

29 July 2021

ASX Announcement
Airtasker Limited (ASX Code: ART)

JUNE QTR 2021 - APPENDIX 4C AND QUARTERLY ACTIVITY REPORT

Q4/FY21 Cash Flow and Operating Performance

- Continuing strong marketplace performance in Q4 produced positive cash flow from operating activities of \$763k
- FY21 cash flow from operating activities (excluding IPO costs) was \$7.4 million, with statutory cash flow from operating activities of \$5.5 million compared with prospectus forecast of \$0.1 million
- FY21 GMV was \$153.1 million, exceeding prospectus forecast of \$143.7 million
- 415k unique paying customers in FY21 exceeds prospectus forecast of 405k

The positive operating cash flow in FY21 demonstrates the strength of the Airtasker model and its operating leverage at scale. Marketplace performance was achieved despite a 14-day lockdown in Melbourne during the quarter and the start of the Sydney lockdown from 26 June. This positive variance was due to higher revenues and lower expenses than forecast and a number of working capital timing differences.

International Expansion and Capital Update

- UK marketplace performing well off a small base with June quarter GMV up 93% on March quarter and up 232% year-on-year
- Zaarly integration and US expansion planning progressing well
- Closing cash balance of \$45.9 million due to stronger operating cash flow performance and capital raise

On 21 May, Airtasker announced the acquisition of Zaarly, a US local services marketplace providing access to more than 597,000 registered users and 900+ verified services providers to accelerate expansion in the United States. Integration of Zaarly's operations and planning for US expansion are progressing well.





The stronger than forecast operating cash flow for the June quarter, combined with \$16.7 million net cash contribution from financing activities (after transaction costs and the acquisition of Zaarly), resulted in a closing cash balance at 30 June 2021 of \$45.9 million (compared with a prospectus forecast of \$25.6 million).

FY22 Outlook

- Business accelerated ahead of expectations post IPO and into lockdowns
- Lockdowns have impacted the start of Q1 with weekly GMV down ~12% compared with pre-lockdown
- In line with previous lockdowns, a strong bounce back is expected once restrictions are lifted
- Chief Marketing Officer commenced 12 July

The Sydney, Melbourne and Adelaide lockdowns during July have impacted operations in Q1 FY22 to date with weekly GMV down ~12% during July compared to pre-lockdown. As with previous lockdowns, we have seen a change in the mix of services being offered and many services being provided remotely rather than in-person. In previous lockdowns, Airtasker has seen a strong bounce back in marketplace volumes as restrictions ease in each city-level market.

The business continues to build its growth capability and, after an extensive worldwide search, is pleased to welcome former Instagram Head of Marketing APAC Noelle Kim to the role of Chief Marketing Officer. This is a key hire ahead of the business making significant investment into marketing infrastructure and user acquisition in FY22 to drive domestic and international expansion and begin to maximise the growth opportunity provided by our significant cash reserves.

We continue to invest in a world-class user experience for our Customers and Taskers with the ongoing development of our core product and new marketplace experiences including Listings (pre-packaged services) and Re-booking (enabling Customers to contact Taskers they've previously worked with). These initiatives further leverage our light touch operating model and, in due course, will scale across city-level marketplaces globally.



Use of Funds:

In accordance with ASX Listing Rule 4.7C.2, Airtasker provides the following update on its use of funds (unaudited):

Use of Funds	\$m	Spend to date (\$m)	Status
Marketing (including international)	8.0	0.0	On track
Product development	5.0	0.0	On track
Offer costs	3.1	2.7	On track
Total	16.1	2.7	On track

No related party payments were made in Q4 FY21. All numbers are unaudited.

-- ENDS --

For further information, please contact:

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About Airtasker

Airtasker (ASX: ART) is Australia's leading online marketplace for local services, connecting people and businesses who need work done with people and businesses who want to work.

With its mission to empower people to realise the full value of their skills, Airtasker aims to have a positive impact on the future of work by creating truly flexible opportunities to work and earn income. Since launching in 2012, Airtasker has enabled more than \$1 billion in working opportunities and served more than 1 million unique paying customers.

This announcement was approved for release by the Board of Directors of Airtasker Limited.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Airtasker Limited

ABN

53 149 850 457

Quarter ended ("current quarter")

June 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	7,707	30,481
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(568)	(2,614)
(c) advertising and marketing	(981)	(2,040)
(d) leased assets	(2)	(4)
(e) staff costs	(3,300)	(13,127)
(f) administration and corporate costs	(2,082)	(6,800)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	0	2
1.5 Interest and other costs of finance paid	(11)	(61)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	1,008
1.8 Other - GST	-	(1,354)
1.9 Net cash from / (used in) operating activities	763	5,491
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	(3,126)	(3,126)
(c) property, plant and equipment	(46)	(124)
(d) investments	-	-
(e) intellectual property	(1,314)	(4,998)
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(4,486)	(8,248)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	20,704	35,704
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	1	1,904
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(747)	(1,671)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other – lease liabilities	(114)	(431)
3.10 Net cash from / (used in) financing activities	19,844	35,506

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	29,735	13,097
4.2 Net cash from / (used in) operating activities (item 1.9 above)	763	5,491
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(4,486)	(8,248)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	19,844	35,506
4.5	Effect of movement in exchange rates on cash held	1	11
4.6	Cash and cash equivalents at end of period	45,857	45,857

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	45,857	29,735
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	45,857	29,735

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A - no financing arrangements available to the company.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	763
8.2 Cash and cash equivalents at quarter end (item 4.6)	45,857
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	45,857
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2021
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Authorised by: The board
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(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.