

July 21, 2022



# Q4 FY22 Quarterly 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, acquired Pet Chemist March 2022

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

**Mad Paws Home**  
Curated Ecommerce – Launched in Q2 FY22 with Sash acquisition

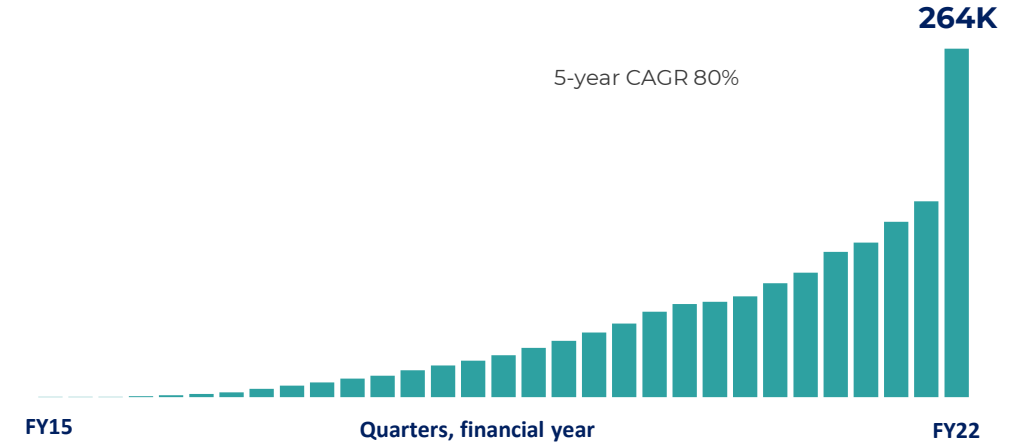
 **Over 1 million**  
pet care  
services  
provided

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

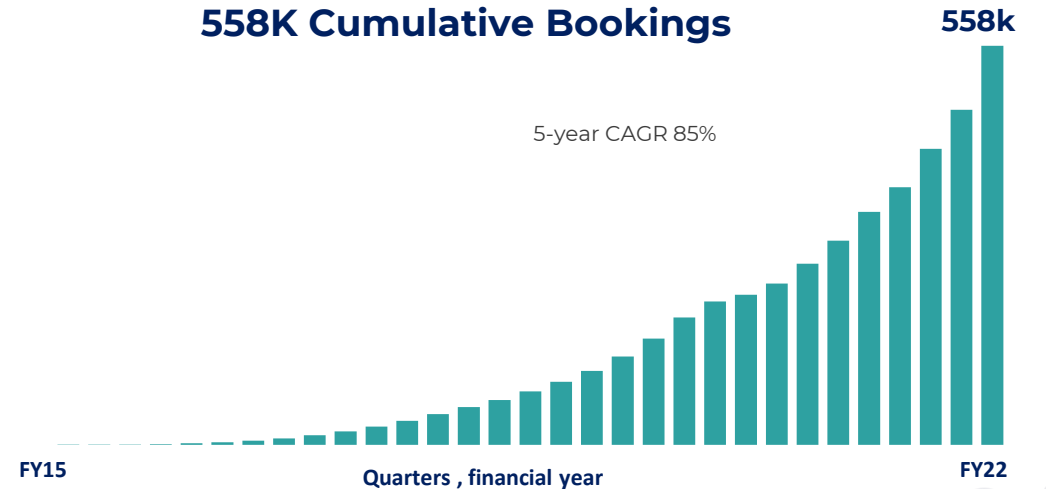
 **Qantas Partnership &  
Access to Qantas FF**



## 264K Cumulative Customers



## 558K Cumulative Bookings



## Q4 FY22 Highlights

GMV<sup>1</sup> of  
**\$11.9 million**  
**+189%** to Q4 FY21

Operating Revenue  
**\$4.6 million**  
**+294%** to Q4 FY21

Bookings/transactions  
**89k**  
**+124%** to Q4 FY21

New customer acquisition  
**+63%** to Q4 FY21

Marketplace revenue  
**\$1.4 million**  
**+71%** to Q4 FY21

E-commerce &  
Subscription revenue  
**\$3.2M +841%** vs PCP



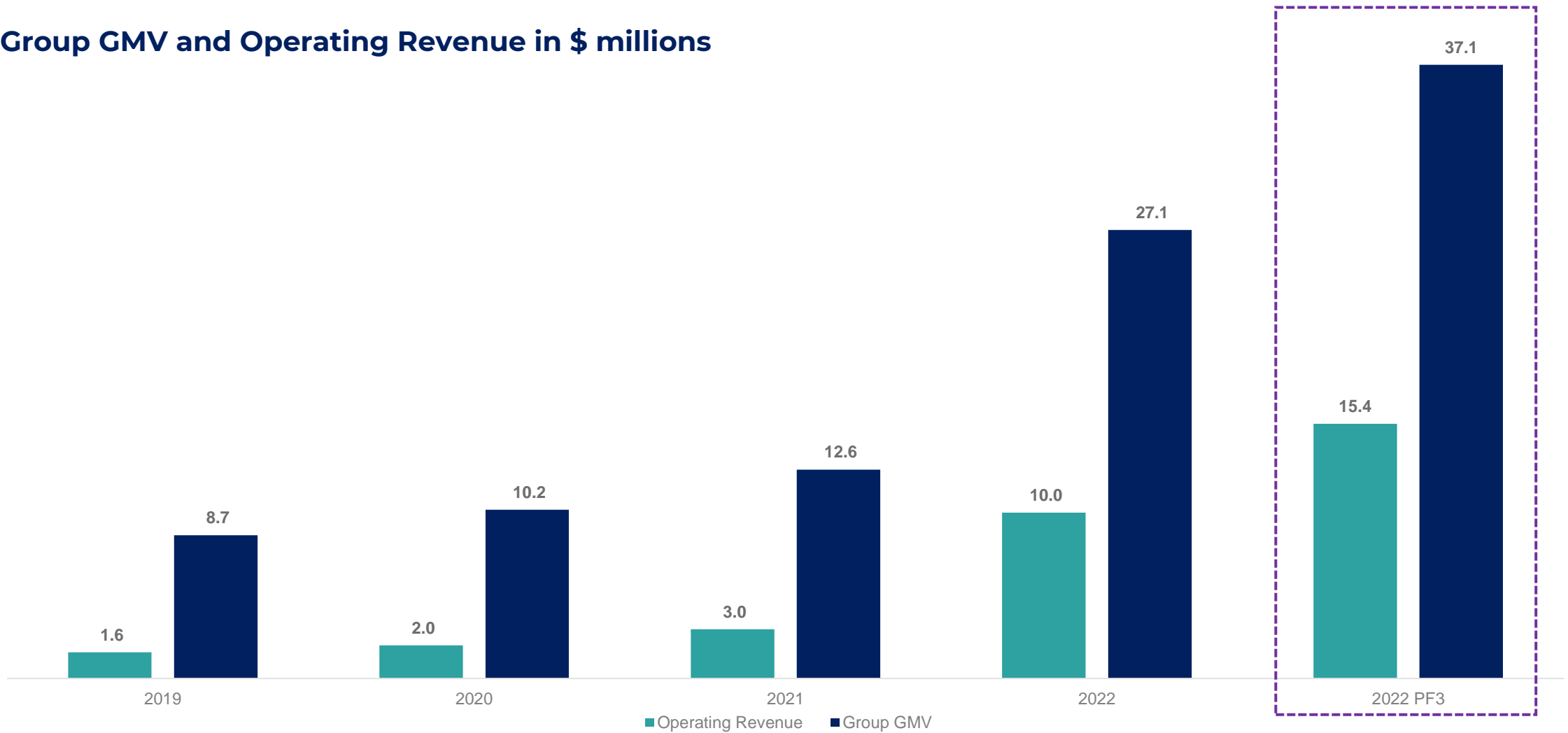
<sup>1</sup>GMV is a non-IFRS measure, it represents the total value of transactions processed by Mad Paws, on a cash basis, before deducting pet service provider payments, cancellations and refunds, chargebacks, discount's and GST

<sup>2</sup>Includes the unaudited operating revenue for the Mad Paws Group and Pet Chemist for the 12 months ended 30 June 22



# Mad Paw Group increasing its share of the pet consumers wallet in line with IPO strategy

## Group GMV and Operating Revenue in \$ millions



<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  
<sup>2</sup>Operating Revenue is unaudited for FY22

<sup>3</sup>2022 PF = The pro forma group including the unaudited operating revenues for the 12 months ended 30 June 2022 including the audited revenues of Pet Chemist



# Q4 FY22 Operation highlights

## Pet Services Marketplace

- Focus on profitability for all business units
- Optimised acquisition cost while still delivering record months
- Continuous improvements to our search algorithm resulted in improved conversion and retention rates
- Data integration – foundations for single data layer from all businesses
- Foundational work for our central pet database – to be used by all verticals

## Pet Product Subscription Offerings

- New and improved production facility for Dinner Bowl now operational
- Laser focus on improving operational efficiencies

## Waggly

- Found a new level of growth for the subscription business at significantly reduced acquisition cost
- Improved buying to improve margins

## Pet Chemist

- Data integration
- Operations integration
- Customer support improvements
- In-housing marketing functions and setting channels up for rapid growth

## Sash Beds

- New product range resulted in record growth
- Achieved 6x the pre-acquisition revenue in June



# 02

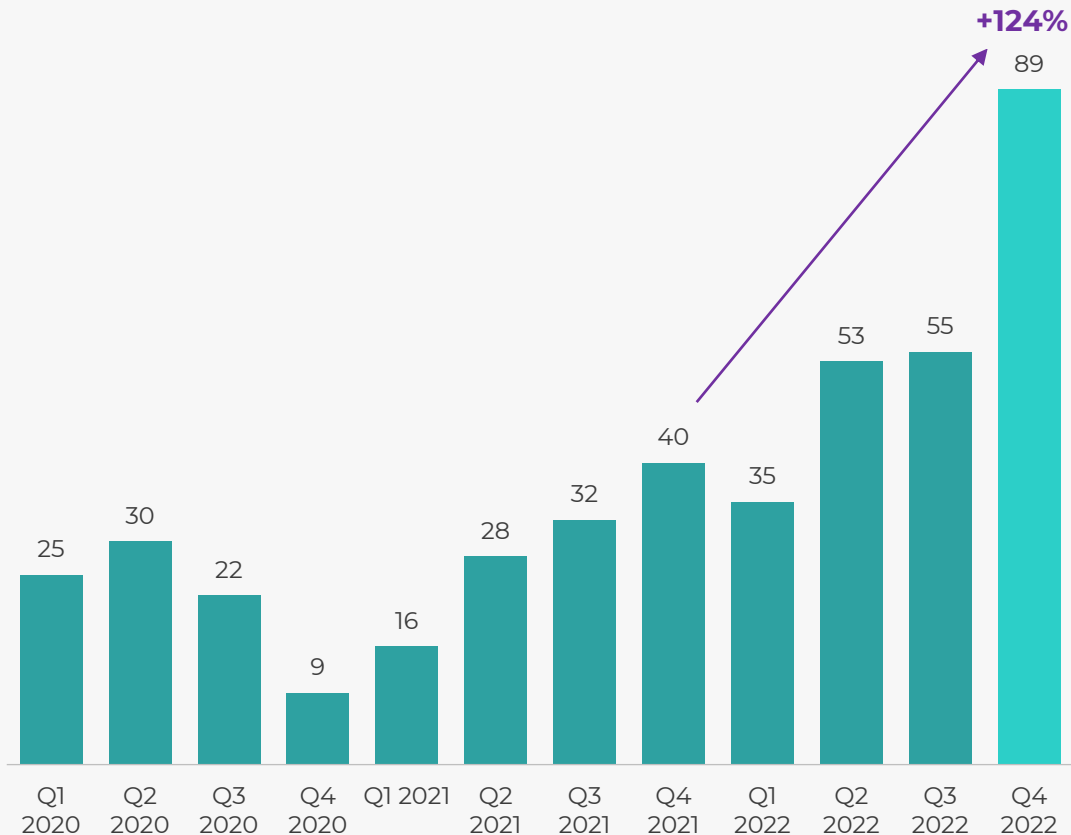
Quarterly results



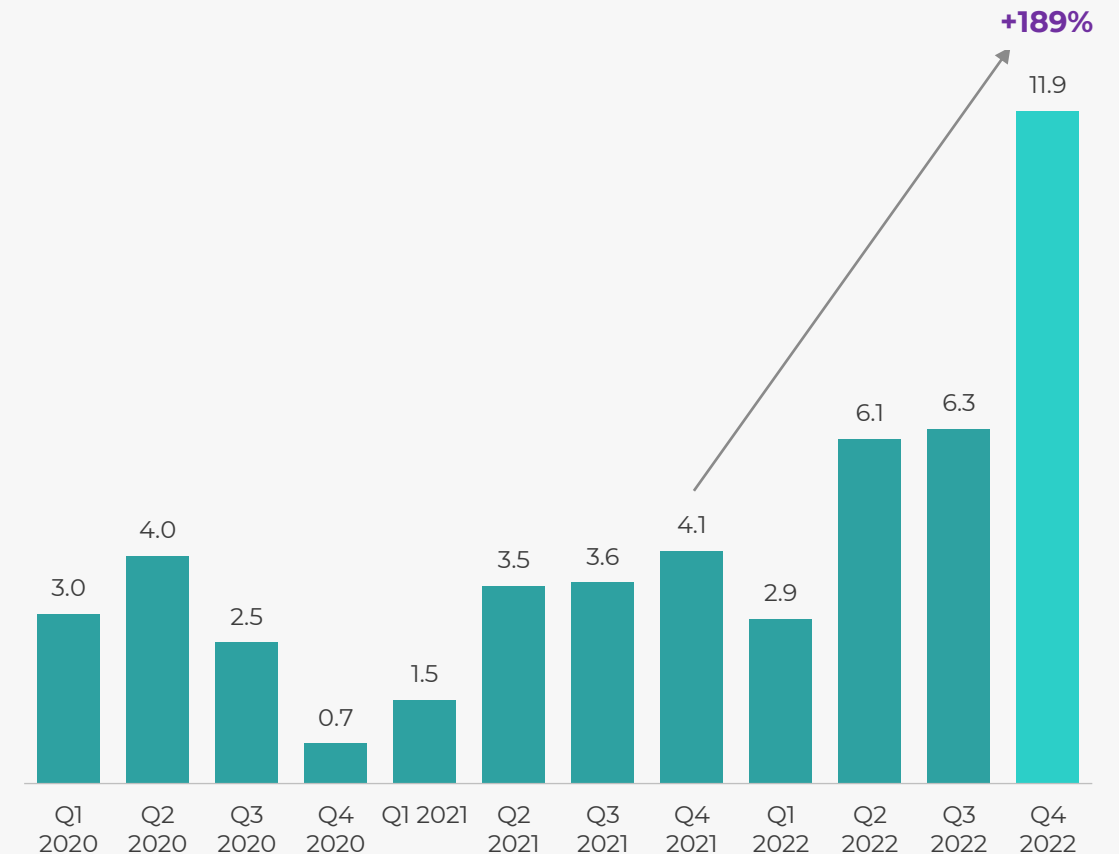


# Resurgent growth continues in our marketplace and expansion into complimentary revenues drives record quarterly GMV of \$11.9m +189% on PCP

Quarterly Bookings/transactions in 000s



Quarterly GMV\* in millions



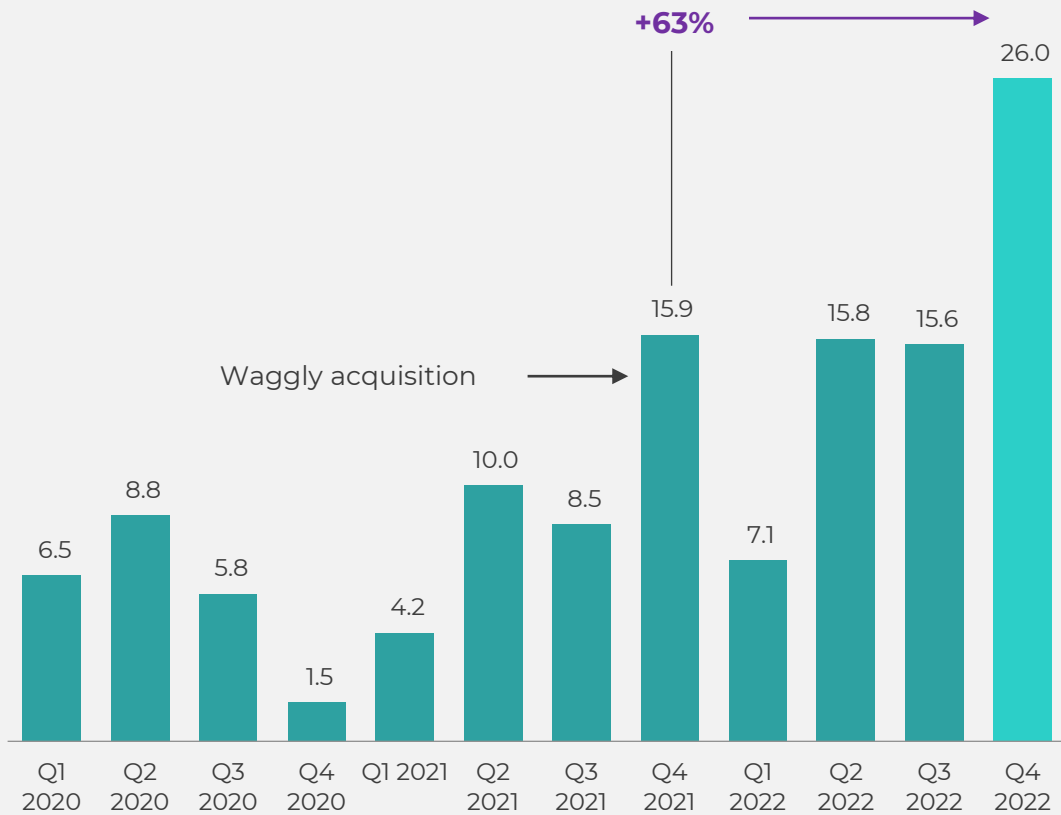
**FY22 LTM <sup>2</sup>PF Group GMV \$37.1 million**



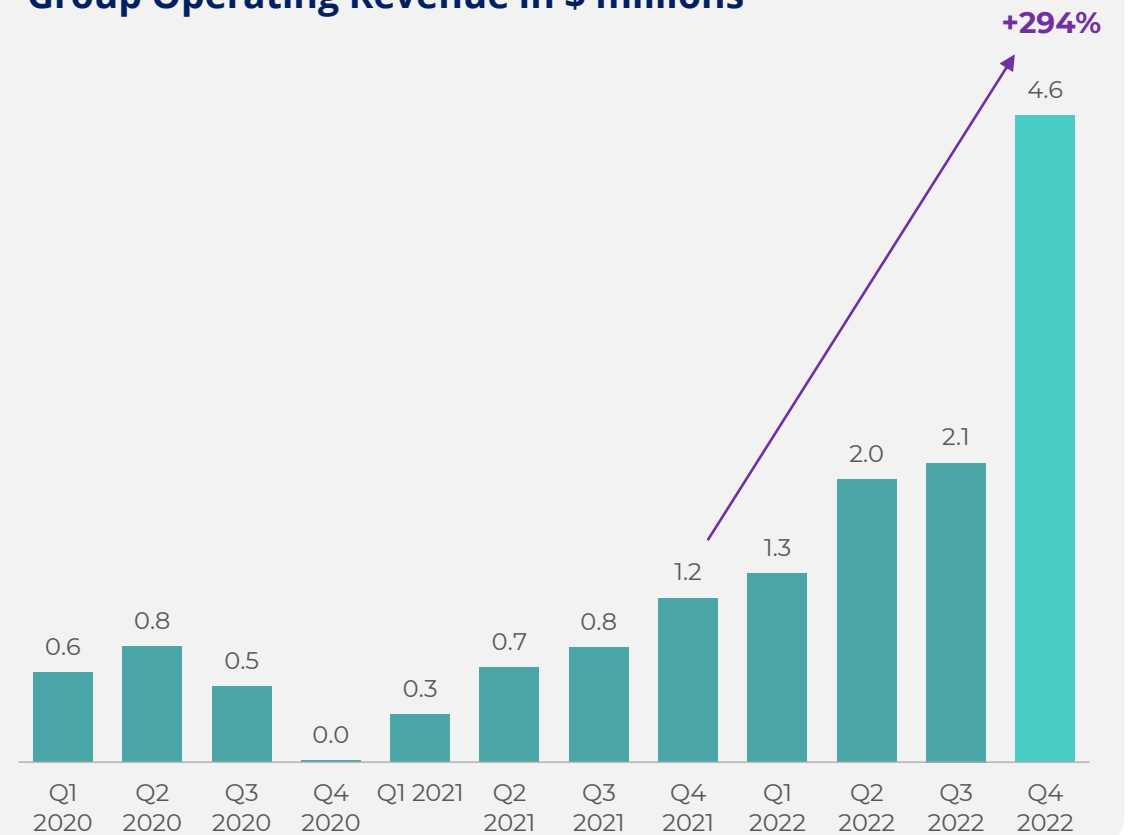
\*GMV is the total value of transactions processed by Mad Paws, on a cash basis, before deducting pet service provider payments, cancellations and refunds, chargebacks, discounts and GST  
<sup>2</sup>The pro forma group including the unaudited GMV for the 12 months ended 30 June 2022 including the unaudited GMV of Pet Chemist

# 63% customer acquisition growth and a step change in group operating revenue achieved in the quarter

New customers in 000s



<sup>1</sup>Group Operating Revenue in \$ millions



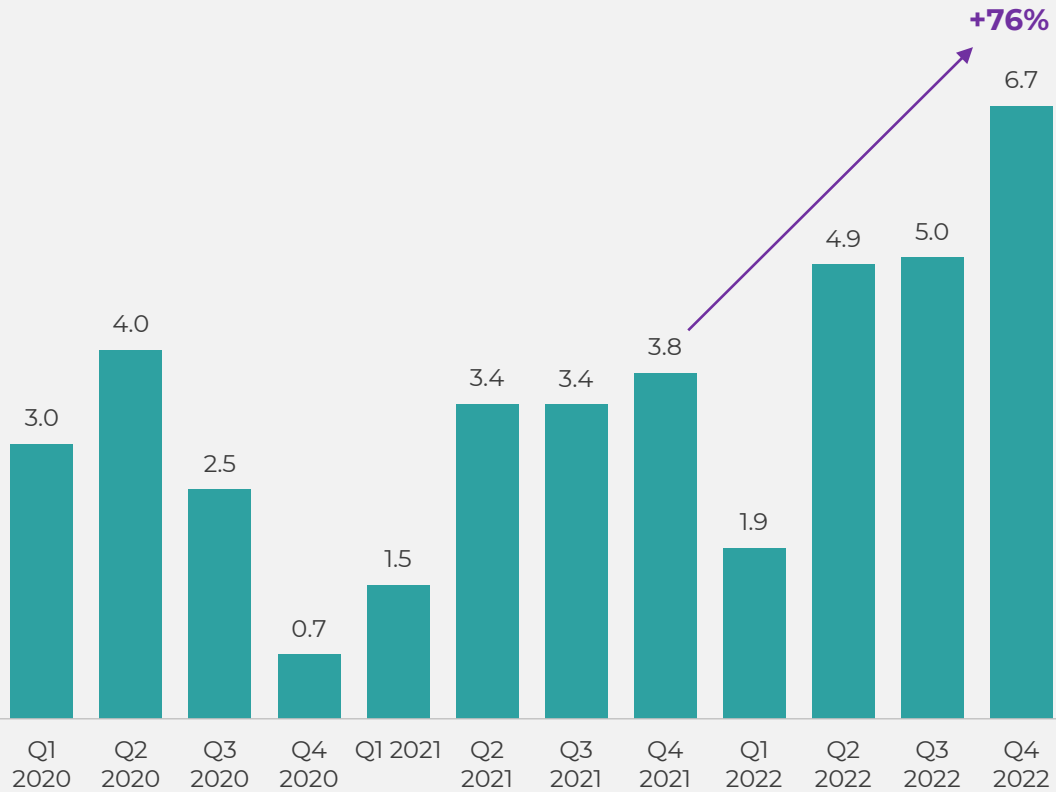
**FY22 PF Group Operating Revenue \$15.4 million**

\*Quarterly Group Operating Revenues are unaudited

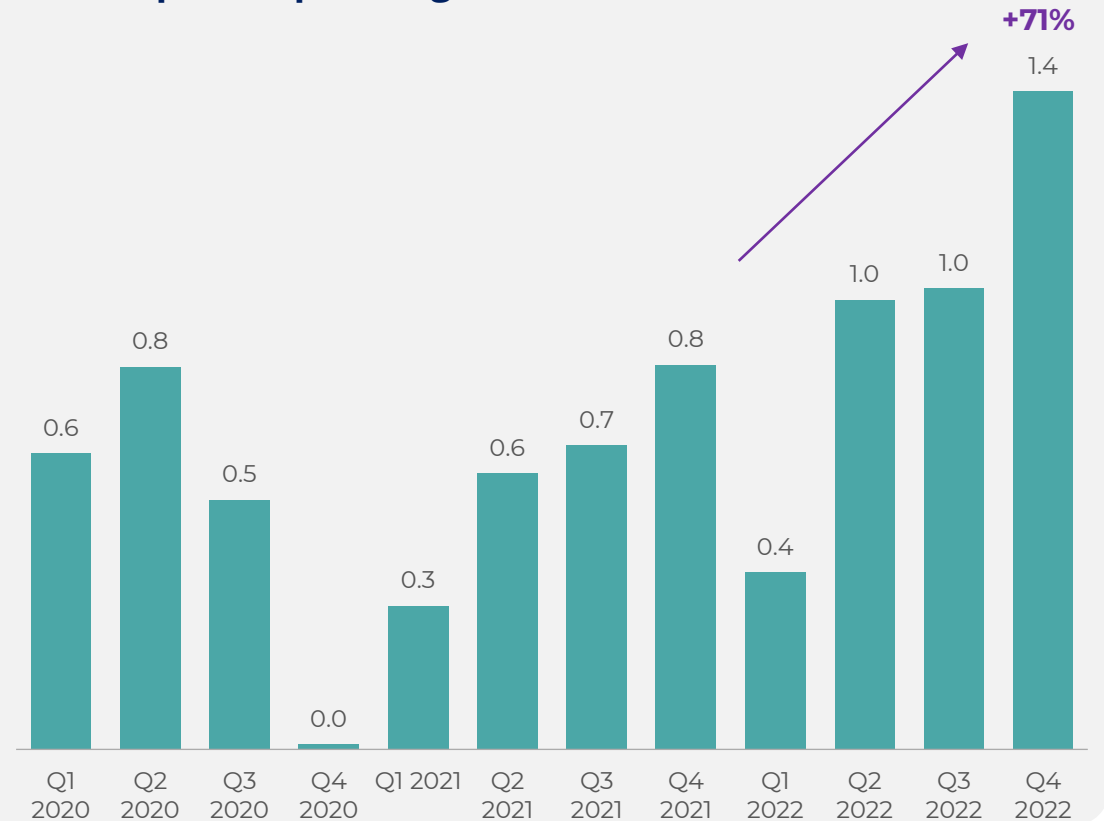
<sup>2</sup>The pro forma group including the unaudited operating revenue for the 12 months ended 30 June 2022 including the unaudited operating revenue of Pet Chemist

# Continued growth across all marketplace growth drivers delivered 71% operating revenue growth Vs PcP

## Marketplace GMV in \$ millions

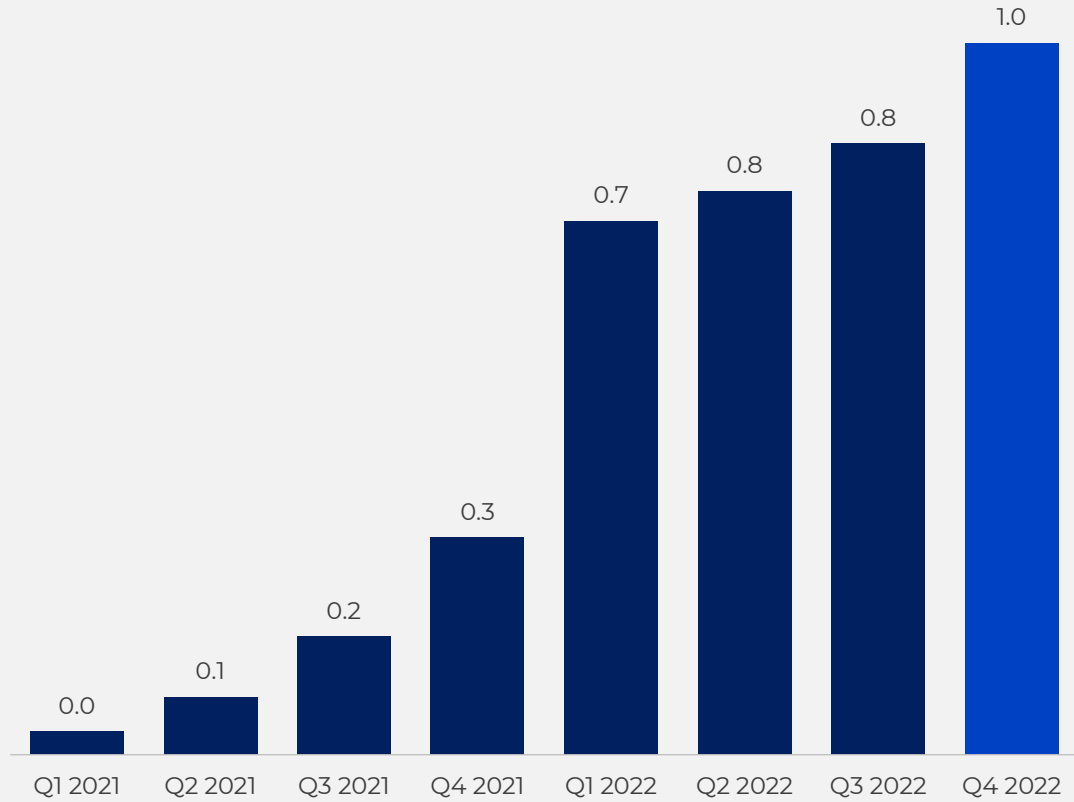


## Marketplace Operating Revenue in \$ millions

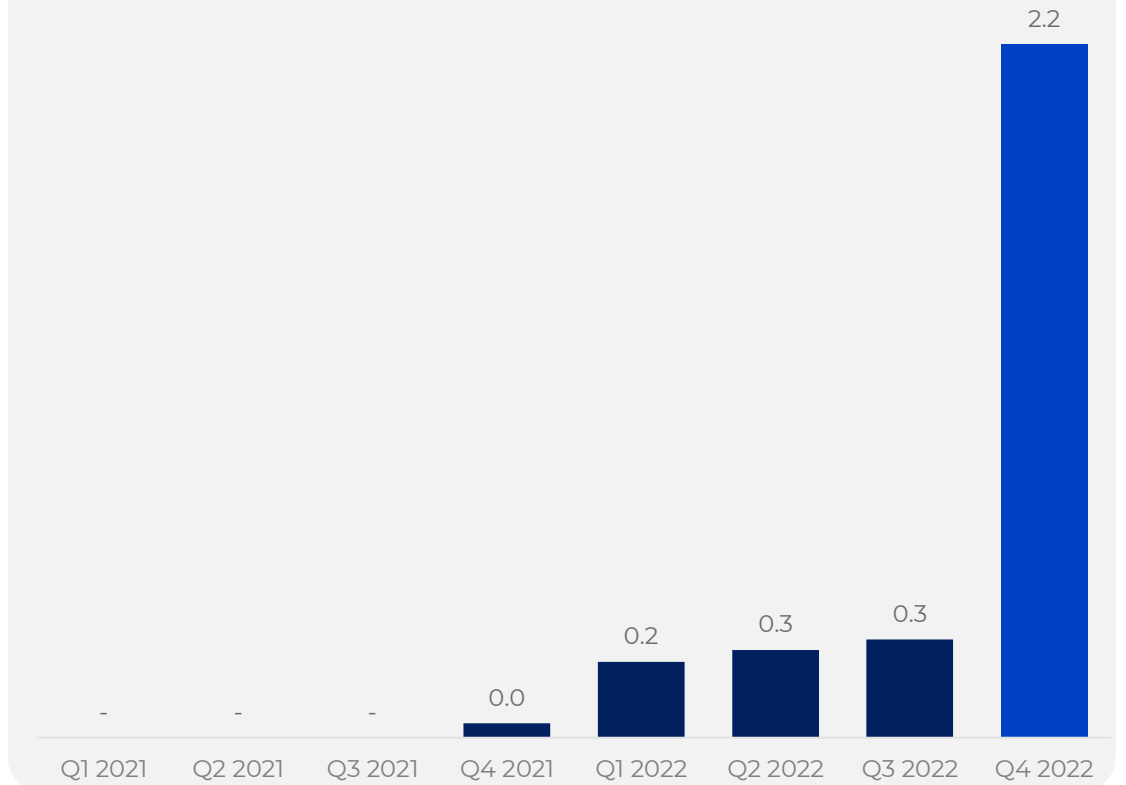


# Growth in new complementary subscription and ecommerce revenue, representing 70% of Q4 FY22

### Subscription revenue in \$ millions

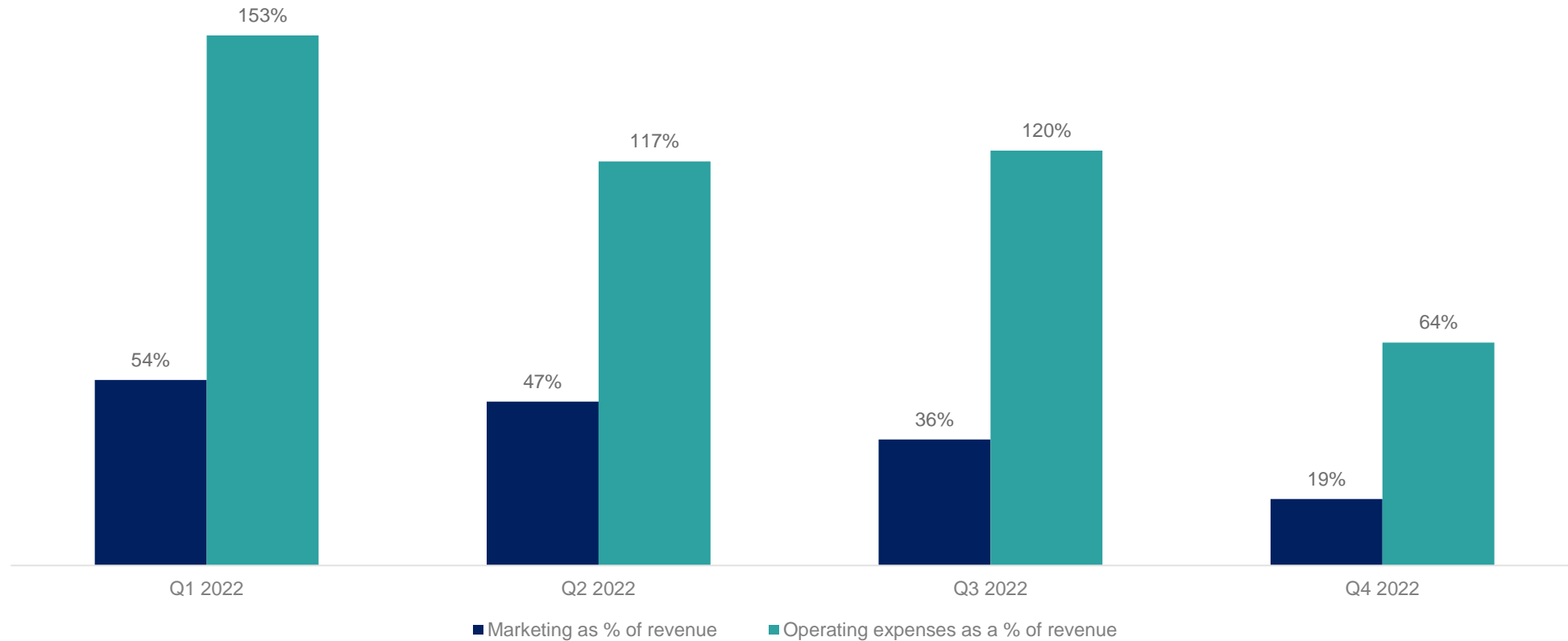


### Ecommerce Revenue in \$ millions



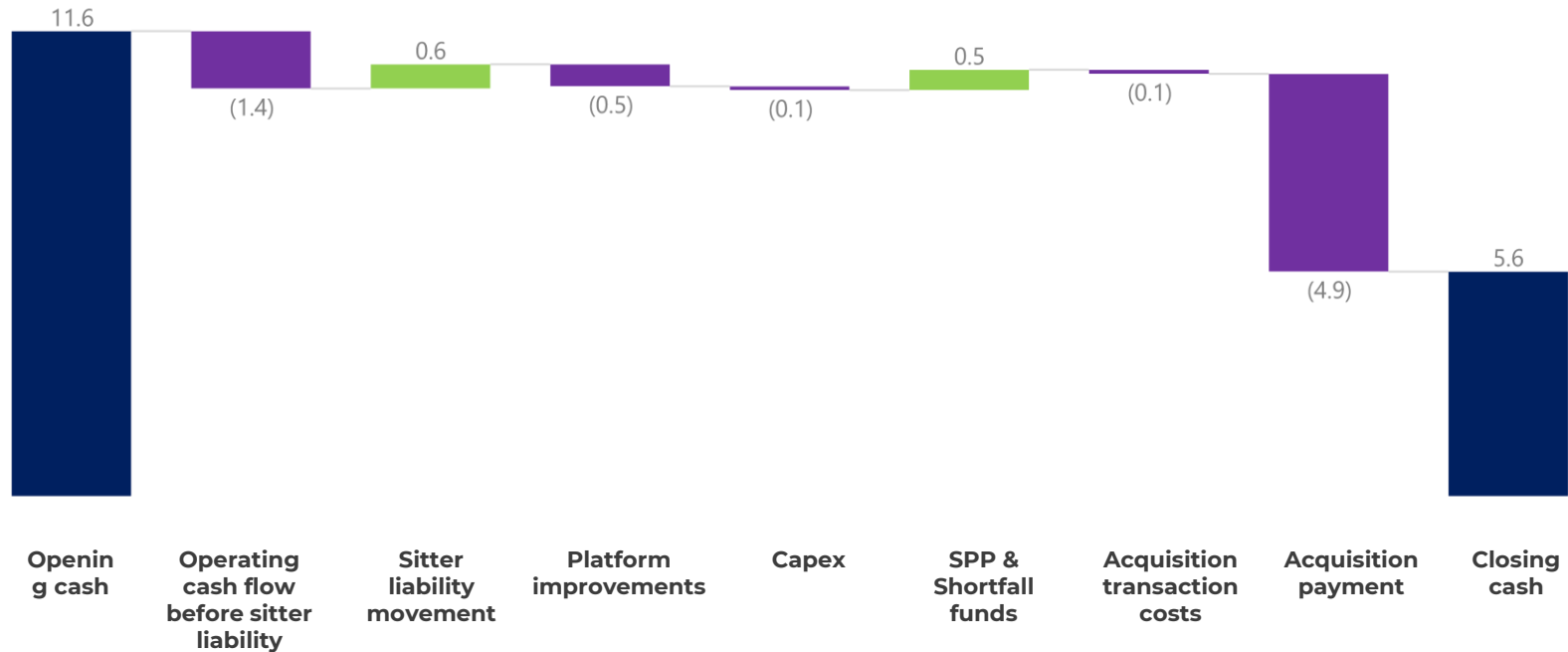
## Cost management focus and trends

Marketing efficiency, prudent cost management and operating leverage



# Q4 FY22 Cash flow bridge

## \$5.6m in cash at the end of June 22



# 03

Outlook



# Q1 FY23 Strategic Priorities

Efficient growth, prudent cost management and disciplined capital allocation

## Marketplace

- Drive profitability further
- Continuous improvements on the search algorithm to drive a better customer experience and increase conversions
- Finalise single data layer for all businesses with a view to drive further cross sell opportunities
- Release the first version of our central pet database

## E-commerce & Subscription

### Dinner Bowl

- Efficiently grow customer base
- Continuous improvements on margins with a view to improve cash profile of the vertical
- Brand alignment with the group

### Waggly

- Continuous improvements on customer acquisition cost focusing on additional sign up offerings
- Implement margin improvements through improved buying of products for our boxes as well as acquisition offers
- Upgrading our current CRM set up and automated communications
- Brand alignment with the group

### Pet Chemist

- Ongoing data integration
- Laser focus on new search campaigns
- New customer support solution

### Sash Beds

- New sales channel tests
- Accelerate influencer campaigns
- New product releases



# 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 \$30B 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 e-commerce and subscription products



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



**Growing Complementary Revenue from Pet Chemist, Waggly and Dinner Bowl** supplementing core business and diversifying revenue streams



**Strong balance sheet** with **\$5.6m of adjusted cash** at 30<sup>th</sup> of June 2022, with revenue growth and prudent cost management expected to deliver cash flow breakeven and profitability



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 sifter liability working capital movements
Performance marketing CAC	Performance marketing customer per customer acquired	Includes all performance marketing costs including paid search, social, programmatic (excluded brand, PR and agency cost) and the cost of any promotions e.g. %/\$ discount, giveaways etc / number of new customers acquired