



1 December 2015

# Freelancer Limited

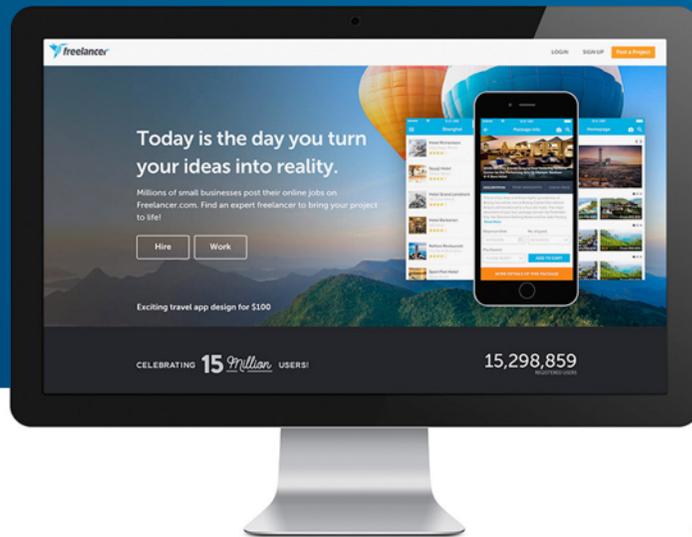
**Completion of Escrow.com acquisition and business overview**

Matt Barrie

**Chief Executive Officer**

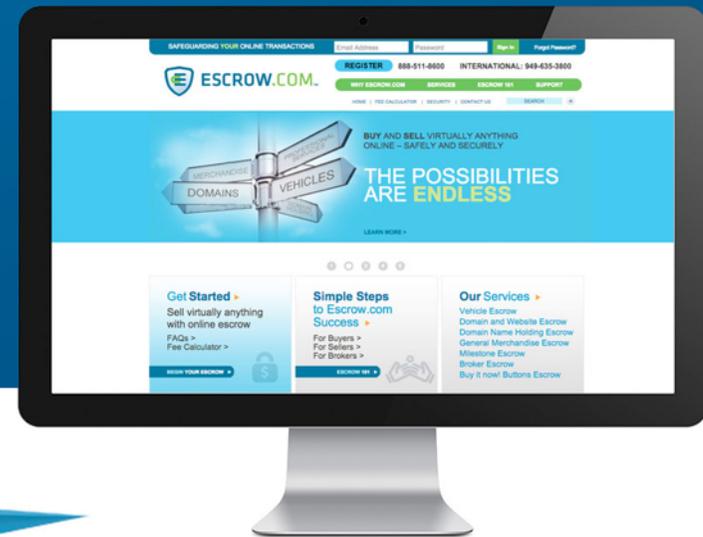
# Freelancer completes the acquisition of Escrow.com

## The world's #1 company for secure online payments



### Freelancer.com

#1 Online Services Marketplace  
Over **US\$2.9 billion** in projects posted

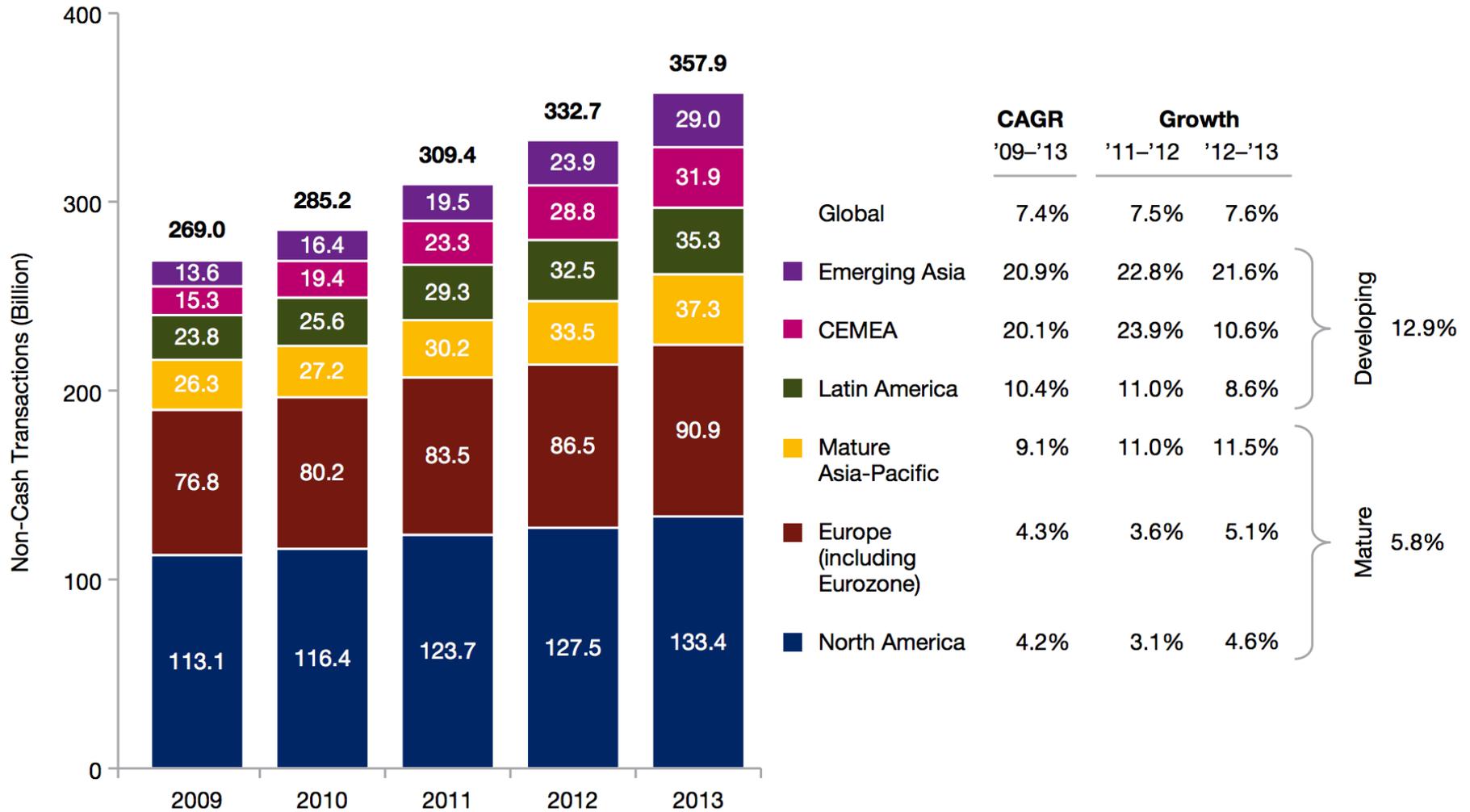


### Escrow.com

#1 for Secure Online Payments  
Over **US\$2.7 billion** in secured transactions

**The opportunity in global  
non-cash payments is large**

# 357.9 billion non-cash payment transactions in 2013 (+7.6%)

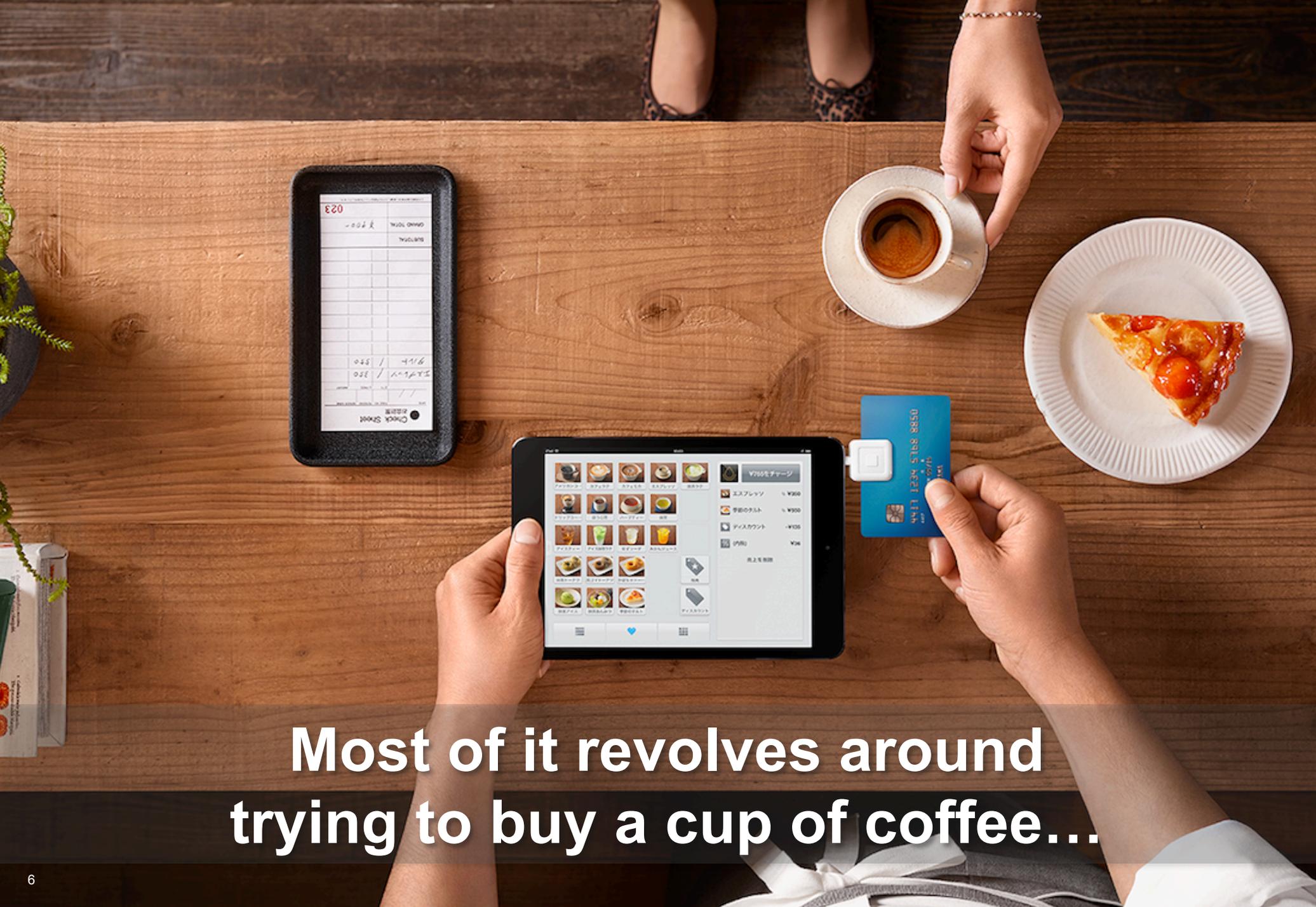


Source: World Payments Report 2015 (Capgemini, Royal Bank of Scotland - Capgemini Financial Services Analysis, 2015; ECB Statistical Data Warehouse, 2013 figures released September 2014; Bank for International Settlements Red Book, 2013 figures released December 2014; Country's Central Bank Annual Reports, 2013)



# But while there is also a large amount of innovation in payments...





Most of it revolves around trying to buy a cup of coffee...



**Rather than selling anything  
of real value, like a car.**

# You wouldn't sell your car with PayPal

The screenshot shows a forum post on the PayPal Community Help Forum. The post is titled "Car Purchase Scam" and is dated 09-06-2013 04:13 PM. The author is "garden designer", a member with 2 posts, 6 kudos, and 0 accepted solutions. The post content describes a suspicious buyer on eBay named 'Jodie Williams' who requested payment via PayPal and a courier to collect the car without providing details or agreeing to pay the full price. The author mentions finding related threads for a user named 'wjodie401' and advises caution. The post has 6 kudos and a "Reply" button. A red oval highlights the main text of the post. Below the main post is a reply titled "Re: Car Purchase Scam" dated 09-06-2013 04:21 PM. The forum interface includes a breadcrumb trail: "PayPal > UK Community > Managing my account > Access and security > Car Purchase Scam". The top navigation bar includes "PayPal Home", "PayPal Help", and a "Sign in" button. A "New Solutions" sidebar on the right lists related topics like "My Account Suddenly Became Chinese.. and locked !!" and "PLEASE HELP ME Access and security".

PayPal Community Help Forum

PayPal Home PayPal Help Sign in

PayPal > UK Community > Managing my account > Access and security > Car Purchase Scam

 **Car Purchase Scam**  
on 09-06-2013 04:13 PM

**garden designer**  
Member  
Posts: 2  
Kudos: 6  
Accepted Solutions: 0

I have become suspicious about a buyer for our car we had for sale on ebay 'Jodie Williams' is the email name requesting that the sale only be undertaken through paypal and that a courier would collect the car. They have asked no details about the car other than agreeing to pay the full price. Having become suspicious I searched the internet and found a few threads relating to this person 'wjodie401' . I think it is part of the same scam others have mentioned. so please beware

Everyone's Tags: [we have also been subje...](#) [which is supermans mi...](#) [View All \(2\)](#)

6 Kudos Options Reply

 **Re: Car Purchase Scam**  
on 09-06-2013 04:21 PM  
Car Scam

**New Solutions**

[My Account Suddenly Became Chinese.. and locked !!](#) Access and security Tsaggos

[PLEASE HELP ME Access and security](#) cheshiresean

[Find More Solutions](#)

**Top Tags**

# In fact, eBay doesn't think so either: “Important: Only use Escrow.com”

The screenshot shows the eBay Help page for 'Using escrow services'. The breadcrumb trail is: Home > Help Topics > Payment & shipping > Paying for items > Using escrow services. The page title is 'Help'. On the left, there is a 'Browse help' sidebar with categories like 'Searching & researching', 'Bidding & buying', 'Selling & seller fees', 'Payment & shipping' (which is expanded to show 'Paying for items', 'Receiving payment', and 'Packing & shipping items'), 'Feedback', and 'Membership & account'. Below the sidebar are links for 'eBay glossary', 'eBay acronyms', and 'A-Z index'. The main content area has a search bar for help pages with the example 'payment methods'. The main heading is 'Using escrow services for eBay Motors vehicle purchases'. Below this heading, there are several links: 'Use caution when considering an escrow service', 'Adding escrow to a vehicle listing', 'The escrow process', and 'International escrow services approved by eBay'. A red circle highlights a section titled 'Important: Only use Escrow.com.' which states: 'Using Escrow.com can help keep buyers and sellers safe from fraud. When you use Escrow.com, they collect the money from the buyer and hold it until the buyer and seller agree that the terms of the sale have been met. Once both parties are satisfied, Escrow.com sends the payment to the seller. Escrow.com is licensed and regulated company, and the only escrow service that can be used for eBay transactions.' Below this, it says 'Escrow is available for any purchase, but typically is used for eBay Motors'. On the right side, there are sections for 'Contact us' (with a 'Contact us' button) and 'Ask eBay members' (with a link to 'Answer Centre'). At the bottom right, there is a 'Related Help topics' section.

# Escrow.com – the world's #1 provider of secure online payments



SAFEGUARDING **YOUR**  
ONLINE TRANSACTIONS

[BEGIN YOUR ESCROW ▶](#)

**More than US\$2,700,000,000 of  
transactions protected**

The world's #1 freelancing & crowdsourcing marketplace adds the world's #1 provider of online secure payments

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## Financials

- Licensed, bonded & certified, processed over US\$2.7 billion in secured transactions to date
- FY14 gross payment volume of US\$320 million, net revenue US\$5m and EBITDA of US\$1.2m<sup>1,2</sup>
- As at 18 November 2015, Escrow.com's off-balance sheet trust accounts had balances >US\$30 million

## History

- Founded in 1999 by Fidelity National Financial, a Fortune 500 company and the United States' largest provider of commercial and residential mortgage and diversified services
- From 1999 to 2000 received US\$40m in investment from Softbank, The Chase Manhattan Group, Pacific Century Cyberworks (PCCW), VerticalNet, Inc., Micro General Corporation & Madison Securities
- In 2002, after the first dot-com crash, Fidelity exited the business, merging Escrow.com into iLumen
- In 2004, Escrow.com was purchased by a private investor
- In 2015, Freelancer.com acquired Escrow.com effective 1 November

## Operating strategy

- Will continue to run as a stand alone business, aggressively reinvesting for growth
- Large synergies with Freelancer's core offerings

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<sup>1</sup> Calendar year financial years, GPV defined as all cash inflows into Escrow.com bank accounts

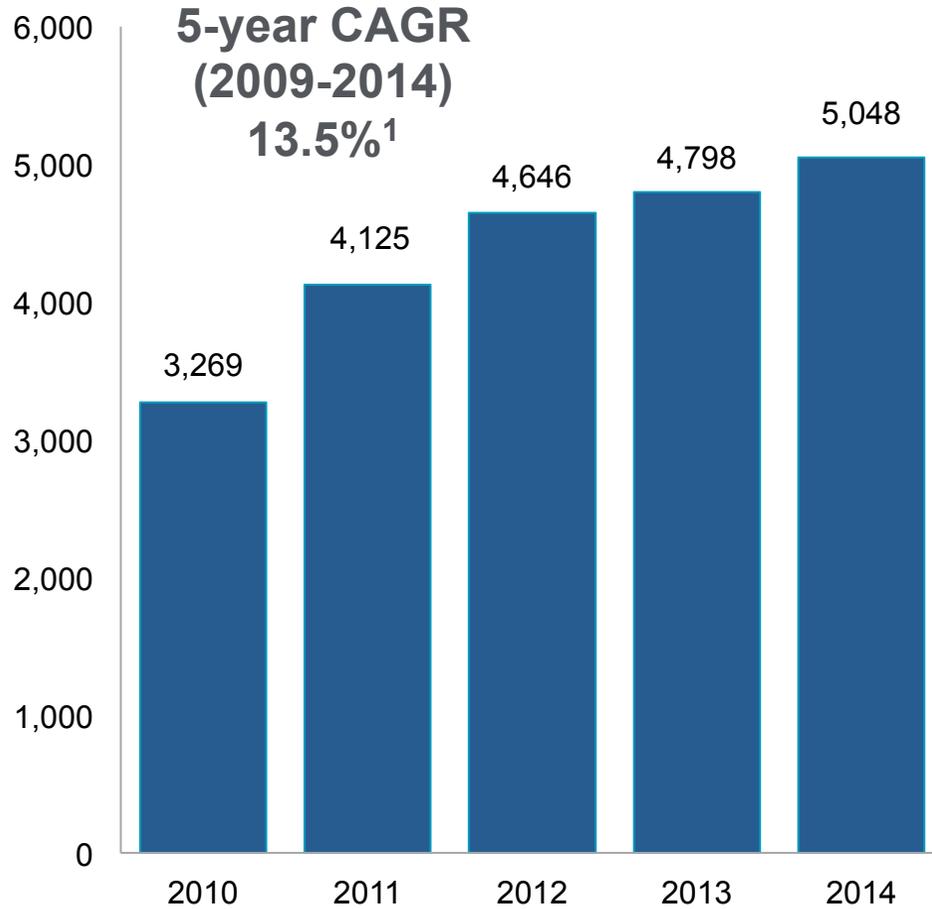
<sup>2</sup> After taking control, Freelancer has reviewed historical (unaudited) GPV volume and found that it was materially higher than the US\$265m disclosed prior to acquisition (actual: US\$320m). Revenue and EBITDA for FY14 are unchanged at US\$5.0m and US\$1.2m respectively.



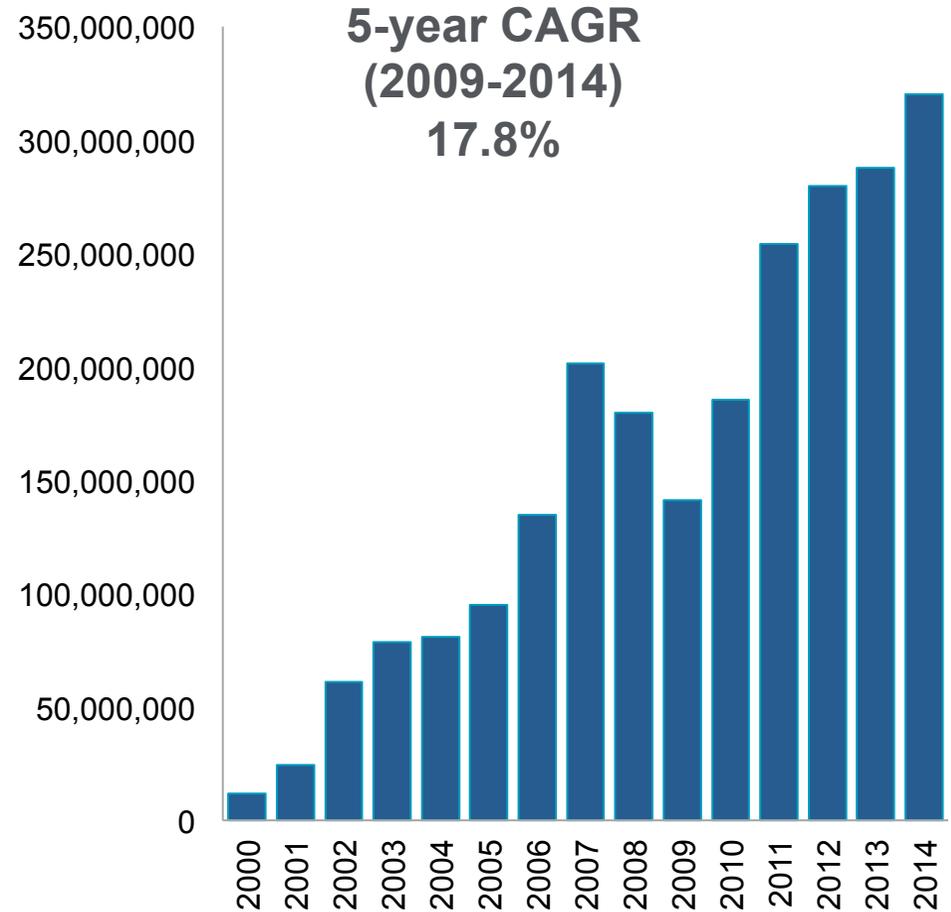
# Escrow.com historical financial performance

Freelancer will be building on a sixteen year track record of growth in Gross Payment Volume and Revenue

### Revenue (US\$ '000)



### Gross Payment Volume (GPV) (US\$)



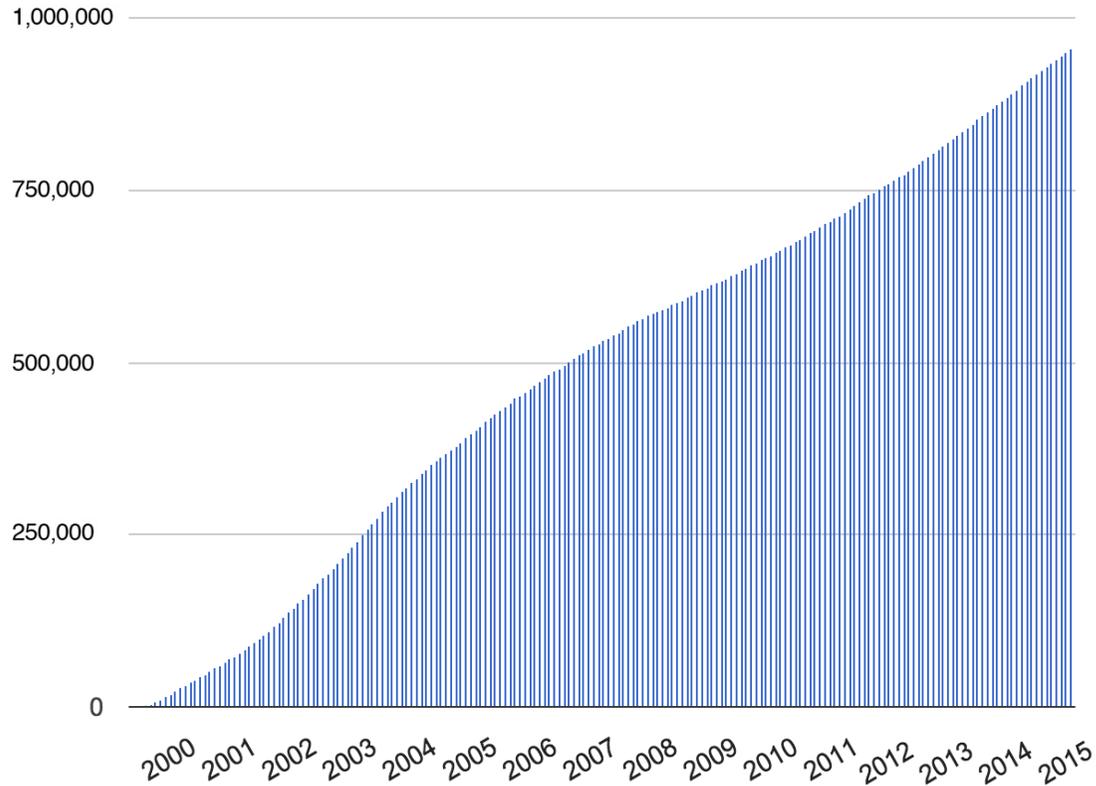
<sup>1</sup> The 5-year CAGR for revenue was previously incorrectly reported as 9.1% (which was erroneously calculated over four years of growth)



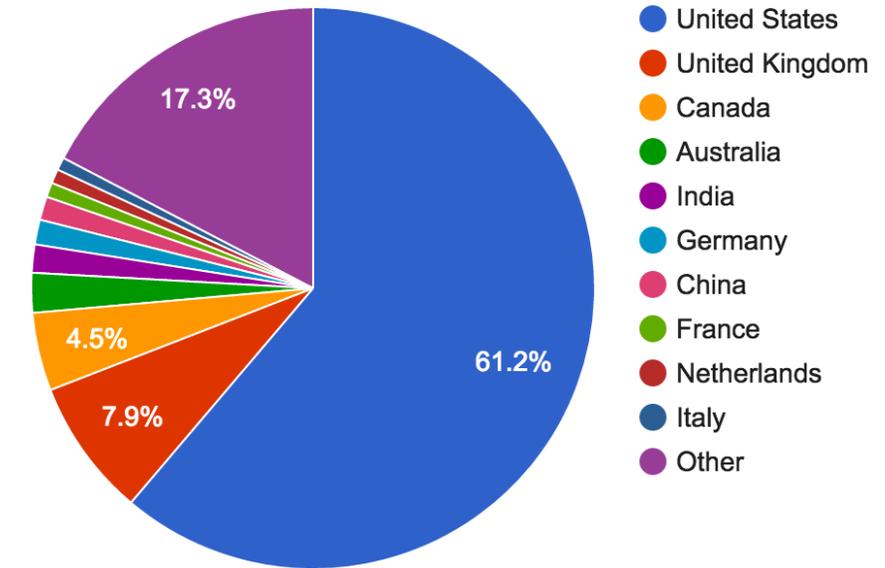
# Escrow.com historical user growth

Almost 1 million users with solid demographics from mostly high income OECD nations

## Total number of users



## Users by country



- An exceptionally high quality user base of ~1 million users with high transaction value



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



**Buyer and seller agree to terms**

Both parties agree to terms of the transaction, which includes a description of the merchandise, sale price, number of days for the buyers inspection, and any shipping information



**Buyer pays Escrow.com**

The buyer submits funds via available payment options. Escrow.com verifies the payment. Processing time varies by payment method.



**Seller ships merchandise**

Upon payment verification, the seller is authorized to ship merchandise to the buyer and submit tracking information. Escrow.com verifies that the buyer receives the shipment.



**Buyer accepts the merchandise**

The buyer has set a number of days for merchandise inspection and the option to accept or reject the merchandise;



**Escrow.com pays the seller**

Upon buyer's approval of merchandise or expiration of inspection period, Escrow.com pays the seller by the method selected by the seller. The transaction is them complete.

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



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 easy to use

The screenshot shows the 'For Dummies' website interface. At the top, there is a navigation bar with the 'For Dummies' logo, the tagline 'Making Everything Easier', and a 'Shop for Books & More' button. Below the navigation bar is a search bar and a 'Search' button. The main content area features a navigation menu with categories: 'See All Topics', 'Internet & Social Media', 'eBay', 'Buy on eBay', and 'Protection'. Three featured articles are displayed: 'How Does eBay's Verified Rights Owner (VeRO) Program Protect Intellectual Property?', 'Avoid These eBay Trading Violations', and 'What Does PayPal Buyer Protection Cover?'. The main article title is 'How to Protect High-Cost eBay Transactions with Escrow.com'. The text below the title reads: 'Escrow.com, eBay's official escrow service, makes it more comfortable for an eBay buyer to proceed with transactions over \$2000, which is the upper limit for PayPal buyer protection. Buyers gain peace of mind by using escrow because they know the transaction will be completed securely and easily. As a new user, you or your buyer must register to use the service. When you'.

FOR DUMMIES  
A Wiley Brand  
Making Everything Easier

Shop for Books & More

Search

See All Topics Internet & Social Media eBay Buy on eBay Protection

How Does eBay's Verified Rights Owner (VeRO) Program Protect Intellectual Property?

Avoid These eBay Trading Violations

What Does PayPal Buyer Protection Cover?

## How to Protect High-Cost eBay Transactions with Escrow.com

Escrow.com, eBay's official escrow service, makes it more comfortable for an eBay buyer to proceed with transactions over \$2000, which is the upper limit for PayPal buyer protection. Buyers gain peace of mind by using escrow because they know the transaction will be completed securely and easily.

As a new user, you or your buyer must register to use the service. When you

Advertisement

**Escrow.com  
secures  
transactions from  
\$100 to  
\$10,000,000+  
  
Transact in  
US Dollars or Euros**



1975 Piper PA-23-250 securely sold through Escrow.com



2004 Fountain 38 LX securely sold through Escrow.com



2003 Ferrari Enzo securely sold through Escrow.com

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

**No more  
expensive &  
complicated  
letters of credit**



# Industrial & heavy equipment sold through Escrow.com



**2014 FANUC  
Industrial Robot**



**2006 Caterpillar  
D5N Dozer**

# Where the Internet is Bought and Sold

Some domain names and businesses sold through Escrow.com



UBER

Uber.com



snapchat

Snapchat.com



SPACEX

SpaceX.com



Twitter.com



Instagram

Instagram.com



freelancer

Freelancer.com



Gmail

Gmail.com



foursquare

Foursquare.com



WeChat

WeChat.com



slack

Slack.com



Chrome.com



WARRIOR  
FORUM

WarriorForum.com  
& Business



WORDPRESS

Wordpress.com



Medicare.com

Medicare.com



LOTTO

Lotto.com



dating.com

Dating.com



California.com

California.com



Outlook.com

Outlook.com



FULL  
TILT  
POKER

FullTilt.com



ib Internet  
Brands

InternetBrands.com



AMERICAN EXPRESS  
CENTURION  
REWARDS

Centurion.com



hulu

Hulu.com



ORBITZ

Orbitz.com



upwork

Upwork.com



**Escrow.com protects the sale of jewellery and fine art including the purchase of Andy Warhol's Queen Elizabeth Suite**

**Service contracts  
such as holiday  
rentals and repairing  
a roof are also  
facilitated by  
Escrow.com**



# Notable Partners

Escrow.com has become the recommended transaction settlement service of many of the top names in eCommerce



Ebay Inc.



FedEx.com



Cars.com



GoDaddy



Auto Trader



Flippa



UShip.com



Trucker.com



Reverb.com

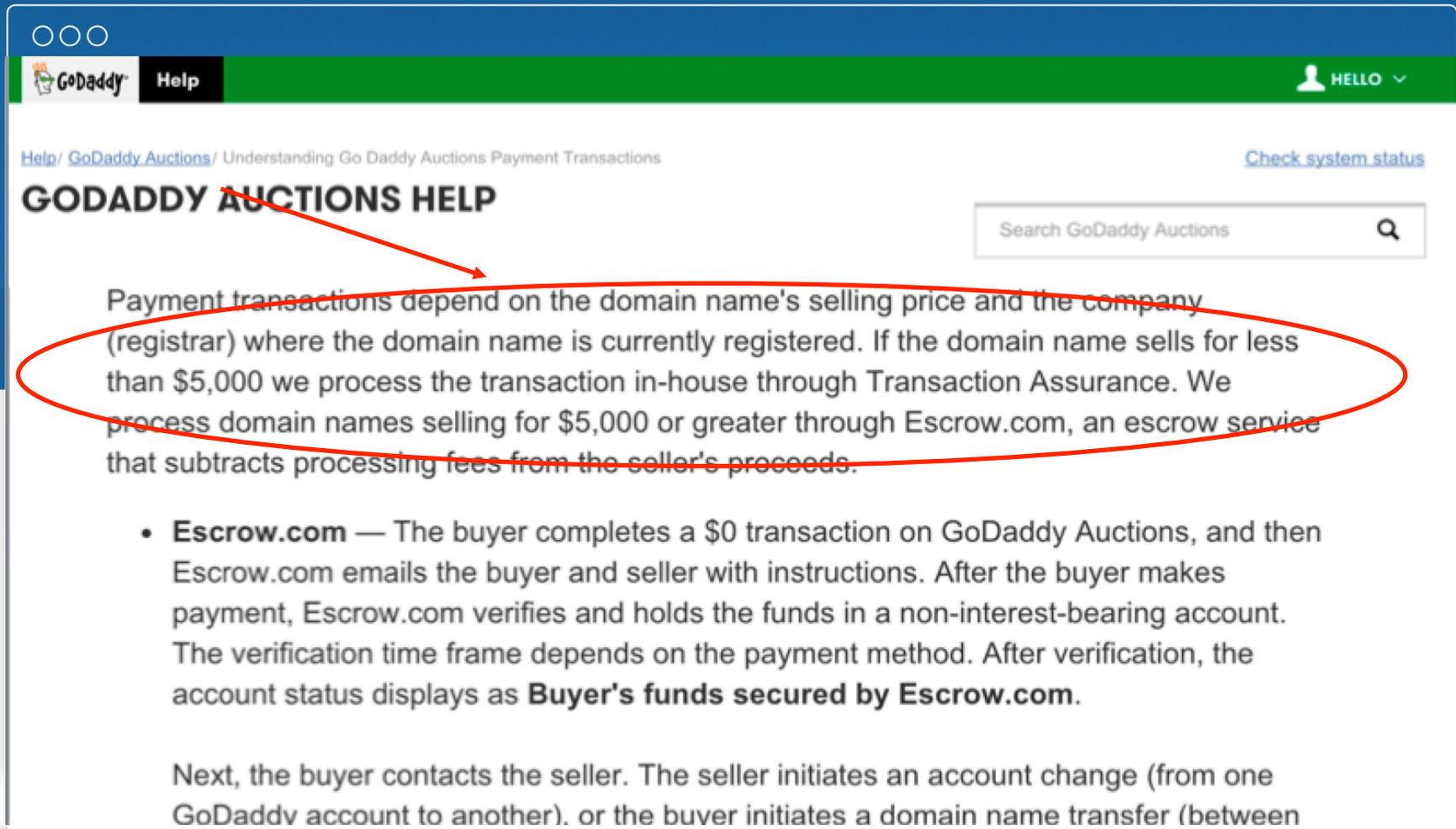


RV Search.com

and many other high volume partners across a range of industries..



# Escrow.com protects all domain names auctioned on GoDaddy worth over \$5,000



○○○

GoDaddy Help HELLO ▾

[Help/ GoDaddy Auctions/ Understanding Go Daddy Auctions Payment Transactions](#) [Check system status](#)

## GODADDY AUCTIONS HELP

Search GoDaddy Auctions 🔍

Payment transactions depend on the domain name's selling price and the company (registrar) where the domain name is currently registered. If the domain name sells for less than \$5,000 we process the transaction in-house through Transaction Assurance. We process domain names selling for \$5,000 or greater through Escrow.com, an escrow service that subtracts processing fees from the seller's proceeds.

- **Escrow.com** — The buyer completes a \$0 transaction on GoDaddy Auctions, and then Escrow.com emails the buyer and seller with instructions. After the buyer makes payment, Escrow.com verifies and holds the funds in a non-interest-bearing account. The verification time frame depends on the payment method. After verification, the account status displays as **Buyer's funds secured by Escrow.com**.

Next, the buyer contacts the seller. The seller initiates an account change (from one GoDaddy account to another). or the buyer initiates a domain name transfer (between

# Escrow.com protects automotive transactions on Motorcycle.com

**MOTORCYCLE.COM** est. 1994

**IN GOOD COMPANY**

Watch Danny & Steve's story now

bankwest FOR BUSINESS

Brands ▾ | Types ▾ | Classifieds | Specs | Bike Reviews | News | Videos | Top 10 | Insurance

Products ▾ | Incentives | Dealers | Events | Safety | Babes | How-To | Forums

REGISTER LOGIN

## Classifieds



**1972 Triumph Trophy TR6C**  
SHOWROOM CONDITION TROPHY TR6C

Year : 1972

Color : blue

Mileage : 16,119 Miles

Location : Pinellas, FL, US

VIN : TR6CXG3954

**Price : \$ 20,000**

ESCROW.COM

### Spotlight

**The All-New 2014 Indian Chief® Classic**  
The American Icon is Back



### Allstate Motorcycle Insurance

Get a free motorcycle insurance quote today

ZIP Code GET A QUOTE

# Escrow.com is a strategic partner of U.S. Commercial Service and export.gov in support of President Obama's National Export Initiative, designed to significantly grow US export volume



NATIONAL EXPORT INITIATIVE  
**NEXT** >>>

Find out what's  
**NEXT** >>>



# All major global marketplaces have captive payments businesses

A strong cornerstone for entering the payments space

amazon.com<sup>®</sup>

amazonpayments<sup>™</sup>

ebay<sup>™</sup>

(formerly)

PayPal

Alibaba.com<sup>®</sup>

支付宝<sup>™</sup>  
Alipay.com

freelancer + ESCROW.COM<sup>®</sup>

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