

AIRTASKER. VEAHTASKER!



Airtasker Limited

ABN 53 149 850 457

(ASX: ART)

Quarterly Activity Report and Appendix 4C Quarterly Cash Flow Report 30 June 2024

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

www.airtasker.com

29 July 2024

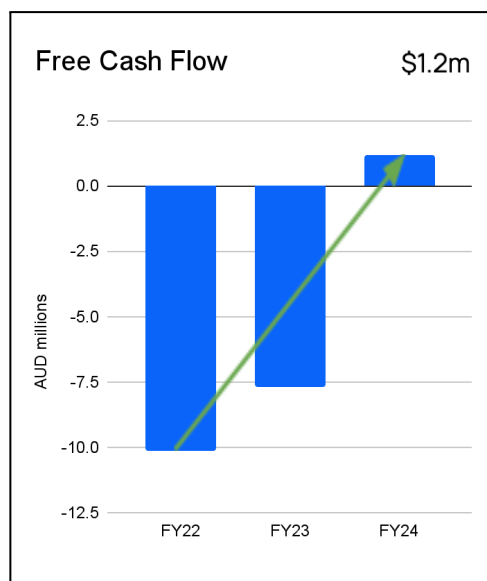
ASX Announcement

30 June 2024 - Quarterly Activity Report

**Full year positive free cash flow as
FY24 Airtasker platform fee revenue grows 13.9%
and 4Q24 UK revenue grows 76.3%**

4Q Highlights

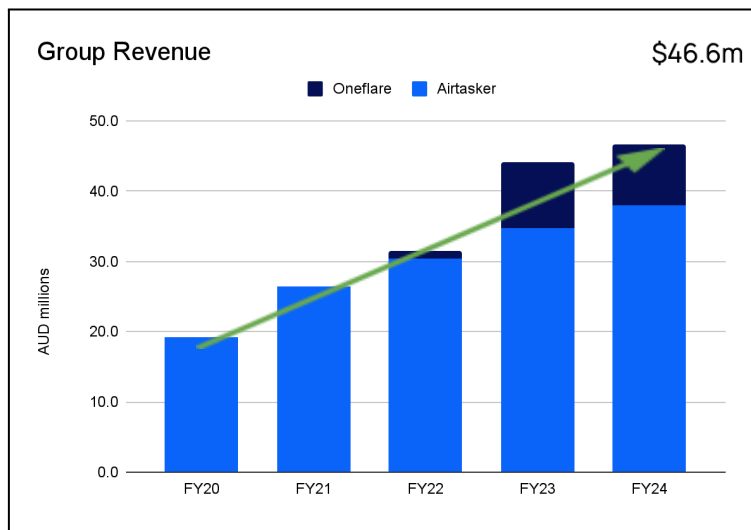
- FY24 positive free cash flow \$1.2m, an improvement of \$8.8m (115.3%) on pcp¹
- FY24 Airtasker platform fee revenue up 13.9% on pcp
- UK 4Q24 revenue up 76.3% on pcp
- \$17.8m in cash and term deposits on balance sheet
- \$11.0m in advertising from oOh!media and ARN to accelerate Australian revenue growth in FY25



¹ Prior comparative period.

Full year positive free cash flow of \$1.2m

Airtasker has delivered on its promise with FY24 positive free cash flow of \$1.2m, up \$8.8m (115.3%) on pcp and FY24 positive operating cash flow of \$3.1m, up \$13.9m (128.1%) on pcp. This strong cash flow result was achieved by delivering solid FY24 Group revenue of \$46.6m, up 5.6% on pcp and achieving strong operating efficiencies across the business through reductions in headcount costs of \$9.5m (down 31.8%) on pcp and increased efficiency in administration and corporate costs with a reduction of \$3.3m (down 31.9%) on pcp.



Cash flow from operating activities in 4Q24 improved \$1.9m on pcp while the 4Q24 versus 3Q24 movement reflected the timing of a \$2.8m increase in marketing expenditure to invest in brand awareness in Australia and the UK and an \$0.8m increase in payments associated with the timing of annual software subscription renewals for FY25.

Airtasker finished the financial year in a solid financial position with \$17.8m in cash and term deposits on its balance sheet.

Airtasker platform fee revenue up 13.9%

In FY24, Airtasker platform fee revenue, which includes the newly introduced cancellation fee, increased 13.9% on pcp to \$34.1m.

Despite challenging macroeconomic conditions, this solid growth was achieved through a successful program of investment into platform reliability which saw cancellations reduce by

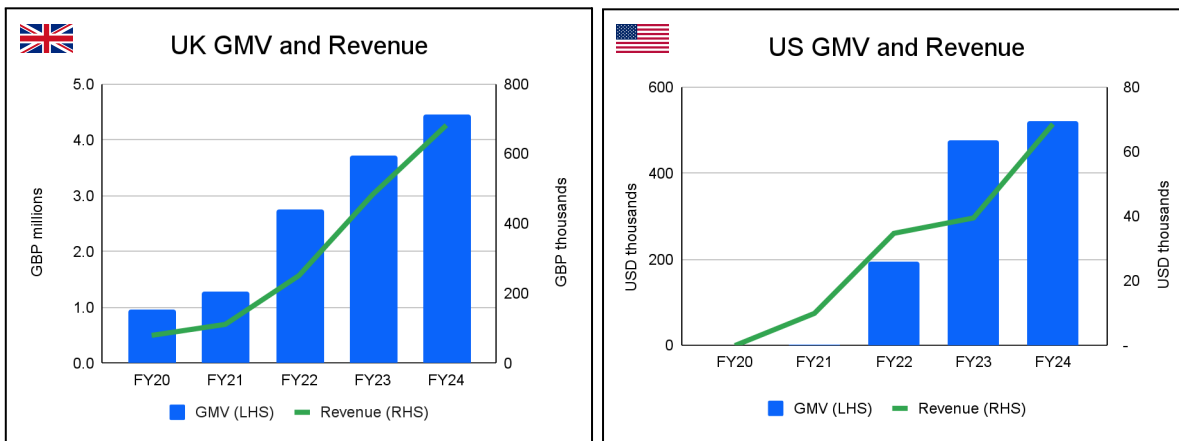
26.3% on pcp, reflecting a decrease in platform leakage and an all-time record in completed task volumes.

In FY24, Airtasker marketplaces total revenue grew by 9.8% on pcp to \$38.1m. Marketplaces total revenue includes breakage revenue, which decreased as a result of a higher task completion rate and a correspondingly lower volume of cancellations. The breakage revenue trend is pleasing as it indicates an improved customer experience and higher earnings quality. Overall, the monetisation rate² in FY24 improved by 13.7% on pcp to 20.0%.

Media partnership delivers 76.3% increase in UK revenue

In June 2023, Airtasker formed a 5-year media-for-equity partnership with Channel 4 in the UK which provides Airtasker with £3.5m (A\$6.7m) in media advertising and access to Channel 4’s reach of 47 million UK people (78% of the UK population).

Following the successful release of the UK television advertising campaign 'Airtasker. Yeahtasker!' in October 2023, UK marketplace demand accelerated over the balance of the financial year with 4Q24 GMV up 34.9% on pcp, to £1.5m (A\$3.0m) and revenue up 76.3% on pcp, to £250k (A\$0.5m). Seasonally, marketplace activity in the northern hemisphere is strongest in the first and fourth quarters of the financial year, principally during spring and summer.



In FY24, Airtasker’s UK marketplaces demonstrated strong performance with GMV up 20.0% on pcp to £4.5m (A\$8.6m) and revenue up 41.1% on pcp to £682k (A\$1.3m) as a result of increased brand awareness.

² Monetisation rate represents Airtasker’s revenue in a given financial period, expressed as a percentage of gross marketplace volume (GMV) in the same period.

In Airtasker's US marketplaces, FY24 GMV increased 9.4% on pcp to US\$520k (A\$791k) and FY24 revenue increased 73.7% on pcp to US\$69k (A\$104k). In the US, Airtasker continues to see healthy growth in marketplace activity while maintaining a disciplined approach to marketing investment as it continues to explore several media partnership opportunities.

Australian media partnerships to provide \$11m to turbocharge growth

In late June and early July 2024, Airtasker announced two new media partnerships in Australia with oOh!media Limited (ASX: OML) (**oOh!media**) and ARN Media Limited (ASX: A1N) (**ARN**) for the provision over two years of \$6.0m in out-of-home advertising services and \$5.0m of audio advertising services, respectively.

oOh!media is a leading provider of out-of-home advertising in Australia. The partnership will enable Airtasker to scale in a capital efficient way through access to oOh!media's over 35,000 sites across Australia including billboards, street furniture, airports, office towers and retail centres.

ARN is a leading provider of broadcast and on-demand audio advertising in Australia. Airtasker will access ARN's extensive Australian network of 58 radio stations including KIIS FM, Pure Gold and CADA - which feature popular Australian media talent including Kyle & Jackie O, Will & Woody and Jonesy & Amanda - as well as the world's fastest growing digital entertainment platform iHeartRadio.

This planned resurgence in brand investment in Australia in FY25 follows two years of reduced - and predominantly digital - marketing spend. Airtasker will support this increased brand focus through out-of-home and audio advertising with continued complementary online marketing strategies, including search and social.

The terms of the partnerships involve Airtasker issuing each of oOh!media and ARN with two year \$5.0m unsecured convertible notes with a 5.8% annual coupon payable at maturity (**Notes**). At maturity, the Notes are convertible into ordinary shares at a 10% discount to Airtasker's 30-trading day volume-weighted average share price or redeemable in cash, at the option of Airtasker.

Commenting on the results, Airtasker Founder and CEO Tim Fung said, "I'm super pleased to announce that Airtasker has delivered on our promise of positive full year free cash flow of \$1.2m. During FY24 we focussed on platform reliability which saw cancellations decrease 26.3% and Airtasker platform fee revenue grow 13.9%. This now lays the foundation for re-acceleration of Australian revenue growth in FY25, with the support of our recently announced media advertising partnerships with oOh!media and ARN.

In the UK, we've been blown away by the results of our 'Airtasker. Yeahtasker!' campaign and partnership with Channel 4 which has delivered a 76.3% increase in 4Q24 revenue, and 41.1% increase in full year revenue, as we enter the UK summer season!"

Related party payments in 4Q24 totalled \$662k. The payments comprised \$113k to non-executive directors for director's fees, superannuation and expense reimbursements, \$239k to Tank Stream Labs Pty Ltd for leases, utilities and cleaning costs related to office facilities and \$310k to Channel Four Television Corporation for VAT related to media advertising services.

All numbers are unaudited.

- Ends -

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About Airtasker

Airtasker Limited (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 \$550m 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 (the "Company")

ABN

53 149 850 457

Quarter ended ("current quarter")

30 June 2024

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	12,204	49,446
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(1,522)	(4,621)
	(c) advertising and marketing	(4,630)	(11,231)
	(d) leased assets	(2)	(8)
	(e) staff costs	(4,987)	(20,430)
	(f) administration and corporate costs	(2,212)	(7,062)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	419	614
1.5	Interest and other costs of finance paid	(35)	(147)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	(78)
1.8	Other (GST and FBT)	(675)	(3,433)
1.9	Net cash from operating activities	(1,440)	3,050
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	(260)	(1,948)
	(f) other non-current assets (investment of surplus cash in term deposits)	-	(13,000)

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 (non-core business disposals)	41	461
	(c) property, plant and equipment	4	11
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets (receipts from maturing term deposits)	11,000	13,503
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	10,785	(973)
3.	Cash flows used in 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	(219)	(877)
3.10	Net cash used in financing activities	(219)	(877)
4.	Net decrease in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period ¹	8,134	16,052
4.2	Net cash from operating activities (item 1.9 above)	(1,440)	3,050
4.3	Net cash used in investing activities (item 2.6 above)	10,785	(973)
4.4	Net cash used in financing activities (item 3.10 above)	(219)	(877)
4.5	Effect of movement in exchange rates on cash held	(32)	(24)
4.6	Cash and cash equivalents at end of period¹	17,228	17,228
	<i>1. Excludes investment of surplus cash in term deposits.</i>		

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) ²	17,228	8,134
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)²	17,228	8,134

2. Excludes investment of surplus cash in term deposits.

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	(499)
6.2	Aggregate amount of payments to related parties and their associates included in item 3	(163)

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.

7. Financing facilities 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.		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 - convertible security ³	5,000	-
7.4	Total financing facilities	5,000	-
7.5	Unused financing facilities available at quarter end		5,000
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.		

3. On 25 June 2024 the Company issued an unsecured convertible note in the amount of \$5,000,000 to oOh!media Limited with a maturity date of 25 June 2026 (**oOh!media Note**). The consideration for the oOh!media Note is the provision of non-cash out-of-home advertising services to the value of \$6,000,000 (ex GST).

On 4 July 2024, subsequent to the end of the quarter, the Company issued an unsecured convertible note in the amount of \$5,000,000 to ARN Limited with a maturity date of 4 July 2026 (**ARN Note**). The consideration for the ARN Note is the provision of non-cash audio advertising services to the value of \$5,000,000 (ex GST).

The oOh!media Note and ARN Note both pay a coupon of 5.8% per annum to be settled at maturity and at maturity both are convertible into ordinary shares at a 10% discount to the 30-trading day volume-weighted average share price or redeemable in cash, at the option of the Company.

8. Estimated cash available for future operating activities		A\$'000
8.1	Net cash from operating activities (item 1.9)	(1,440)
8.2	Cash and cash equivalents at quarter end (item 4.6) ⁴	17,228
8.3	Unused finance facilities available at quarter end (item 7.5)	5,000
8.4	Total available funding (item 8.2 + item 8.3) ⁴	22,228
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	15
<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> <p><i>4. Excludes investment of surplus cash in term deposits.</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: 29 July 2024

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.