



# Online marketplace sector update

November 2020

# Blackpeak is a leading independent investment banking & advisory firm

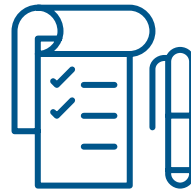
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- We are an independent corporate advisory firm based in Sydney providing corporate finance and strategic advice on mergers & acquisitions, strategy and capital raisings
- We strive to be our client's trusted advisor and confidant and are focused on building long term relationships with clients to assist them achieve their growth ambitions and maximise value
- **Blackpeak is the most active independent adviser to technology growth companies in ANZ, completing ~35+ technology transactions in the last 5 years**



## Mergers & acquisitions

- Strategic and financial evaluation
- Execution of private and public market transactions including takeover defence
- Designing optimal sale processes to create competitive tension to maximise value
- Negotiating and structuring complex transactions



## Strategic advice

- Evaluate all options to maximise shareholder value
- Identify & evaluate acquisition targets
- Portfolio review to consider value impacts of potential divestments
- Balance sheet & capital structure advice
- Capital management options including dividend policy and other initiatives



## Capital raising advisory

- Private capital raising including pre-IPO financing
- Advice on IPOs and secondary equity capital raisings including both initial planning, structuring and execution
- Debt and hybrid raisings



# AGC strategic alliance: leading local coverage + global distribution

## AGC Partners

- **Leading tech investment bank:** AGC is ranked as the most active boutique bank dedicated to tech, having completed more than 400 M&A and growth equity transactions since inception in 2003. More than 50 professionals, including 20 partners, with offices in Boston (HQ), Silicon Valley, New York, Chicago, Dallas, Los Angeles, Minneapolis, Austin, Atlanta and London
- **Strong connectivity with buyers/ investors:** relationships with over 1,000 technology investors and strategic buyers across North America, Europe, and Asia
- **Domain knowledge:** Experience and in-depth domain knowledge across all key technology sub-sectors including Application Software, Cybersecurity, Defence Technology, Digital Media / Internet, Energy & Industrial Tech, FinTech, Healthcare IT & Life Sciences, Infrastructure / Cloud, Internet of Things, Mobility Solutions, Semiconductors and Tech-Enabled Services
- **Industry conferences:** AGC runs industry conferences in Boston, San Francisco, London and Las Vegas, providing one-on-one meetings with strategic tech acquirers, investors, and emerging growth companies

## Benefits for Blackpeak's clients

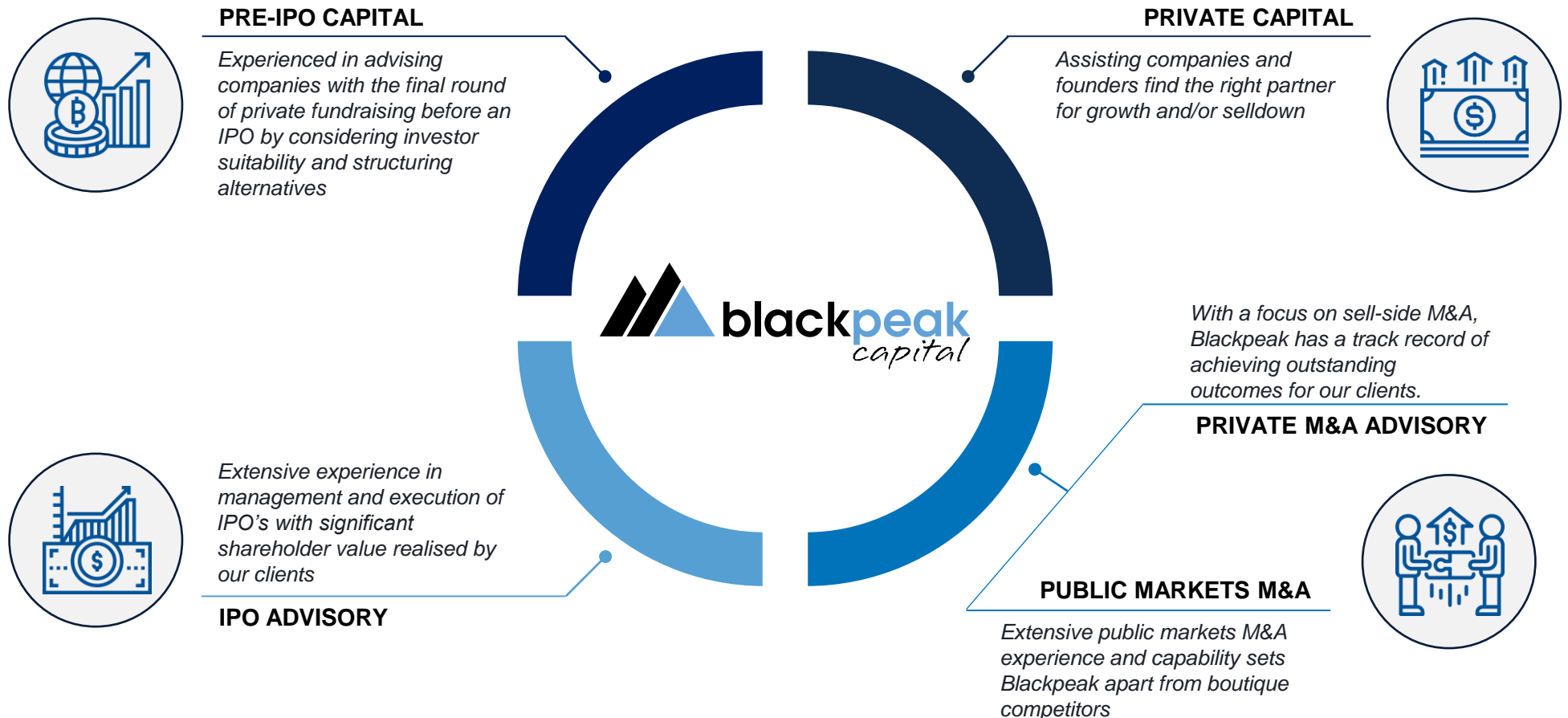
- Alliance will uniquely position Blackpeak to provide global technology investment banking capabilities, combined with leading local coverage, service and support to technology growth companies in ANZ that are institutional size and quality
- Alliance enhances Blackpeak's access to strategic acquirers and investors in US and Europe as well as proprietary market intelligence and industry content (particularly relevant in the context of running sell side M&A or capital raising processes)

## Blackpeak and AGC's Global Reach



- ✓ **Leading local coverage to service ANZ tech Co's**
- ✓ **Extensive experience in tech financing + M&A**
- ✓ **Global investor/ buyer connectivity (APAC, USA, EU)**




# Blackpeak service offerings
















# Blackpeak is a leading adviser to technology companies in Australia & NZ

 <p><b>Planet Innovation</b></p> <p>Current Private Raising Financial Adviser</p> 	 <p><b>ZUUSE</b> FULL ASSET LIFECYCLE</p> <p>2020 Growth equity investment A\$50m Financial Adviser</p> 	 <p><b>LUMOS</b> DIAGNOSTICS</p> <p>2020 Pre-IPO Raising A\$25m Financial Adviser</p> 	 <p><b>songtradr</b></p> <p>2020 Convertible note investment into Jaxsta Financial Adviser</p> 	 <p><b>THE YIELD</b></p> <p>2020 Private Raising Financial Adviser</p> 	 <p><b>ZUUSE</b> FULL ASSET LIFECYCLE</p> <p>2019 Private raising Financial Adviser</p> 
 <p><b>RITEQ</b></p> <p>2019 Sale of Riteq to Ceridian Financial Adviser</p> 	 <p><b>EDUCATION HORIZONS</b></p> <p>2019 Sale of controlling stake to Potentia Capital - A\$90m Financial Adviser</p> 	 <p><b>ELMO</b> TALENT MANAGEMENT SOFTWARE</p> <p>2018 Acquisition of HRONboard Undisclosed Financial Adviser</p> 	 <p><b>straker</b> TRANSLATIONS</p> <p>2018 Initial Public Offering A\$79m Financial Adviser</p> 	 <p><b>VERSENT</b></p> <p>2018 Pre-IPO Raising A\$25m Financial Adviser</p> 	 <p><b>EDUCATION HORIZONS</b></p> <p>2018 Strategic Review Financial Adviser</p> 
 <p><b>WiseTech GLOBAL</b></p> <p>2018 Equity Raising A\$100m Financial Adviser</p> 	 <p><b>ELMO</b> TALENT MANAGEMENT SOFTWARE</p> <p>2018 Equity raising A\$45m Financial Adviser</p> 	 <p><b>ZEN</b> ECOSYSTEMS™</p> <p>2018 Series B equity raising A\$11m Financial Adviser</p> 	 <p><b>ELMO</b> TALENT MANAGEMENT SOFTWARE</p> <p>2018 Acquisition of Pivot Remesys A\$11m Financial Adviser</p> 	 <p><b>VERSENT</b></p> <p>2017 Strategic Review Financial Adviser</p> 	 <p><b>Microlistics</b> MANAGEMENT SYSTEMS</p> <p>2017 Trade sale A\$44m Financial Adviser</p> 

# Blackpeak is a leading adviser to technology companies in Australia & NZ

 <p>2017 Block Trade A\$73m Financial Adviser</p> 	 <p>2017 Block Trade A\$23m Financial Adviser</p> 	 <p>2017 Acquisition of Quintessential Marketing A\$12m Financial Adviser</p> 	 <p>2017 Pre-IPO equity raising NZ\$11m Financial Adviser</p> 	 <p>2017 Initial Public Offering A\$73m Financial Adviser</p> 
 <p>2017 Initial Public Offering A\$108m Financial Adviser</p> 	 <p>2016/ 2017 Initial Public Offering Pending Financial Adviser</p> 	 <p>2016 Acquisition of minority stake (size undisclosed) Financial Adviser</p> 	 <p>2016 Initial Public Offering A\$1.0bn Financial Adviser</p> 	 <p>2015 Sale of minority interest in SiteMinder (size undisclosed) Financial Adviser</p> 
 <p>2015 Acquisition of CompuClearing A\$25m Financial Adviser</p> 	 <p>2015 Acquisition of Core Freight Systems (size undisclosed) Financial Adviser</p> 	 <p>2015 Acquisition of Zsoft (size undisclosed) Financial Adviser</p> 	 <p>2015 Pre-IPO debt raising A\$45m Financial Adviser</p> 	 <p>2015 Pre-IPO equity raising A\$35m Financial Adviser</p> 

# Senior corporate finance professionals

Name/ position	Prior experience	Education/ experience	Years of experience
 <p><b>Max Billingham</b> Executive Chairman <a href="mailto:max@blackpeakcapital.com.au">max@blackpeakcapital.com.au</a> M +61 417 208 845</p>	  	<ul style="list-style-type: none"> <li>Formerly a Managing Director at Credit Suisse</li> <li>Qualified as a chartered accountant</li> <li>Global experience, worked in New York and London</li> <li>INSEAD, MBA</li> <li>Bachelor of Business, University of Technology Sydney</li> </ul>	27
 <p><b>Scott Colvin</b> Managing Director <a href="mailto:scott@blackpeakcapital.com.au">scott@blackpeakcapital.com.au</a> M +61 416 335 455</p>	   	<ul style="list-style-type: none"> <li>Prior to founding Blackpeak Capital, Scott held senior positions with Credit Suisse and Wilson HTM</li> <li>AGSM UNSW, Executive MBA</li> <li>London Business School, Masters in Finance</li> <li>Graduate Diploma, FINSIA</li> <li>Bachelor of Commerce, UNSW</li> </ul>	22
 <p><b>Jamie Taylor</b> Director <a href="mailto:jamie@blackpeakcapital.com.au">jamie@blackpeakcapital.com.au</a> M +61 414 922 560</p>	  	<ul style="list-style-type: none"> <li>Previous roles include Head of Australian Institutional Sales for Merrill Lynch (London-based), and Head of Corporate Finance For Wilson HTM (Sydney-based)</li> <li>Bachelor of Economics, Monash University</li> </ul>	33
 <p><b>Tom Ng</b> Director <a href="mailto:tom.ng@blackpeakcapital.com.au">tom.ng@blackpeakcapital.com.au</a> M +61 490 796 752</p>	  	<ul style="list-style-type: none"> <li>Formerly a senior FIG banker at Credit Suisse and regulator at Bank of England</li> <li>Oxford University, MPhil (Economics)</li> <li>B. Econ (Hons), UNSW</li> <li>Graduate of Royal Military College, Duntroon</li> </ul>	21

# Deep domain expertise in ANZ technology markets

## Proprietary insights and detailed sector analytics

- Blackpeak has deep domain expertise across multiple ANZ technology sectors in both the private and public market
- We have a deep understanding of listed technology companies and key metrics
- We create in-house technology sector reports that contain detailed sector analytics and valuation benchmarking data
- Blackpeak offers a differentiated service for clients in the technology sector based on a highly analytical approach and our focus on understanding the value proposition and key valuation drivers of our clients



## The most comprehensive ANZ technology database

- Technology market themes
- Private equity and venture capital financing
- Private and public market M&A
- Technology IPOs
- Public comparables
- Valuation and performance benchmarking
- Technology deal metrics





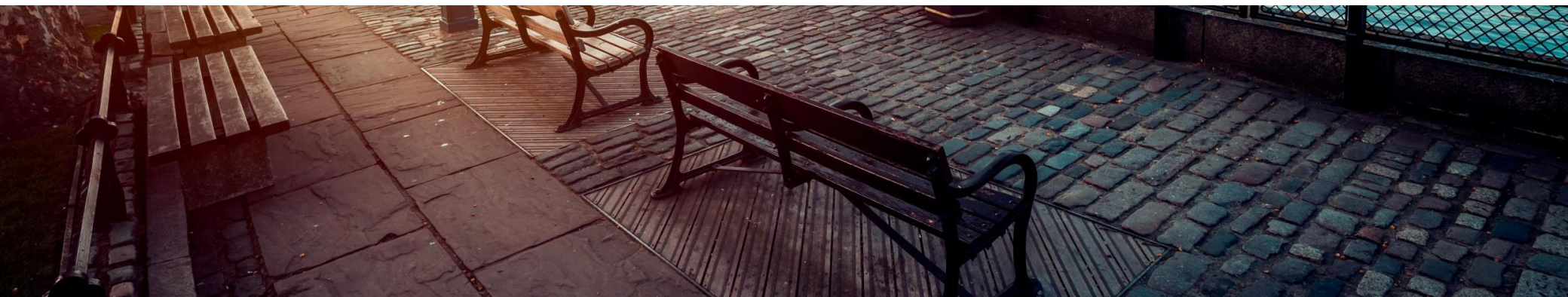
# Agenda

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1. Global listed marketplaces key metrics
2. Freelancer, Upwork and Fiverr analysis
3. Global marketplaces mergers and acquisitions
4. Selected profiles of ANZ private marketplaces



## Global: Listed marketplaces key metrics



# Services marketplaces<sup>1</sup>

Overview						Marketplace metrics <sup>3</sup>				EV/ Revenue		EV/ GP		EV/ EBITDA	
Company	Ticker	Primary business model	Share price	52 week share price low / high	Enterprise value (A\$m)	GMV (m) <sup>2</sup>	EV/ GMV	Take rate	Active users / sellers (m)	LTM	NTM	LTM	NTM	LTM	NTM
 <b>freelancer</b>	ASX:FLN	Commission	\$0.5	\$0.23 / \$0.75	215.4	187.4	1.1x	26.9% <sup>4</sup>	n.a.	3.7x	n.a.	4.4x	n.a.	n.a.	n.a.
 <b>upwork</b>	NasdaqGS: UPWK	Commission/ subscription fees	\$30.84	\$5.14 / \$31.40	5,029.3	2,345.5	1.6x	13.6%	n.a.	10.5x	8.8x	14.6x	12.2x	n.a.	n.a.
 <b>ANGI HOME SERVICES</b>	NasdaqGS: ANGI	Commission	\$10.77	\$4.10 / \$17.05	7,181.4	n.a.	n.a.	5.0%	n.a.	3.6x	3.3x	4.0x	3.7x	36.0x	30.9x
 <b>fiverr</b>	NYSE: FVRR	Commission/ service fees	\$173.30	\$19.32 / \$191.15	8,104.3	604.3	9.7x	27.0%	3.1 / n.a.	36.0x	24.4x	44.0x	29.2x	n.a.	n.a.
<b>Median</b>							<b>1.6x</b>	<b>20.2%</b>	<b>n.a.</b>	<b>7.1x</b>	<b>8.8x</b>	<b>9.5x</b>	<b>12.2x</b>	<b>36.0x</b>	<b>30.9x</b>

# Online classifieds: Real estate marketplaces<sup>1</sup>




Overview						EV/ Revenue		EV/ GP		EV/ EBITDA	
Company	Ticker	Primary business model	Share price <sup>2</sup>	52 week share price low/ high	Enterprise value (A\$m)	LTM	NTM	LTM	NTM	LTM	NTM
<b>Domain</b>	ASX:DHG	Subscription/ listing fees	\$4.48	\$1.68 / \$4.67	2,772.4	10.4x	9.8x	17.2x	n.a.	32.8x	29.5x
 REA Group	ASX:REA	Subscription/ listing fees	\$138.17	\$62.05 / \$142.28	18,303.3	20.8x	20.8x	29.0x	26.9x	37.2x	34.5x
<b>rightmove</b> 	LSE:RMV	Listing/ advertising fees	\$6.41	\$3.73 / \$7.11	10,066.8	23.1x	22.7x	32.9x	n.a.	32.8x	31.7x
<b>REDFIN</b>	NasdaqGS: RDFN	Commission	\$42.94	\$9.63 / \$56.31	5,702.0	4.7x	3.8x	21.6x	16.0x	n.a.	61.6x
 Zillow	NasdaqGS: ZG	Subscription/ service fees	\$107.97	\$18.65 / \$120.25	32,621.3	6.8x	5.9x	16.4x	15.1x	n.a.	63.7x
 房多多 angop.com	NasdaqGM: DUO	Commission/ service fees	\$6.79	\$5.66 / \$129.04	586.2	1.0x	0.6x	5.1x	2.8x	n.a.	6.3x
 SCOUT 24	XTRA:G24	Listing fees	\$66.15	\$43.50 / \$79.80	8,065.5	13.3x	14.3x	17.5x	n.a.	22.3x	21.9x
Median						10.4x	9.8x	17.5x	15.6x	32.8x	31.7x










# Online classifieds: Cars marketplaces<sup>1</sup>

Overview						EV/ Revenue		EV/ GP		EV/ EBITDA	
Company	Ticker	Primary business model	Share price <sup>2</sup>	52 week share price low/ high	Enterprise value (A\$m)	LTM	NTM	LTM	NTM	LTM	NTM
	ASX:CAR	Listing/ lead fees	\$21.31	\$9.64 / \$22.99	5,689.7	14.4x	12.9x	17.1x	n.a.	24.5x	23.4x
	ASX:ICQ	Listing/ subscription fees	\$0.43	\$0.13 / \$0.48	183.9	12.2x	9.4x	72.4x	n.a.	n.a.	n.a.
	NasdaqGS: TRUE	Subscription/ lead fees	\$3.90	\$1.98 / \$6.47	365.8	0.8x	1.1x	0.9x	1.2x	5.9x	63.5x
	NYSE: CARS	Subscription/ advertising fees	\$8.81	\$3.25 / \$13.55	1,593.6	2.1x	2.0x	3.0x	2.4x	8.7x	6.7x
	NasdaqGS: CARG	Listing fees	\$22.13	\$14.25 / \$40.91	3,218.3	4.2x	3.7x	4.5x	4.0x	24.8x	15.0x
Median						4.2x	3.7x	4.5x	2.4x	16.6x	19.2x

# Online classifieds: Jobs and generalist marketplaces<sup>1</sup>

Overview						EV/ Revenue		EV/ GP		EV/ EBITDA	
Company	Ticker	Primary business model	Share price <sup>2</sup>	52 week share price low/ high	Enterprise value (A\$m)	LTM	NTM	LTM	NTM	LTM	NTM
<b>Jobs marketplaces</b>											
 <b>seek</b>	ASX:SEK	Listing fees	\$24.90	\$11.23 / \$25.07	10,175.2	6.4x	6.7x	8.4x	8.0x	24.5x	29.7x
 <b>hhru</b>	NasdaqGS: HHR	Subscription/ listing fees	\$25.63	\$12.25 / \$27.62	1,825.9	12.2x	11.0x	19.8x	n.a.	27.4x	21.7x
<b>Median</b>						<b>9.3x</b>	<b>8.9x</b>	<b>14.1x</b>	<b>8.0x</b>	<b>26.0x</b>	<b>25.7x</b>
<b>Generalist marketplaces</b>											
<b>infoedge</b>	NSEI: NAUKRI	Commission/ service fees	₹3,859.95	₹1,581.10 / ₹3,910.00	8,543.3	38.2x	35.7x	75.6x	64.1x	n.a.	n.a.
<b>Adevinta</b>	OB:ADE	Listing fees	\$139.90	\$66.70 / \$183.00	14,735.0	13.2x	6.5x	48.2x	20.4x	58.2x	19.5x
 <b>hipages</b>	ASX:HPG	Subscription/ lead fees	\$2.48	\$2.35 / \$2.85	325.2	6.9x	n.a.	7.7x	n.a.	51.7x	n.a.
<b>Median</b>						<b>13.2x</b>	<b>21.1x</b>	<b>48.2x</b>	<b>42.2x</b>	<b>55.0x</b>	<b>19.5x</b>

# E-commerce marketplaces<sup>1</sup>

Overview						Marketplace metrics <sup>3</sup>				EV/ Revenue		EV/ GP		EV/ EBITDA	
Company	Ticker	Primary business model	Share price <sup>2</sup>	52 week share price low/ high	Enterprise value (A\$m)	GMV (m) <sup>2</sup>	EV/ GMV	Take rate	Active users / sellers (m)	LTM	NTM	LTM	NTM	LTM	NTM
 REDBUBBLE	ASX:RBL	Commission	\$4.40	\$0.40 / \$6.02	1,129.1	n.a.	n.a.	n.a.	n.a.	2.7x	2.1x	7.0x	5.2x	38.4x	16.4x
	NasdaqGS: EBAY	Commission/ listing fees	\$48.67	\$26.02 / \$61.06	52,448.4	95,409.0	0.4x	10.4%	183.0 / n.a.	3.2x	3.6x	4.2x	4.7x	10.3x	9.9x
	NYSE: FTCH	Commission/ service fees	\$45.67	\$5.99 / \$50.36	21,203.6	2,564.1	6.0x	29.9%	2.5 / n.a.	10.1x	7.6x	22.0x	16.1x	n.a.	n.a.
	NasdaqGS: ETSY	Commission/ listing fees	\$124.92	\$29.95 / \$154.88	21,152.5	8,332.0	1.8x	17.1%	69.6 / 3.7	11.1x	8.7x	15.8x	12.2x	46.7x	31.0x
	NasdaqGS: MELI	Commission/ listing fees	\$1,301.66	\$422.22 / \$1,490.67	87,708.7	18,232.7	3.5x	18.9%	n.a.	19.2x	13.3x	41.6x	28.9x	n.a.	n.a.
TheRealReal	NasdaqGS: REAL	Commission	\$13.29	\$5.00 / \$19.15	1,457.7	988.8	1.1x	35.4%	0.6 / n.a.	3.4x	2.7x	5.4x	4.0x	n.a.	n.a.
	NasdaqGS: PDD	Commission	\$151.29	\$30.20 / \$155.61	242,437.2	179,600.0	1.0x	1.0%	683.2 / n.a.	27.3x	16.6x	35.2x	21.0x	n.a.	n.a.
	ASX:MYD	Commission	\$1.25	\$1.15 / \$2.20	310.1	103.0	3.0x	16.3%	0.55 / n.a.	20.2x	6.7x	25.0x	7.9x	n.a.	n.a.
Median							1.5x	18.0%	n.a.	10.1x	7.6x	15.8x	12.2x	38.4x	16.4x

# Online travel marketplaces<sup>1</sup>

Overview						EV/ Revenue		EV/ GP		EV/ EBITDA	
Company	Ticker	Primary business model	Share price <sup>2</sup>	52 week share price low/ high	Enterprise value (A\$m)	LTM	NTM	LTM	NTM	LTM	NTM
 webjet.com.au	ASX:WEB	Commission	\$4.95	\$2.25 / \$14.63	1,678.5	6.3x	15.2x	10.8x	20.8x	n.a.	n.a.
 <b>BOOKING HOLDINGS</b>	NasdaqGS: BKNG	Commission	\$2,052.87	\$1,107.29 / \$2,128.02	117,685.9	9.6x	9.8x	n.a.	n.a.	37.2x	38.8x
 <b>Expedia</b>	NasdaqGS: EXPE	Commission	\$123.45	\$40.76 / \$130.57	30,942.9	3.2x	3.2x	4.5x	4.2x	n.a.	24.8x
 <b>Tripadvisor</b>	NasdaqGS: TRIP	Commission	\$25.48	\$13.73 / \$31.67	4,825.4	4.3x	4.2x	4.6x	4.5x	n.a.	25.2x
 <b>trivago</b>	NasdaqGS: TRVG	Commission	\$1.40	\$1.25 / \$3.07	470.4	0.8x	0.9x	0.8x	0.9x	n.a.	23.5x
 <b>Trip.com</b>	NasdaqGS: TCOM	Commission	\$34.65	\$20.10 / \$38.95	33,570.6	7.1x	7.2x	9.1x	9.2x	n.a.	41.4x
Median						<b>4.3x</b>	<b>4.2x</b>	<b>4.5x</b>	<b>4.4x</b>	<b>37.2x</b>	<b>25.0x</b>



# Hipages – A\$100.4m initial public offering

IPO Summary	
Company	Hipages Group Holdings (ASX:HPG)
Offer price	\$2.45
No. Shares issued	▪ 41.0m
Total proceeds	▪ \$100.4m
Market capitalisation	▪ \$318.5m
Net debt (cash)	▪ \$31.7m
Enterprise value	▪ \$286.8m
Use of proceeds	<ul style="list-style-type: none"> <li>▪ Investment in hipages' brand and technology platform.</li> <li>▪ Organic growth opportunities and M&amp;A opportunities consolidating the category</li> <li>▪ Repayment of existing debt facilities</li> <li>▪ Secondary sell-down</li> <li>▪ Payment to convertible note holders upon redemption</li> </ul>
Vendor holding and escrow	<ul style="list-style-type: none"> <li>▪ 68.5% of shares following completion will be escrowed until release of FY2021 (Aug-21).</li> <li>▪ CEO holding escrowed until after release of 1H2022 results (Feb-22)</li> </ul>

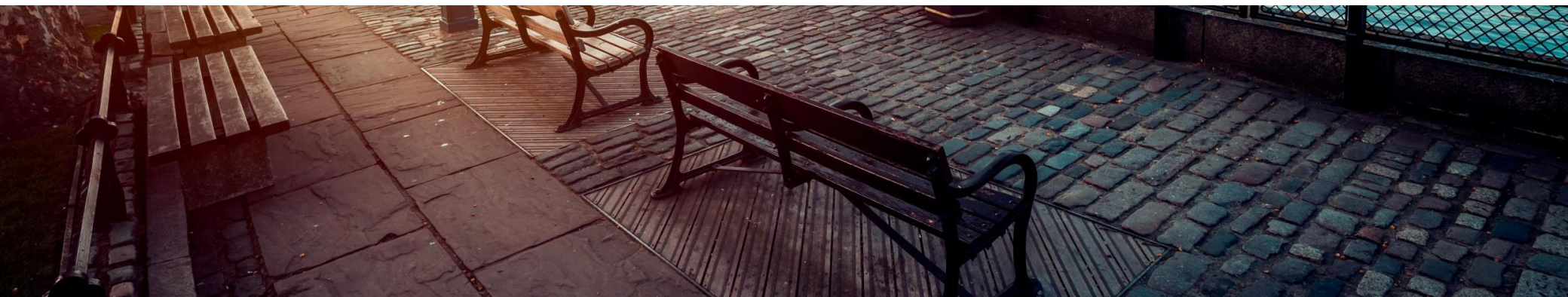
Key IPO metrics		
	FY20F	FY21F
EV/ Revenue	6.3x	5.3x
EV/ Gross profit	6.8x	5.9x
EV/ EBITDA	46.8x	29.0x

Capitalisation at IPO		
Share price	A\$	2.45
x Shares o/s	m	130
Market capitalisation	A\$m	318.5
Net debt (cash)	A\$m	31.7
Enterprise value	A\$m	286.8




Summary financials			
		FY20F	FY21F
Pro Forma Operating Revenue	A\$m	45.5	52.5
Recurring	A\$m	42.2	50.5
Transactional	A\$m	3.3	2.0
Pro Forma Total Revenue	A\$m	46.9	53.9
Pro Forma Cost of Sales	A\$m	(5.0)	(5.2)
Pro Forma Marketing Costs	A\$m	(18.4)	(17.9)
Pro Forma Technology Development	A\$m	(1.5)	(1.8)
Pro Forma Operations and Admin	A\$m	(16.0)	(19.0)
Pro Forma Operating Expenses	A\$m	(40.8)	(44.0)
Pro Forma Gross Profit	A\$m	41.9	48.7
Pro Forma EBITDA (Before significant items)	A\$m	6.1	9.9
Pro Forma Operating cash flow	A\$m	11.0	10.6






## Freelancer, Upwork and Fiverr analysis



# Overview of Freelancer, Upwork and Fiverr

Overview					Marketplace metrics <sup>2</sup>			EV/ Revenue		EV/ GP		Margins (LTM)		Revenue growth	
Company	Ticker	Share price <sup>1</sup>	52 week share price low / high	Enterprise value (A\$m)	GMV <sup>1</sup>	EV/ GMV	Take rate	LTM	NTM	LTM	NTM	Gross	EBITDA	FY19A	FY20A
 <b>freelancer</b>	ASX:FLN	\$0.50	\$0.23 / \$0.75	215.4	187.4	1.1x	26.9% <sup>4</sup>	3.7x	n.a.	4.4x	n.a.	83.2%	(5.4%)	11.9%	1.5%
 <b>upwork</b>	NasdaqGS: UPWK	\$30.84	\$5.14 / \$31.40	5,029.3	3,234.9	1.6x	13.6%	10.5x	8.8x	14.6x	12.2x	71.7%	2.3%	18.6%	21.4%
 <b>fiverr</b>	NYSE: FVRR	\$173.30	\$19.32 / \$191.15	8,104.3	833.4	9.7x	27.0%	36.0x	24.4x	44.0x	29.2x	81.9%	(6.6%)	41.8%	75.2%

Company	Revenue streams <sup>3</sup>	Cost of sales and R&D expense
 <b>freelancer</b>	<ul style="list-style-type: none"> <li>Online marketplace – project fees : 3% employer commission + 10% freelancer commission = 13% take rate, and value added services</li> <li>Online payment – collect escrow fees on transactions based on a calculated percentage of each transaction value</li> </ul>	<ul style="list-style-type: none"> <li>Cost of sales – primarily transaction costs incurred from online gateways used to process user payments</li> <li>R&amp;D expense – not reported on Freelancer's financial statements</li> </ul>
 <b>upwork</b>	<ul style="list-style-type: none"> <li>Marketplace – primarily from service fees paid by freelancers as a percentage of the amount the freelancers charge their clients</li> <li>Managed services – revenue generated from Upwork directly engaging freelancers to perform services for clients on Upwork's behalf</li> </ul>	<ul style="list-style-type: none"> <li>Cost of sales – primarily payment processing fees, fees paid to Upwork's freelancers under its managed services offerings, AWS hosting fees and amortisation of capitalised use of software etc.</li> <li>R&amp;D expense – personnel-related and hosting costs related to the development of Upwork's platform, products and features</li> </ul>
 <b>fiverr</b>	<ul style="list-style-type: none"> <li>Revenue – primarily from commissions, buyers pay the quoted price plus a 5% service fee and sellers receive 80% of the quoted price (Fiverr makes 20% from the seller and 5% from the buyer)</li> </ul>	<ul style="list-style-type: none"> <li>Cost of sales – primarily payment processing fees, server hosting fees, customer support personnel costs and amortisation of capitalised use of software and developed technology</li> <li>R&amp;D expense – personnel-related and hosting costs related to the development of Fiverr's platform, products and features</li> </ul>

Source: Capital IQ, company filings, Blackpeak Capital. Market data as at 6 Nov 2020

1) Converted to AUD

2) Last reported, if unavailable, most recent data point within the last twelve months

3) Based on reported business segments

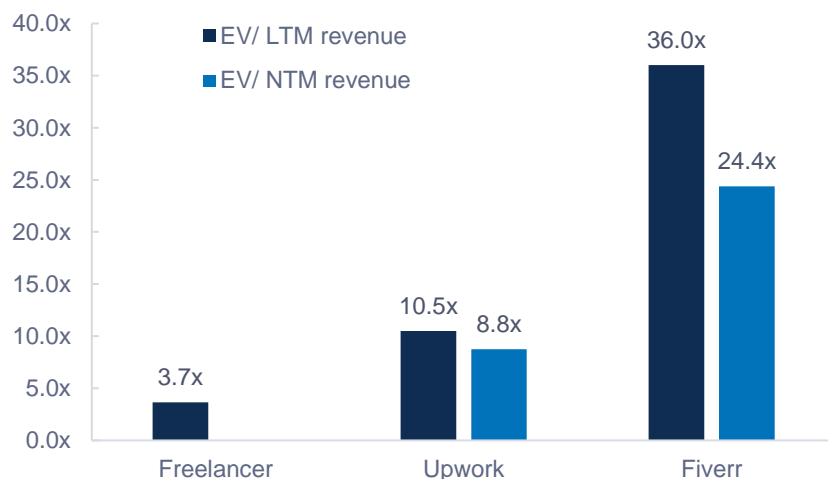
4) Calculated as effective take rate – (base marketplace take rate of 13% plus value added services)

# Analysis of Freelancer, Upwork and Fiverr

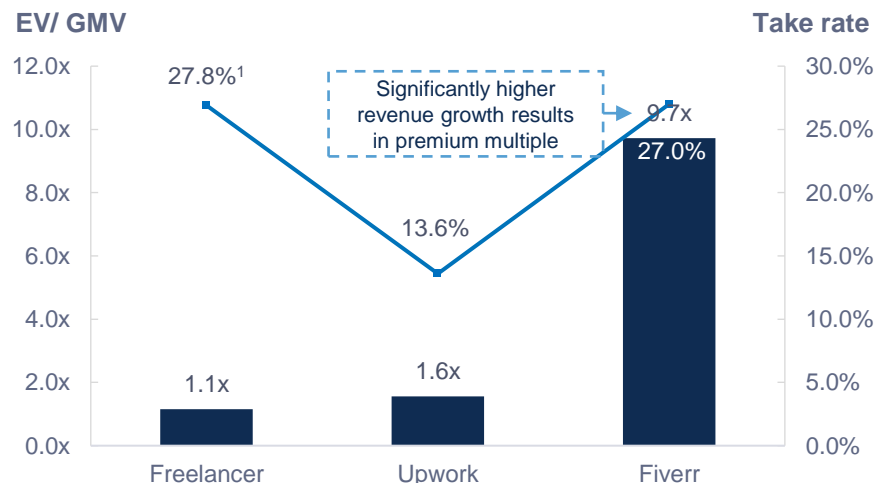
## Selected valuation multiples

- EV/ gross revenue
  - Often used for online marketplace businesses
  - Values the business based on the scale of the marketplace
- EV/ net revenue
  - Valuation based on the actual revenue accruing to the business
  - Driven by the take-rate on gross revenue and value-add capability to the marketplace sellers
- EV/ gross profit
  - Capturing contribution margin (or GPAPA) reveals true take-rate measurement after paid acquisition costs
  - Normalises for differences in business models and COGS

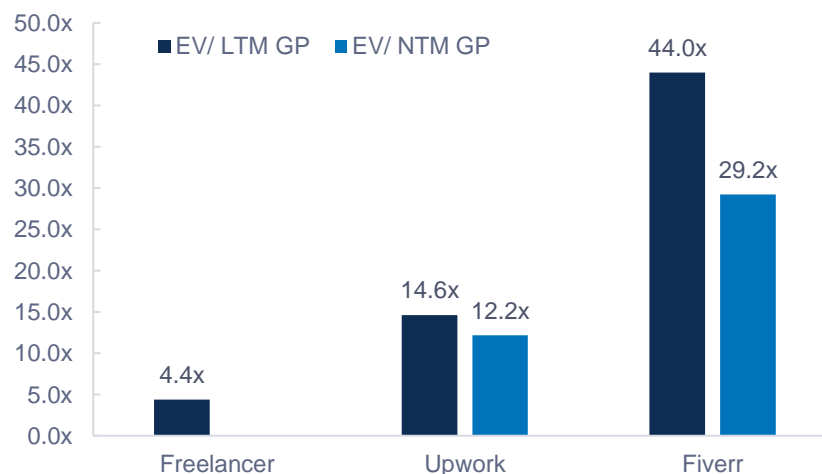
## EV/ net revenue (LTM & NTM)



## EV/ GMV (last reported) vs. take rate



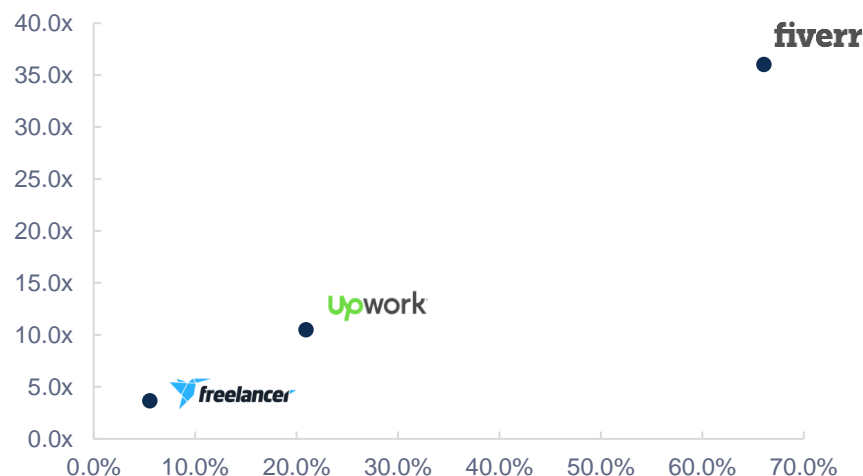
## EV/ gross profit (LTM & NTM)



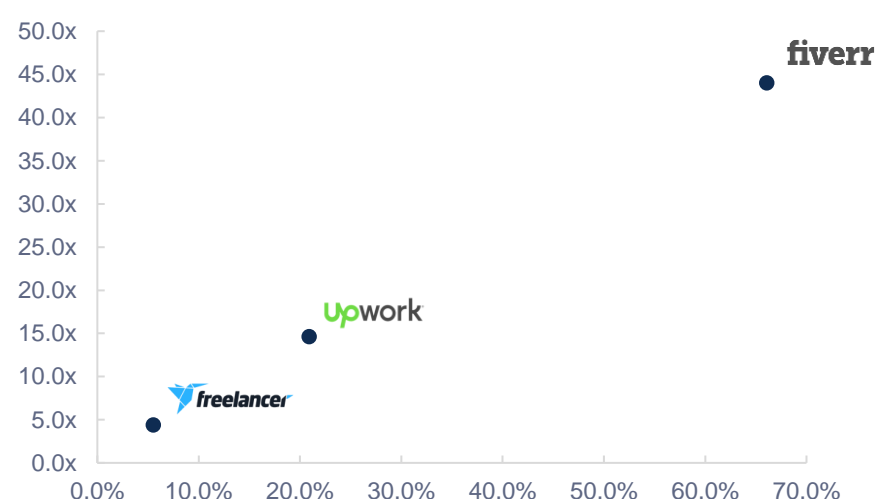


# Analysis of Freelancer, Upwork and Fiverr

EV/ revenue vs. revenue growth (LTM)



EV/ gross profit vs. revenue growth (LTM)

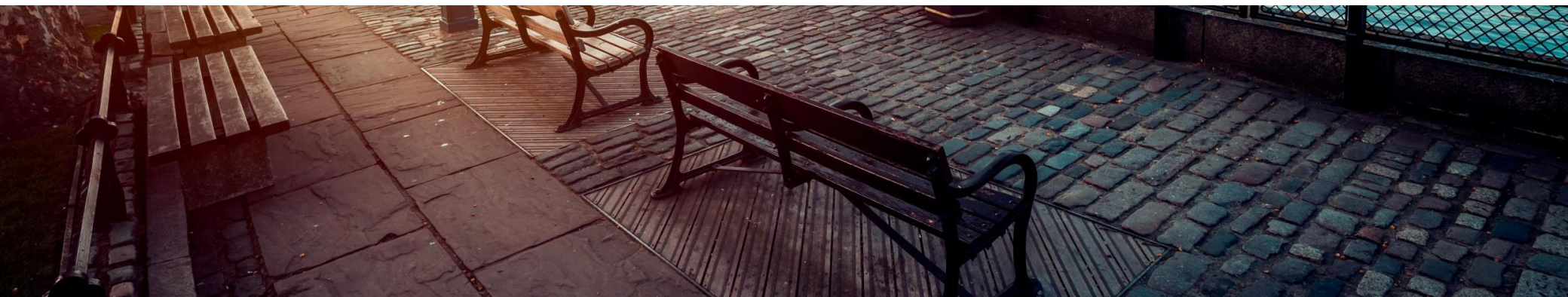


## Observations and commentary



























- Fiverr trades on a significant premium (revenue and gross profit multiples) to both Freelancer and Upwork which can largely be attributed to Fiverr's superior revenue growth over the last 12 months:
  - Fiverr LTM revenue growth of 66.1% compared to Freelancer (5.5%) and Upwork (20.9%)
- Despite Freelancer's take rate (26.9%) and gross margin (83.2%) being consistent with Fiverr's (27% take rate and 81.9% gross margin), Freelancer trades at a discount (revenue and gross profit multiples) to Upwork which has a lower take rate (13.6%) and gross margin (71.7%)
  - Take rate has a direct impact on the revenue multiple of commission-based online marketplace businesses since it determines the net revenue accruing to the business from gross market value sales

















## Global: Merger and acquisitions



# Global: Mergers and acquisitions (> A\$10m)<sup>1</sup>

Transaction overview					Multiples	
Target	Marketplace type	Date	Acquirer	Transaction value (A\$m) <sup>2</sup>	EV/ LTM revenue	EV/ LTM EBITDA
	E-commerce marketplace	Mar-17		766.1	n.a.	n.a.
	Services marketplace	May-17		834.6	1.8x	50.0x
	E-commerce marketplace	May-17		22.9	n.a.	n.a.
	Digital content marketplace	Jun-17		65.9	n.a.	n.a.
	Food delivery marketplace	Aug-17		361.8	4.8x	n.a.
	E-commerce marketplace	Oct-17		58.5	n.a.	n.a.
	Food delivery marketplace	Dec-17		41.2	3.2x	n.a.
	E-commerce marketplace	May-18		21,452.8	4.6x	n.a.
	E-commerce marketplace	Aug-18		186.4	n.a.	n.a.
	Services marketplace	Oct-18		229.3	n.a.	n.a.
	E-commerce marketplace	Oct-18		58.0	1.6x	12.3x
	Generalist marketplace	Nov-18		2,645.7	10.6x	18.6x
	Food delivery marketplace	Dec-18		440.2	n.a.	n.a.

# Global: Mergers and acquisitions (> A\$10m)<sup>1</sup>

Transaction overview					Multiples	
Target	Marketplace type	Date	Acquirer	Transaction value (A\$m) <sup>2</sup>	EV/ LTM revenue	EV/ LTM EBITDA
 1001Pharmacies.com	E-commerce marketplace	Feb-19	Pharmasimple	12.7	n.a.	n.a.
 fanxchange	Experiences marketplace	Apr-19	VIVIDSEATS	89.1	n.a.	n.a.
 drivy	Car rental marketplace	Apr-19	 Getaround	427.2	n.a.	n.a.
 balinea.com	Experiences marketplace	May-19	UALA.	24.2	n.a.	n.a.
 Nabobil	Car rental marketplace	Jun-19	 Getaround	17.2	n.a.	n.a.
 CITY PANTRY	Food delivery marketplace	Jul-19	JUST EAT	28.7	n.a.	n.a.
JUST EAT	Food delivery marketplace	Jul-19	 Takeaway.com	12,438.4	7.1x	57.0x
 caviar	Food delivery marketplace	Aug-19	 DOORDASH	597.6	n.a.	n.a.
 StubHub	Experiences marketplace	Nov-19	viagogo	5,980.2	3.6x	n.a.
AUTOLIST	New & used cars marketplace	Jan-20	CarEurus	n.a.	n.a.	n.a.
 Care.com	Services marketplace	Dec-19	IAC / InterActiveCorp	n.a.	2.6x	41.4x
 flexdrive	Vehicle subscription marketplace	Feb-20	lyft	29.8	n.a.	n.a.



# Global: Mergers and acquisitions ( > A\$10m)<sup>1</sup>












Transaction overview					Multiples	
Target	Marketplace type	Date	Acquirer	Transaction value (A\$m) <sup>2</sup>	EV/ LTM revenue	EV/ LTM EBITDA
 feedr	Food delivery marketplace	Mar-20	 COMPASS GROUP	41.7	n.a.	n.a.
 58同城	Generalist marketplace	Apr-20	 GENERAL ATLANTIC	14,134.2	3.5x	9.2x
 Ten-X	Real estate marketplace	May-20	 CoStar Group™	293.6	3.1x	n.a.
 99designs	Digital content marketplace	Oct-20	 vistaprint	n.a.	n.a.	n.a.
Median					3.5x	28.1x








## ANZ: Profiles of selected private marketplaces



# ANZ: Private capital raisings ( > A\$5m)<sup>1</sup>





Overview			Details	
Company	Marketplace type	Raising date	Investor(s)	Raising size (A\$m)
 Airtasker	Services marketplace	May-15	NRMA; Exto Partners; Carthona Capital; Black Sheep Capital; Morning Crest Capital Management	6.5
 9 seconds	Digital content marketplace	Apr-16	Sequoia Capital; AirTree Ventures; Beenext; Sky Ventures	9.9
 TRIBE	Influencer marketing marketplace	Jun-16	Exto Partners	5.4
 Airtasker	Services marketplace	Jun-16	Seven West Media; NRMA; Exto Partners; Morning Crest Capital Management	22.0
 EXPERT360	Services marketplace	Jul-17	AirTree Ventures	13.0
 Airtasker	Services marketplace	Oct-17	Seven West Media; Exto Partners; Skyfield Capital; Black Sheep Capital; Morning Crest Capital Management	33.0
 CAR NEXT DOOR	Car sharing marketplace	Nov-17	Macquarie; Caltex; The Hollard Insurance Company; Investible; Larix VC	6.3
 9 seconds	Digital content marketplace	Feb-19	Sequoia Capital; Right Click Capital; AirTree Ventures; Qualgro Partners; Atami Capital	27.9
 HealthMatch	Clinical trial matching marketplace	Nov-19	Square Peg Capital; Tempus Partners	6.0
 MARKETPLACER	Online marketplace platform tech	Dec-19	Bombora; Acorn Capital; SG Hiscock	20.0
 mable	Home care services marketplace	Jan-20	Ellerston Capital	15.0
 snappr	Photography marketplace	Sep-20	Y Combinator; Basis Set Ventures; Yes VC	14.0
 MARKETPLACER	Online marketplace platform tech	Nov-20	Acorn Capital; Bombora; Ellerston Capital; SG Hiscock; Morgans Financial; Endeavour Asset Management; OC Funds	20.0

# ANZ: Selected private marketplace profiles

Overview				Details				
Company	Marketplace type	Business model	Global	Known investor(s)	Estimated revenue	Latest post-money valuation	Total amount raised (A\$m) <sup>1</sup>	Comments/ observations
 <b>Airtasker</b>	Task outsourcing marketplace	Commission/ service fees	✓	Skyfield Capital; Carthona Capital; Bridgelane Capital; Black Sheep Capital; Sapien Ventures; Morning Crest; Exto Partners; Seven West; NRMA; Firemark Ventures	A\$24m (Oct-20) <sup>(2)</sup>	n.a.	65.1	<ul style="list-style-type: none"> <li>910,000 paying customers and 140,000 taskers at Oct-20<sup>(2)</sup></li> <li>&gt; A\$150m current run-rate gross monthly turnover</li> </ul>
 <b>envato</b>	Design and creative assets marketplace	Commission/ Subscription fees	✓	n.a.	> A\$200m (FY2020) <sup>(2)</sup>	> A\$1.0bn (Aug-20) <sup>(2)</sup>	n.a.	<ul style="list-style-type: none"> <li>Profit dip in FY20 due to increased marketing costs and shift to subscription model<sup>(2)</sup></li> <li>Bootstrapped by management</li> </ul>
 <b>9 SECONDS</b>	Video content marketplace	n.a.	✓	AirTree; Right Click Capital; Sequoia; SIG; Qualgro; Atami Capital; Tuhua Fund; opt SEA; BEENEXT; ICE Angels	n.a.	> A\$100m (May-19) <sup>(3)</sup>	38.9	<ul style="list-style-type: none"> <li>Founder Tim Norton is the 2<sup>nd</sup> largest shareholder after Sequoia<sup>(3)</sup></li> <li>Sky TV sold their stake</li> </ul>
 <b>Genero</b>	Cloud-based creative video production marketplace	n.a.	✓	Ellerston Capital; CMB Capital	n.a.	n.a.	10.5	<ul style="list-style-type: none"> <li>Targeting growth in the US market</li> <li>~80% revenue generated offshore<sup>(2)</sup></li> </ul>
 <b>oneflare</b>	Jobs and quoting marketplace (home services focus)	Subscription fees	✗	Domain; Equity Venture Partners	A\$12m (FY20)	n.a.	n.a.	<ul style="list-style-type: none"> <li>8 million website visitors and 720k job requests per annum</li> <li>&gt; 6k monthly active suppliers</li> <li>Acquired Urbanyou (on-demand service marketplace), wedding.com.au (wedding marketplace) and TidyMe (cleaning marketplace) in 2018</li> </ul>



# ANZ: Selected private marketplace profiles

Overview				Details				
Company	Marketplace type	Business model	Global	Known investor(s)	Estimated revenue	Latest post-money valuation	Total amount raised (A\$m) <sup>1</sup>	Comments/ observations
<b>Flippa</b>	Online/ digital and software businesses marketplace	Commission/ listing fees	✓	n.a.	n.a.	n.a.	n.a.	<ul style="list-style-type: none"> <li>A significant portion of Flippa's revenue is generated from the sale of websites and domains</li> <li>120,000 registered buyers</li> </ul>
 <b>mable</b>	Home care services marketplace	Commission	✗	Ellerston Capital; Macdoch Ventures	n.a.	n.a.	21.3	<ul style="list-style-type: none"> <li>&gt; 2 million hours of support delivered through Mable since being founded in 2014</li> <li>More than 5,600 active carers</li> </ul>
 <b>Valiant</b>	Business finance marketplace	Commission	✗	ANZi Ventures; Salesforce Ventures; Blacksheep Capital; Carthona Capital; Full Circle Venture Capital; Reinventure; H2 Ventures	n.a.	n.a.	22.8	<ul style="list-style-type: none"> <li>Over 80 lenders on the platform</li> <li>Founded by Richard Cotton and Alex Molloy</li> </ul>
 <b>DesignCrowd</b>	Creative and graphic design marketplace	Commission/ listing fees	✓	AirTree; Grand Prix Capital; Right Click Capital; Starfish Ventures; Tasman Ventures Fund	n.a.	n.a.	14.5	<ul style="list-style-type: none"> <li>&gt; 75% revenue generated outside of Australia</li> </ul>
 <b>HashChing</b>	Home loan/ mortgage marketplace	Commission/ subscription fees	✗	InvestSMART; H2 Ventures; Sapient Ventures	n.a.	A\$25.3m (May-18) <sup>(2)</sup>	1.3	<ul style="list-style-type: none"> <li>Founder and executive team left the company in June 2019 and filed a winding-up order, which was subsequently resolved<sup>(3)</sup></li> </ul>





# ANZ: Selected private marketplace profiles

Overview				Details				
Company	Marketplace type	Business model	Global	Known investor(s)	Estimated revenue	Latest post-money valuation	Total amount raised (A\$m) <sup>1</sup>	Comments/ observations
 TruePillars	Peer-to-peer business finance marketplace	Commission/ loan set-up fees	X	n.a.	n.a.	n.a.	5.0	<ul style="list-style-type: none"> <li>First Australian P2P lender to allow retail investors to invest</li> <li>Relies on institutional funds or sophisticated investors</li> </ul>
 felix	Construction equipment and contractor marketplace	Lead fees	X	Madad Pty Ltd; Perennial Value Management	A\$4.3m (FY2020) <sup>(2)</sup>	n.a.	3.5	<ul style="list-style-type: none"> <li>Currently seeking to raise \$12m at \$0.36 per share in an IPO that will value Felix at 9.7x forecast sales revenue or \$36m on an EV basis.<sup>(2)</sup></li> </ul>
 mycare	Home care services marketplace	Commission	X	n.a.	n.a.	n.a.	4.7	<ul style="list-style-type: none"> <li>Community of over 15,000 people</li> </ul>
 OurMoneyMarket	Peer-to-peer personal lending marketplace	Commission/ loan set-up fees	X	N2N Connect Berhard; YK Capital	n.a.	n.a.	4.0	<ul style="list-style-type: none"> <li>Backed by Southeast Asia's largest trading platform N2N Connect</li> </ul>
 spacer	Storage and parking marketplace	Commission	X	n.a.	n.a.	n.a.	4.7	<ul style="list-style-type: none"> <li>Raised \$2.7m in October 2017 to acquire Parkhound</li> <li>Raised \$1m in an equity funding round through a crowdfunding portal in March 2020</li> </ul>
 whizz	Cleaning services marketplace	Commission/ service fees	X	Chapman Opportunities	n.a.	n.a.	3.7	<ul style="list-style-type: none"> <li>Charges a fixed fee based on the number of rooms that require cleaning</li> <li>Performs more than 100,000 annual cleans</li> </ul>

# ANZ: Selected private marketplace profiles

Overview				Details				
Company	Marketplace type	Business model	Global	Known investor(s)	Estimated revenue	Latest post-money valuation	Total amount raised (A\$m) <sup>1</sup>	Comments/ observations
Designer Wardrobe.	Designer clothes marketplace	Commission/ listing fees	X	NZ Venture Investment Fund; ICE Angels; Lightning Lab; Icehouse Ventures	n.a.	A\$5.4m (May-17) <sup>(3)</sup>	4.9	<ul style="list-style-type: none"> <li>Returning visitor rate &gt; 70%</li> <li>Sell-through rate on clothing 5 times that of Trade Me's sell-through of Women's Clothing</li> </ul>
BIGSTONE FINANCE	Business asset finance marketplace	Commission/ loan set-up fees	X	CVC Capital Partners; Cicada Innovations; KP Venture Partners; Lighthouse Venture Partners	n.a.	n.a.	3.0	<ul style="list-style-type: none"> <li>Focused on expansion and development of the marketplace</li> <li>Looking to expand towards Southeast Asia</li> </ul>
snappr	Photography marketplace	Commission	✓	AirTree Ventures; Y Combinator; Zeno Ventures; Total Access Fund; Basis Set Ventures; Alumni Ventures; AltaiR Capital	n.a.	~A\$60-70m (Sep-20) <sup>(2)</sup>	17.8	<ul style="list-style-type: none"> <li>Acquired a competitor – Photographers.com.au in 2018</li> <li>Expanding its presence in the US</li> </ul>
Marketlend	SME finance marketplace	Commission/ loan set-up fees	✓	Tyndall Capital; SeedInvest;	n.a.	n.a.	183.8	<ul style="list-style-type: none"> <li>Deploying capital to automate its technology systems and originate more loans</li> <li>Raised \$100m in debt financing from Crayhill Capital Management in Sept 2020</li> </ul>
JOUST	Home loan/ mortgage marketplace	Commission	X	H2 Ventures; AVRO Accelerator	n.a.	A\$6.7m (Nov-16) <sup>(3)</sup>	1.1	<ul style="list-style-type: none"> <li>Merged with LoanDolphin in May 2020</li> <li>Since 2020, the companies have processed \$3.3 billion worth of loan opportunities</li> </ul>
bluethumb	Art marketplace	Commission	X	Grand Prix Capital; QUT Creative; Equity Venture Partners	n.a.	n.a.	1.5	<ul style="list-style-type: none"> <li>30,000 original Australian artworks sold on platform</li> <li>Represent 11,000 emerging and established Australian artists</li> </ul>

# ANZ: Selected private marketplace profiles

Overview				Details				
Company	Marketplace type	Business model	Global	Known investor(s)	Estimated revenue	Latest post-money valuation	Total amount raised (A\$m) <sup>1</sup>	Comments/ observations
	Consulting marketplace	Matching fees	✓	n.a.	n.a.	n.a.	n.a.	<ul style="list-style-type: none"> <li>Reached over \$60m in Australian consulting revenue in 2019</li> </ul>
	Bikes marketplace	Listing fees	✓	n.a.	n.a.	n.a.	n.a.	<ul style="list-style-type: none"> <li>Part of The Exchange Group which also owns Marketplacer</li> </ul>

# ANZ: Selected online financial supermarkets

Overview			Details				
Company	Business model	Global	Known investor(s)	Estimated revenue	Latest post-money valuation	Total amount raised (A\$m) <sup>1</sup>	Comments/ observations
	Advertising fees	✓	n.a.	A\$100m+ (FY19) <sup>(2)</sup>	n.a.	n.a.	<ul style="list-style-type: none"> <li>Largely Australian-based with a rapidly growing international business</li> </ul>
	Lead/advertising fees	✗	n.a.	A\$39.2m (FY19) <sup>(2)</sup>	n.a.	n.a.	<ul style="list-style-type: none"> <li>Australia's biggest financial comparison site</li> <li>36% revenue growth in FY19</li> </ul>
	Commission	✓	n.a.	n.a.	n.a.	n.a.	<ul style="list-style-type: none"> <li>Launched in Australia in 2012, 6 years after its launch in the UK and US</li> </ul>
	Lead/advertising fees	✗	n.a.	n.a.	n.a.	n.a.	<ul style="list-style-type: none"> <li>Free service for consumers</li> <li>Deloitte Technology Fast 50</li> </ul>
	Lead/advertising fees	✗	n.a.	n.a.	n.a.	n.a.	<ul style="list-style-type: none"> <li>Compares over 13,000 different products from over 250 different financial institutions</li> </ul>
	Commission	✗	Forager Funds; Burgundy; Thorney International; UniSuper; Adam Smith Asset Management; Quest Asset Partners; other institutional investors	\$120.4m (FY20) <sup>(3)</sup>	n.a.	n.a.	<ul style="list-style-type: none"> <li>BHL Holdings (backing Compare The Market) owns 28.6% of shares outstanding</li> </ul>





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