



Airtasker Limited

ABN 53 149 850 457

(ASX:ART)

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

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

30 October 2024

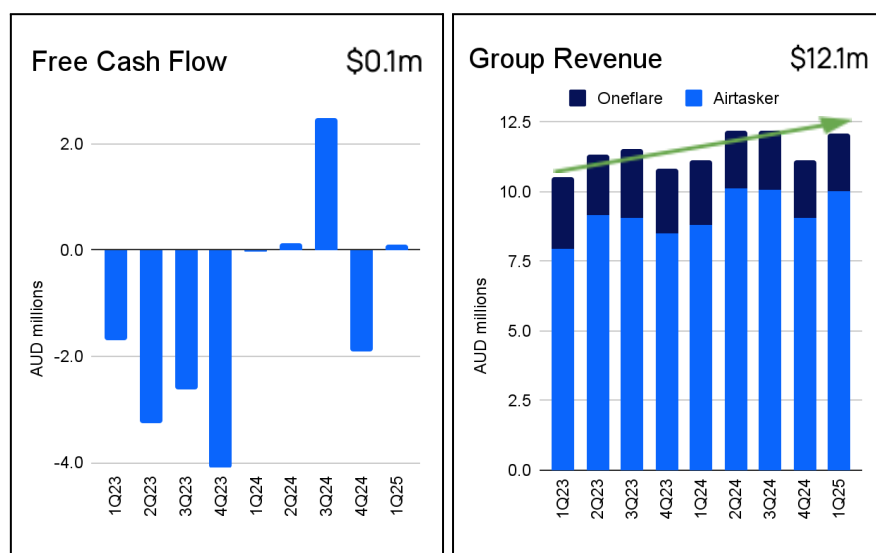
ASX Announcement

30 September 2024 - Quarterly Activity Report

**Continuing positive free cash flow as
Airtasker marketplaces revenue grows 13.6% and UK revenue grows 104.4%**

1Q Highlights

- Positive free cash flow \$0.1m and positive operating cash flow \$0.9m, 31.6% improved on pcp¹
- Airtasker marketplaces revenue up 13.6% on pcp
- Airtasker UK revenue doubles, up 104.4% on pcp
- Airtasker Australia secures \$5.0m in media capital from ARN to take total media capital to \$11.0m
- Airtasker US secures \$14.4m² in media capital from iHeartMedia and TelevisaUnivision
- \$17.9m in cash and term deposits on balance sheet



¹ Prior comparative period.

² US\$9.75m based on A\$1.00:US\$0.68 exchange rate.

Positive free cash flow and operating cash flow

Airtasker continued to deliver positive cash flow in 1Q25 with free cash flow of \$0.1m and operating cash flow of \$0.9m, up \$0.2m (31.6%) on pcp. The positive free cash flow result in 1Q25 was achieved by growing Group revenue by 8.5% on pcp to \$12.1m, and in particular, Airtasker marketplaces revenue by 13.6% on pcp to \$10.0m.

The improvement in operating cash flow against pcp reflected a \$1.6m (13.2%) increase in cash receipts from customers following a \$1.9m (109.2%) increase in marketing expenditure on pcp, which also drove a 12.0% increase in total operating expenditure outflows versus pcp. The cash marketing investment turbocharged the non-cash above the line brand marketing investment through the Company's media partners in Australia, the UK and the US.

On a sequential quarter basis, cash flow from operating activities improved \$2.4m (164.8%) against 4Q24, reflecting a \$1.1m (9.2%) improvement in cash receipts and a 9.1% decrease in operating expenditure outflows. The prior quarter included annual software subscription renewals and annual insurance premiums as well as 24.1% higher payments related to marketing investments in out-of-home advertising campaigns in Australia and the UK.

The Australian marketplace seasonality peaks over the next two sequential quarters which reflect strong revenues and cash receipts. At the same time, there will be increased marketing investment in the Australian, UK and US marketplaces with further utilisation of the advertising services provided by our media partners in each market. We remain confident in our ability to maintain our current momentum in revenue growth and reaffirm guidance for positive Group free cash flow in FY25.

Airtasker finished the quarter in a solid financial position with \$17.9m in cash and term deposits on its balance sheet.

Airtasker marketplaces revenue up 13.6%

During 1Q25, Airtasker marketplaces revenue growth gained momentum, up 13.6% on pcp to \$10.0m (FY24: 9.8% full year revenue growth) and contributing to the overall Group revenue performance of \$12.1m, which was up 8.5% on pcp (FY24: 5.6% full year revenue growth). This momentum in revenue growth was driven by strengthening consumer demand with booked tasks up 6.1% on pcp, as well as the marketplace reliability improvement programs implemented in FY24.

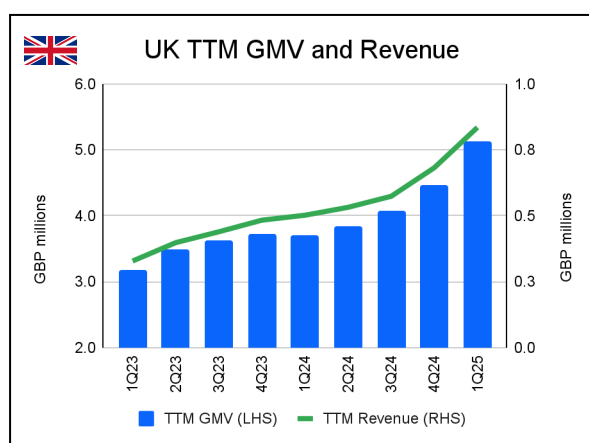
These programs saw the 1Q25 cancellation rate continue to reduce by 19.0% on pcp resulting in the monetisation rate³ continuing to improve, up 6.7% on pcp to 20.8%. The marketplace reliability improvement programs are designed to improve platform reliability and address task leakage, and were phased in over the first three quarters of FY24. As such they are expected to deliver a full year benefit in FY25.

³ Monetisation rate represents the Airtasker marketplaces revenue in a given financial period, expressed as a percentage of gross marketplace volume in the same period.

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. Utilisation of the advertising services commenced in the middle of 1Q25 and is set to accelerate over the course of 2Q25 and 3Q25, being the peak spring/summer season in the Australian marketplace.

UK media partnership delivers 104.4% revenue growth

In June 2023, Airtasker formed a 5-year media-for-equity partnership with Channel 4 in the UK which provided Airtasker with \$6.7m⁴ in media advertising services 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 2Q24, 1Q25 saw Airtasker UK achieve all-time record numbers in posted tasks (up 66.7% on pcp), GMV⁵ (up 63.9% on pcp) and revenue (up 104.4% on pcp).

In Airtasker's UK marketplaces, 1Q25 TTM⁶ GMV was up 38.3% on pcp to £5.1m⁷ (A\$9.9m) and TTM revenue up 66.3% on pcp to £835k⁵ (A\$1.6m).

US media partnerships deliver \$14.4m in media capital

In September 2024, Airtasker announced its US subsidiary, Airtasker USA Inc (**Airtasker USA**) had raised a combined \$14.4m⁸ in media advertising from America's no. 1 audio company, iHeartMedia (NASDAQ:IHRT) (**iHeartMedia**) and the world's leading Spanish-language content and media company, TelevisaUnivision (**TelevisaUnivision**). These media partnerships provide access to 276 million monthly iHeartMedia audio listeners and 100 million daily TelevisaUnivision linear TV, digital and audio users and are set to turbocharge Airtasker's brand awareness in the US marketplace.

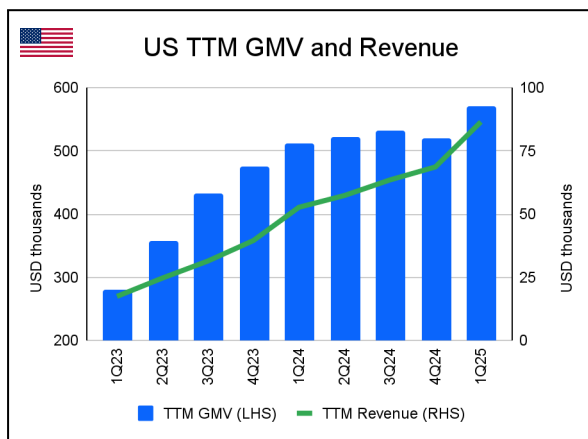
⁴ £3.5m based on A\$1.00:£0.52 exchange rate.

⁵ Gross marketplace volume.

⁶ Trailing twelve months.

⁷ Calculated on a TTM basis.

⁸ US\$9.75m based on A\$1.00:US\$0.68 exchange rate.



In Airtasker's US marketplace, 1Q25 TTM⁵ GMV increased 11.7% on pcp to US\$571k⁶ (A\$860k) and revenue increased 64.1% on pcp to US\$86k⁶ (A\$130k) while 1Q25 GMV was up 40.2% on pcp and revenue was up 116.8% on pcp.

In the US, Airtasker is seeing healthy growth in marketplace activity as it prepares for the launch of the 'Airtasker. Yeahtasker!' advertising campaign in 2Q25.

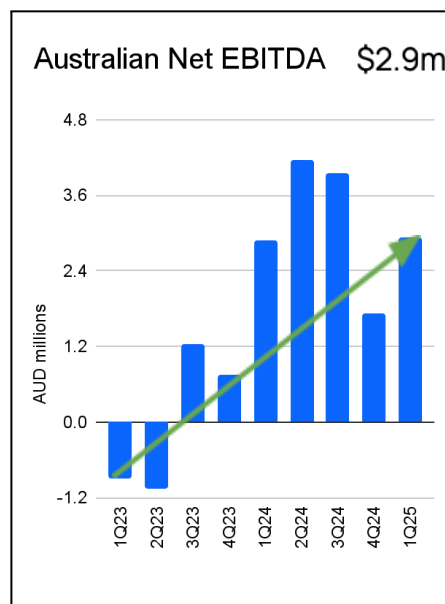
Positive Australian net EBITDA \$2.9m

During 1Q25, Airtasker's Established Marketplaces⁹ delivered EBITDA of \$7.0m which included non-cash media advertising expenditure of \$0.8m from oOh!media and ARN. After covering all global head office expenditure, the Established Marketplaces delivered positive Australian net EBITDA of \$2.9m.

As the utilisation of the Australian non-cash media advertising from oOh!media and ARN increases during the peak season over 2Q25 and 3Q25, the Australian net EBITDA is expected to decline with the investment in brand marketing. The payback from the brand marketing investment is expected to be over a 2-3 year horizon.

Group EBITDA was a loss of \$2.7m, which included a \$5.6m net investment in New Marketplaces.¹⁰ This investment principally consisted of total non-cash marketing of \$3.2m associated with the utilisation of the media advertising services in the UK from Channel 4 and in the US from iHeartMedia and TelevisaUnivision.

The Group EBITDA loss is expected to widen through 2Q25 and 3Q25 as a result of the declining Australian net EBITDA and the increased US marketing investment following the utilisation of the media advertising services in that market.



⁹ The 'Established Marketplaces Segment' comprises Airtasker Australia and Oneflare which are at the 'scaling' stage as they have established user bases and operations.

¹⁰ The 'New Marketplaces Segment' comprises international marketplaces, particularly in the US and the UK, which are at the 'zero to one' and 'one to 100' stages, respectively, as they have less established user bases and operations and may experience accelerated growth in revenue.

The performance of the operating segments for 1Q25 is presented in the table below.

Non-statutory operating segment data ¹¹	1Q25 \$m	1Q24 \$m	Variance \$m	Variance %
Established Marketplaces (Australia) EBITDA ¹²	7.0	7.5	(0.5)	(6.7%)
Less: Global head office operating expenditure ¹³	(3.1)	(3.3)	0.2	5.6%
Less: Global head office innovation investment ¹⁴	(1.0)	(1.3)	0.3	27.1%
Australian net EBITDA	2.9	2.9	0.0	0.0%
Less: New Marketplaces (UK and US) EBITDA	(5.6)	(1.8)	(3.8)	(222.9%)
Group EBITDA	(2.7)	1.1	(3.8)	(344.2%)

Non-statutory operating segment cash flow

During 1Q25, Airtasker's Established Marketplaces delivered positive cash flow of \$7.8m.¹⁵ This cash flow contributed to fixed global head office cash expenditure of \$5.5m,¹⁶ leaving \$2.3m of cash flow available to invest in international expansion.

Airtasker invested \$2.2m of the available \$2.3m cash flow to scale distribution in New Marketplaces (principally the US and UK) without increasing its fixed costs, thereby leveraging its fixed global head office investment. As a result, the Group generated positive free cash flow of \$0.1m for 1Q25, whilst scaling US revenue by 116.8% on pcp and UK revenue by 104.4% on pcp.

Commenting on the results, Airtasker Founder and CEO Tim Fung said, "I'm super pleased to announce that Airtasker is continuing to deliver positive free cash flow and seeing strong momentum in our Australian marketplace, supported by increased marketing alongside our media partnerships with oOh!media and ARN.

In the UK, we continue to be blown away by the results of our 'Airtasker. Yeahtasker!' campaign and partnership with Channel 4, which has accelerated quarterly revenue growth year-on-year from 42% in March 2024, to 76% in June 2024 and now 104% in September 2024!

In the US, we are looking forward to working alongside our amazing media partners iHeartMedia and TelevisaUnivision to turbocharge Airtasker's brand awareness in the US market!"

¹¹ Values in the table are rounded for presentation.

¹² Excluding global head office operating expenditure and innovation investment.

¹³ The operating expenditure relating to the marketplace platforms (engineering, product support and maintenance), as well as back office support functions (leadership, legal, finance and people operations).

¹⁴ The innovation investment that is non-capitalisable and associated with the design of, and post-implementation work on, new features designed to enhance the customer experience, increase long term GMV and grow long term revenue.

¹⁵ Represents Established Marketplaces EBITDA adjusted for material non-cash expenditure.

¹⁶ Represents Global Head Office EBITDA adjusted for material non-cash and capitalised expenditure.

Related party payments in 1Q25 totalled \$597k. The payments comprised \$80k to non-executive directors for director's fees, superannuation and expense reimbursements, \$184k to Tank Stream Labs Pty Ltd for leases, utilities and cleaning costs related to office facilities and \$333k to Channel Four Television Corporation for VAT related to media advertising services.

All numbers are unaudited.

– Ends –

For further information, please contact:

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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 \$600m into the pockets of workers (payments made after all fee revenue is deducted) and served 1.8m 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 September 2024

Consolidated statement of cash flows		Current quarter A\$'000	Year to date (3 months) A\$'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	13,323	13,323
1.2	Payments for		
(a)	research and development	-	-
(b)	product manufacturing and operating costs	(882)	(882)
(c)	advertising and marketing	(3,732)	(3,732)
(d)	leased assets	(2)	(2)
(e)	staff costs	(5,683)	(5,683)
(f)	administration and corporate costs	(1,742)	(1,742)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	147	147
1.5	Interest and other costs of finance paid	(32)	(32)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST and FBT)	(464)	(464)
1.9	Net cash from operating activities	933	933
2.	Cash flows used in investing activities		
2.1	Payments to acquire or for:		
(a)	entities	-	-
(b)	businesses	-	-
(c)	property, plant and equipment	(15)	(15)
(d)	investments	-	-
(e)	intellectual property	(538)	(538)
(f)	other non-current assets	-	-

Consolidated statement of cash flows		Current quarter A\$'000	Year to date (3 months) A\$'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses (non-core business disposals)	31	31
	(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 used in investing activities	(522)	(522)
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	(268)	(268)
3.10	Net cash used in financing activities	(268)	(268)
4.	Net decrease in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	17,228	17,228
4.2	Net cash from operating activities (item 1.9 above)	933	933
4.3	Net cash used in investing activities (item 2.6 above)	(522)	(522)
4.4	Net cash used in financing activities (item 3.10 above)	(268)	(268)
4.5	Effect of movement in exchange rates on cash held	(40)	(40)
4.6	Cash and cash equivalents at end of period	17,331	17,331

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)	17,331	17,228
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)	17,331	17,228

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	(470)
6.2	Aggregate amount of payments to related parties and their associates included in item 3	(127)
<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 - convertible security ^{a, b}	17,213	(17,213)
7.4	Total financing facilities	17,213	(17,213)
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.		
a.	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, 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 the ARN Note were drawn down immediately upon issue, pay a coupon of 5.8% per annum to be settled at maturity, and at maturity, are convertible into ordinary shares at a 10% discount to the Company's 30-trading day volume-weighted average price or redeemable in cash, at the option of the Company.		
b.	On 2 September 2024, the Company's US subsidiary, Airtasker USA Inc (Airtasker USA), issued an unsecured convertible note in the amount of US\$5,000,000 (A\$7,213,000) to iHeartMedia + Entertainment, Inc. with a maturity date of 31 August 2028. The consideration for the note is the provision of non-cash advertising media inventory to the value of US\$5,000,000 (excluding applicable sales taxes). The note was drawn down immediately upon issue, pays a coupon of 5.0% per annum to be settled at maturity, and at maturity is convertible into equity in Airtasker USA at a 20% discount to an agreed valuation or 20% discount to the offer price of a qualifying equity financing in Airtasker USA, 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)	933
8.2	Cash and cash equivalents at quarter end (item 4.6)	17,331
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	17,331
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: 30 October 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.