

31 July 2023

1Q FY24 BUSINESS UPDATE

TASK GROUP

Auckland, New Zealand – TASK Group Holdings Limited (**TASK** or the **Group**) today provided an update on business activities and performance alongside its Appendix 4C for the quarter ended 30 June 2023 (**1Q24**). All figures presented are in the reporting currency of TASK, which is the New Zealand dollar (NZD).

Highlights

- TASK continued to trade profitably during the quarter, expanding the reach of its platform and suite of services for existing customers.
- New TASK customer contracts executed in the North American QSR and Food Service segments.
- Multiple new markets to join the Plexure platform in 2023, including a number of significant markets in Asia.
- Commenced and successfully completed buy-back of unmarketable parcels of shares (post period end).
- Strong cash position of \$20.5 million at end of June 2023.

CEO Commentary

Commenting on the performance for the June 2023 quarter, CEO Dan Houden said:

“We have commenced the new financial year strongly, growing our year-on-year revenues during the first quarter compared to prior year, while continuing to trade profitably. The Group has continued to expand its role in the digital evolution of the hospitality industry through targeted investment in platform capabilities that will drive organic growth opportunities with new and existing customers. We will continue to invest in people, processes and IT systems, while maintaining a disciplined focus on cost management, to support delivery of strong profitable growth for the year ahead.”

Business Update

During the quarter, the business continued to focus on the ongoing development of TASK’s transactional management and customer engagement platforms, which strengthens its position to service existing and prospective customers going forward.

The following activities occurred during the quarter:

Customers & Markets

- Both divisions continue to invest in capability and capacity to address increasing customer demand, with hiring in Engineering, IT Support, Customer Account Management, plus Services and Support leadership roles in TASK’s Sydney office.

- The Plexure division has been working closely with McDonald's to support the onboarding of multiple new markets onto the Plexure platform in FY24, including a number of significant markets in Asia.
- The TASK division commenced deployments for Retail Food Group (Crust - pizza segment), with implementation scheduled to be completed in the coming quarter.
- Several new TASK customer contracts were executed in the North American QSR and Food Service segments.
- Strong progress on additional North American growth initiatives during the quarter, focused on building the TASK division's partnership strategy in the region.

Product & Platform

- Following the launch of TASK's white label Mobile Order and Pay product in Q423, the Group has continued to develop additional features – releasing further personalisation functionality to create enriched consumer experiences.
- Important quality assurance work on TASK's 23.04 release was completed, covering Doordash marketplace, Aristocrat API, Clover Payments, Uber Eats marketplace and Omnivore integration for Kiosks. In addition, security enhancement work for the retirement of V1 and V2 of API was completed.
- Substantial product development work was executed in the quarter, including TASK POS 2.0, TASK Mobile and its next-generation Enterprise Management tool.
- TASK implemented a new product lifecycle process that provides a structured approach and framework to manage the company's product development cycles and major release schedule.
- The development of TASK's payments capability is progressing well, with certification in New Zealand approaching 70% at quarter end. Certification has commenced in Australia and the US, to be followed by Europe and Asia.

Cashflow Commentary

The Group utilised cash in operating activities of \$5.8 million in the quarter ended 30 June 2023, compared with generating \$7.4 million in the previous quarter. Included in these cash flows were payments of \$0.08 million in fees to TASK's Directors and \$0.1 million to rent the Group's Australian office space from related party associates.

As at 30 June 2023, the Group's cash position was \$20.5 million (31 March 2023: \$28.3 million). The reduction in cash reflects a corresponding increase in working capital which is expected to reverse in due course.

Notable items impacting the Group's operating cash flows this quarter include payment of \$3.7 million in accrued FY23 platform hosting costs associated with the McDonald's World Cup and Advent campaigns and accrued FY23 staff bonuses.

Completion of Buy-Back of Unmarketable Parcels of Shares

The Company announced details of an off-market minimum holding share buy-back (Buy-Back) on 30th May 2023, whereby it intended to acquire all shares in the Company that are

held by shareholders who hold less than A\$500 worth of shares (Unmarketable Parcel), based on the closing price of A\$0.45 per share on 23rd May 2023.

At the Closing Date on 11th July 2023, a total of 143,170 TASK shares were acquired under the Buy-Back at the Buy-Back Price of A\$0.4156 per share for total consideration of A\$59,502.

ENDS

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

For more information, visit <https://TASKsoftware.com> or contact:

For investors

Daniel Houden
CEO

daniel@tasksoftware.com

Bill Crichton
Chairman

bill@crichtonlimited.com.au

For media:

Domestique

Jon Snowball		Roger Newby
+61 477 946 068		+61 401 278 906

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.