

30 October 2023

Q2 FY24 BUSINESS UPDATE

PROFITABLE GROWTH, CUSTOMER WINS

Sydney, Australia – TASK Group Holdings Limited (ASX: TSK) (**TASK** or the **Group**) today provided an update on business activities and performance alongside its Appendix 4C for the quarter ended 30 September 2023 (Q2 FY24). All figures presented are in the reporting currency of TASK, the New Zealand dollar (NZD).

Highlights

- Net cash flow from operating activities of \$12 million for the quarter.
- Strong cash position of \$31 million at 30 September 2023.
- Several customer wins both in Australia and North America.
- Payments solution certified in New Zealand.
- Appointment of new Group Chief Financial Officer.
- Migration of incorporation to Australia.

CEO Commentary

Commenting on the performance, CEO, Dan Houden said:

“TASK has continued its strong momentum during the second quarter, winning several new clients in Australia and North America and generating strong operating cash flows. Our investment in people and our platform capabilities is delivering benefits to both new and existing customers and creating long-term value for shareholders.”

The payments software acquired by the Group in April has now achieved certification in New Zealand and we are on track to meet targeted milestones in other jurisdictions. We’ve been excited by the positive feedback from prospective customers on the future end-to-end offering and see significant opportunities for growth.”

Business Update

During the quarter, the business extended its reach with both new and existing customers while continuing to focus on the development of TASK’s platform. The following activities occurred during the quarter:

Customers & Markets

- The Plexure division expanded its relationship with McDonald’s through the contracted rollout into Taiwan, a significant market in Asia.
- The TASK division proceeded with the implementation of its contract with Retail Food Group (Crust – pizza segment).
- Additional new TASK customer contracts were executed in North America and Australia.

Platform and Product

- TASK's white label Mobile Order and Pay product continued features and releases
- Substantial product development work continued in the quarter on TASK POS 2.0, TASK Mobile and the next-generation Enterprise Management tool.
- Substantial progress toward TASK's next major release 23.10
- TASK pay now certified in New Zealand, with certification in Australia approaching 70% complete; the USA certification has commenced, to be followed by Europe and Asia.
- Plexure released a range of new Loyalty based capabilities to further extend its ability to support advanced gamification and targeted loyalty acceleration.

Cashflow Commentary

The Group generated cash from operating activities of \$12 million for the quarter ended 30 September 2023. The September quarter is stronger than the previous quarter's cash flow due to the timing of annual upfront payments in the Plexure division and other movements in the Group's working capital.

The Group had cash of \$31 million at 30 September 2023 (up from \$20.5m at June 30) and no financial debt.

This quarter, the business invested approximately \$1m in software development, including toward the ongoing development of the new payments software solution. The development costs related to the payments software solution are expected to increase in the second half of this financial year, as more milestones are achieved and the software is integrated into the existing solution available to customers.

TASK advises that in accordance with Listing Rule 4.7C.3, \$110,000 was paid to TASK's Directors in fees this quarter. The Group has paid \$610,000 in deferred consideration (following a positive tax ruling on costs to the benefit of TASK) relating to the 2021 acquisition of the TASK Division, to related party associates, being the family members of the Group CEO and TASK Division General Manager. The Group also paid \$110,000 to those affiliates for this quarter's rental of its Australian office space.

Half-year Results

TASK expects to release its results for the half-year ended 30 September 2023 on 21 November 2023. The Group will host a webcast presentation on the day and will release details in the coming weeks.

Annual General Meeting

TASK's first Annual General Meeting under the Corporations Act will be held on Tuesday, 21 November 2023 at 11:00am AEDT virtually via an online platform <https://meetnow.global>. Please refer to the Notice of Meeting and online guide for further information.

ENDS

Approved for release by the Board of TASK Group Holdings Limited.

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About TASK Group

TASK Group is a leading provider of technology solutions enabling its global hospitality clients to maximise their customer relationships in an increasingly digital world.

TASK's end-to-end cloud-based platform helps clients to improve customer experiences across every transactional touchpoint, including digital customer-facing services, back-of-house and enterprise operations. The Group's ecosystem combines transaction services, personalisation, offer management and BI technology to help clients generate operational efficiencies, drive valuable data insights about their consumer base, activate new promotions and build brand loyalty.