepreneurs & commerce



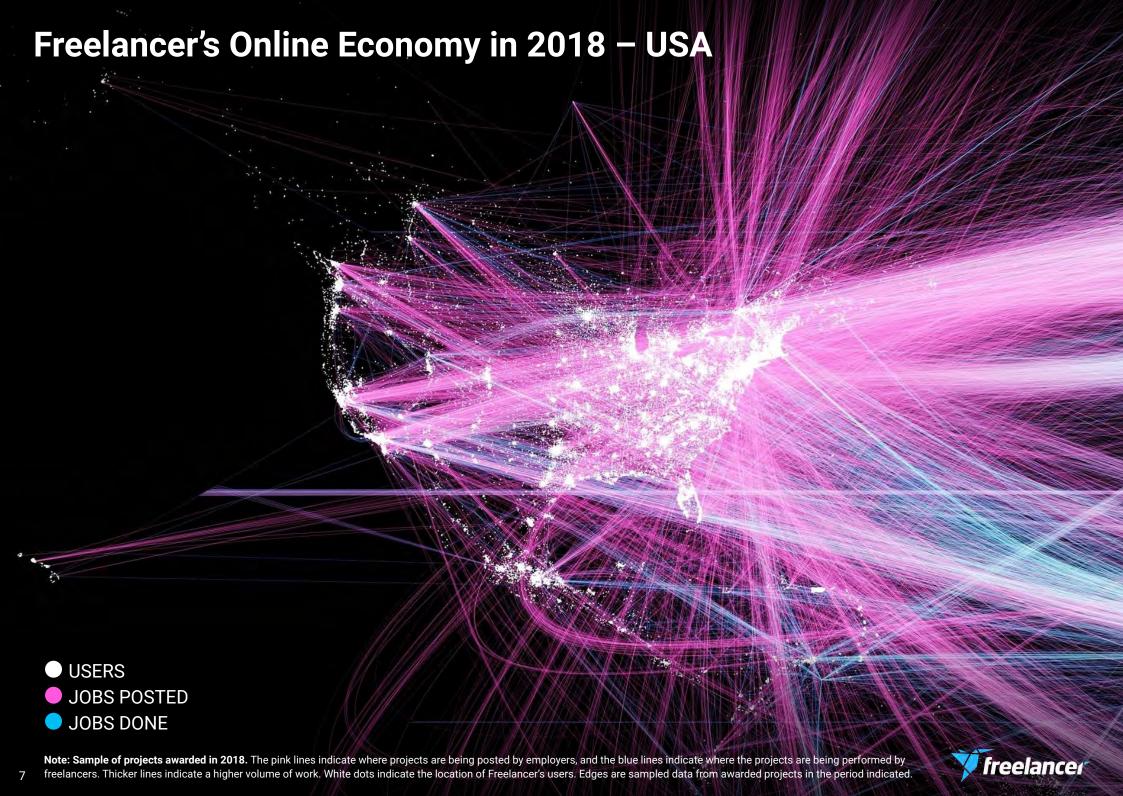




#1 Online Services Marketplace Over US\$4.5 billion in jobs awarded #1 for Secure Online Payments
Over US\$4.0 billion in transactions





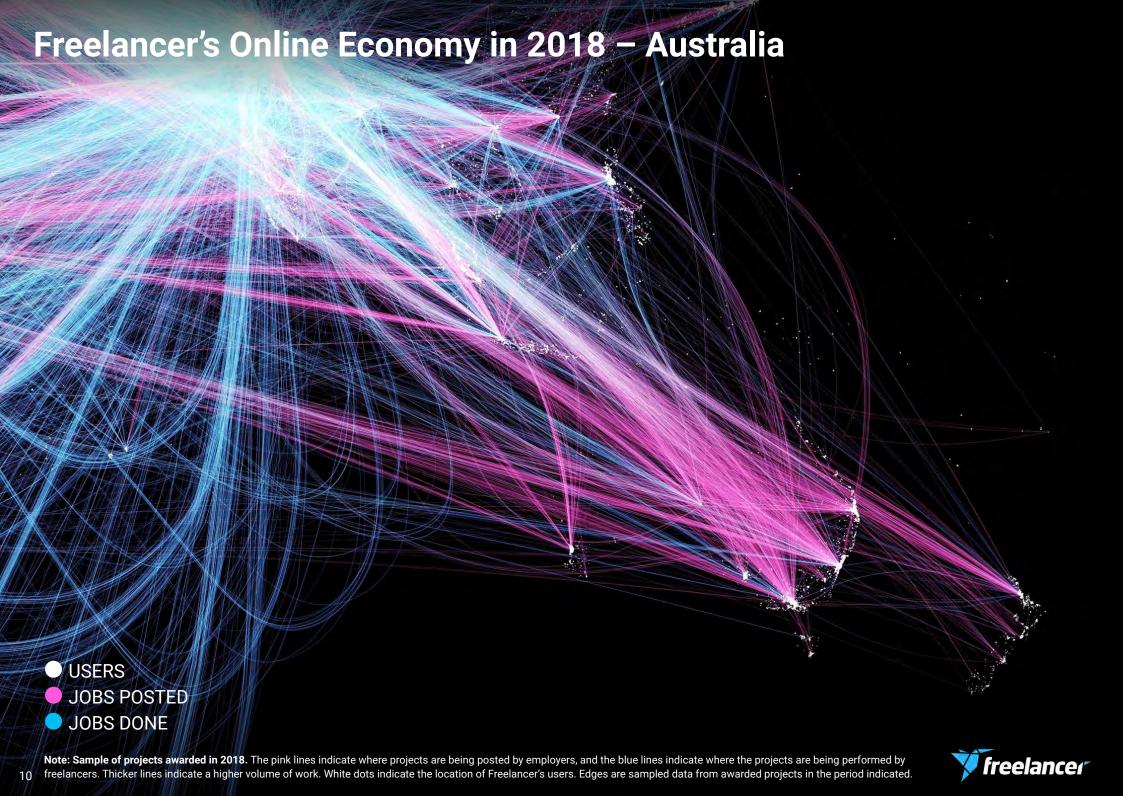


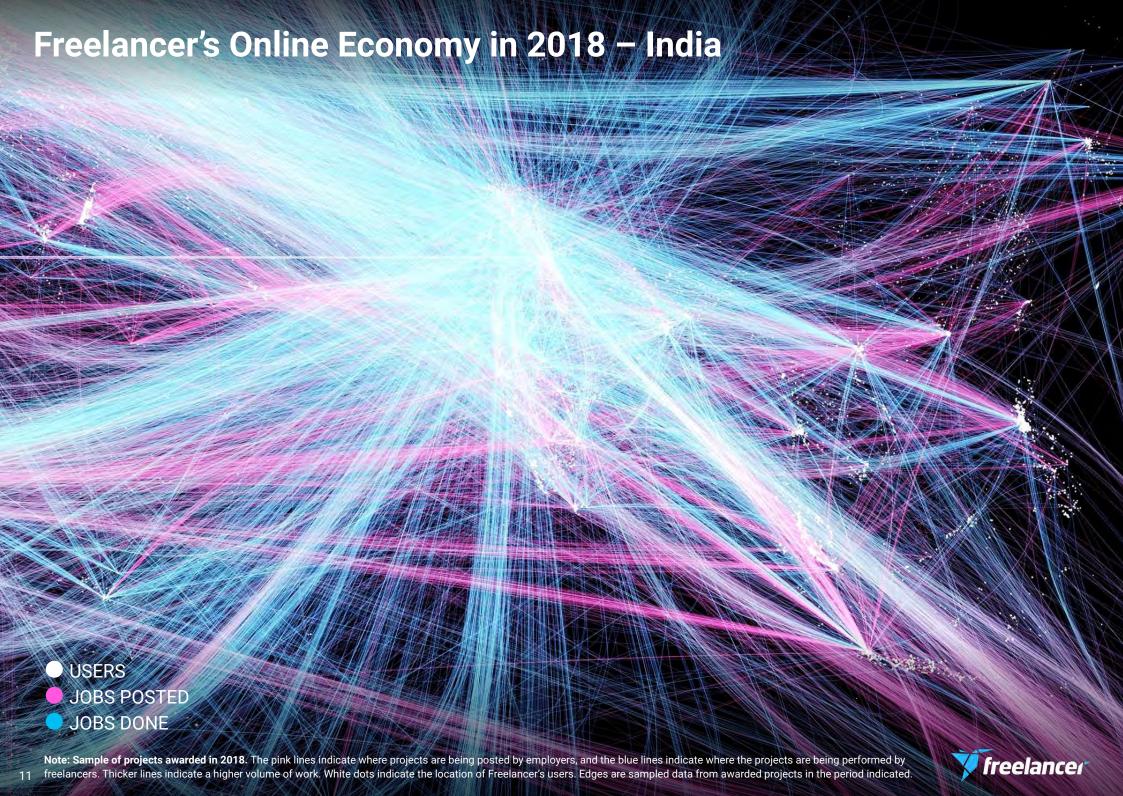




Freelancer Limited

# **CHAIRMAN'S ADDRESS**







Freelancer Limited

**FY18 & 1Q19 RESULTS** 

# **FY18 Freelancer Group Results**

- FY18 Net Revenue \$51.9m, up 3.2% on pcp
- FY18 GPV \$740.6m, up 26% on pcp
  - FY18 Freelancer GPV all-time record of \$170.1m, up 6.7% on pcp
  - FY18 Escrow GPV US\$426m, up 30% on pcp (AU\$570.6m, up 33.3% on pcp)
  - FY18 Escrow GPV all-time record ex-China beating previous by 20.2%
- Gross margin >85%
- FY18 Operating EBITDA nearing break-even \$(0.7)m
- FY18 Operating NPAT nearing break-even \$(0.9)m
- Cash & cash equivalents at \$33.2 million (31 Dec), up 4% on pcp



# **1Q19 Freelancer Group Results**

- 1Q19 all-time record cash receipts \$14.0 million (up 15.8% on pcp)
- 1Q19 Freelancer Group GPV all-time record \$204.3m (up 25.6% on pcp)
  - Freelancer segment 1Q19 all-time record Gross Payment Volume of \$45.9 million (up 14.2% on pcp, unaudited)
  - Escrow segment 1Q19 GPV all-time record since acquisition of \$158 million (up 29.2% on pcp, unaudited)
  - Ex-China, Escrow GPV had a large uplift to an all-time record of \$150 million (up 45.1% on pcp) or US\$107 million (up 31.8% on pcp)
- 1Q19 positive operating cash flow \$2.0 million
- Cash & cash equivalents at \$35.1 million (31 Mar), up \$1.9m on 4Q18



# **Key financial highlights FY18**

FY18 saw a large step up in Gross Payment Volume while maintaining consistently high gross margins (>85%)

A\$m, 31 December year end	FY18	FY17	Change
Gross Payment Volume <sup>1,2</sup>	\$740.7m	\$587.5m	+26%
Net Revenue <sup>1</sup>	\$51.9	\$50.3m	+3%
Gross Profit	\$44.2	\$44.1m	nm
Gross margin (%)³	85.2%	87.5%	-2.6%
Operating EBITDA <sup>4</sup>	\$(0.7)m	\$(3.7)m	nm
Operating EBIT <sup>4</sup>	\$(1.2)m	\$(4.4)m	nm
Operating NPAT <sup>4</sup>	\$(0.9)m	\$(3.8)m	nm
Operating Cash Flow	\$(0.9)m	\$(0.6)m	nm
Cash balance	\$33.2m	\$31.9m	+4%

<sup>1.</sup> Net Revenue excluding Escrow.com for FY18 was \$44.7m (up 2% on pcp). GPV excluding Escrow.com for FY18 was \$170.1m (up 6.7% on pcp).



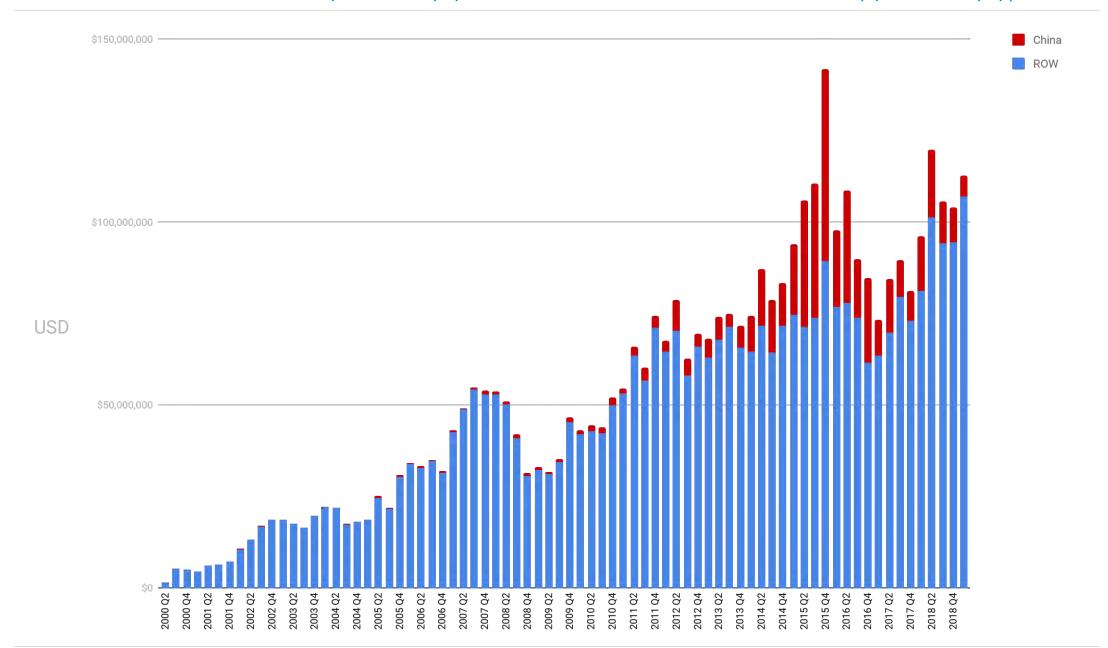
<sup>2.</sup> Gross Payment Volume (GPV) is calculated as the total payments to Freelancer and Escrow users for products and services transacted through the Freelancer and Escrow websites plus total Freelancer and Escrow revenue.

<sup>3.</sup> Gross margin % calculation in FY17 excludes \$0.3m of proceeds from working capital adjustment on acquisition of Escrow.com, which is included in Net Revenue

<sup>4.</sup> Operating earnings are exclusive of non-cash share based payments expense of \$558k in FY17 and \$986k in FY17.

# **Escrow.com quarterly GPV**

1Q19 GPV all-time record \$158m up 29.2% on pcp in AUD, 1Q19 ex-China all-time \$150 million (up 45.1% on pcp)



#### Freelancer.com

Freelancer segment 1Q19 all-time record Gross Payment Volume of \$45.9 million (up 14.2% on pcp, unaudited)

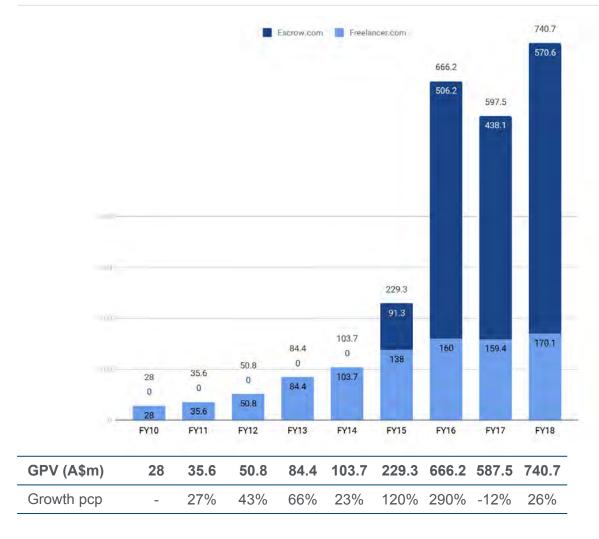
#### Freelancer.com GPV Freelancer Enterprise GMV 50,000,000 Total amount 45,000,000 40,000,000 35,000,000 30,000,000 25,000,000 , at 2015 3015 1015, at 2016 3016 1016, at 2017 3017 1017, at 2018 3018 1018, at 8 Jan 18 Jan 19 Mobile App Redesign Design a Logo T-shirt illustrations Track Record Design Website Layout Athlete's Icees Logo By Nihal H. By Elsa K. By Made A. By Hardik P. By Olexandro N. By Francisco Rui P. \*\*\*\* \*\*\*\* \*\*\*\* \*\*\*\* \*\*\*\* \*\*\*\*



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

# **Gross Payment Volume (GPV) FY18**

#### All-time record FY GPV \$740.7 million, up 26% on pcp



#### Group

FY18 all-time record GPV \$740.6m (up 26% on pcp)

#### Freelancer

- 4Q18 all-time record GPV \$44.6m (up 14% on pcp)
- FY18 all-time record GPV \$170.1m (up 7% on pcp)

#### **Escrow**

- 4Q18 GPV US\$104m (up 28.2% on pcp)
- FY18 GPV US\$426m (up 30% on pcp) or AU\$570m (up 33.3% on pcp)
- FY18 ex-China GPV all-time record, beating previous all-time high by 20.2%
- Freelancer take rate at 13%
  - Commissions are unchanged since FY10
  - 3% for employers and 10% for freelancers
- Escrow blended take rate ~1.3%

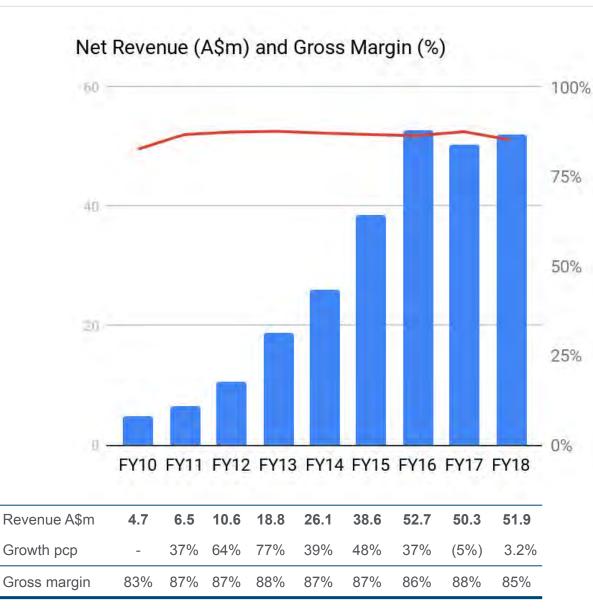


<sup>1.</sup> Gross Payment Volume (GPV) is calculated as the total payments to Freelancer or Escrow users for products and services transacted through the Freelancer or Escrow websites (GMV) plus net Revenue. Based on Freelancer's unaudited management accounts which have not been subject to an auditor's review.

Core Freelancer FY18 GPV of A\$170.1m. Escrow FY18 GPV of US\$426m, average AUDUSD FX of 0.7466= A\$570.6m

#### **Net revenue FY18**

#### FY18 Net Revenue of 51.9m (up 3.2% on pcp)

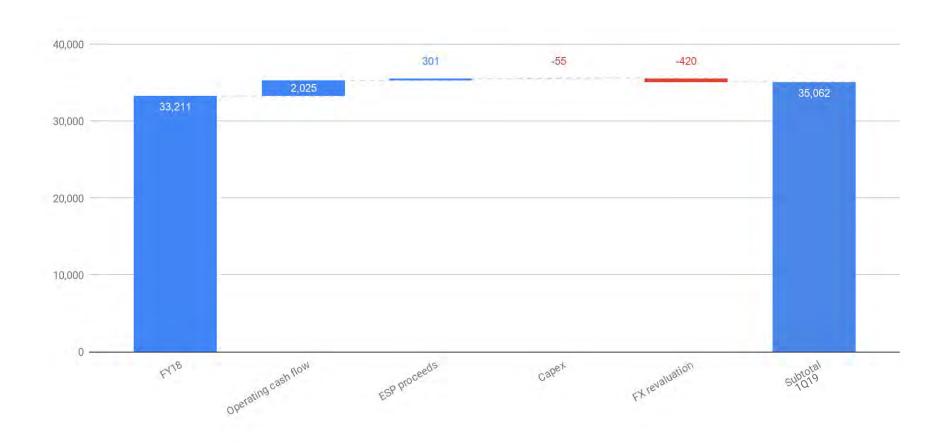


- 4Q18 Cash Receipts of \$13.3m, up 8% on pcp
- FY18 Net revenue of \$51.9m, up 3% on pcp
  - Freelancer revenue \$44.7m (up 2%)
  - Escrow revenue \$7.2m (up 12%)
- FY18 Revenue growth impacted by:
  - Drop in core desktop funnel driven by introduction of "1-click" funnel- has been reverted but has held revenue back yoy
  - Memberships
  - Initiatives to improve quality and Net Promoter
     Score at expense of short term revenue impacts
- Consistently high gross margins, >85% since FY10



# Cash flow profile 1Q19 (AUD)

1Q19 cash and cash equivalents at 31 Mar 2019 \$35.1 million (up \$1.9 million on pcp)



- 1Q19 positive operating cash flow \$2.0m
- 1Q19 cash & eq. at 31 Mar 2019 \$35.1m (up \$1.9m on pcp)



## Summary profit & loss statement FY18

Tight cost control improved all cost lines in FY18 has lead to 1Q19 positive operating cash flow of \$2.0 million

( <b>A\$m</b> ) 31 Dec y/e	FY18 Actual	FY17 Actual	Change
Net Revenue	51.9	50.3	+3%
Gross Profit	44.2	44.1	+1%
Gross margin (%)	85.2%	87.5%	-2.6%
Employee expenses	(20.0)	(22.0)	-7%
Administrative expenses	(11.7)	(12.4)	-6%
Marketing related expenses	(8.9)	(9.8)	-9%
Occupancy costs	(2.7)	(2.8)	-3%
FX gains / (losses)	(1.4)	(8.0)	+66%
Share based payments expense	(0.6)	(1.0)	-43%
EBITDA <sup>2</sup>	(1.3)	(4.7)	nm
EBIT	(1.8)	(5.4)	nm
NPAT	(1.5)	(4.8)	nm
Excluding share based payments expense <sup>1</sup>			
EBITDA <sup>2</sup>	(0.7)	(3.7)	nm
EBIT	(1.2)	(4.4)	nm
NPAT	(0.9)	(3.8)	nm

- Group FY18 NPAT effectively break-even at (1.5m), NPAT excluding share based payments expense (0.9m)
- Positive operating cash flow 1Q19 of \$2.0 million
- Lower gross margins attributable to:
  - o enterprise services
  - lower margins attributable to escrow division, which has increased revenue share of group in FY18
  - normalisation of provisioning in 2018. One off reduction in provisions in 4Q17 resulted in higher than normal gross margin in FY17
- Employee, administrative, marketing and occupancy expenses were all down due to tight cost control, which will provide operating leverage with rising revenue
- 458 FTEs at end of FY18 (down 3% on FY17)



# **Summary balance sheet FY18**

Cash and cash equivalents of \$35.1 million as of 31 March 2019, up \$1.9 million on 4Q18

FY18 Actual	FY17 Actual	Change
33.2	31.9	+4%
4.6	3.9	+17%
1.7	1.5	nm
0.6	0.9	nm
26.4	26.4	nm
4.6	4.0	nm
71.1	68.6	+3%
36.0	33.0	+9%
4.0	3.7	nm
40.0	36.7	+7%
31.1	31.9	-2%
38.1	38.0	nm
4.0	3.4	nm
(11.0)	(9.5)	nm
31.1	31.9	-2%
	Actual  33.2  4.6  1.7  0.6  26.4  4.6  71.1  36.0  4.0  40.0  31.1  38.1  4.0  (11.0)	Actual       Actual         33.2       31.9         4.6       3.9         1.7       1.5         0.6       0.9         26.4       26.4         4.6       4.0         71.1       68.6         36.0       33.0         4.0       3.7         40.0       36.7         31.1       31.9         38.1       38.0         4.0       3.4         (11.0)       (9.5)

- Total cash & equivalents at end of 1Q19 \$35.1m (up \$1.9 million on 4Q18), no net debt
- Trade and other receivables includes receivables from various payment gateways in relation to partially completed transactions
  - Increase in receivables due to enterprise customers
- Trade and other payables includes user obligations (user balances and milestone payments held on balance sheet)



#### **Outlook Statement 2019**

#### FY19 will be a growth year for the Freelancer and Escrow segments

- FY19 will be a growth year for the Freelancer and Escrow segments
  - In 1Q19 Freelancer.com hit an all-time record for cash receipts of \$14.0 million (up 15.8% on pcp) and all-time record for Gross Payment Volume of \$45.9 million (up 14.2% on pcp). We are coming out of the work to improve the front-end and excited about the build out of collaborative tools, usability improvements, mobile, performance, managed service, API and enterprise offerings in coming quarters.
  - For Escrow.com, FY18 GPV of \$570.6 million (up 33.3% on pcp) and 1Q19 GPV of \$158 million (up 29.2% on pcp) were some of the best periods ever for GPV growth. 1Q19 ex-China of \$150 million was up 45.1% on pcp. We are highly optimistic about opportunities from the new Escrow.com API and ecosystem we are developing around this API.
- 1Q19 has started the year strong with positive operating cash flow of \$2.0 million.
- 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.)





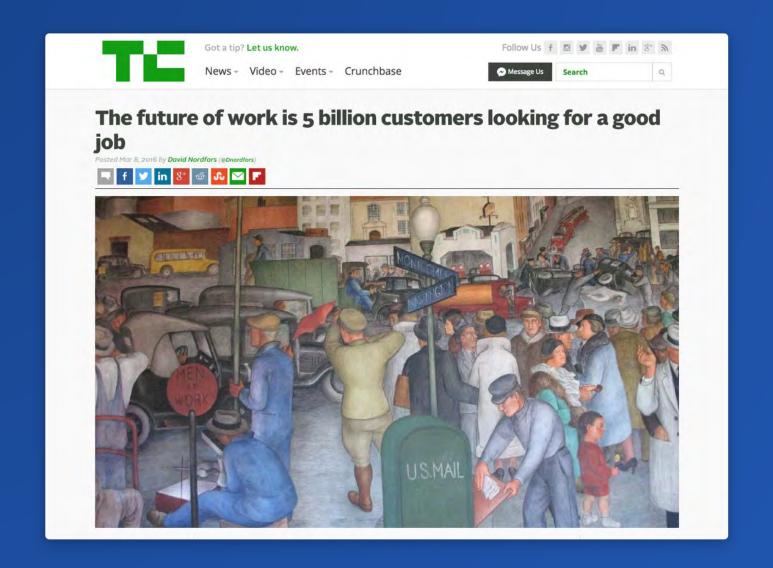
Freelancer Limited

# FREELANCER.COM

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



# In a trillion dollar market

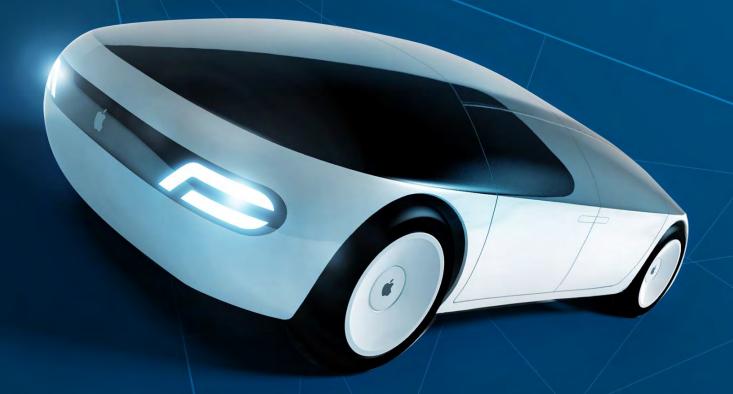






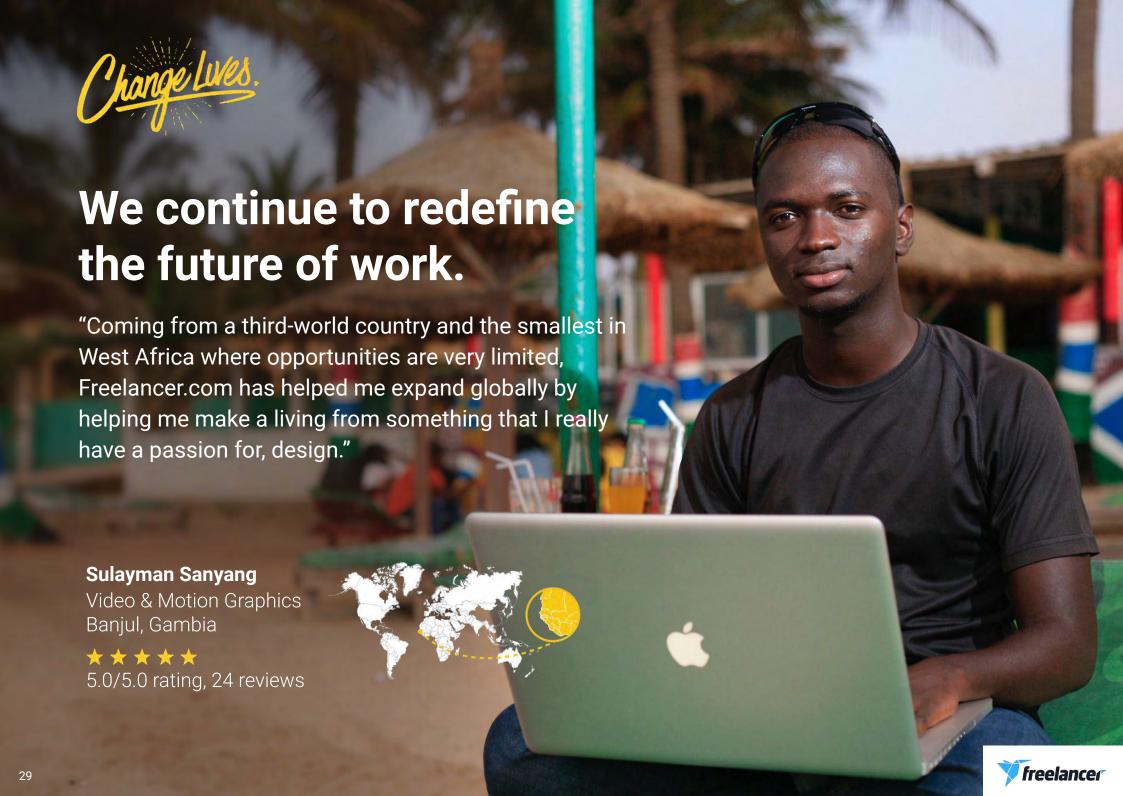
This **CAD Design** of the **rumored Apple Electric Car** cost

\$1500



# We help entrepreneurs build the future.

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





# Your idea brought to life in stunning visuals.

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



This **Architectural Design** cost

\$1613

# 53

#### **Regional Websites**

Slovenia

34

#### Languages

Languages

39

#### Currencies

North America		Europe	
W	US (International)	100 IFG 500 EST	United Kingdom
4	Canada	0	European Union
$\times$	Jamaica		France
			Germany
Afr	ica		Greece
	South Africa	1	Portugal
	Kenya	E-	Spain
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			Iceland
			Ireland
			Italy
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		C+	Turkey
			Poland
			Romania
			Russia
			Ukraine
			Norway
			Hungary
		-	Finland
			Denmark
			Albania

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

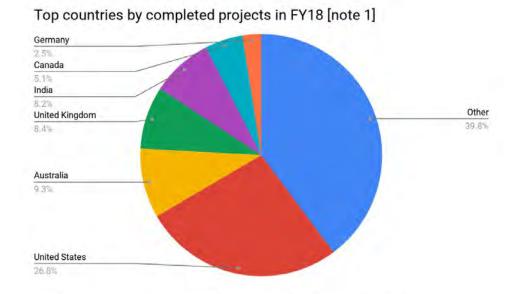
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NZD	DKK
AUD	VND
GBP	AED
HKD	ARS
SGD	BDT
PHP	COP
EUR	PKR
CAD	CHF
ZAR	HUF
INR	ILS
JMD	KRW
CLP	NOK
MXN	QAR
IDR	RON
MYR	RUB
SEK	SAR
JPY	THB
PLN	TRY
BRL	

**Currencies** 



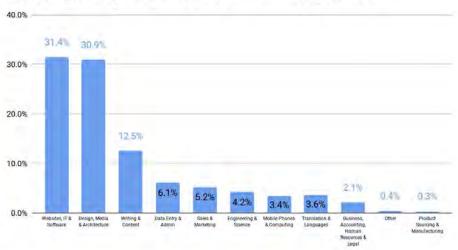
## Marketplace dynamics FY18

"Every job, every country, every language, every currency, at any time"

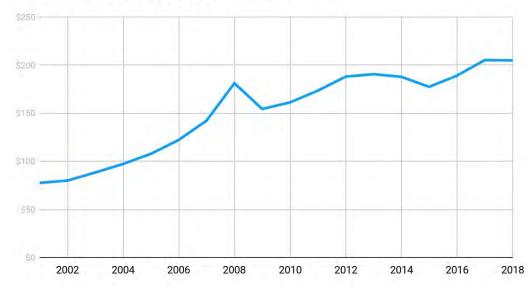


- Over 1,350 job categories as diverse as Aerospace Engineering, Biotechnology, Sales, Manufacturing, Mechanical Engineering
- Complexity & sophistication growing each year
- Average completed project US\$205 in FY18<sup>3</sup>

#### Top categories by completed projects in FY18 (%) [note 2]



#### Average completed project size (US\$) [note 3]



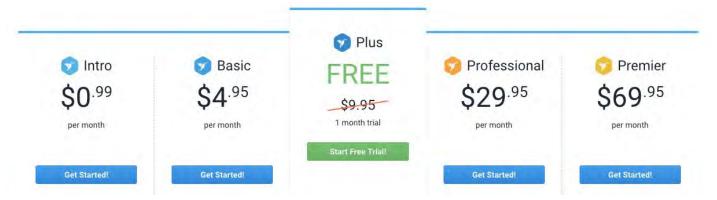
- 1. Based on the number of completed projects that were posted in FY18.
- 2. Based on the value of project payments for projects that were posted in FY18.
- 3. Average amount paid per awarded project



#### **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



✓ COMPLETED

#### 3D design for an office

freelancer

#### **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 Email address Apply for similar jobs Set your budget and timeframe Get paid for your work Outline your proposal ✓ It's free to sign up and bid on jobs.





#### 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

45 \*\*\* \* 1 (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



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





Home → My Projects →

#### **Chocolate package (front) design**

€100 EUR

CLOSED

Description

**Entries** 



#### A winner has been chosen!

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

**54** Total Entries

View: (54) All Entries \$ Sort by: Default











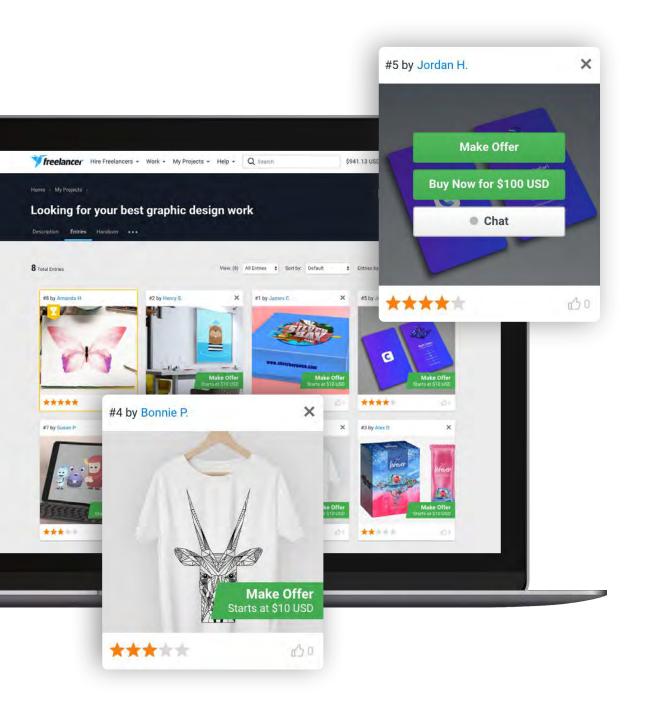












## **Contests**

## Get the perfect design by crowdsourcing your ideas

116 entries per contest on average, contests start at \$10

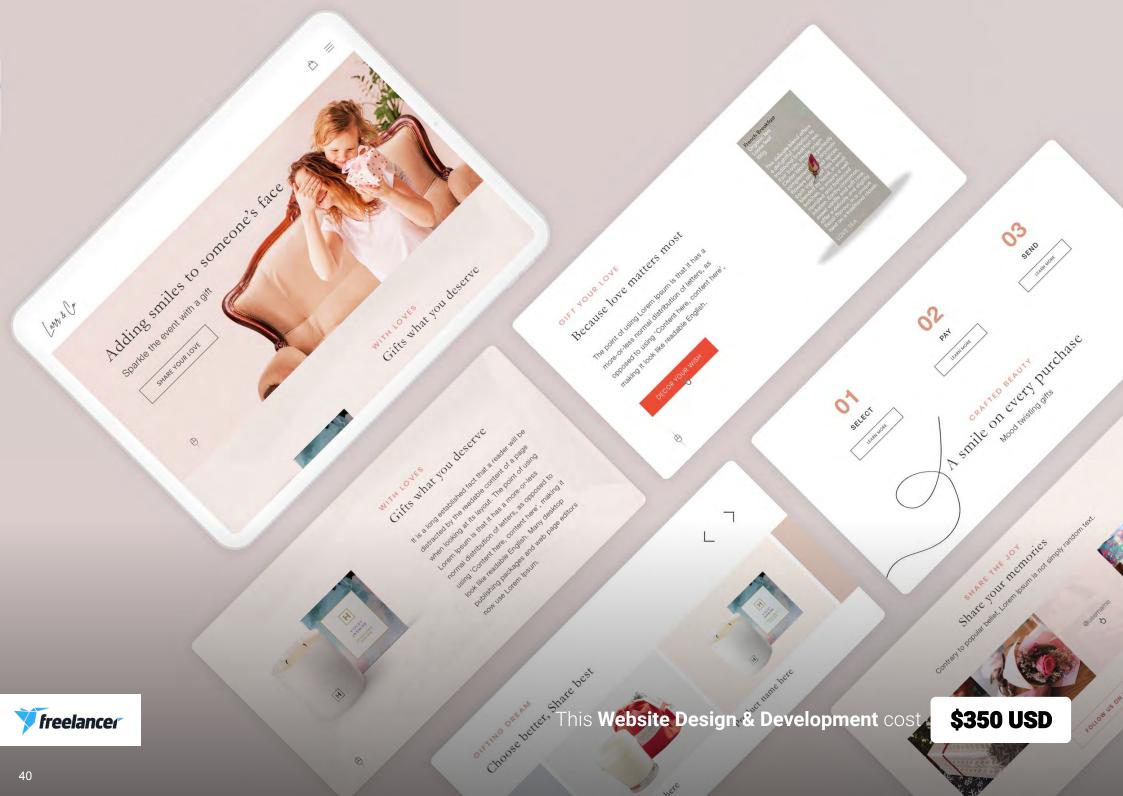
65% of contests get their first entry in an hour

Contests now support multi-award

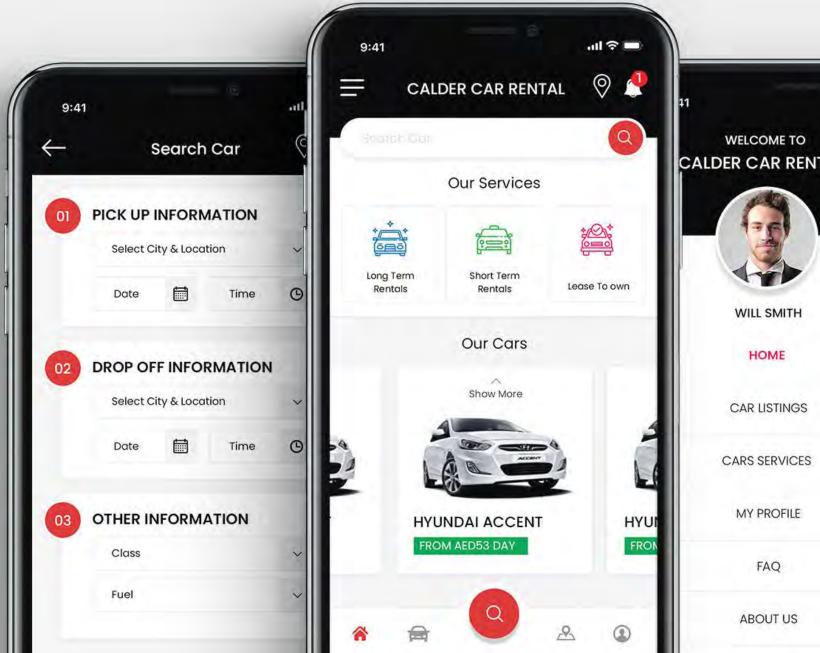


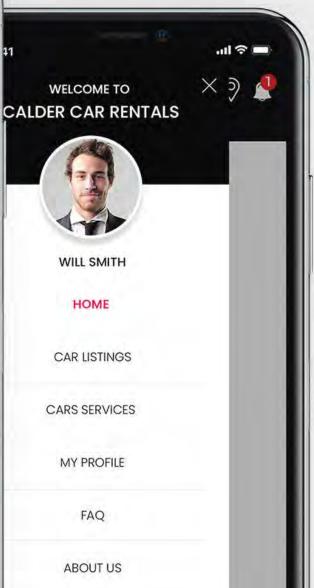
















This **3D Model** cost

£100



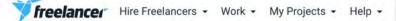














\$179.47 AUD - (1) :::



SEALED



Home > My Projects >

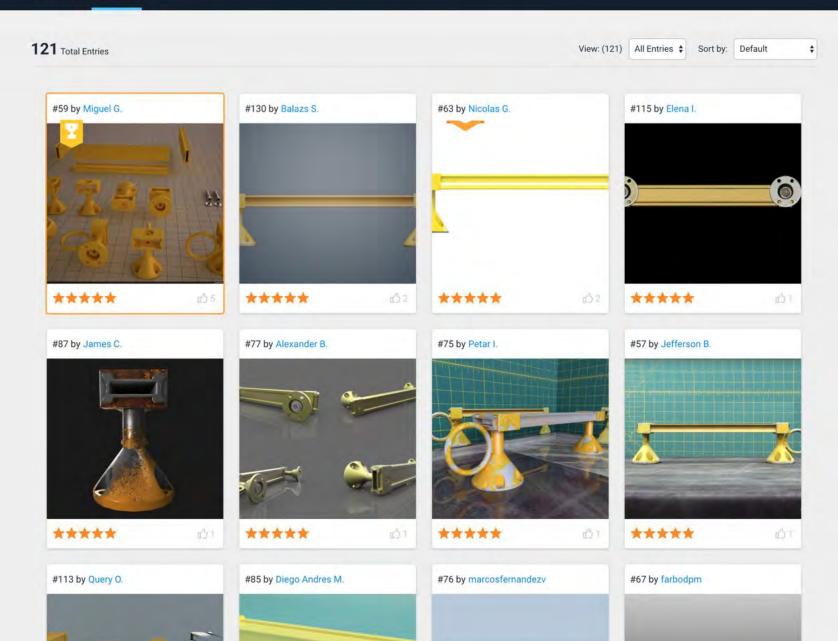
### NASA Challenge: Develop 3D Models for Robonaut S...

\$50 USD

CLOSED

Description

Entries











NASA got this 3D CAD Model for

\$50



# We push the boundaries of human innovation

CoECI's innovative, streamlined process with the P-Card enabled quality and fast work turnaround with extraordinary cost-savings (80% - 99%) when compared to traditional methods. Furthermore, NASA implemented a majority of the solutions (97%) across a wide range of its federal space programs. By matchmaking needs with skills on-demand in areas where NASA teams did not have the expertise nor resources available, crowds delivered high quality and creative work. Not to mention, challenges have become a vehicle for NASA to engage with the public and vice versa.

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.

http://www.freelancer.com/contest/nasa



8760 ENTRIES TO DATE



The U.S. Department of Energy (DOE) and Freelancer.com have teamed up to help crowdsource solutions to increase manufacturing energy productivity in the U.S.

http://www.freelancer.com/doe

## WDVV

Guides innovation for over 200,000 leading technology manufacturers and service providers

Arrow Electronics (NYSE:ARW)

Ranked #113 in 2018 Fortune 500 with revenue of US\$30 billion

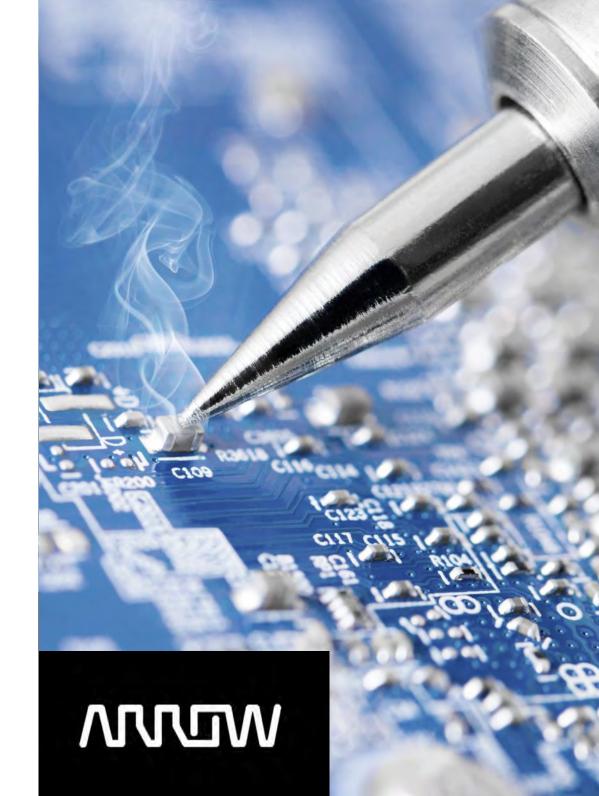
Brings to the alliance a large volume of high quality, high value projects, from established companies with a real demand for innovation and talent



## WDVV

Arrow has built a proprietary
Certified Engineering (ACES)
network that is a key
differentiator in helping its
customers win with technology

The new platform **ArrowPlus powered by Freelancer** is designed to solve
sophisticated technology problems
spanning consumer electronics,
transportation, healthcare, industrial,
Internet of Things (IoT),
telecommunications, biomedical, cloud
security, firmware, hardware, and
connected products in every industry

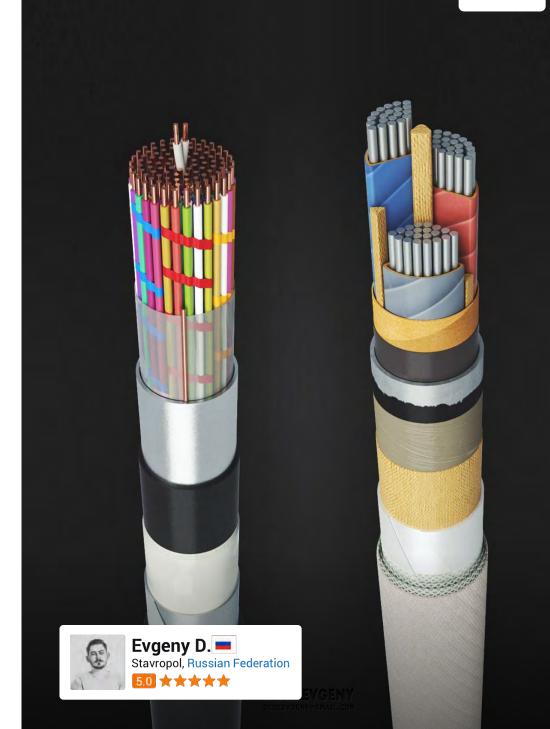




The world's best expertise in global services marketplaces: 32m+ users and 15m+ jobs in 1,350+ skill areas

Brings to the collaboration the platform and the world's best expertise in running global online services marketplaces, allowing Arrow to transform its services business into a dynamic, connected talent cloud

Will operate **ArrowPlus powered by Freelancer** including engineering,
payments & support





ArrowPlus powered by
Freelancer will transform the
way products will be
designed, manufactured and
delivered to market

Together, the exclusive strategic alliance is an unprecedented category definer for how hardware products are designed and electronics & electrical engineering services are delivered

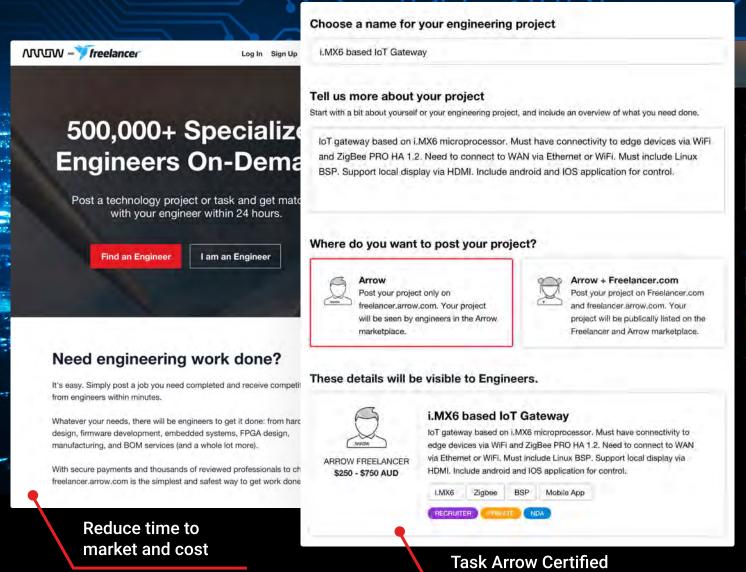
freelancer.arrow.com



## **↑** Ireelance

Next year's "new products" for CES Las Vegas are just a click away.

**Engineers or freelancers** 



SEND A PRIVATE MESSAGE Contact InvisionOne About Your Work Opportunity Hi InvisionOne, I noticed your profile and would like to offer you my project. We can discuss any details My Budget (Minimum: \$10) Set Fixed Price Set An Hourly Rate 20,000 Hire InvisionOne By clicking the button, you have read and agree to our Terms & Conditions and Privacy Policy. 500.000+ skilled engineers on-demand



## The full lifecycle of hardware product development:

- Ideation & prototyping
- Analog & digital design
- Printed circuit board design
- Bill of Materials (BOM) part selection
- Custom requirements to product delivery
- Component consolidation and cost reduction
- Redesign for smaller size
- Documentation & translation
- Development of firmware, drivers & middleware
- Real-time embedded software development
- Integrated circuit design
- Manufacturing



## Freelancer Enterprise

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

3-4x faster. Fast track workforce automation with a fully featured API.

Get quality experts. Private Freelancer Cloud and Project Success Managers ensure quality work delivery.

NASA CoECI saw 80-99% cost savings\*. No hidden feesemployer commissions are waived for volume clients.



<sup>\*</sup> Surprising Results from Large Crowds Using Micro-Purchase Challenges - Using Contests on Freelancing Communities to Source Innovative, Impactful and Cost-Effective Solutions.



# **Introducing Location Tracking**

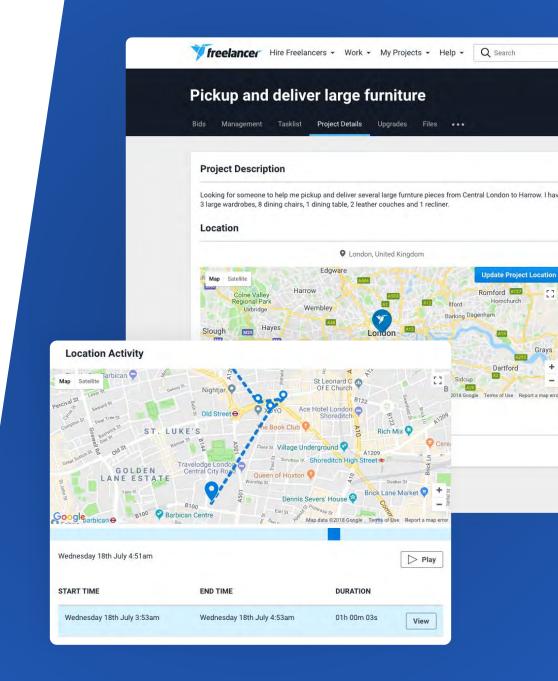
Keep track of a freelancer's location whilst work is in progress

Watch on as your freelancer completes the work.

Record the steps involved and time spent in progress.

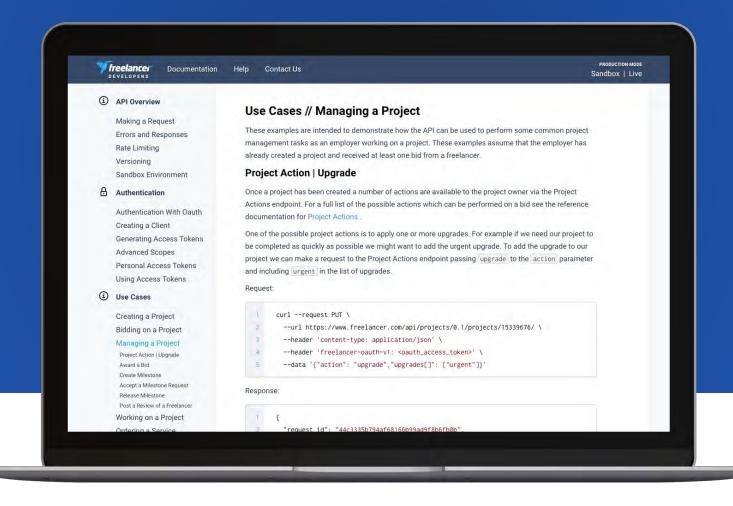
Automatically submit and pay for completed work.

The convenience of knowing Local jobs on average receive 7 bids. Globally.



### Freelancer API





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

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

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

A perfect companion to Freelancer Enterprise customers.

### **Board of Directors**

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



### 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).



#### 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 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 | Freelancer

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



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



Jun Yao Vice President, Engineering BE (Automation) MSc PhD (Computer Science)



Adam Byrnes Vice President, Product & Growth BE (Electrical) (Hons I) / BSc (Adv) (Physics)



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



Sarah Z. Tang Vice President, Enterprise MSc / MA (Wien) MA BCom (Queens)



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

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 Aptrix.

Jun Yao is the Vice President of Engineering at Freelancer. He is responsible for leading the global engineering teams, defining and executing the company's long-term technical roadmap. Jun has extensive experience in software engineering, and his areas of expertise include application and system designs, computer networks, information security and relational databases.

Adam Byrnes is responsible for product leadership at Freelancer. He advises on the product direction and strategy of the Freelancer marketplace, and provides mentorship to other product managers in the business. Adam holds first class honours degrees in Advanced Physics and **Electrical Engineering** from the University of Sydney

Grea Robinson is the Vice President of Compliance at Freelancer. Greg oversees the overall compliance environment within the Company. In this role. Grea is responsible for the development and maintenance of the governance and compliance risk programs to support the business. Before joining Freelancer, Grea worked for PavPal Australia as Head of Compliance. Sarah Z. Tang is the Vice-President of Enterprise, where she oversees the go-to-market strategy and engagements with Freelancer's Fortune 500 clients. She is a Canadian National Merit Scholar and on SIA's 2017 Global Power 50 most influential women's list. She collaborates closely with NASA and Harvard Business School / Lab of Innovation Science on publications and thought-leadership to advance the crowdsourcing and human cloud industry.

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.



## 2019 Awards | Freelancer.com



#### **People's Voice Award**

**Employment Website** 

23rd Annual Webby Awards 2019



#### **Gold Stevie**

Innovative Management in Technology Industries (for more than 100 Employees)

The Asia-Pacific Stevie Awards 2019



#### **Gold Stevie**

Innovation in Technology
Management, Planning &
Implementation
(for Other Service Industries)

The Asia-Pacific Stevie Awards 2019



#### **Bronze Stevie**

Excellence in Innovation in Technology Industries (for more than 100 Employees)

The Asia-Pacific Stevie Awards 2019



#### **Bronze Stevie**

Most Innovative
Communications Team of the Year

The Asia-Pacific Stevie
Awards 2019

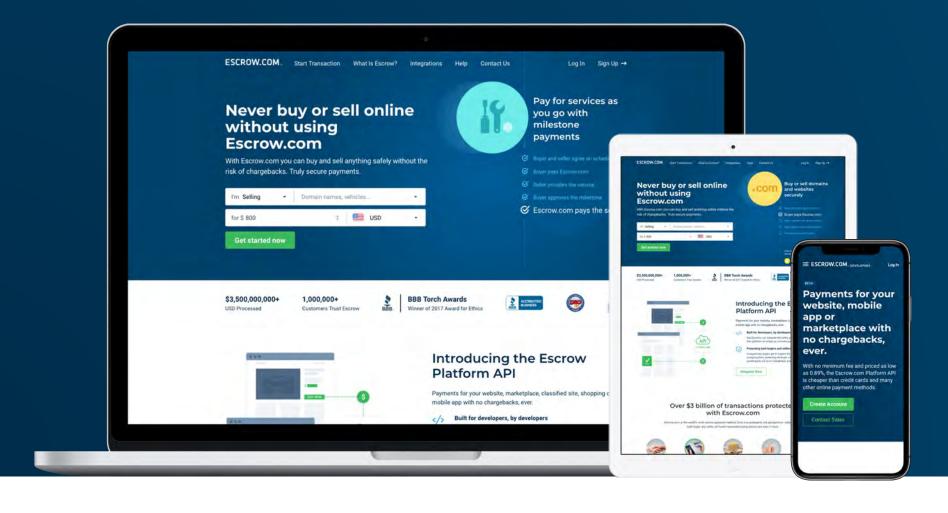




Freelancer Limited

ESCROW.COM





# Inspect goods & services before releasing funds. No chargebacks, ever.

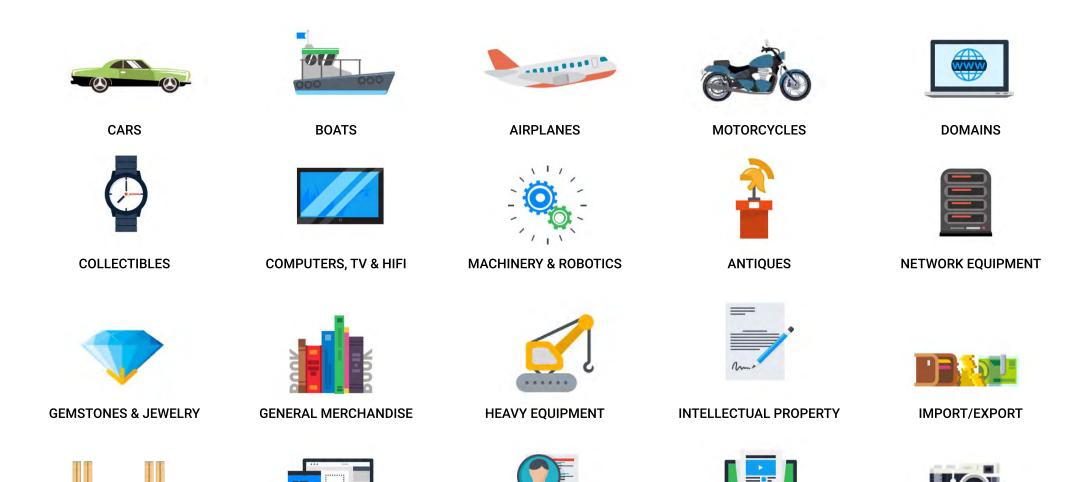
OVER US\$4,000,000,000 IN TRANSACTIONS SECURED SINCE 1999

# Most payments innovation revolves around trying to buy a cup of coffee



rather than selling anything of real value, like a car





# **Escrow.com** is used to secure a wide range of valuable transactions

**SERVICES & CONTRACTORS** 

**WEBSITES** 



**ELECTRONICS** 

SPACE STATION DEPOSITS

**BUSINESS ASSETS** 

## \$100 to \$100,000,000 USD, EUR, AUD support (GBP soon)







2007 Robinson R44 securely sold through Escrow.com

Aerocruiser 1100 hovercraft securely sold through Escrow.com

Don Pedro houseboat securely sold through Escrow.com







2012 Ferrari Scaglietti securely sold through Escrow.com



2004 Fountain 38 LX securely sold through Escrow.com



















The only licensed, bonded & audited secure online solution that protects both the buyer and the seller with a simple 5-step trust process



1. Buyer and seller agree to terms



2. Buyer pays Escrow.com



3. Seller ships merchandise



4. Buyer accepts the merchandise



5. Escrow.com pays the seller

### **Benefits of using Escrow.com**



#### **Increase Trust**

Allow your customers to transact on e-commerce, marketplaces & classifieds sites with higher trust & safety greatly reducing fraud and with no chargebacks, ever.



#### **Increase Liquidity**

Physical inspection & acceptance happen on delivery, meaning valuable items can ship across state or country lines before the transaction completes, allowing you & your customers to expand beyond local to global markets safely.



#### **Increase Fulfillment**

Greater liquidity means sellers can access more buyers and buyers more sellers, resulting in better choice, pricing and increasing the probability of a successful transaction.



#### **Increase Support**

Your customers benefit from our world class transaction support. Experienced Escrow.com personnel can check shipping documentation, title, liens, and more.



## **Benefits of using Escrow.com**



#### **Increase Compliance**

Escrow.com provides "compliance as a service" performing know your customer & anti-money laundering verification for high value transactions.



#### **Increase Insights**

Escrow.com "closes the loop" providing insight into what happens to your customers after they match on your site.



#### **Increase Conversion**

Campaigns and ad targeting can run more effectively. Know which listings are up to date and which are expired, creating a more relevant experience for your audience.



#### **Increase Revenue**

Revenue share is available for volume partners of \$1 million per month or more.







Escrow.com has 47 financial services licenses granted or in-application (Hawaii, Nevada and the territories are the only US licenses remaining to file).

## The oldest, most trusted and licensed online escrow service in the world





# Cars, boats & airplanes are the perfect match for Escrow.com

Escrow.com solves trust problem

- Buyer & seller have to physically meet to transact
- Seller accepting cards has to risk charge backs
- Buyer using cash or wire has to risk delivering cash safely and trust the seller to deliver a vehicle in good standing

With Escrow.com one can ship across state lines, physical inspection and acceptance happen on delivery.

Value-add services include:

- Checking shipping documents
- Title collection
- Lienholder payoff
- Lease swap arrangements
- Post inspection sale adjustments













## **Escrow.com** protects fine art, antiques, collectibles, watches, jewelry, gemstones from forgeries and fakes

Whether it's by Warhol, Picasso or Hirst, we've sold it securely through Escrow.com

Shipping documentation is tracked and buyers receive & inspect the goods before accepting, opening up international markets and protecting against forgery and fakes

Andy Warhol "Queen Elizabeth Suite", "Mao" and "John Wayne" securely sold through Escrow.com





# Industrial, network, construction & heavy equipment sold through Escrow.com

Transact beyond the local area to a global market

Sellers access more buyers, buyers access more sellers

Escrow.com makes it easier to agree to larger contracts

FANUC M710iC Industrial Robots securely sold through Escrow.com





## **Escrow.com** makes import / export simple

No expensive & complicated letters of credit

Removes need to perform customer credit checks

Automates payments to international suppliers

Increases competitiveness of exporters through facilitating supplier & customer diversity

Shipment of 28 Ford F250 securely sold through Escrow.com





## Service contracts including freelancing through Escrow.com

We support milestone payments against a time or deliverables schedule

Ensure your last invoice gets paid

Medical solar system installation in Yuba City, CA securely sold through Escrow.com







SNAPCHAT.COM









TWITTER.COM

**INSTAGRAM.COM** 

FREELANCER.COM







SPACEX.COM







GMAIL.COM

FOURSQUARE.COM

WECHAT.COM

SLACK.COM

CHROME.COM

WARRIORFORUM.COM













WORDPRESS.COM

MEDICARE.COM

LOTTOLAND.COM

DATING.COM

PRIME.COM

OUTLOOK.COM





INTERNETBRANDS.COM









CENTURION.COM

HULU.COM

ORBITZ.COM

UPWORK.COM

All these domains, and tens of thousands more sold through Escrow.com

#### **Escrow.com** where the Internet is bought and sold





#### The Escrow.com Platform API

With no minimum fee and priced as low as 0.89%, integrate Escrow.com into your website, mobile app, classified site or marketplace.





#### **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

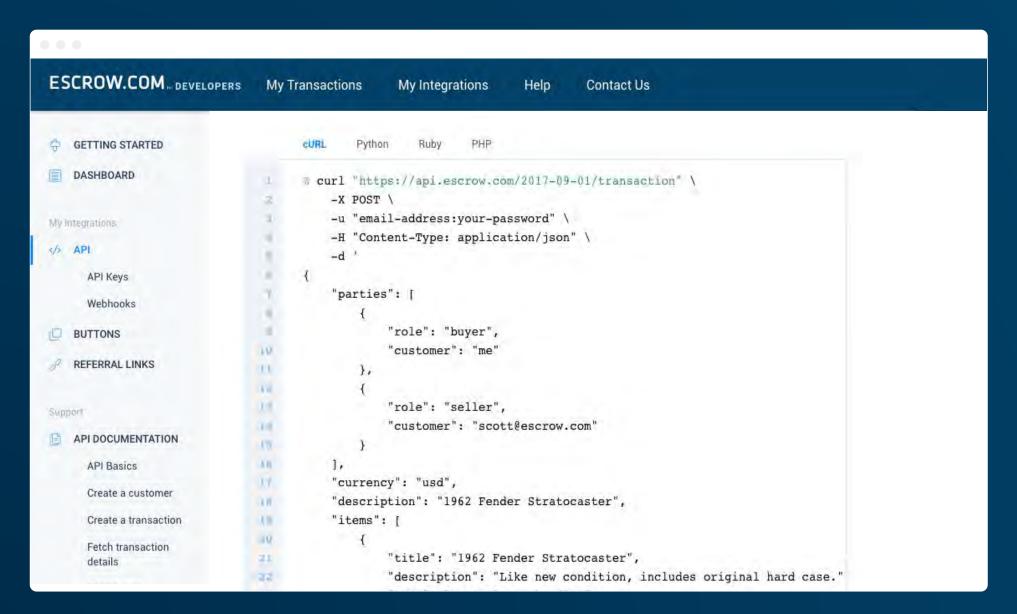
Time to take control of your roadmap – your integration will work the same as it does today as it will tomorrow.



#### **Developers First**

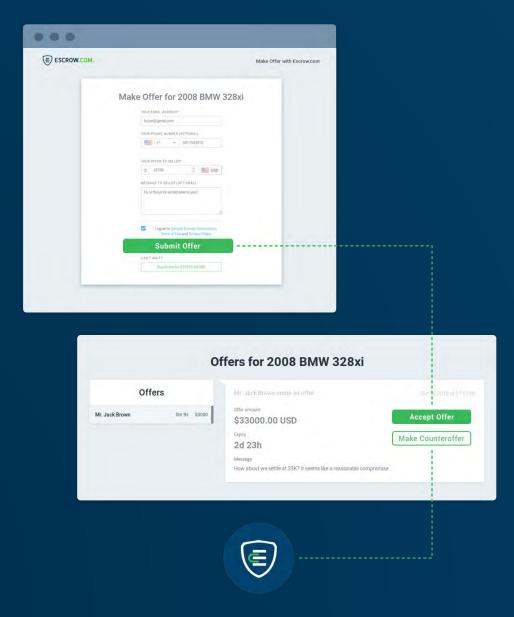
With a new developer portal, interactive documentation, and real-time dashboards, we are putting developers first. We can't wait to see what your build!

## The Escrow.com Platform API is built by developers, for developers



#### ESCROW Offer

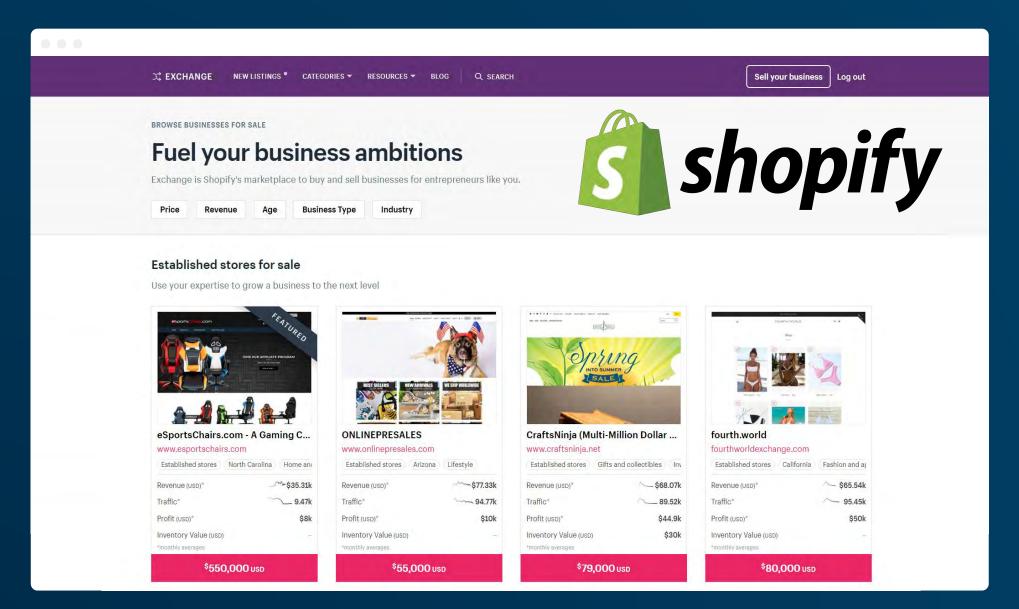
Escrow Offer empowers buyers and sellers to negotiate a price for domain names, cars, boats, aircraft or any high-value item online.





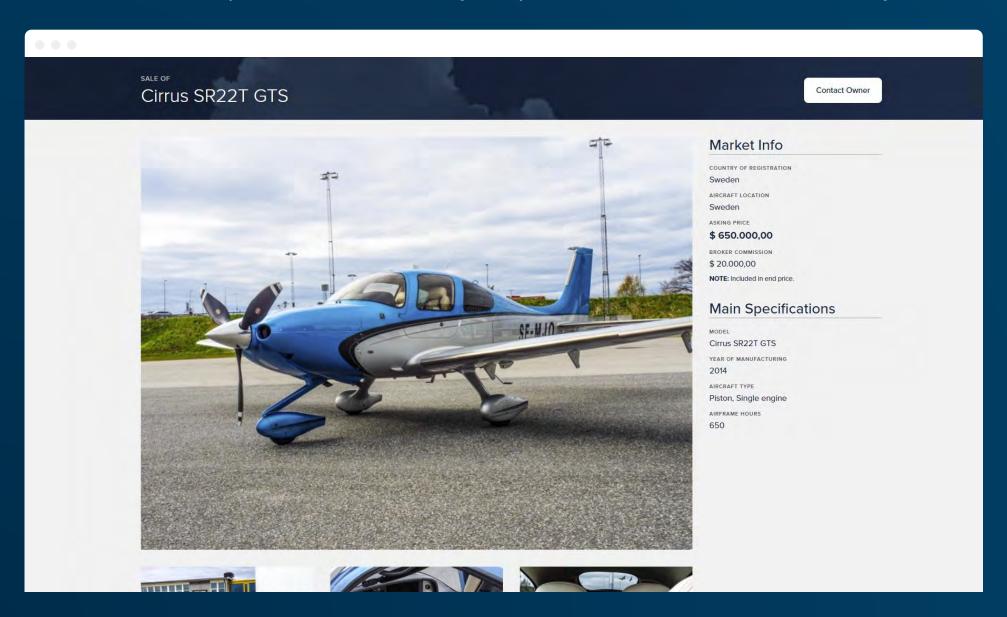
#### **Shopify Exchange**

Escrow.com is the only payment method for Shopify's marketplace of stores



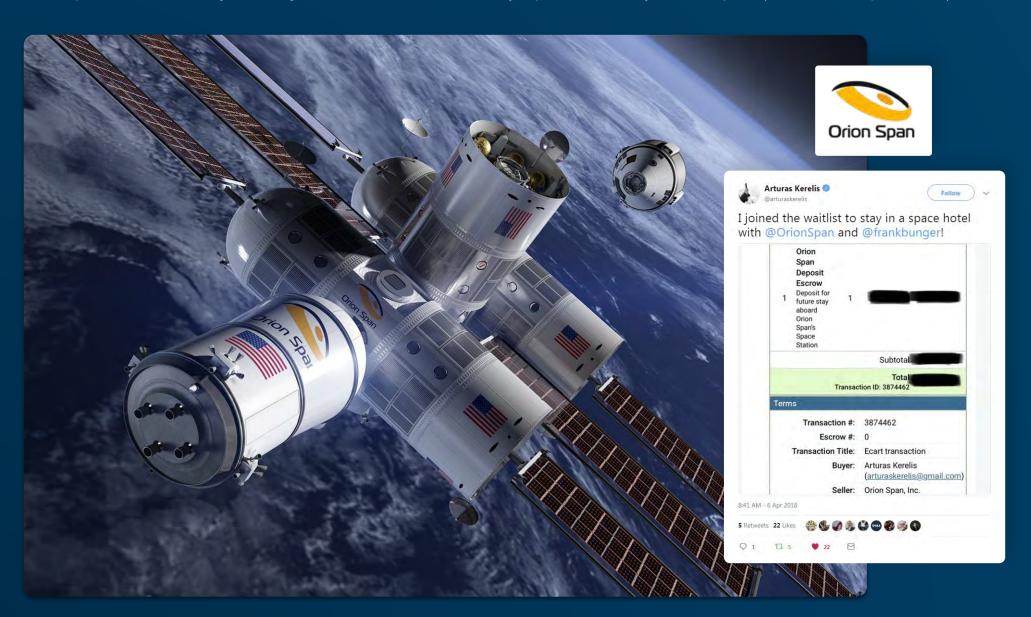
#### Wingform uses Escrow.com to deliver a turnkey solution

Thanks to Escrow.com, if you find an aircraft on Wingform, you know the seller is serious about selling their aircraft



#### The Aurora Space Station uses **Escrow.com** to take deposits

Deposits are already flowing for the \$10 million luxury Space Hotel by Orion Span (www.orionspan.com)



#### **Senior Management Team | Escrow**

#### Specialists in payments, finance, operations, infrastructure, international, growth, compliance and engineering



Matt Barrie Chief Executive BE (Hons I) BSc (Hons I) GDipAppFin MAppFin MSEE (Stanford) GAICD SEP FIEAust



Neil Katz Chief Financial Officer BCom (Hons) ACA EPGC (Stanford)



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



Ehsan Azizi Director of Product, PhD ME BE



**Jackson Elsegood** General Manager BCom CA



Michael Liedtke
Engineering
Manager,
Applications and
API
MPH BA (Comp Sci)



Chris Trotman Associate Vice President, Engineering BSc

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).

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

Ehsan is responsible for overseeing engineering, account management and business operations, working with key stakeholders and ensuring timely and proper execution of goals across the business. Ehsan also acts as the Director of Product for Payments and AML group at Freelancer.com. He holds a PhD in Reservoir Engineering from the University of New South Wales, Australia.

Jackson Elsegood is responsible for directing the strategic development of Escrow.com and execution of escrow activities. Previously with First Data and PwC, Jackson brings over ten years of international payments experience to the team and is dedicated to working closely with our customers to help them to do business all over the world. Jackson is a member of the Institute of Chartered Accountants in Australia and holds a bachelor's degree from Sydney's Macquarie University.

Michael Liedtke has been building SaaS products and services for the past 16 years. Joining Escrow at the end of 2015, he splits his time between engineering, product, business development, and sales, working closely with partners to help ensure their success. Michael has a Bachelor of Arts in Computer Science from Colby College and a Master of Public Health in Epidemiology from the University of Colorado Denver.

Chris Trotman is the Associate Vice President of Architecture at Freelancer. Chris is responsible for all technical aspects of engineering, maintaining the highest level of engineering standards and ensuring Freelancer is prepared for current and future growth. Chris holds a Bachelor of Science in Information Systems from the University of Auckland, New Zealand.



### Awards | Escrow.com



Gold Stevie
Company of the Year Financial Services - Small

The International Business Awards 2018



Bronze Stevie
Financial Services

The International Business Awards 2018



Gold Stevie
Financial Services
Company of The Year

The International Business Awards 2017



Silver Stevie Financial Services Company

The International Business Awards 2017



BBB Torch Award Ethics

Better Business Bureau Torch Awards 2017



Bronze Stevie
Financial Services
Company of The Year

The International Business Awards 2016



Export of the Year Award NSW iAwards

Premier's NSW Export Awards 2016



Honorable Mention X-Factor Award

Anthill Cool Company Awards 2016





**7,000+**TRANSPORT
OPERATORS

**FREIGHT**LANCER

32,000,000+ FREELANCERS Freightlancer is using technology to connect freight owners with transport operators at a global scale





























































### **Customers using Freightlancer**

**FREIGHT**LANCER

### Newcrest Mining Case Study



Over \$1.2 million worth of freight moved in last 12 months

- Cat 785 dump truck: \$55,000 plus GST
- Rockhampton QLD to Cadia NSW (1,303 km)
- 50% saving on previous movement





- B Double Full Load Urgent Hotshot: \$12,500 plus GST
- 2up Drivers Perth to Cadia (3,685 km)
- Previous price \$21,500 plus GST
- 40% saving on previous movement

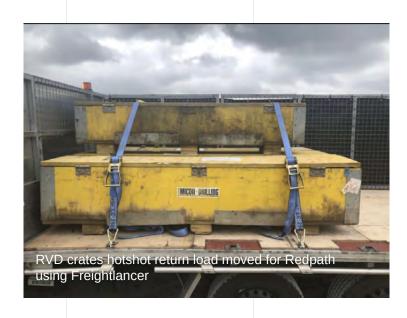
On average saving at least 30% on previous movements



### Redpath Mining Case Study

Six figures worth of freight moved in past 12 months





- RVD crates hotshot return load: \$19,033 plus GST
- Kalgoorlie to Cadia, 2 up drivers (6,304 kms)
- 30% saving on previous movement (saving \$6,700 per leg)

- Full trailer of equipment (18 tonne): \$5000 plus GST
- Maddington Perth to Orange NSW (3685 km)
- Flat top semi \$1.35/km plus GST





## EMS Group Case Study



Over \$3,000,000 worth of freight movements in past 12 months

- Meyco Potenza: \$4,760 plus GST
- Perth to Dubbo (3,556 kms)
- Dropdeck load @ \$1.34/km plus GST
- Over 50% saving on previous movement



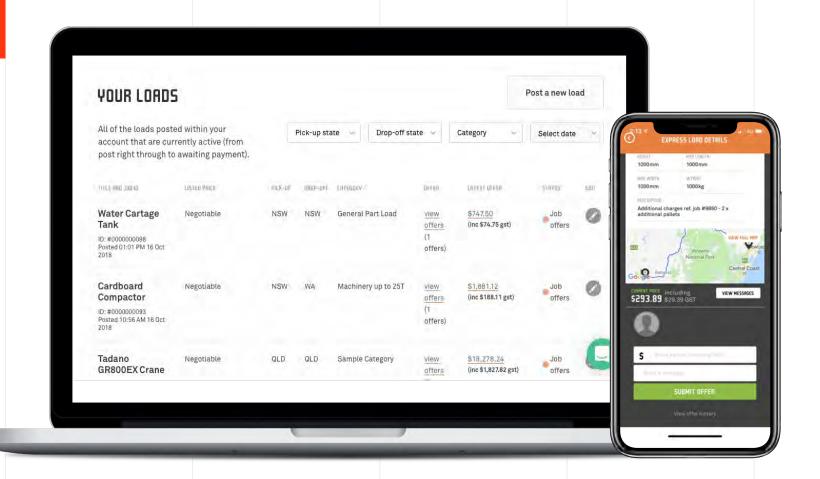


- Cat R1700G loader: \$1,740 plus GST
- Woods Point Vic to Dubbo NSW (794 km)
- Float load @ \$1.89/km plus GST
- Over 60% saving on previous movement



#### Quotes

AVERAGE 3 QUOTES
PER LOAD
WITHIN 24 HOURS



## Connecting Freight Owners with Transport Operators



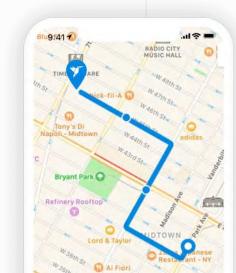


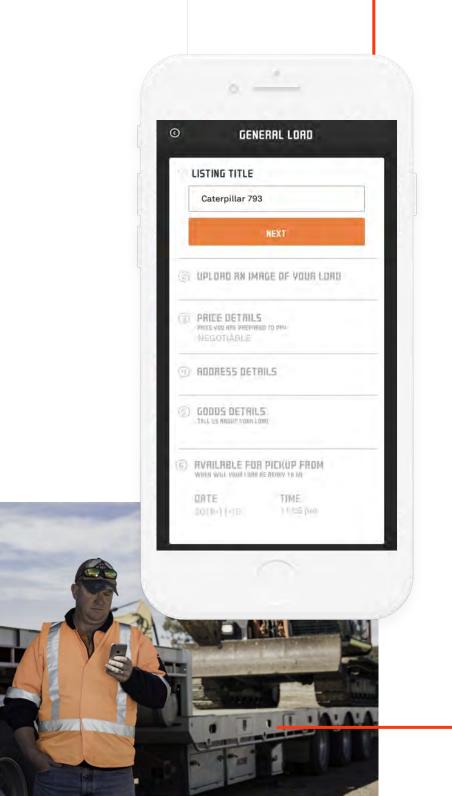
#### Industrial

- Mining
- Infrastructure
- Construction
- Rail
- Urgent/Express freight
- International shipping
- Heavy machinery
- General freight
- Manufacturing
- Oil & Gas
- Line haul
- Vehicles
- Perishables
- Shipping containers

#### Retail

- Food delivery
- Furniture delivery
- Courier
- General freight
- Motorcycle courier
- Bike courier
- Pickup & delivery
- Removal services
- Packing & shipping





# Four easy steps to moving your loads

Drop a pin

■ Take a photo

■ Fill job details

Get your quote



# Freightlancer manages it all for you

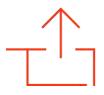
- Permits
- Pilots
- Road closures
- Import / export taxes & duties
- Marine Insurance
- Customs clearance
- Quarantine
- Shipping documents
- Packing
- Washing / cleaning
- Cranage
- Container rental
- Vessel booking
- Multi-currency
- Escrow payments

#### **Advantages of using Freightlancer**



#### Live tracking while your cargo is on the move

We use real-time GPS load tracking to show you exactly where your load is at all times.



#### Real-time bidding gets competitive quotes fast

Upload a photo, dimensions, weight and delivery address to have drivers respond in a click.



#### **Vetted Transport Operators for compliance obligations**

Choose from a range of vetted drivers and see past ratings to ensure reliability and quality.



#### Communicate directly with your Transport Operator

Keep in contact with the operator to coordinate collections and deliveries.



#### Secure payments ensure the delivery and on-time payment

Powered by Escrow.com, payment is kept in trust until it has been delivered exactly where it should be.



#### Compliance peace of mind

Turnkey solution for compliance obligations including Chain of Responsibility.







## Safer for everyone

#### **Trip reports**

Notification when collection and drop off has been made, minimum, maximum and average speeds traveled.

#### Freightlancer audit

Freightlancer will regularly conduct audits on operators and loads to ensure compliance.

#### Save time

Manage booking, tracking, monitoring and cross-checking compliance in the one place. No paperwork, no time wasted on the phone.

#### Safe

Meet compliance & chain of responsibility requirements including load tracking, load restraint methods, fatigue management, controlling speed and licence, registration & insurance.

#### Rated

Quality and reliability are ensured through detailed rating system updated after every load.



### **Mining**

Ship anything, anywhere. Urgent or unique, Freightlancer can handle it.

Whether sending CAT loaders to Tanzania, a drill to South Korea or hotshotting a transmission to Papua New Guinea, we've done it.





ASX 50 listed mining company reported saving over 30% on heavy haulage and urgent freight movements for an underground gold mine using Freightlancer, whilst also achieving huge efficiency gains.

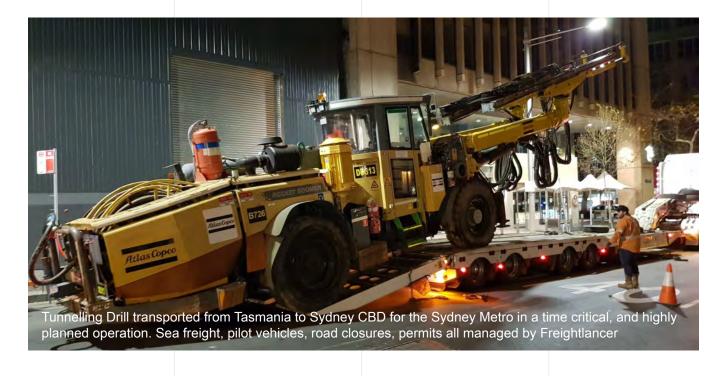


## Infrastructure / Construction

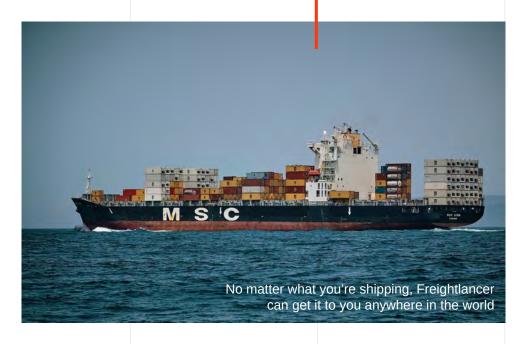
Strict deadlines and challenging locations are a speciality.

Know when machines are on and off site. Ensure only vetted personnel access. Project requirements can change quickly, Freightlancer ensures that you are not held up by transport.











# International Shipping

Use freightlancer to handle all of your import / export or shipping needs.

Direct rates with some of the biggest shipping lines

Extensive network of freight forwarders and customs brokers all over the world.

Ensure loads are shipped safely to destination with payment secured by Escrow.com.





#### **Retail / Consumer / Metro**

Why build costly infrastructure when you can make an API call to the human cloud to deliver your product, food, furniture or package.

Powered by the world's largest human labor cloud of 30,000,000 freelancers via Freelancer.com.



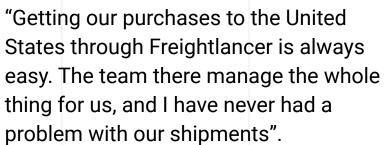
### **Testimonials**

"We've been using Freightlander.com to service our road freight needs, with our loads varying from one or two pallets, to multiple trailers. It is a great platform for obtaining competitive pricing at short notice."

#### - Benjamin Carter, Redpath Mining



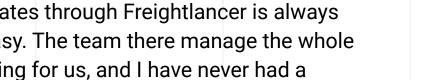


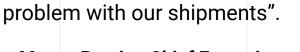


- Manny Pereira, Chief Executive, **MPC Global** 











## **Leadership Team**



Josh Mullens Chief Executive Officer



**Drew Davis**General Manager



Aidan McCartan National Operations



**Greg Robinson** VP Compliance



**Neil Katz**Chief Financial Officer



Matt Barrie
Executive Chairman

A logistics specialist, Josh Mullens combines over 7 years handling shipments of large mining equipment from large multinationals with a passion for business and love of day-to-day operations. Josh prides himself on being a real 'hands-on' CEO who is just as comfortable in high level liaison with Australian Ouarantine and Customs as he is with doing the dirty and difficult work of organising quotes and contracts. When he's not using this experience to make freight easier he's racing his dirt bike, hitting the Crossfit floor or spending time with family and friends.

Drew is one of a new breed of tech entrepreneurs striving to take the internet start-up world beyond the hype into traditional 'on-the-tools" industries. Graduating from Sydney University with a Bachelor of Commerce, Finance, Drew initially founded leading boutique Australian technology firm, dripcreative. Three years later, very soon after meeting Channel 40 founder Tom Cavanagh, Drew took up his current role as General Manager at Freightlancer.

Aidan is an all-round Logistics Professional and brings over 10 years of expertise in international and domestic freight, with experience across road, air, sea, rail and warehousing. He has vast knowledge in all aspects of the supply chain, including day to day operational roles, sales and strategic logistics management. Away from logistics he enjoys spending time with his family and getting out on the cricket field.

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.

Neil Katz is the Chief Financial Officer at the Freelancer Group 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 Aptrix.

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).

# FREIGHTLANCER

## Global freight market is massive

**US \$9,457 Billion** 

**GLOBAL LOGISTICS MARKET (2017)** 

**41,000~** 

BUSINESSES

213,590 Million

TONNES MOVED PER YEAR

50,000+

MERCHANT SHIPS WORLDWIDE

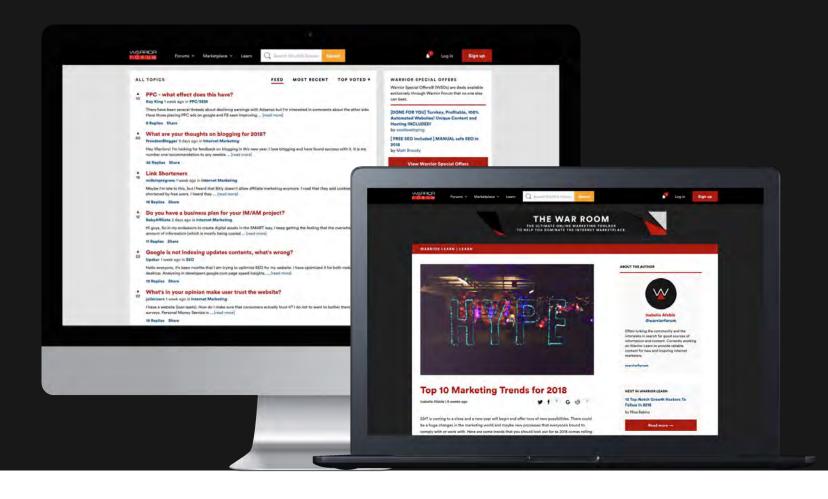
17,000,000,000

KILOMETERS TRAVELLED PER ANNUM

US \$13+ Billion

IN ANNUAL WAGES





#### The #1 Internet Marketing Forum Since 1997

1,383,035+

10,423,063+

1,061,132+

**USERS** 

POSTS

DISCUSSIONS

STATE THEATRE 20 SEPT 2018 · MELBOURNE TOWN HALL 24 SEPT 2018

## THE STORY OF NETFLIX



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Pitch Competition







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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" \*

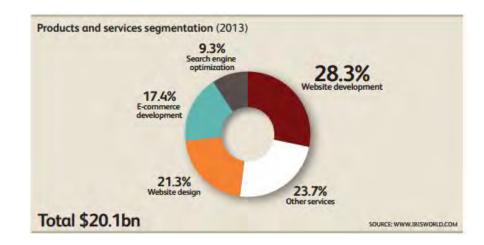
\* McKinsey Global Institute, The Emerging Global Labor Market, Part I: The Demand for Offshore Talent in Services,



## 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
  - o 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% monetisation 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>
  - o from this we estimate the global opportunity is (96+28)/28 = c.4.4x larger than the US market







IBISWorld, "Web Design Services in the US" (August, 2013).

McKinsey Global Institute, "The Emerging Global Labor Market: Part III: How Supply and Demand for Offshore Talent Meet" (June, 2005).

Based on 28m SMEs in the US, 96m MSMEs outside the US in mid-high income OECD countries.

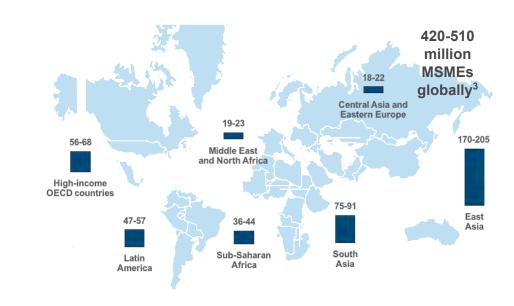
Based on AUD/USD exchange rate of 0.73.

## Estimated demand from mid-high income OECD SMEs

Global small business revenue opportunity estimated as \$48 billion per annum (620 million projects, \$181 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 FY18 was US\$205, generating revenue of \$54 to Freelancer (26.3% monetisation rate)<sup>2</sup>
  - Implies A\$10.8 billion TAM (A\$41 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\$37 billion TAM (A\$140 billion GPV, 480 million projects)

- Estimated global TAM from MSME market of c.\$48 billion (A\$181 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





US Government, Small Business Administration Office of Advocacy.

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

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

<sup>4.</sup> 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\$108 billion (2b projects, US\$410b GPV)

~400 million active consumers on average across eBay, Amazon and Alibaba

180 million active consumer buyers on eBay (sellers are SMEs)

Taking 180m buyers as consumer proxy

5 projects / user US\$205 / project 26.3% take rate

#### **GPV of US\$410 billion**

Global Total Available Market (TAM)
US\$108 billion (2b projects)

	ebay	amazon.com	阿里巴巴 <b>E Alibaba</b> .com i	freelancer
2018 Revenue	US\$10.7 billion	US\$178 billion <sup>1</sup>	US\$37 billion	A\$51.9 million
2018 GMV/GPV	US\$94.6 billion	US\$258 billion <sup>2</sup>	US\$547 billion <sup>4</sup>	A\$170.1 million
2018 Users	179 million active buyers	310 million active buyers	552 million active buyers	31 million total registered users
Geography	Global	Global	Predominantly China	Global

Source: Company reports, Bloomberg, Statistica, Nasdag.



<sup>1</sup> Actual year end 31 December 2018

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

<sup>3</sup> Google Finance 31 December 2018

<sup>4</sup> Trailing 12 months as at 30 June 2018, 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

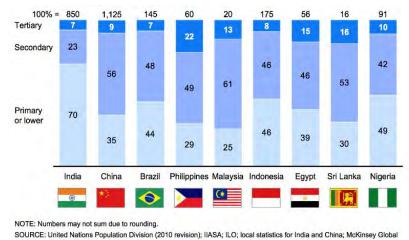
 2010 global working age population: 3.7 billion, labour force: 2.9 billion<sup>1</sup>

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	<3,000²	3,000-20,0003	3,000	7,000	25,000-50,0004	10,000-20,0005	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</li>
- 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 +





<sup>1.</sup> McKinsey Global Institute: The World at Work: Jobs, Pay and Skills for 3.5 Billion People (June 2012)

McKinsey Global Institute, The Emerging Global Labor Market 2005, Part I: The Demand for Offshore Talent in Services Accenture Institute for High Performance: Where will all the STEM talent come from? (May 2012)

**Treelance** 

#### 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
  - o others put it at \$800 billion per annum<sup>4</sup>





http://www.theverge.com/2012/7/23/3177860/taskrabbit-13-million-funding-peer-to-peer-labor-market-zaarly-done-exec

<sup>2.</sup> http://info.mbopartners.com/rs/mbo/images/2013-MBO\_Partners\_State\_of\_Independence\_Report.pdf

<sup>.</sup> https://www.fool.com/investing/general/2015/04/03/does-a-market-exist-for-amazoncom-incs-home-servic.aspx

<sup>4.</sup> http://www.nytimes.com/2015/04/13/technology/amazon-google-and-more-are-drawn-to-home-services-market.html?\_r=0



Freelancer Limited

## **BUSINESS OF THE MEETING**

Financial Statements and Reports

 To receive and consider the Annual Financial Report of Freelancer Limited and the Directors' Report, Remuneration Report and Independent Auditor's Report for the year ended 31 December 2018.

Resolution 1: Non-binding, to adopt Remuneration Report

- To consider and, if thought fit, to pass the following Resolution as a non-binding ordinary resolution:
- "That the Remuneration Report as contained in the Directors' Report of the Company for the financial year ended 31 December 2018 be adopted."
- Note: The vote on this Resolution is advisory only and does not bind the
  Directors or the Company. Shareholders are encouraged to read the
  Explanatory Memorandum for further details on the consequences of voting
  on this Resolution



Resolution 2: Re-election of Director

 Mr Matt Barrie retires by rotation in accordance with rule 6.7 of the Company's Constitution and, being eligible, offers himself for re-election.

Resolution 3: Approval of Employee Share Plan

- To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:
- "That for the purposes of Listing Rule 7.2 Exception 9(b), and for all other purposes, approval is given for the issue of securities from time to time under the Freelancer Employee Share Plan, tabled at the meeting and initialed by the Chairman for the purposes of identification."



Freelancer Limited

# **QUESTIONS & ANSWERS**



Freelancer Limited

# **CLOSE OF BUSINESS**

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