



2023

Airtasker Limited

ABN 53 149 850 457

(ASX Code: ART)

Quarterly Activity Report and Appendix 4C Quarterly Cash Flow Report 30 September 2023

Lodged with ASX under Listing Rules 4.7B and 4.7C.

www.airtasker.com

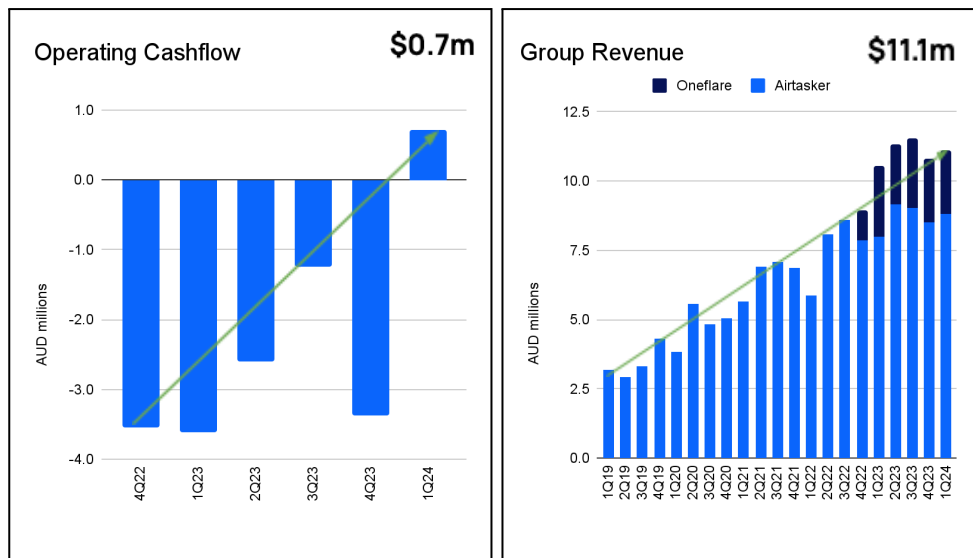
24 October 2023

ASX Announcement
30 September 2023 - Quarterly Activity Report

Airtasker achieves positive operating cash flow
On track for FY24 revenue growth and positive free cash flow result

1Q Highlights

- Positive operating cash flow of \$0.7m, an improvement of \$4.3m on pcp¹
- Positive Net EBITDA² of \$2.9m, an improvement of \$3.8m on pcp
- On track for positive free cash flow result in full year FY24
- Airtasker marketplaces revenue up 10.5% on pcp to \$8.8m; Group revenue up 5.6% on pcp to \$11.1m
- UK TTM³ revenue up 52.8% on pcp to £502k⁴
- US TTM posted tasks up 79.5% on pcp to 63.7k⁴; TTM tasker offers up 135.4% on pcp to 108.7k⁴
- \$16.5m in cash and term deposits on balance sheet and zero debt



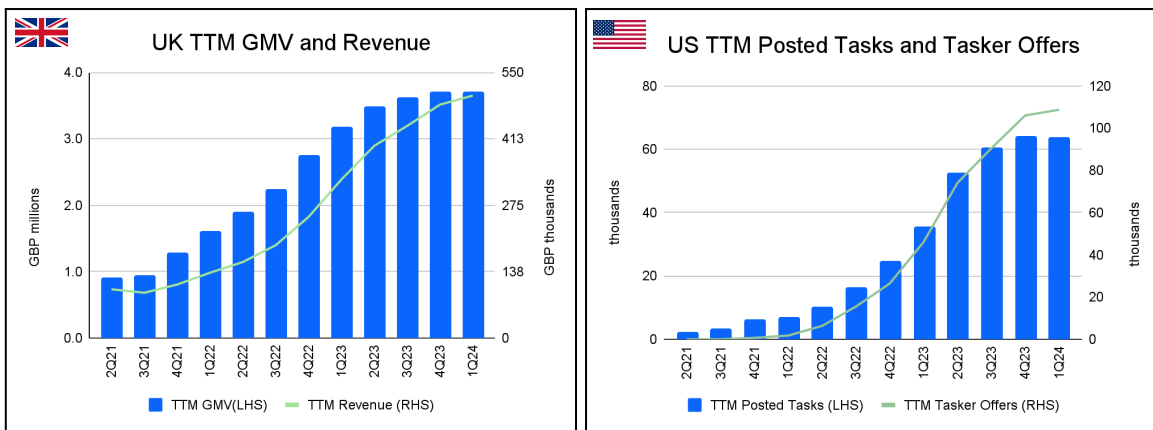
¹ Prior comparative period.
² This is Australian EBITDA less all fixed global head office expenditure. Australian EBITDA refers to earnings before interest, taxation, depreciation and amortisation of the Established Marketplaces Segment comprising the Airtasker Australia and Oneflare Australia marketplaces.
³ Trailing twelve months.
⁴ Calculated on a TTM basis.

In 1Q24 Airtasker generated positive cash from operating activities of \$0.7m, up \$4.3m on pcp (1Q23: negative \$3.6m), enabling it to finish the quarter in a solid financial position with \$16.5m in cash and term deposits on its balance sheet and zero debt.

The positive operating cash flow result was achieved by improving Group revenue by 5.6% on pcp to \$11.1m and reducing Australian marketing expenditure by \$0.2m (16% on pcp). The Airtasker marketplaces saw 1Q24 revenue increase 10.5% on pcp to \$8.8m despite consumer demand remaining soft and Airtasker marketplaces GMV⁵ decreasing 6.1% on pcp to \$45.3m.

The solid 1Q24 Airtasker marketplaces revenue result was driven by funnel optimisation programs designed to improve platform reliability, reduce cancellations and address task leakage. These programs saw cancellations reduce by 24.9% on pcp resulting in the take rate⁶ improving by 2.9 percentage points to 19.4%. The average task value remained steady at \$243.90.

Airtasker operates marketplaces at multiple stages of development. In Australia, our marketplaces are at the 'scaling' stage. In the UK, our marketplaces are in the 'one to 100' stage during which the goal is to carefully balance supply and demand to drive marketplace activity and grow GMV. In the US, our marketplaces are in the 'zero to one' stage during which the focus is on creating a steadily increasing flow of job opportunities (posted tasks).



In the UK, Airtasker's marketplaces demonstrated strong performance with 1Q24 TTM GMV up 16.3% on pcp to £3.7m⁷ and TTM revenue up 52.8% on pcp to £502k⁷ as a result of record levels of tasker engagement driving higher task completion rates.

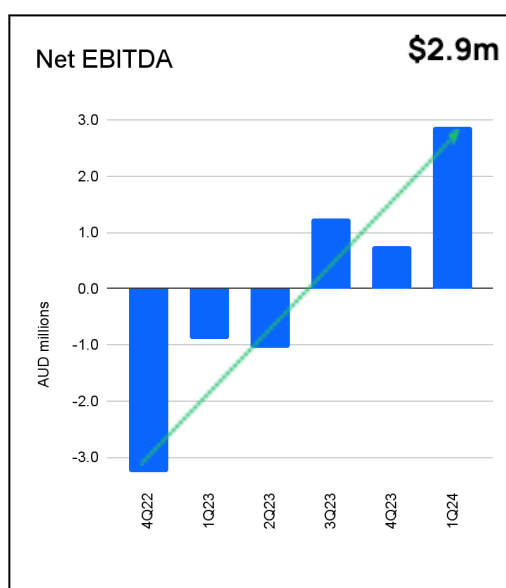
These results were achieved prior to the 2Q24 launch of Airtasker's Channel 4 UK television advertising campaign, 'Airtasker. Yeahtasker!'. Airtasker's partnership with Channel 4 provides

⁵ Gross marketplace volume.
⁶ Take rate represents Airtasker's revenue in a given financial period, expressed as a percentage of GMV in the same period.
⁷ Calculated on a TTM basis.

\$6.7m in media advertising to Airtasker's UK subsidiary. It is anticipated that the 'Airtasker. Yeahtasker!' brand campaign will drive an improvement in UK brand awareness and deliver marketplace growth heading into spring/summer in the northern hemisphere (3Q24 and 4Q24).

In Airtasker's US marketplaces, 1Q24 TTM posted tasks increased 79.5% on pcp to 63.7k⁸ and tasker offers increased 135.4% on pcp to 108.7k.⁸

Airtasker's marketplaces fall into two business segments, being the 'Established Marketplaces Segment' and the 'New Marketplaces Segment'. Geographic operations are segmented based on the maturity of the marketplaces as economics differ at each stage of growth. The Airtasker Australia and Oneflare Australia marketplaces have established user bases and operations and represent the 'Established Marketplaces Segment'. International marketplaces, which have less established user bases, form the 'New Marketplaces Segment'.



During 1Q24, Airtasker's Established Marketplaces in Australia achieved positive Net EBITDA of \$2.9m, after all fixed global head office expenditure. Airtasker also achieved positive Group EBITDA of \$1.1m, however, it continues to invest in international markets.

The performance of the segments for 1Q24 is presented in the table below.

Non-statutory operating segment data	1Q24 \$m	1Q23 \$m	Variance \$m	Variance %
Established Marketplaces - Australian EBITDA ⁹	7.5	5.8	1.7	29.1%
Global head office - operating expenditure ¹⁰	(3.3)	(5.7)	2.4	(42.6%)
Global head office - innovation investment ¹¹	(1.3)	(1.0)	(0.3)	32.0%
Net EBITDA	2.9	(0.9)	3.8	421.5%
New Marketplaces (UK and US) EBITDA	(1.8)	(1.4)	(0.4)	23.3%
Group EBITDA	1.1	(2.3)	3.4	148.4%

⁸ Calculated on a TTM basis.

⁹ Excluding global head office operating expenditure and innovation investment.

¹⁰ This is global head office operating expenditure relating to the Airtasker and Oneflare marketplaces (engineering, product support and maintenance), as well as back office support functions (leadership, legal, finance and people operations).

¹¹ This is global head office non-capitalisable innovation investment relating to the Airtasker and Oneflare marketplaces associated with the development of new product features designed to enhance the customer experience, increase long term GMV and grow long term revenue.

Commenting on the results, Airtasker Founder and CEO Tim Fung said, "I'm super pleased to announce that Airtasker has achieved positive operating cash flow of \$0.7m for the quarter - a massive \$4.3m improvement on pcp! Despite consumer demand remaining slightly softer than the previous year, our focus on the core product experience and optimisation has seen strong ongoing revenue growth. We are now well positioned ahead of launching a major UK brand campaign, 'Airtasker. Yeahtasker!', in conjunction with Channel 4 next quarter. With Airtasker now as lean and efficient as ever, we're looking forward to delivering both revenue growth and positive free cash flow in FY24!"

Related party payments in 1Q24 totalled \$272k. The payments comprised \$93k to non-executive directors for director's fees, superannuation and expense reimbursements and \$179k to Tank Stream Labs Pty Ltd for leases, utilities and cleaning costs related to office facilities.

All numbers are unaudited.

- 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 a 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 put more than \$500m into the pockets of workers (payments made after all fee revenue is deducted) and served more than 1.3m unique paying customers across the world. For more information visit www.investor.airtasker.com.

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")

30 September 2023

Consolidated statement of cash flows		Current quarter A\$'000	Year to date (12 months) A\$'000
1.	Cash flows used in operating activities		
1.1	Receipts from customers	11,767	11,767
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(1,030)	(1,030)
	(c) advertising and marketing	(1,784)	(1,784)
	(d) leased assets	(2)	(2)
	(e) staff costs	(5,561)	(5,561)
	(f) administration and corporate costs	(1,893)	(1,893)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	65	65
1.5	Interest and other costs of finance paid	(40)	(40)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other – GST and FBT	(813)	(813)
1.9	Net cash used in operating activities	709	709
2.	Cash flows used in investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	(666)	(666)
	(f) other non-current assets	(8,000)	(8,000)

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	153	153
	(c) property, plant and equipment	2	2
	(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 used in investing activities	(8,511)	(8,511)
3.	Cash flows (used in) / from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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	(215)	(215)
3.10	Net cash (used in) / from financing activities	(215)	(215)
4.	Net decrease in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	16,052	16,052
4.2	Net cash used in operating activities (item 1.9 above)	709	709
4.3	Net cash used in investing activities (item 2.6 above)	(8,511)	(8,511)
4.4	Net cash (used in) / from financing activities (item 3.10 above)	(215)	(215)
4.5	Effect of movement in exchange rates on cash held	(12)	(12)
4.6	Cash and cash equivalents at end of period	8,023	8,023

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 (item 4.6 and item 4.1)	8,023	16,052
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)	8,023	8,023

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	(158)
6.2	Aggregate amount of payments to related parties and their associates included in item 3	(114)
<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 <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		Total facility amount at quarter end A\$'000	Amount drawn at quarter end A\$'000
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.		
There are no financing arrangements available to the Company.			

8. Estimated cash available for future operating activities		A\$'000
8.1	Net cash used in operating activities (item 1.9)	709
8.2	Cash and cash equivalents at quarter end (item 4.6)	8,023
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	8,023
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<p><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></p>		
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	
<p><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></p>		

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: 24 October 2023

Authorised by: The Board of Directors

(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.