

30 August 2023

ASX Announcement

Airtasker Limited (ASX Code: ART)

FY23 Financial Results

Airtasker delivers 40% revenue growth in FY23; On track for positive free cashflow result in FY24

FY23 Financial Highlights

- Record revenue up 40% on pcp to \$44.2 million.¹
- Gross Marketplace Volume (GMV)² up 34% on pcp to \$253.5 million.¹
- UK GMV up 35% on pcp to £3.7 million with revenue up 93% on pcp to £0.5 million.
- US posted tasks up 158% on pcp to 64,000 with tasker offers up 300% on pcp to 106,000.
- Net cash outflow reduced by 24% on pcp with \$16.1 million cash on balance sheet and on track for positive free cashflow result in FY24.

The Airtasker Group posted revenue growth of 40.4% on pcp to \$44.2 million¹ primarily reflecting organic growth in the Australian Airtasker marketplaces and the full year contribution from the Oneflare marketplace acquired in May 2022. The result also reflected strong revenue growth in the UK and US marketplaces of 83.3% on pcp to \$0.9 million.

Group marketplace activity, represented by GMV, grew 33.7% on pcp¹ to \$253.5 million.² The Airtasker marketplace take rate³ increased to 17.6% in FY23 (compared with 16.6% in pcp) driven by an increase in task completion rates and the ongoing optimisation of Airtasker's fee structure.

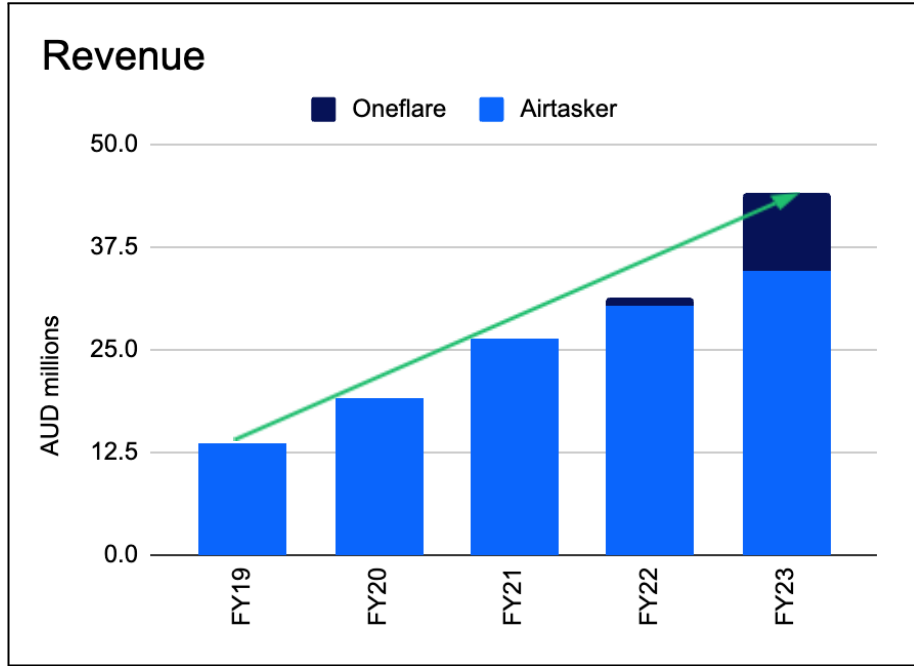
EBITDA for FY23 was an improvement of 53.1% to a loss of \$8.0 million versus a loss of \$17.1 million in pcp. The movement was largely driven by top line revenue growth of \$12.7 million in FY23 and prudent ongoing cost management.

¹ pcp included the contribution from the Oneflare marketplace from its acquisition date of 25 May 2022.

² 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, and fees payable by customers and taskers to Airtasker, and any applicable sales taxes plus Oneflare marketplace GMV estimated by dividing total Oneflare marketplace revenue by the budgeted Airtasker marketplaces take rate.

³ Represents revenue in a given financial period, expressed as a percentage of GMV in the same period within the marketplaces.

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Group Revenue: \$44.2m +40.4% on pcp

In April 2023, Airtasker announced it would undertake a cost management program which would reduce expenditure through a 20% reduction in headcount. The headcount reduction was completed in 4Q23 incurring full year one-off costs of \$1.2 million. At the same time Airtasker announced its plan to exit from non-core businesses acquired as part of the Oneflare portfolio in May 2022. The exit from these businesses is expected to be completed in 1H24 and will reduce FY24 revenue by approximately \$1.0 million whilst also having a positive impact on operating expenses and cashflow.

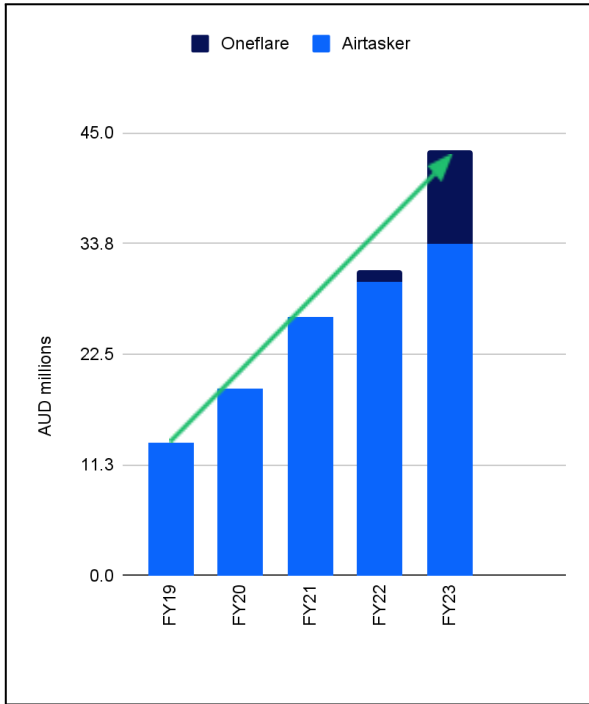
The implementation of the cost management program positions Airtasker to be free cash flow positive on a full year basis in FY24.

Australian marketplaces

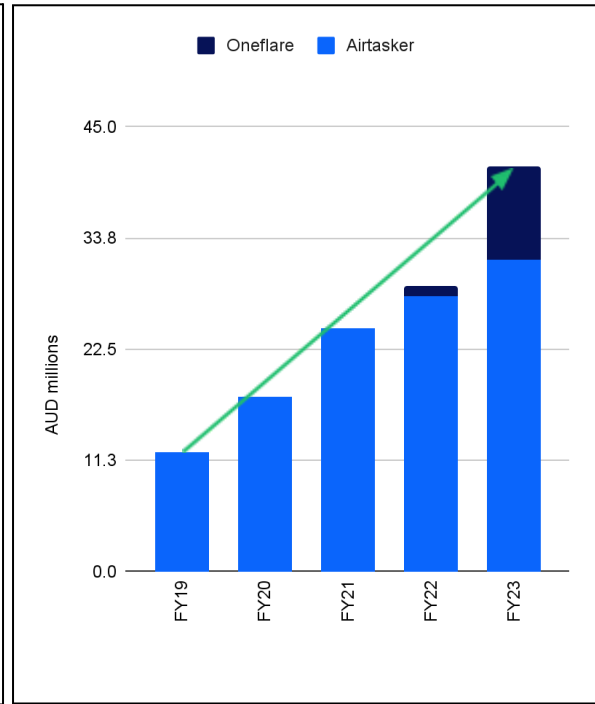
The Australian marketplaces, comprising the Airtasker and Oneflare marketplaces, are the most advanced and at the “scaling” stage, meaning there are established network effects, strong unit economics and organic customer acquisition that enable realisation of positive EBITDA.

The Australian marketplaces generated revenue of \$43.2 million, up 39.7% on pcp. The Australian Airtasker marketplace generated revenue of \$33.7 million, up 13.0% on pcp, while the Oneflare marketplace contributed revenue of \$9.5 million for FY23. Gross profit for the Australian marketplaces grew 41.7% on pcp to \$41.0 million.

This performance was driven by improved conversion rates in the Airtasker marketplace and the full year contribution from the Oneflare marketplace, which continues to perform ahead of expectations communicated when the acquisition was announced.



Australian Revenue: \$43.2m +39.7% on pcp



Australian Gross Profit: \$41.0m +41.7% on pcp

International marketplaces

Airtasker’s international marketplaces, principally the UK and US, are still in the early stages of growth, generating total revenue of \$0.9 million, up 83.3% on pcp. The UK marketplace is still in the ‘one to 100’ stage during which the goal is to build network effects by balancing supply and demand to drive marketplace activity and grow GMV. During FY23, Airtasker experienced steady growth in its UK marketplace with GMV up 34.6% on pcp to £3.7 million while revenue increased 92.5% on pcp to £0.5 million.

In June 2023 Airtasker announced a media-for-equity partnership with UK television network Channel 4, which has a monthly reach of 47 million people (78% of the UK population) and operates the UK’s largest free streaming service with over 1.2 billion views per year.⁴

Channel 4 will invest \$6.7 million (£3.5 million), through the provision of media advertising services, in exchange for a 20% stake in Airtasker’s UK subsidiary. The investment will allow Airtasker to leverage Channel 4’s significant audience reach and accelerate its UK marketplace growth by building brand awareness, growing users and building network effects.

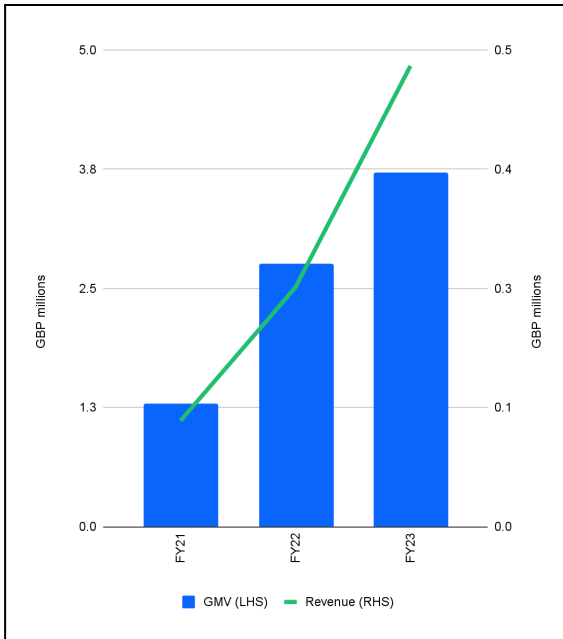
Airtasker successfully implemented a similar strategy in Australia through its partnership with Seven West Media resulting in 20x revenue growth over 5 years and a 5x investment return for Seven West Media.

Airtasker’s US marketplace is in the ‘zero to one’ stage during which the focus is on creating a steadily increasing flow of job opportunities (posted tasks). In FY23, the US marketplace customer demand (posted tasks) increased significantly, up 158.0% on pcp to 64,000 while supply (tasker

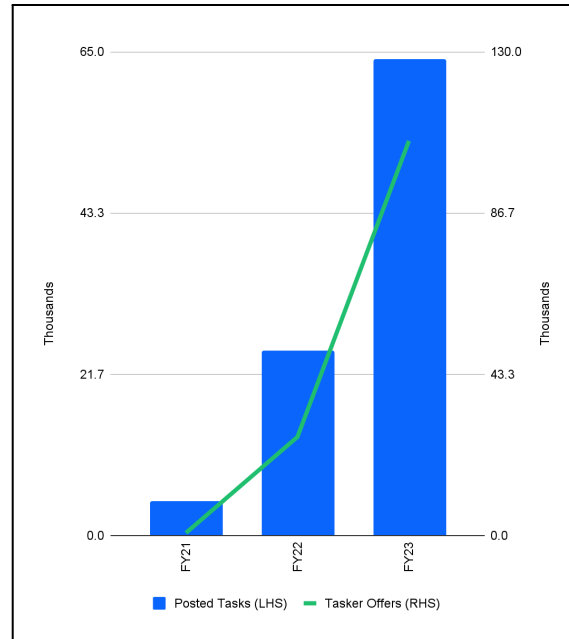
⁴ <https://www.channel4.com/corporate/about-4/who-we-are/channels-and-platforms>

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offers) increased 300.2% on pcp to 106,000. There is a consistent growth trend in both posted tasks and tasker offers following the transition to a focus on the Los Angeles city marketplace at the start of FY23.



UK GMV: £3.7m +34.6% on pcp
UK Revenue: £0.5m +92.5% on pcp



US Posted tasks: 64,000 +158.0% on pcp
US Tasker offers: 106,000 +300.2% on pcp

Commenting on the results, Airtasker Co-founder and CEO Tim Fung said “I’m super pleased to report another record result for Airtasker in FY23 with revenue up 40%, net cash outflow down 24% and strong growth in our US and UK marketplaces. We’re now really well positioned with more than \$16.1m in cash on balance sheet and are on track for a free cashflow positive result in FY24.

“At the same time, we’re super excited to turbocharge Airtasker in the UK via our \$6.7m media-for-equity partnership with Channel 4, replicating the success we achieved in Australia and readying our media partnership strategy for further global scale. Let’s do this!”

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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: investor.airtasker.com.

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

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