

4 May 2022

ASX Announcement

Airtasker Limited (ASX Code: ART)

Airtasker to acquire assets of Australia's 3rd largest local services platform Oneflare and launch a fully underwritten \$6.25m equity placement

Highlights:

- Airtasker has entered into a binding agreement to acquire the assets of Oneflare Pty Ltd ("**Oneflare**"), Australia's 3rd largest local services platform¹ with a strong presence in trades, home improvement and professional services (the "**Acquisition**").
- Acquisition price of A\$9.8 million represents an attractive 1.6x FY23F revenue of greater than A\$6.0m.²
- Bringing together Airtasker, Australia's no. 1 marketplace for local services, and Oneflare will strengthen marketplace network effects, offering more job opportunities to **Service Pros** (including both independent Taskers and verified businesses) whilst providing customers with access to a greater range of services, skills and faster response times.
- The Acquisition of Oneflare will also further accelerate Airtasker's strategic expansion into high value service categories including trades, home improvement and professional services.
- The underwritten placement of approximately 14.5 million new fully paid ordinary shares ("**Shares**") at \$0.43 per share, to raise approximately \$6.25 million ("**Placement**") will be used to fund the cash component of the acquisition price, the FY23 estimated investment in Oneflare, and Acquisition and Placement costs.
- Airtasker Directors will subscribe for \$3.55 million in the Placement, which will be subject to shareholder approval.
- Airtasker will also undertake a Share Purchase Plan ("**SPP**") to raise up to \$1.2 million for eligible shareholders in Australia and New Zealand.

Airtasker Limited ('**Airtasker**' or the '**Company**') is pleased to advise that it has entered into a definitive agreement to acquire the assets of Oneflare, Australia's 3rd largest local services platform¹ which serves more than 540,000 Customers and 14,500 verified businesses each year³. Oneflare has a strong presence in trades, home improvement and professional services.

¹ Management estimates based on publicly available information.

² Management estimates based on unaudited CY21 financial information provided by Oneflare reduced for the impacts of integration and conservative forecast assumptions.

³ 546,978 unique users posted a job on Oneflare in CY21 and 14,502 unique verified businesses submitted a quote via Oneflare in CY21.





Key Oneflare operational and financial metrics:

- 480,000 unique visitors to Oneflare's platform per month
- 50,000+ posted jobs per month
- 540,000 unique customers per annum
- 14,500 active verified businesses
- \$2,300+ estimated average task price⁴

Strategic Rationale

The Acquisition of Oneflare will enhance the Airtasker customer experience and deliver compelling platform synergies:

1. **Strengthens network effects** - Airtasker and Oneflare Customers gain access to a wider range of skills and faster response times whilst Service Pros (including both independent Taskers and verified businesses) get access to more job opportunities than ever before.
2. **Unlocks high value trades opportunity** - Airtasker and Oneflare will gain access to a suite of features designed to empower Services Pros in high value service categories including trades, home improvement and professional services.
3. **Single technology platform** - Operating a single technology platform to serve a significantly larger user base will create a range of technology, data, brand and financial synergies.

Commenting on the acquisition, Airtasker Co-founder and CEO, Tim Fung, said "I'm super stoked to bring together Airtasker and Oneflare to create Australia's no. 1 marketplace for local services. Together, we can offer our customers access to an even greater range of local services and faster response times whilst creating more job opportunities than ever before. By acquiring Oneflare, we also accelerate a push into higher value service categories including trades, home improvement and professional services to deliver on our mission: to empower people to realise the full value of their skills."

Funding and Equity Raising

The purchase price of \$9.8 million to acquire the assets of Oneflare comprises:

- \$7.55 million in Airtasker Shares, issued at \$0.43 per Share, with 50% escrowed for 12 months from issue and 50% escrowed for 24 months from issue; and
- \$2.25 million in cash

Airtasker has launched a fully underwritten placement of approximately 14.5 million new ordinary shares at \$0.43 per Share to institutional, professional and sophisticated investors, with Placement proceeds of \$6.25 million used to fund the cash component of the acquisition price, the FY23 estimated investment in Oneflare, and Acquisition and Placement costs.

The Placement is expected to settle on 11 May 2022 and the shares issued under the Placement will be issued on 12 May 2022.

⁴ Based on average quote value in task categories weighted by average number of jobs in task categories per month (Jan-20 - Dec-21 inclusive).



The Placement Shares and Shares to be issued under the Acquisition will be issued within Airtasker's existing placement capacity under ASX Listing Rule 71.

The Placement price of \$0.43 represents a discount per share of:

- 15.9% to the last traded price of Airtasker on 3 May 2022 of \$0.51;
- 13.6% to the 5 day Volume Weighted Average Price of \$0.498; and
- 14.6% to the 10 day Volume Weighted Average Price of \$0.504.

The Shares to be issued under the Placement represent approximately 3.5% of Airtasker's pre-offer issued share capital, and the total Shares to be issued under the Placement and Acquisition represent 7.7% of Airtasker's pre-offer issued share capital. All shares issued under the Placement and Acquisition will rank equally with Airtasker's existing fully paid ordinary shares.

Existing shareholders associated with Airtasker Directors James Spenceley, Peter Hammond and Xioafan (Fred) Bai, or their associates (all of which are existing shareholders) have agreed to subscribe for \$3.55 million in the Placement. This participation will be subject to shareholder approval at an extraordinary general meeting of shareholders expected to be held in late June 2022.

In addition to the Placement, the Company will offer a Share Purchase Plan ("SPP") to eligible shareholders in Australia and New Zealand, at the Placement price of \$0.43, to raise a maximum of \$1.2 million. Any proceeds from the SPP will be applied to further strengthen the balance sheet. If the SPP is fully subscribed, the Shares issued under the SPP will represent approximately 0.7% of Airtasker's pre-offer issued share capital.

Under the SPP, eligible shareholders with a registered address in Australia or New Zealand (each an Eligible Shareholder) who held Shares in the Company at the record date of 7.00pm (AEST) on 3 May 2022 will be entitled to acquire up to \$10,000 of new Shares in Airtasker at the Placement Price without brokerage or transaction costs.

Further information will be sent to shareholders in due course.

Further Information

Further details of the Acquisition and the Placement including an indicative timetable are set out in the Investor Presentation provided to the ASX today. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the equity raising and a summary of the Acquisition agreement.

The Placement is fully underwritten by Morgans Corporate Limited. Maddocks is acting as legal advisers to Airtasker.

Conference Call

Tim Fung, together with CFO Nathan Chadwick will host a conference call at 10.30am AEST today Wednesday, 4 May 2022 in regards to this announcement. Participants will need to pre-register for the call by following this link <https://bit.ly/ARTwebinarRego>



Instructions to access the call will be provided after registration.

– ENDS –

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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 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 \$1.8 billion in working opportunities and served more than 1.2 million unique paying customers. For more information visit: investor.airtasker.com

Important Disclaimers

This announcement contains certain "forward-looking statements" that are based on management's belief, assumptions and expectations and on information currently available to management. These statements can generally be identified by the use of forward-looking words, such as "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", or "target". Such statements may be based on underlying assumptions (which could prove incorrect or may be subject to change) and are subject to the risks disclosed in the Investor Presentation lodged with ASX around the date of this announcement. You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant uncertainty and disruption caused by the COVID-19 pandemic. This announcement does not take into account the financial position, needs or circumstances of investors. You are encouraged to seek independent advice.

This announcement may not be distributed or released to U.S. wire services or distributed in the United States. This announcement does not constitute a recommendation, offer to sell, or a solicitation of any offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), or in any other jurisdiction in which such an offer would be illegal. None of the new shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the new shares may not be offered or sold, directly or indirectly, to any person in the United States or any person that is acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States), except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable



securities laws of any state or other jurisdiction of the United States. All dollar values contained in this Presentation are expressed in Australian dollars unless otherwise stated.

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