

Airtasker

# FY23 FINANCIAL RESULTS PRESENTATION

30 August 2023



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All FY23 financial information is audited.

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Airtasker is building

# the world's most trusted marketplace to buy and sell local services.

We connect people who need work done, with people who want to work.



Our mission:

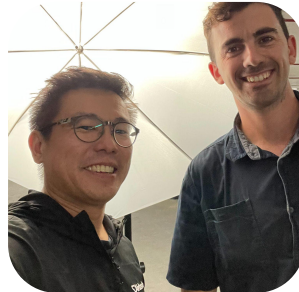
# To empower people to realise the full value of their skills.

Creating jobs isn't a by-product of the work that we do: it's our core purpose.



"This has helped me see my value and my self worth."

**Tess K**



"This gives you the chance to help people and at the same time, feel appreciated for what you do."

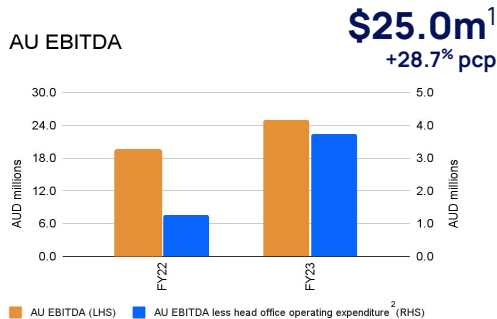
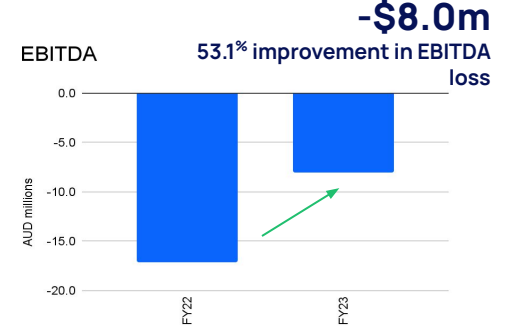
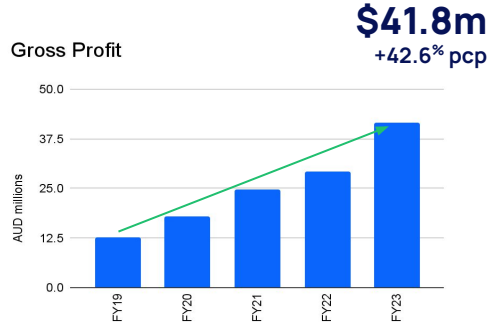
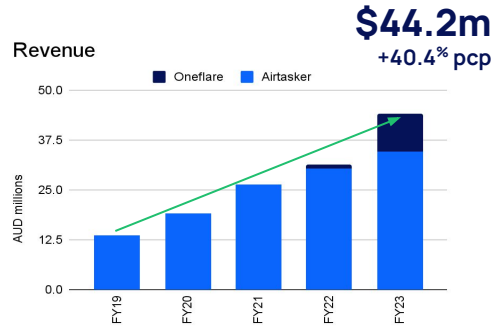
**Maico L**





# 01. FY23 Key Highlights

# FY23 Financial Highlights



**\$6.7m** 

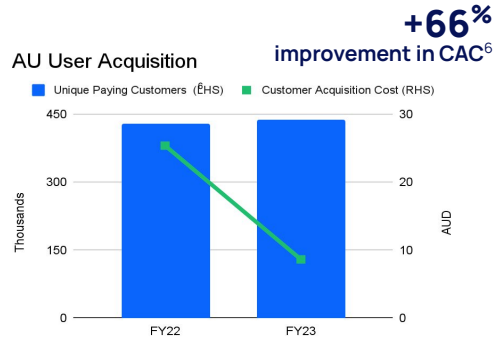
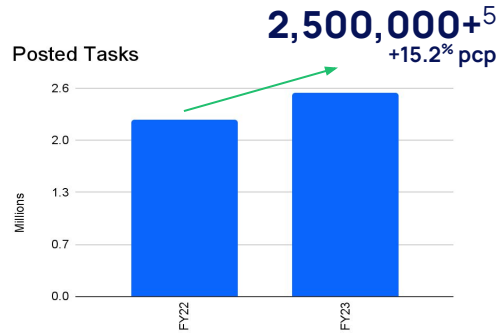
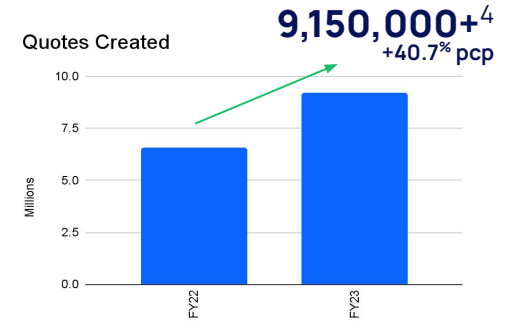
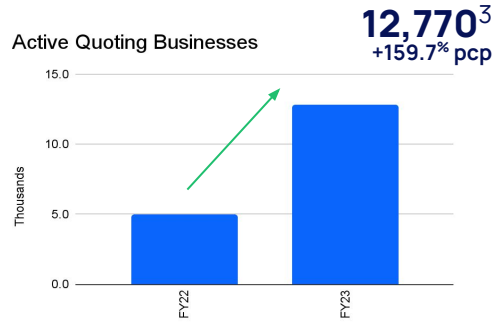
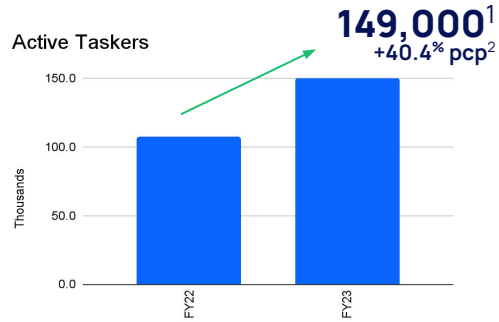
Partnership with Channel 4 unlocking \$6.7m (£3.5m) media advertising services in Airtasker UK over the next two years.

**\$16.1m** 

Cash and zero debt.  
Net cash outflow reduced 23.9% on pcp.

1. The Group has two operating segments, being the 'Established Marketplaces Segment' and the 'New Marketplaces Segment'. AU EBITDA refers to the 'Established Marketplaces Segment' which consists of the Australian Airtasker and Oneflare marketplaces.  
2. Global head office operating expenditure relating to the Airtasker and Oneflare platforms and marketplaces (engineering, product support and maintenance), as well as back office support functions (executive, legal, finance and people operations).

# FY23 Marketplace Highlights



# 6,750,000

Verified Airtasker User Reviews<sup>7</sup>

1. Total offer active Taskers on the Airtasker platform in FY23.
2. Oneflare is included from the date of acquisition on 25 May 2022.
3. Total quoting businesses on the Oneflare platform in FY23.
4. Tasker offers on the Airtasker platform and quotes on the Oneflare platform in FY23.
5. Posted tasks on the Airtasker platform and posted jobs on the Oneflare platform in FY23.
6. Customer acquisition cost (total marketing costs over new unique paying customers) on the Airtasker platform in Australia. New unique paying customers represent customers who assign a task for the first time.
7. Cumulative user reviews on the Airtasker platform from inception to August 2023.



## 02. Business Overview and Strategy

# Unique value proposition:



## Open community

Built on transparency and accountability to enable trust with a light touch operating model.



## Infinitely horizontal

Unifying a fragmented local services industry and creating entirely new service industries.



### For customers:

- Super fast responses
- Huge range of services
- Great value for money

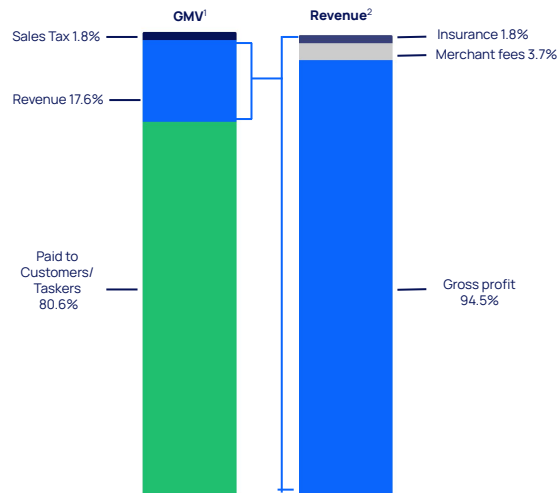


### For Taskers:

- Instant work
- Pricing control
- Complete flexibility

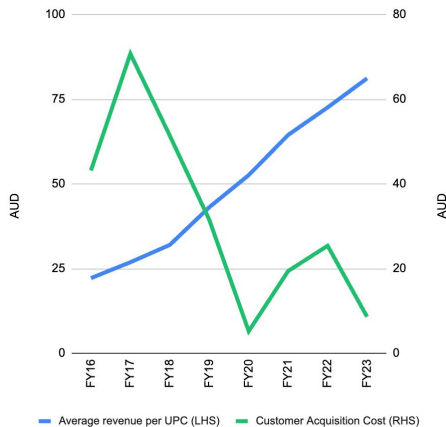


# Efficient business model enables profitable unit economics and sustainable competitive advantage...



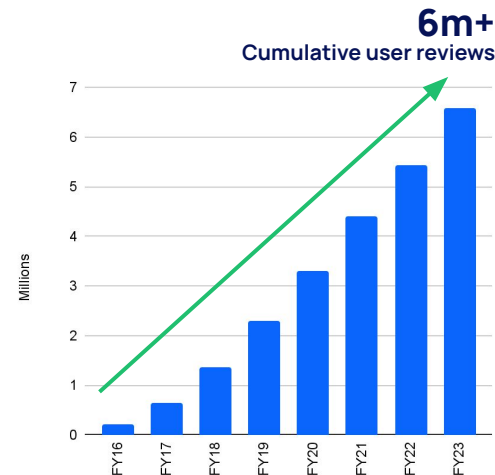
## Profitable unit economics

Open community marketplace and light touch operating model delivers consistent gross margin of 94+%.



## Efficient customer acquisition

Strong brand and network effects resulted in over 415,000 UPCs<sup>3</sup> in FY23 in Australia. With a low reliance on paid marketing, Airtasker achieved a blended CAC of \$9 against annual revenue per UPC of \$81 (9.4x).



## Sustainable competitive advantage

Cumulative trust and reputation data results in a sticky user base and sustainable competitive advantage.

1. Gross marketplace volume (GMV) for Airtasker only. GMV represents the total price of all tasks booked through the Airtasker marketplaces before cancellations and inclusive of price adjustments between customers and Taskers, bonuses paid by customers to Taskers, fees payable by customers and Taskers to Airtasker, and any applicable sales taxes.
2. Revenue comprising the Airtasker and Onefare marketplaces.
3. Represents the unique paying customers (UPC) who assign a task in FY23.

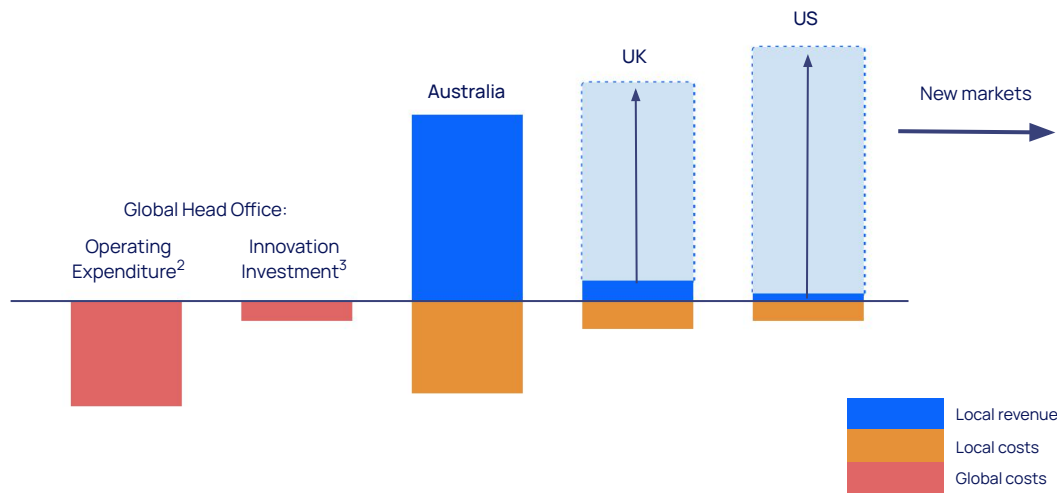
# High operating leverage and proven media partnership strategy supports global opportunity

## Profitable global scaling opportunity<sup>1</sup>:

Fixed cost base and discretionary investment in new features, remains relatively constant as we expand into new markets.

AU marketplace EBITDA currently covers fixed Global Head Office operating expenditure.

High operating leverage: New markets do not add significant fixed costs but require upfront media investment to reach profitable scale.



## Proven media partnership strategy :

Together with Seven West Media, we've proven that media partnerships can turbocharge network effects and deliver profitable scale... and are now replicating this model in new markets.



1. For illustrative purposes.
2. Operating expenditure relating to the Airtasker and Oneflare platforms and marketplaces (engineering, product support and maintenance), as well as back office support functions (executive, legal, finance and people operations).
3. Non-capitalisable innovation investment relating to the Airtasker and Oneflare platforms associated with the development of new features designed to enhance the customer experience, increase long term gross marketplace volume and grow long term revenue.



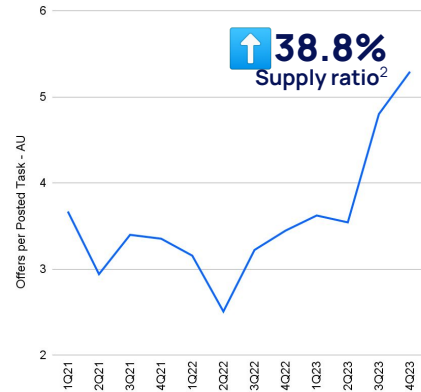
# 03. Operational Update

# We improved funnel conversion to deliver strong business performance despite soft macroeconomic environment

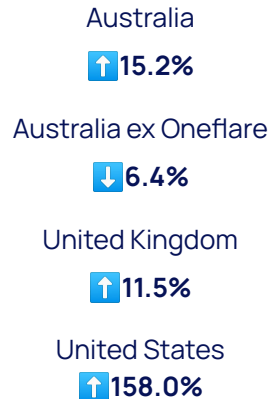


A soft macroeconomic environment saw consumer demand<sup>1</sup> in Australia decrease however, a 38.8% surge in marketplace supply<sup>2</sup> and focus on core product resulted in a higher quality customer experience and a 20.8% improvement in conversion to revenue.<sup>3</sup>

## Marketplace Supply



## Marketplace Demand<sup>4</sup>



↓ Demand (posted tasks)<sup>1</sup> down 6.4%

↑ Matching rate<sup>5</sup> up 8.0%

↓ Cancellations<sup>6</sup> down 6.8%

↑ Completed tasks<sup>7</sup> up 10.2%

↑ Revenue per posted task<sup>3</sup> up 20.8%

1. FY23 posted tasks on the Australian Airtasker platform compared to FY22.
2. FY23 offers per posted tasks on the Australian Airtasker platform compared to FY22.
3. FY23 revenue per posted task on the Australian Airtasker platform compared to FY22.
4. FY23 posted tasks on the Airtasker platform and posted jobs on the Oneflare platform compared to FY22. Oneflare is included from the date of acquisition on 25 May 2022.
5. FY23 assignment rate on the Australian Airtasker platform compared to FY22.
6. FY23 cancellation rate on the Australian Airtasker platform compared to FY22.
7. FY23 completed tasks on the Australian Airtasker platform, as a percentage of posted tasks, compared to FY22.

# We boosted operational efficiency by integrating Oneflare and restructuring the Airtasker Group

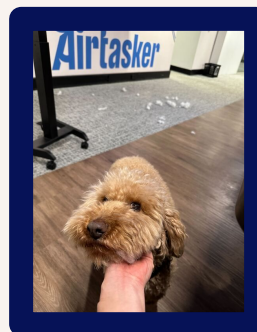
## Oneflare performing ahead of expectations

- Oneflare FY23 revenue ahead of expectations
- Business performing well with plans to invest further in Oneflare growth strategy in FY24.
- Integration is tracking positively with cost base de-duplicated and security up-levelled.
- Marketing and pricing initiatives driving improved revenue and profitability.



## Restructured to improve operational efficiency

- In April 2023 we restructured to reduce headcount by 20%, predominantly in non-revenue generating roles.
- We continue to make ongoing investments in the growth and wellbeing of our people to create a more lean, agile and overall higher performing organisation.



**Monday | Being**  
Speaker session: 11 am Cass O'Connor  
Activity: 1pm Self Awareness Activity

**Tuesday | Doing**  
Speaker session: 12 pm Bradley Delamare  
Activity: 9 am Adaptability Game

**Wednesday | Connecting**  
Speaker session: 11 am Mina Radhakrishnan  
Activity: 12 pm Culture Catch-ups

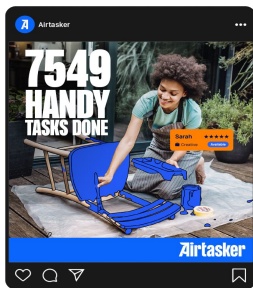
**Thursday | Delivering**  
Speaker session: 4 pm Justus Hammer  
Activity: 12 pm Sense Making Workshop

**Friday | Leading**  
Speaker session: 12 pm Adam Jacobs  
Activity: 10 am Leadership AMA Panel



# We focussed our growth plans and laid the foundations to scale our media partnership strategy globally

## Invested in a powerful new brand



**Airtasker** → **Airtasker**

Working alongside London-based brand studio Koto we launched a vibrant and exciting new Airtasker ethos and design ready for global scale.

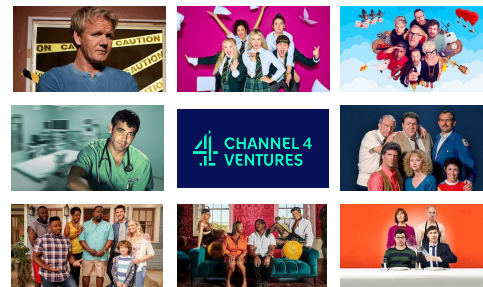
## Announced new Chair Cass O'Connor



**PRIME7** **TRIBE** **ebay** **OTENHALL**

We announced that, experienced ASX director and media & technology veteran, Cass O'Connor would join the Airtasker board as Chair.

## Secured \$6.7m media-for-equity partnership with Channel 4



In June 2023, we announced a partnership with Channel 4 that provides Airtasker with \$6.7m in media advertising power.

# We continued to invest in the trust and safety of our community

The trust and safety of our marketplace users is critical to our success. In 2022 we focussed investment on cybersecurity and in 2023 we expanded this focus to enhance marketplace trust and safety.

Throughout the year, we delivered product and infrastructure changes that improve user safety, as well as enhancing customer experience by protecting our marketplace from bad actors as well as duplicate and fraudulent accounts.

## Marketplace Trust

- Improved systems to detect and block suspicious marketplace traffic and fraud.
- Automated enforcement against duplicate accounts and repeat offenders.
- Added transparency around bad actors with ratings and reviews of cancellations.

## User Safety

- Invested in account security with 2-Factor Authentication, and breached account detection.
- Improved user safety by moving PII and credential storage to a secure identity vendor.
- Improved marketplace monitoring through updated flagging and moderation features.

 **51%** Reduction in attempted fraud<sup>1</sup>

 **9%** Reduction in duplicate and spam accounts<sup>1</sup>

 **72%** Attempted account takeover incidents<sup>1</sup>



# 04. FY23 Financial Results

## AU: Established marketplaces Revenue +40% to \$43.2m<sup>1</sup>

In Australia, we are in the 'scaling' phase of marketplace growth, focussed on driving profitable revenue and gross profit.

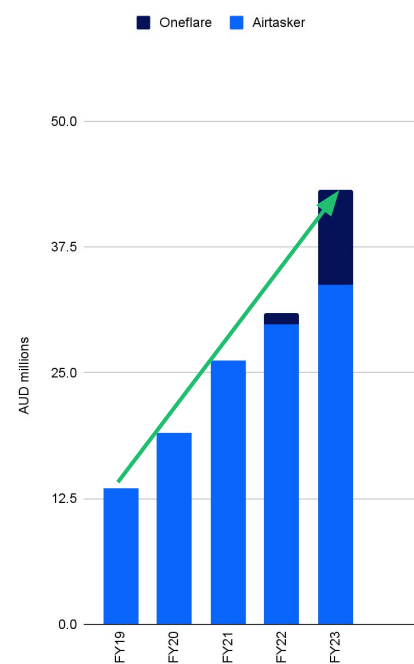
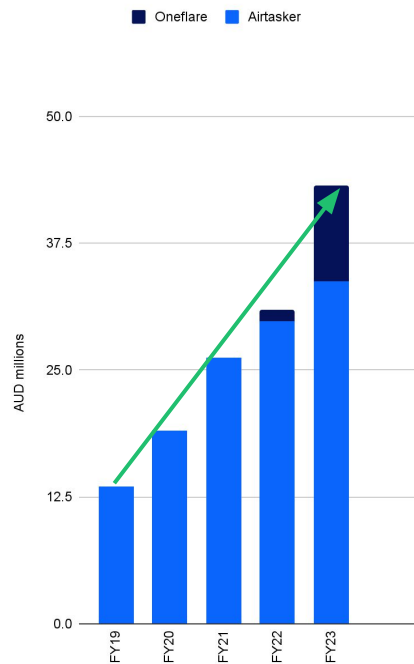
In FY23 revenue grew 39.7% on pcp to \$43.2m<sup>1</sup> while gross profit grew 41.7% on pcp to \$41.0m<sup>1</sup> driving an Australian EBITDA contribution of \$25.0m<sup>2</sup>.

### Revenue

**\$43.2m<sup>1</sup>**  
+39.7% on pcp

### Gross Profit

**\$41.0m<sup>1</sup>**  
+41.7% on pcp



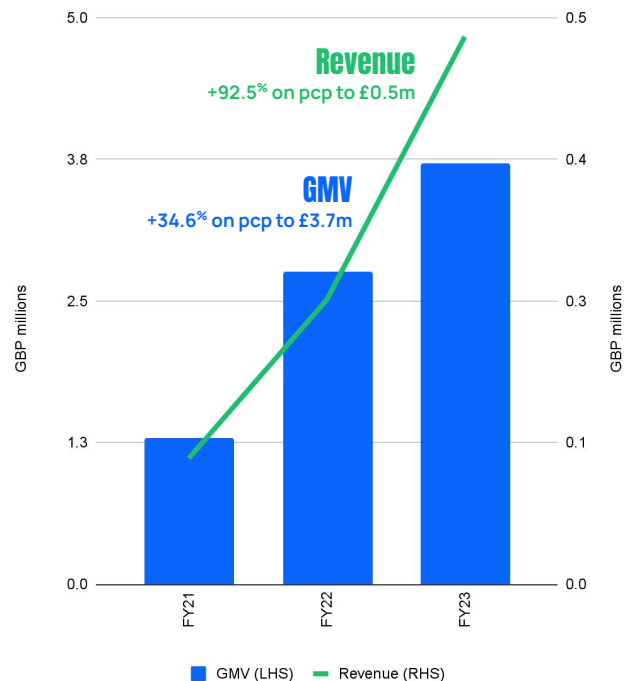
1. Comprising the Australian Airtasker and Oneflare marketplaces.
2. The Group has two operating segments, being the 'Established Marketplaces Segment' and the 'New Marketplaces Segment'. Australian EBITDA refers to the 'Established Marketplaces Segment' which consists of the Australian Airtasker and Oneflare marketplaces.

## UK: New marketplaces GMV +35% & Revenue +93%

The UK city-level marketplaces are in the 'one to 100' phase during which we begin to balance marketplace supply and demand.

FY23 GMV<sup>1</sup> grew 34.6% on pcp to £3.7m while FY23 revenue grew 92.5% on pcp to £0.5m.

### UK Gross Marketplace Volume and Revenue



1. Gross marketplace volume (GMV) represents the total price of all tasks booked through the UK Airtasker marketplace before cancellations and inclusive of price adjustments between customers and Taskers, bonuses paid by customers to Taskers, fees payable by customers and Taskers to Airtasker, and any applicable sales taxes.

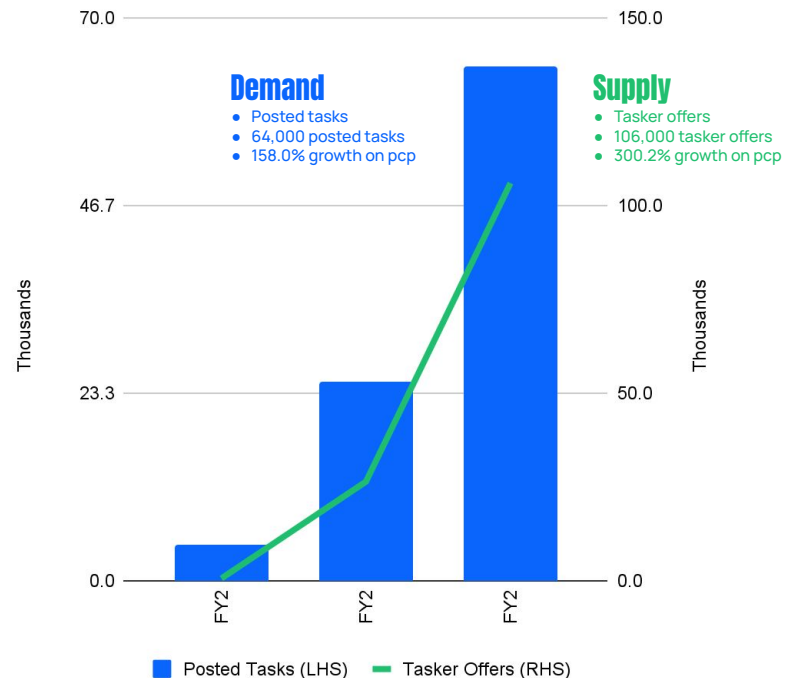


## US: New marketplaces Posted tasks 2.6x & Tasker offers 4.0x

The US city-level marketplaces are in the 'zero to one' phase during which the key focus is on posted tasks in order to drive Tasker engagement.

In FY23 customer posted tasks increased 158.0% on pcp to 64,000 tasks while Tasker offers increased 300.2% on pcp to 106,000.

### US Posted Tasks and Tasker Offers



# Australian marketplaces generate positive EBITDA after covering Global Head Office operating expenditure

In FY23, Airtasker's Australian marketplaces generated EBITDA of \$25.0m<sup>1</sup>.

- Australian EBITDA<sup>1</sup> covers Global Head Office operating expenditure<sup>2</sup> (excluding innovation investment<sup>3</sup>) with a combined EBITDA of \$3.9m.
- We are committed to innovation investment to realise long term growth opportunities (eg. rebooking via our Contacts product and high value trades via investment in Oneflare).
- We continue to build new marketplaces internationally in the UK and US, leveraging our scalable software platform, global head office operations and innovation investment.
- Creating new marketplaces in the UK and US requires upfront investment primarily in the form of variable marketing expenditure (ie. paid advertising) to drive user acquisition and establish early network effects.

## Non-Statutory Operating Segment Data \$m

	FY23	FY22	+/- Variance
Established Marketplaces - Australian EBITDA	25.0	19.4	28.7%
Global head office - operating expenditure <sup>1</sup>	(21.1)	(18.2)	16.5%
Net EBITDA	3.9	1.2	202.8%
Global head office - Innovation investment <sup>2</sup>	(3.9)	(7.8)	(50.5%)
New Marketplaces (UK and US) EBITDA	(8.0)	(10.5)	(24.3%)
Group EBITDA	(8.0)	(17.1)	53.1%

1. The Group has two operating segments, being the 'Established Marketplaces Segment' and the 'New Marketplaces Segment'. Australian EBITDA refers to the 'Established Marketplaces Segment' which consists of the Australian Airtasker and Oneflare marketplaces.

2. Operating expenditure relating to the Airtasker and Oneflare platforms and marketplaces (engineering, product support and maintenance), as well as back office support functions (executive, legal, finance and people operations).

3. Non-capitalisable innovation investment relating to the Airtasker and Oneflare platforms associated with the development of new features designed to enhance the customer experience, increase long term gross marketplace volume and grow long term revenue.

## Sound financial position

- Strong balance sheet - \$16.1m cash and zero debt.
- Net cash outflow reduced 23.9% on pcp.
- Net loss after tax improved by 36.6% to \$12.9m.
- Continuing cost and cash flow management.

### Balance Sheet \$m

	30 Jun 23	30 Jun 22	+/- Variance
Cash and cash equivalents	16.1	23.7	(32.3%)
Trade and other current assets	10.1	6.5	56.1%
Non-current assets	24.8	24.7	0.7%
<b>Total assets</b>	<b>51.0</b>	<b>54.8</b>	<b>(7.1%)</b>
Trade and other payables	3.9	7.3	(47.1%)
Unclaimed customer credits	4.6	4.7	(1.6%)
Other current liabilities	4.2	4.7	(12.0%)
Non-current liabilities	9.2	1.2	688.8%
<b>Total liabilities</b>	<b>21.9</b>	<b>17.9</b>	<b>22.3%</b>
<b>Net assets</b>	<b>29.1</b>	<b>37.0</b>	<b>(21.3%)</b>
Issued equity	137.5	133.8	2.8%
Reserves	19.3	18.2	6.4%
Accumulated losses	(127.9)	(115.0)	11.2%
Non-controlling interests	0.2	0	100%
<b>Equity</b>	<b>29.1</b>	<b>37.0</b>	<b>(21.3%)</b>

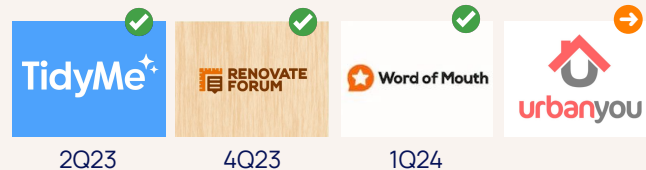


# 05. Future outlook

# On track to deliver positive free cashflow result in FY24

- ➔ Divest all non-core businesses acquired through the purchase of Oneflare. Expected to impact FY24 revenue by \$1.0m but will deliver positive impact on operating costs, cashflow and strategic focus.
- ➔ Optimise marketing, pricing, gross margin and cost structure in our core Australian platforms to deliver positive free cashflow result in FY24.

Divestment of non-core portfolio on track to complete in 1H24:



## Execute on highly focussed growth strategy:



Invest in core product experience

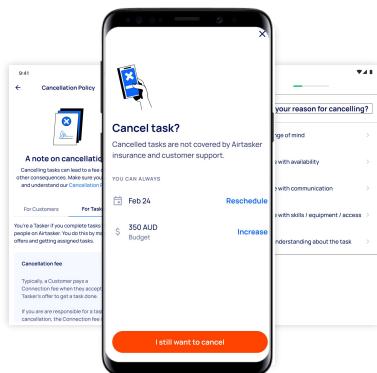


Scale in new markets via media partnerships



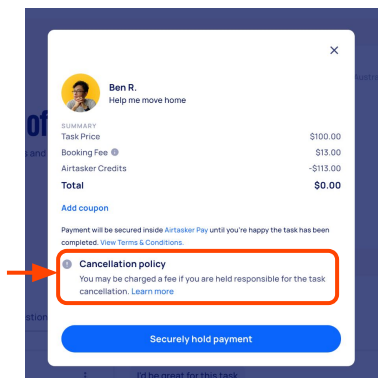
# Focus on core product experience to further consolidate Australian market leadership

Improve marketplace reliability by establishing clear expectations and responsibilities (policies & incentives).



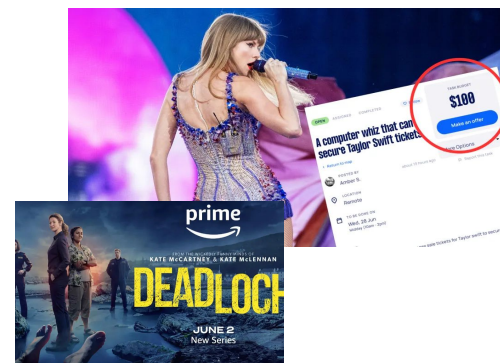
FY23 task completion rate improved 10.2% on prior year

Address platform leakage and align financial incentives to positive marketplace outcomes.



Introduction of Connection Fee (replacing previous fee model) addresses leakage.

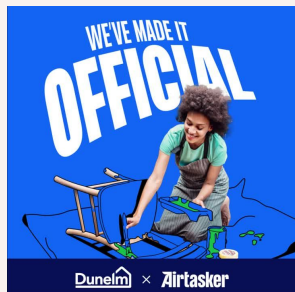
Continue to delight our customers and invest in a loved Australian brand.



63% brand awareness driven by earned media eg. featuring in Deadloch or helping secure Taylor swift concert tickets.

# Turbocharge UK marketplace with \$6.7m Channel 4 investment and ready our media partnership model for global scale

- ➔ Airtasker completed a \$6.7m media partnership with Channel 4 in June 2023 enabling reach to 47 million people across the UK and launching in October 2023.
- ➔ We've also entered a formal collaboration with homewares brand Dunelm which sees assembly and installation services promoted across 180 UK stores!
- ➔ In FY24, we will fine tune our integrated marketing Playbook - cornerstoned by media partnerships - in preparation for global scale.



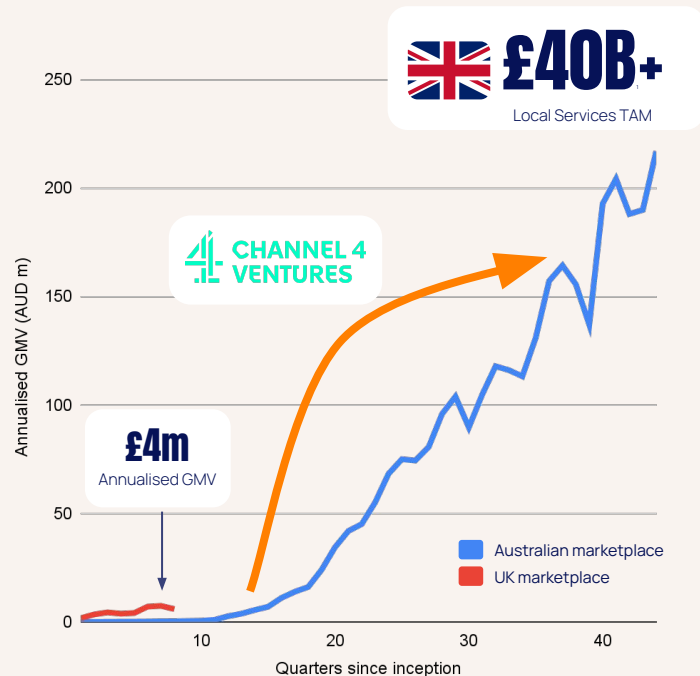
**Dunelm**

- 180 stores
- £1.6 revenue
- 11,000 employees!

Need a hand with fitting blinds?

Introducing **Dunelm** x **Airtasker**

Get £15 off your first task.



1. Source: <https://www.retail-insight-network.com/news/dunelm-fy23-sales-growth/?cf-view>

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YEAHTASKER!**