

October 26, 2021



# Q1 FY22 Trading update

Mad Paws Holding (ASX: MPA)



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## Our Purpose

We exist to enable pets to live their lives to the fullest

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## Our Vision

Being the most trusted and convenient brand to rely on for all pet-related needs

# Australia's Dominant Pet Services Marketplace

The Mad Paws pet services marketplace, provides a safe and convenient digital platform that connects pet owners with high quality and trusted pet-care providers in their area. Mad Paws has fostered a loyal growing community where pets feel happy and owners enable their loved pets to live their lives to the fullest.

Mad Paws proudly serves Pet parents and Pet Carers in the following verticals:

**Mad Paws Care: Sitting, Walking, Day Care, Grooming**  
launched 2015

**Mad Paws Food**  
Dinner Bowl launched Q1 2021

**Mad Paws Health**  
Insurance launched Q3 2021

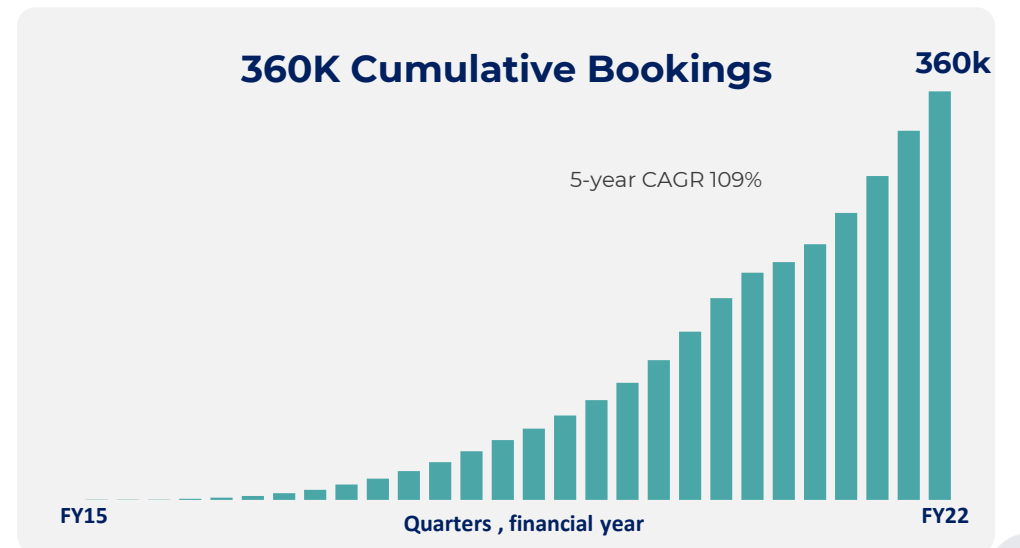
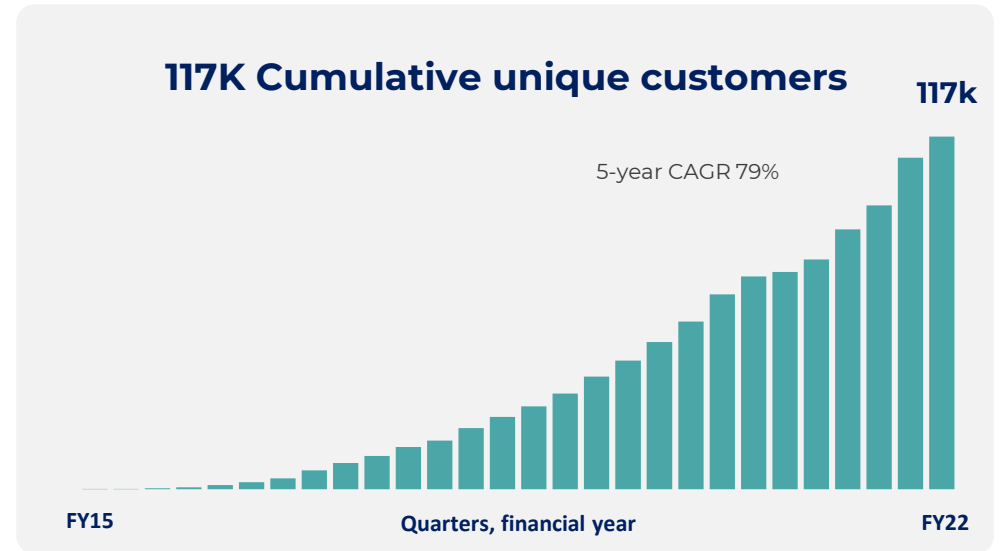
**Mad Paws Joy**  
Toys and Treats – Waggly acquisition Q4 2021

**Mad Paws Home**  
Curated Ecommerce (Coming Soon)

 **Over 1 million**  
pet care  
services  
provided

 **Product**  
Review  
Best Raw Dog  
Food of 2021

 **Qantas Partnership &**  
Access to Qantas FF



## Q1 FY22 Highlights

GMV<sup>1</sup> of **\$2.9 million +97%**  
to Q1 FY21

Operating Revenue \$1.3  
million  
**+304%** to Q1 FY21

Subscription revenue **\$0.7  
million Vs \$25k** in Q1 FY21

Total subscribers **+42%** to  
Q4 FY21 to **4.2k**

New customer acquisition  
**+67%** to Q1 FY21

**9.9M** cash on hand, to fund  
FY22 growth strategy

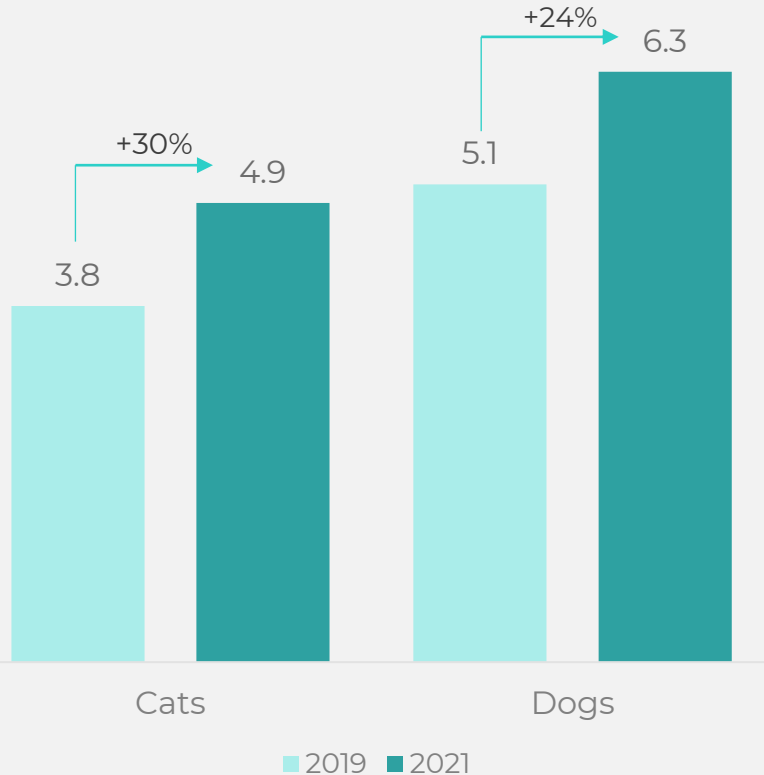


<sup>1</sup>GMV is a non-IFRS measure, it represents the total value of transactions processed by Mad Paws, on a cash basis, before deducting pet service provider payments, cancellations and refunds, chargebacks, discount's and GST



# The Australian pet market is huge and growing...

<sup>1</sup>30.4 million pets in Australia with significant growth in pets relevant to our focus areas

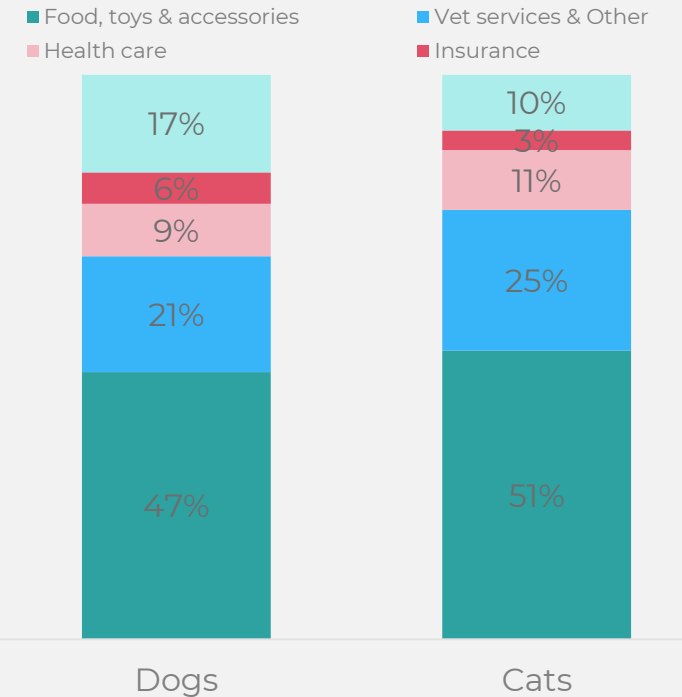


<sup>1</sup>Average household spend for dogs and cats represents a large wallet size

**Dogs**  
**\$3,237 pa**

**Cats**  
**\$2,074**

Our strategy is focussed on the largest components of the spend



Implied TAM for Dogs and Cats of **\$30.3 billion**

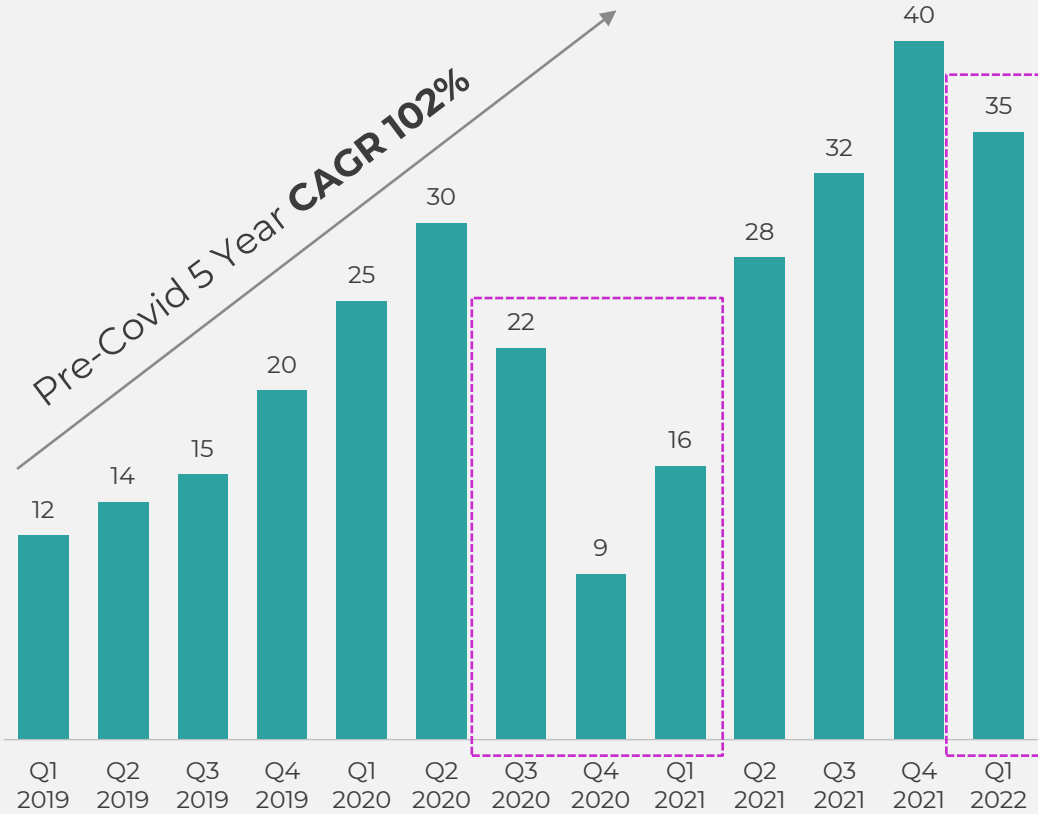
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Quarterly results

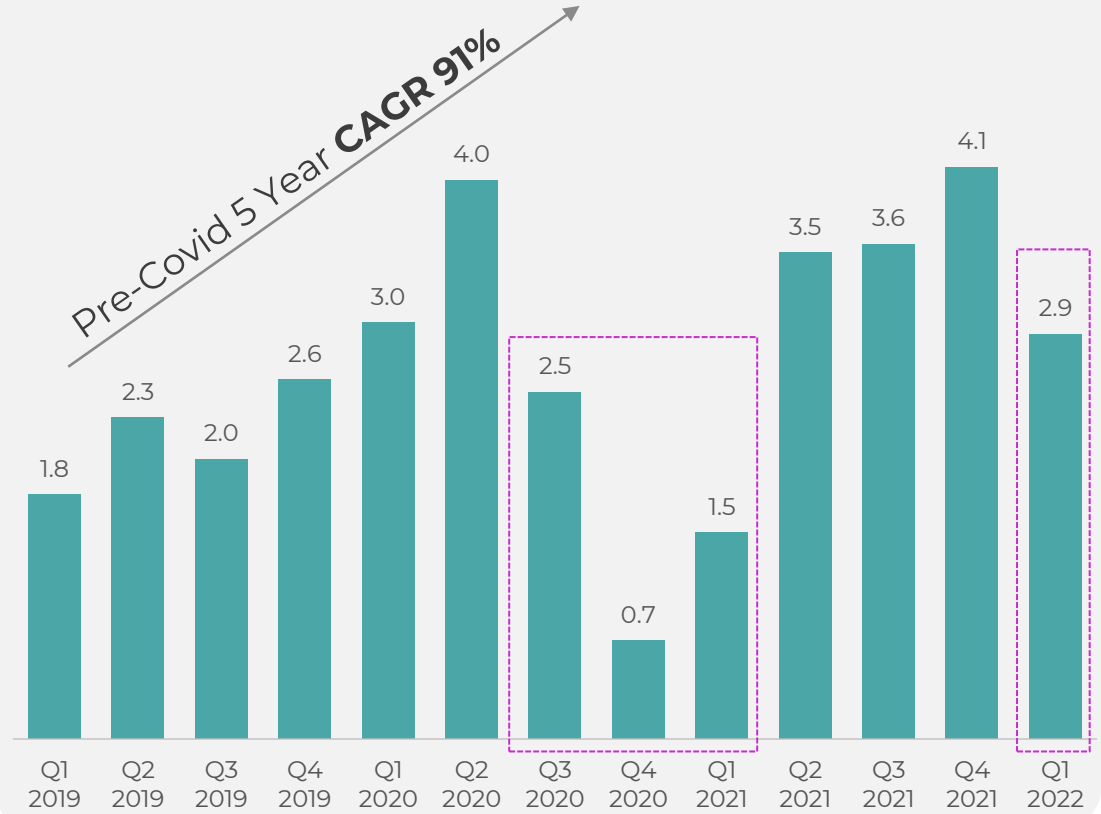


# Strong Foundations, Resurgent Growth, With Further Acceleration Post COVID Restrictions

Quarterly Bookings in 000s



Quarterly GMV\* in millions



Covid-19 lockdown periods

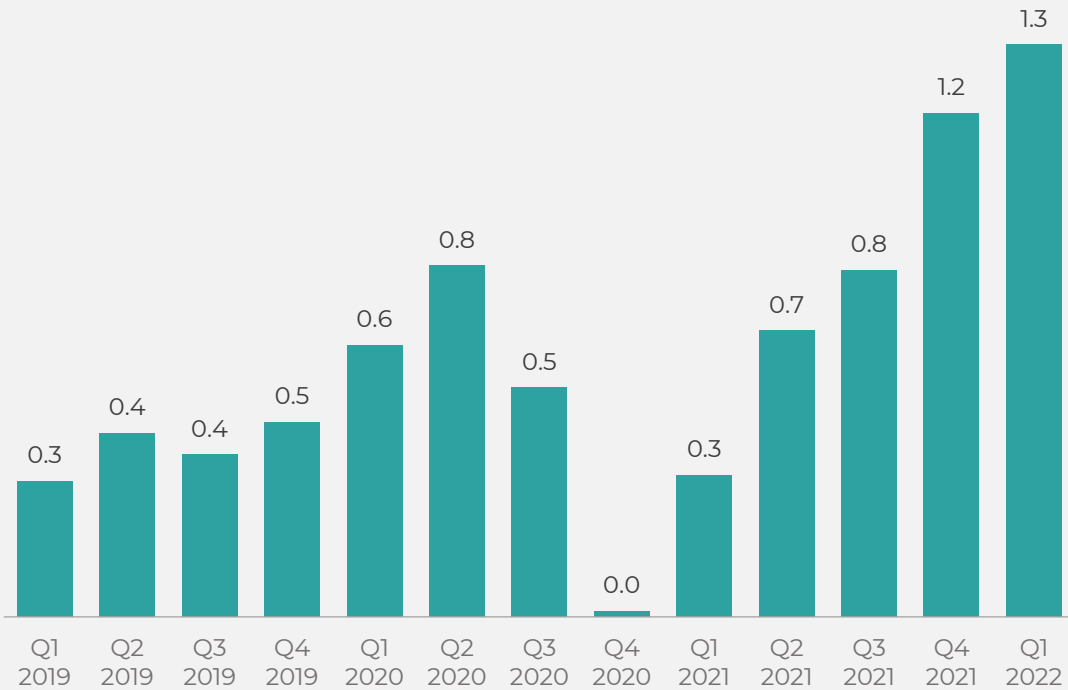


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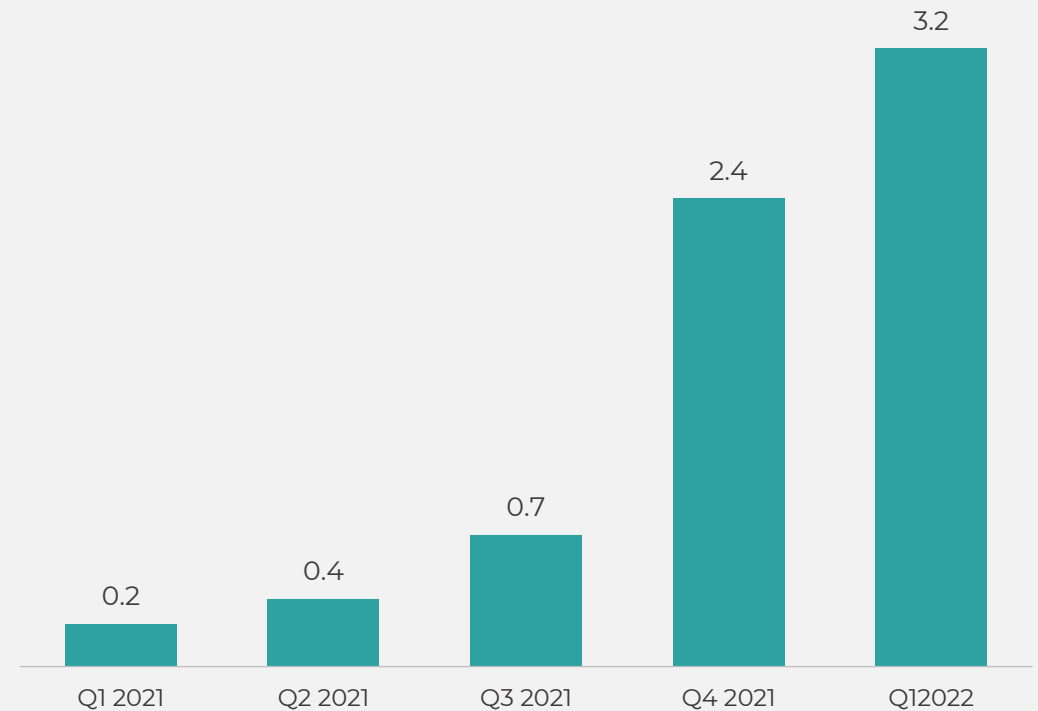


# Subscription vertical focus drives operating revenue growth in Q1 FY22 , providing a solid foundation of recurring revenues, complimenting the marketplace post lockdown rebound

## Total Operating Revenue in \$ millions



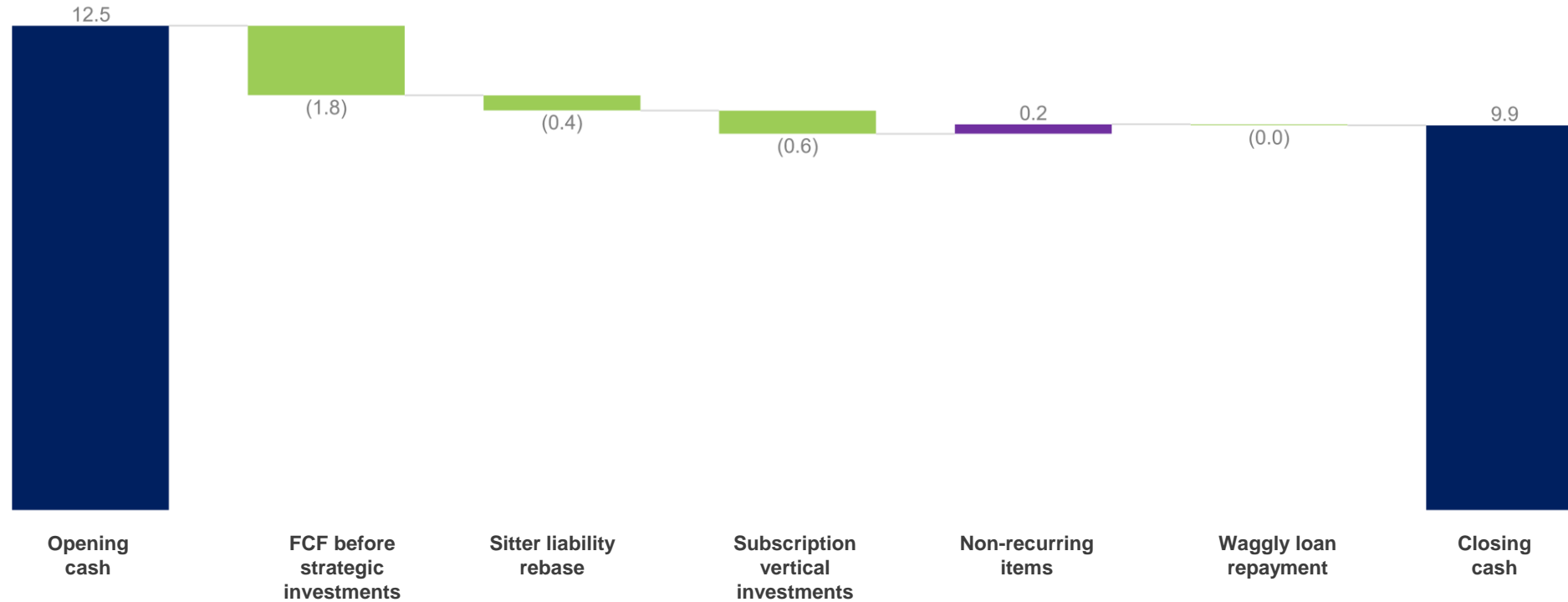
## ARR by quarter in \$ millions



4.2k subscribers at 30 September 21, +42% quarter to quarter

# Q1 FY22 Cash flow bridge

Subscription vertical investments will benefit in H2 FY22 cash flow



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Outlook

**MAD**:paws



# Marketplace GMV accelerating with the easing of restrictions and reopening of domestic and international borders

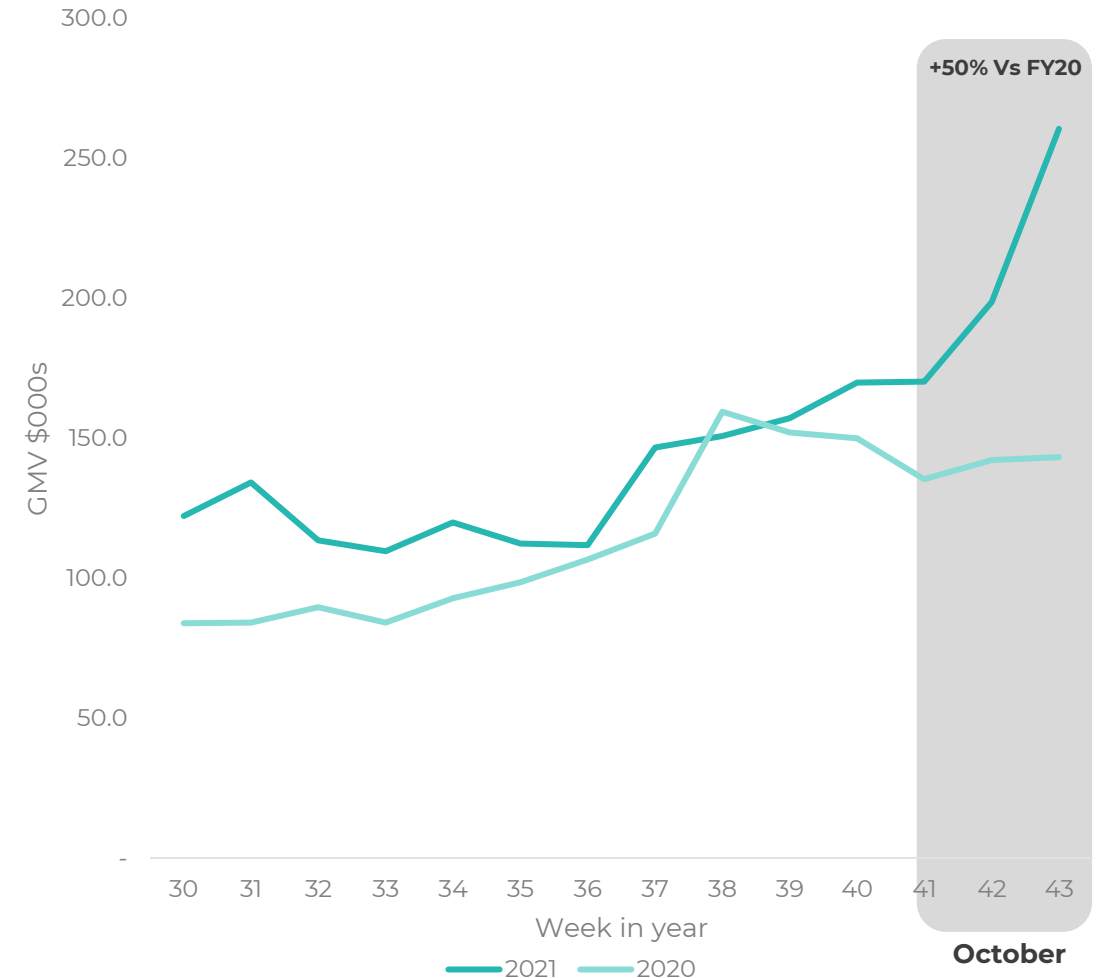
As highlighted in our FY21 results announcement, Mad Paws is well positioned for growth in a post lockdown environment.

- The easing of restrictions in NSW and VIC with clear timelines and milestones for the reopening of domestic borders has driven a GMV acceleration since week 41 (start of Q2 FY22)
- Growth largely coming from NSW and VIC with further growth expected from QLD in the coming weeks once vaccination rates hit targets

Additional market themes expected to further fuel marketplace growth in the quarter

- ✓ Return of international travel
- ✓ Further easing of domestic border restrictions
- ✓ Increased pet ownership during the pandemic

Weekly Marketplace GMV in \$000s week 30 to 43 FY22 Vs FY21



<sup>1</sup>GMV is a non-IFRS measure, it represents the total value of transactions processed by Mad Paws, on a cash basis, before deducting pet service provider payments, cancellations and refunds, chargebacks, discounts and GST.

# FY22 Outlook

As highlighted in our FY21 results announcement, we enter FY22 with a confident and positive outlook.

- The easing of restrictions in line with the national plan as well as the opening of international and domestic borders is providing a highly supportive environment to drive marketplace performance in Q2 FY22 and beyond.
- Mad Paws is following a similar path in the pet space in Australia to the successful growth curve seen in the US.
- We are early in this growth phase with a huge opportunity ahead of us.
- With the tailwinds of the accelerating shift online, large increase in pet ownership since Covid, and the scope for a sharp recovery once lockdowns lift, we expect further growth in marketplace and subscription revenues.



# Mad Paws Has Never Been Better Placed For Accelerated Growth And Recovery



**Pet ownership has dramatically increased with** 69% of all Australians now owning at least one pet, 47% of which are dog owners and 30% cat owners<sup>1</sup>



**Pet humanization and premiumisation is driving an increase** in spend on pet services and pet needs



**Pet Industry is now worth \$13B in Australia** and the popularity of gourmet meals continues to rise<sup>1</sup>



**Covid has accelerated the shift from offline to online validating the future demand and growth** in pet care services and subscription services



**Pent up demand for travel is building;** tailwinds ahead for pet sitting once lockdown restrictions ease – demand for pet sitters



**Global peers in the pet marketplace category (Rover)** have seen fast recovery as travel opens globally pent-up demand for travel



**Growing Recurring Revenue from Dinner Bowl and Waggly subscription services** supplementing core business and diversifying revenue streams



**Strong balance sheet with \$9.9m of cash** at 30<sup>th</sup> of September, provides capacity to invest in FY22 to enhance the pet lifecycle



THANK  
YOU

# Glossary

Term	Definition	Calculation/Comment
GMV	Gross Merchandise Value	GMV is a non-IFRS measure, it represents the total value of transactions processed by Mad Paws, on a cash basis, before deducting pet service provider payments, cancellations and refunds, chargebacks, discounts and GST.
LTM	Last Twelve Months	Refers to the trailing 12 month period ending on the reporting date, or as otherwise indicated
Operating Revenue	Non GAAP measure of revenue	Operating revenue is revenue recognised in accordance with IFRS before the deduction of promotional voucher cost for subscription customers
ARR	Annual Recurring Revenue	Annual recurring revenue (ARR) = Closing subscribers at the end of period X Subscription price X 12 months
Operational EBITDA	Management's core earnings metric	Operational EBITDA (earnings before interest, tax, depreciation, amortisation and non-operating, non-recurring income and costs) is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-specific non-cash and significant items. The directors consider operational EBITDA to reflect the core earnings of the consolidated entity
FCF	Free cash flow before strategic investments	FCF = Free cash flow less maintenance capex excludes strategic marketing and technology investments and sitter liability working capital movements