

## QUARTERLY ACTIVITIES & CASHFLOW REPORT Quarter ended 31 December 2023

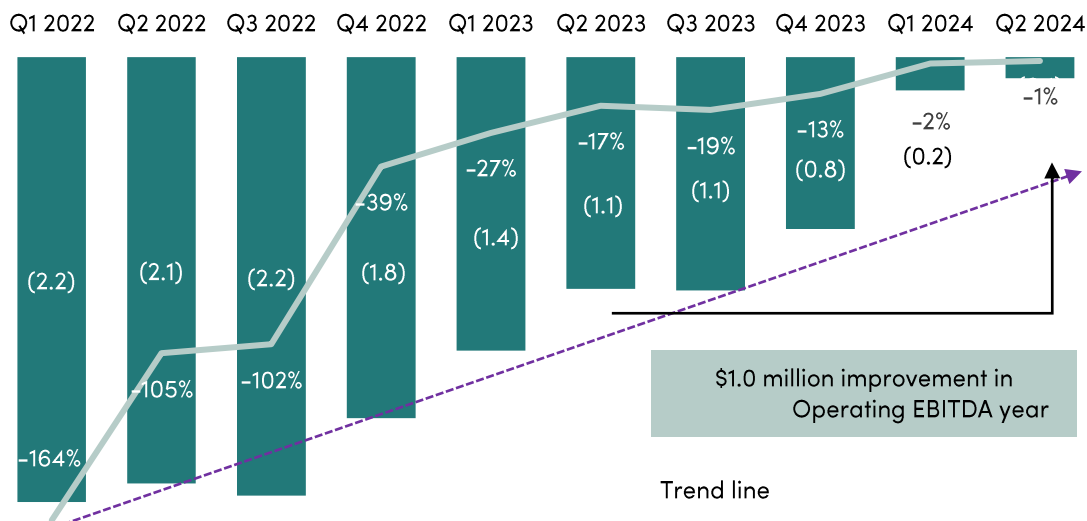
Investor Conference Call At 9.00 am AEDT on Thursday, 18<sup>th</sup> December 2023

**Mad Paws Holdings Limited (ASX:MPA) (Mad Paws or Company)** Australia's leading online pet ecosystem, seamlessly connecting pet owners with high quality services and products, is pleased to announce its December 2023 Quarterly (including the Appendix 4C and Activities Report). All financial results are in Australian dollars and are unaudited.

### Highlights for the Quarter

- **Continued revenue growth as Mad Paws builds towards EBITDA break-even**
  - **Group Operating Revenues of \$7.6m** – up 15% on pcp and 21% excluding closed Dinner bowl product lines
  - **Marketplace Operating Revenue of \$2.5m** – up 31% on pcp
  - **E-Commerce Revenue of \$5.2m** – up 9% on pcp, 17% excluding closed product lines
- **Group Operating EBITDA approaching breakeven - (\$0.1m) for the Quarter – \$1.0m improvement on pcp**
- **Marketplace delivers record Quarterly GMV of \$10m and record 42% EBITDA margin** – driven by focus on sitter supply and improved owner and sitter matching
- **Record number of 33,000 new customers added this Quarter** – delivered with strong efficiencies and lowest level of marketing expenditure as a % of revenue for any prior Q2
- **Second consecutive quarter of positive operating cash flow** - +\$1.0m for the Quarter
- **Closing cash of \$3.6m plus \$0.75m undrawn working capital facility**

### Quarterly Operating EBITDA in millions



Justus Hammer, Co-Founder & CEO commented, "Another great quarter on our path towards profitability with a record quarter for the Group. We achieved multiple highlights, hitting \$10m in GMV for the marketplace for the first time as well as our second consecutive quarter of positive Group operating cash



flow. We are now well positioned to start 2024, on the back of a record month, record revenue and record Group EBITDA in December 2023.

Our marketplace vertical has again outperformed expectations with year-on-year revenue growth for the quarter of 31%. This is a result of the tireless work of our product and tech team working on improving our customers experience and not only connecting more owners with sitters but doing so more and more efficiently. Resulting in our lifetime value being at all-time highs. Not only did we acquire a record number of customers for the marketplace, but also a record number of sitters. Achieving this at a very low cost per acquisition shows that we can scale both sides of the marketplace efficiently.

We remain confident in delivering long term shareholder value as the pet sector continues to be very active – with the recent Woolworths investment into Petstock and the proposed US\$2.3 billion acquisition by Blackstone of our largest comparable, Rover, Inc.”

## Operational highlights

### Marketplace

During the Quarter, the Marketplace division implemented several initiatives to enhance our platform and leverage our unique position in the Australian pet market. We focused on driving revenue through increasing the functionality of the platform, efficiently increasing sitter supply and further leveraging our data science capabilities so pet owners can find the best sitter to meet their needs.

In order to meet expected marketplace demand in the busy December quarter, the team focused on increasing sitter supply over the last two quarters. A key to this was the complete redesign of our mobile app, launched in October across Apple and Android platforms as well as our redesigned and streamlined sitter application process which resulted in an increase in the number of approved sitters by 77% vs pcp and 90% vs Q1 FY24. At the same time, the cost per approved sitter decreased by 77% vs pcp.

On the owner side the new mobile app significantly improved the search experience and owner and sitter communications. For sitters, the new app simplifies calendar management, a key factor in driving higher platform conversion rate and messaging from the sitter to the owner keeping all communications on platform. This further drives the considerably higher conversion rate on the mobile app, compared to bookings searched through the desktop platform.

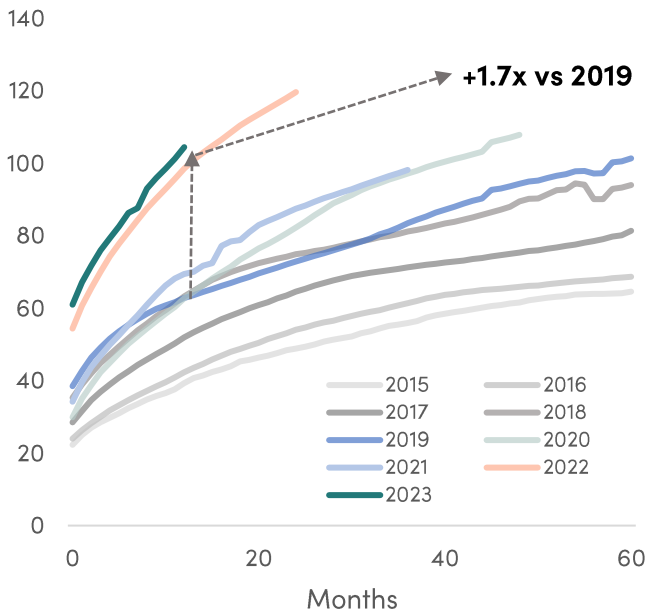
The potential performance uplift from pushing app usage across all customers is another exciting growth opportunity and with owner penetration in Australia still at less than 5% it demonstrates the significant growth opportunities in the future.

Also this Quarter, we have continued to build data strategies to provide a more customised service and enhanced cross selling opportunities. This included updates to our search ranking algorithm to optimise the matching of sitters to owners and manage location-based supply and demand. These changes began to take effect with a 11% increase in conversion rate across the Marketplace division.

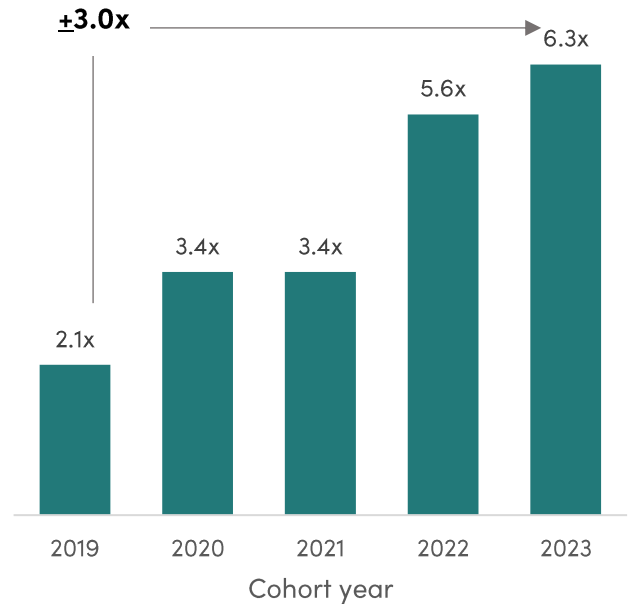
As a number of technology initiatives across our hosting and messaging infrastructure started to take effect and drive efficiencies, overall technology operating costs decreased this Quarter even with ongoing growth in bookings. Technology costs now represent only 9% of revenue down from 12% in Q2 FY23.

As the Mad Paws platform continues to deliver an outstanding experience for both owners and sitters, there have been significant improvements to our customer lifetime value or LTV over the last 4 years, which is now up 1.6x or 160%. The important LTV to Customer Acquisition Cost or CAC ratio also improved by over 3x or 300% from 2.1 in 2019 to over 6.3x in 2023. This is further confirmation that our investment in technology is driving profitable growth.

## Lifetime value by yearly cohort



## Lifetime value to CAC ratio



## E-commerce

For our E-commerce businesses, we focussed on improving operational performance across our warehouse and customer service functions while scaling AutoShip orders and launching new customer acquisition channels for Pet Chemist. We also commenced early stages of an international expansion of our Sash offering.

From an operational perspective we improved our order-to-despatch times across our ecommerce verticals. This was a result of remapping existing processes and the implementation of best practices across the Group to streamline warehouse and customer service operations.

At the end of the September quarter, Pet Chemist launched its new website providing a faster and improved shopping experience and a greatly improved AutoShip functionality. As a result, we increased the number of products offered on AutoShip and provided greater incentives for customers to sign up to a subscription. This resulted in a 34% increase in AutoShip customers compared to Q1 FY24 or 114% up vs. pcp and provides a solid recurring revenue basis for the Pet Chemist business as we enter 2024.

During the Quarter we launched on a number of external marketplace channels with the aim of increasing customer acquisition and orders volume for our Pet Chemist business. While we were able to drive incremental revenue from these channels, the product mix was predominantly in lower margin, highly commoditised products. As a result, we have discontinued these channels and we will focus on scaling affiliate marketing channels, and search channels in our core medication and OTC offerings going forward.

Sash Beds launched in its first international market in the Quarter, following a period of market testing. This demonstrated early but effective customer acquisition in the Quarter, with a significantly bigger market opportunity. As a result, we have established a local 3PL relationship which will commence in March 2024.



## Pathway to profitability and cash flow break-even

This Quarter, Mad Paws continued to make progress towards the goal of operating on an EBITDA positive basis with Group EBITDA of \$(0.1) million and the second consecutive quarter of positive operating cash flow. This positive result is the culmination of increased demand for Mad Paws services, the success of product investment in our pet services marketplace and several operational initiatives undertaken last financial year.

Our Marketplace achieved operating EBITDA of \$1.0 million at record EBITDA margins of 42%, ahead of our margin target for this division. The strong EBITDA margins were a result of profitable revenue growth as well as our focus on increasing sitter supply and technology cost optimisations during the Quarter.

The E-commerce operating EBITDA improved by \$0.5 million to \$(0.3) million vs pcp, however decreased by \$0.2 million compared to Q1 FY24. The improvement versus PCP was the result of continued revenue growth in Sash and Pet Chemist during the Quarter plus the benefit of operating efficiencies, as well as strong margin growth in the Waggly toys and treats subscription business. The lower EBITDA performance compared to Q1 FY24 was partly due to the Sash business slowing as it enters the warmer summer period, historically a lower season for Sash, the investment in our Sash international offering and the launch of external marketplace channels like eBay and Amazon for Pet Chemist. In addition, trading conditions were slightly softer than expected.

During the Quarter, the Group delivered its second consecutive quarter of positive operating cash flow. Operating cash inflows for the Quarter were \$1.0m, with \$3.6m cash at the end of the quarter. Supporting these cashflows is the \$1m growth working capital facility with Kashcade, a specialist working capital provider, with \$0.75 million still undrawn at end of the Quarter. This facility supports continued marketing and technology investment while at the same time safeguarding against potential fluctuations in intra month cash.

The Group's improving Operating EBITDA, stable capex profile and favourable working capital dynamics are the key drivers of cash flow break-even for the Group and we remain on track with our stated goals.

## Outlook

Mad Paws is set to deliver on our strategy of consolidating our brands and creating Australia's number one pet eco system for products and services. With the marketplace going from strength to strength the team is focused on converting the record number of new customers we acquired in the last quarter into repeat customers of Mad Paws. Retention is a key focus for this quarter.

Building on the success we have seen with driving Autoship customers last quarter, up 114% on pcp, we continue push initiatives to drive recurring revenue for our eCommerce businesses.

As Mad Paws continues to grow its share of the Australian pet market and achieve cashflow positive trading the short term, the key areas of focus include:

- **Brand consolidation** – Continuing to integrate Mad Paws' verticals under the Mad Paws brand in order to drive cross-sell.
- **Cross-sell expansion** – Leveraging data and a centralised CRM to provide personalised offers and solutions for customers. A Mad Paws loyalty offering is also planned, driving our share of wallet and decreasing customer acquisition cost for the verticals.
- **Scale private label products** – Continuing the success of private label products across the E-commerce business. First private label product for Pet Chemist about to go live.
- **Pet Chemist AutoShip expansion** – Slight refocus on what we are good at, concentrating on higher margin categories particularly in the health and speciality food and supplements area.
- **Sash beds international expansion** – continuing to build on the early success of the Sash international launch, with the goal to be contributing positive EBITDA to the Group from Q4 this FY



## Investor Call details

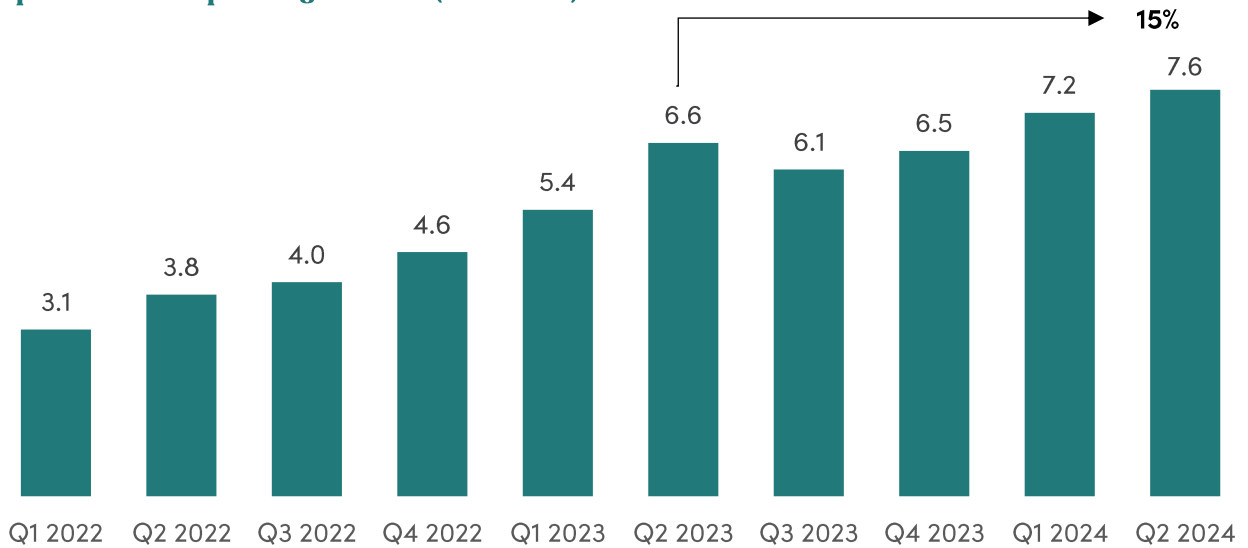
Mad Paws' CEO, Justus Hammer and CFO Graham Mason are hosting an Investor Webinar at **9.00am AEDT on Thursday, 18<sup>th</sup> January 2024** to discuss the results of the December 2023 Quarter and the future business outlook. Shareholders and investors wishing to attend the Investor Webinar can register to attend using the link below:

[https://us06web.zoom.us/webinar/register/WN\\_kGSowWFNSoCcvBN0\\_37\\_Jw](https://us06web.zoom.us/webinar/register/WN_kGSowWFNSoCcvBN0_37_Jw)

This announcement was approved for release by the Board of Directors of Mad Paws Holdings Limited

## Detailed Trading results

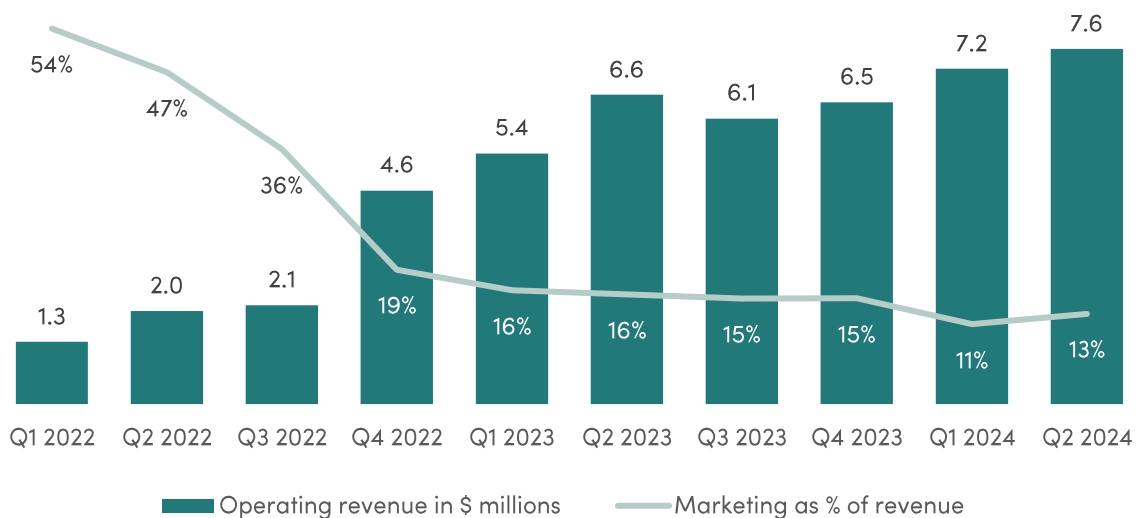
### Group Pro-Forma Operating Revenue (unaudited) in millions



Group pro-forma Operating revenue increased 15% on pcp (21% excluding closed Dinner Bowl product lines) to \$7.6 million in Q2 FY24. The growth reflects continued strong performance in our Marketplace vertical where revenue increased 31% against pcp in Q2 FY24. Our focus on increasing sitter supply to meet owner demand as well as the continued use of data science to improve sitter and owner matching paid dividends in the quarter.

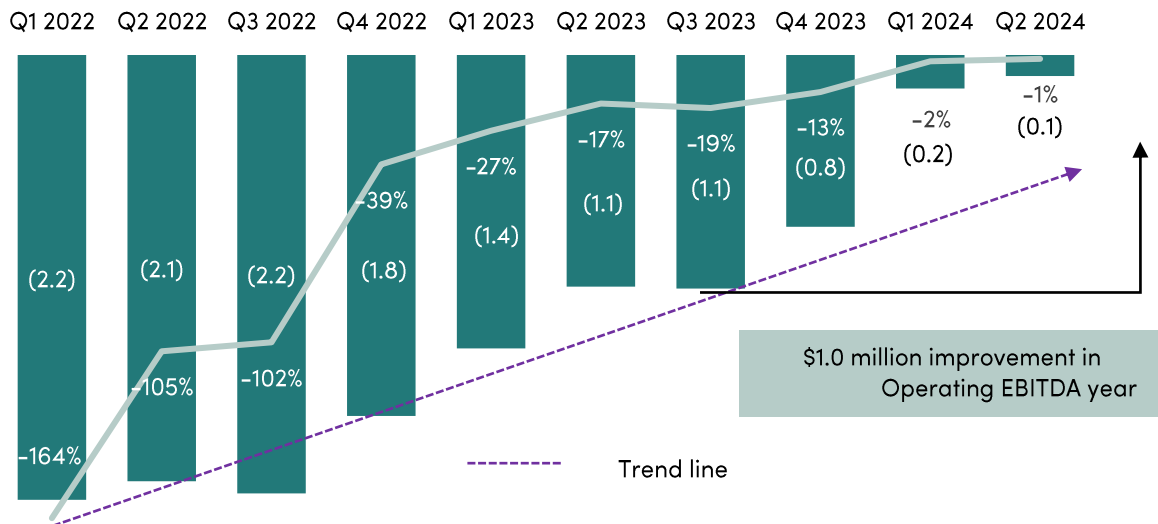
Pro-forma E-commerce revenues were \$5.2 million, an increase of 9% vs pcp and 17% excluding the closed Dinner Bowl operations. Sash Beds saw very strong levels of growth increasing 54% vs pcp, driven by growth in its core product range as well as positive contribution from new products released over the last 12 months. Pet Chemist revenues increased 25% vs pcp, with new customer growth of 18% and the benefits of range expansion in the period.

### Group Marketing as a % of Operating Revenue



Marketing as a percentage of revenue was 13%, down from 16% in the prior corresponding period. The Year-over-Year improvement has been driven by the implementation of data-driven strategies in the Marketplace improving conversion rates and the focus on SEO as well as lower brand activity in the Quarter. In our E-commerce vertical, continued optimisation activities across Pet Chemist and Sash improved performance in conjunction with the decrease in marketing investment in Waggly.

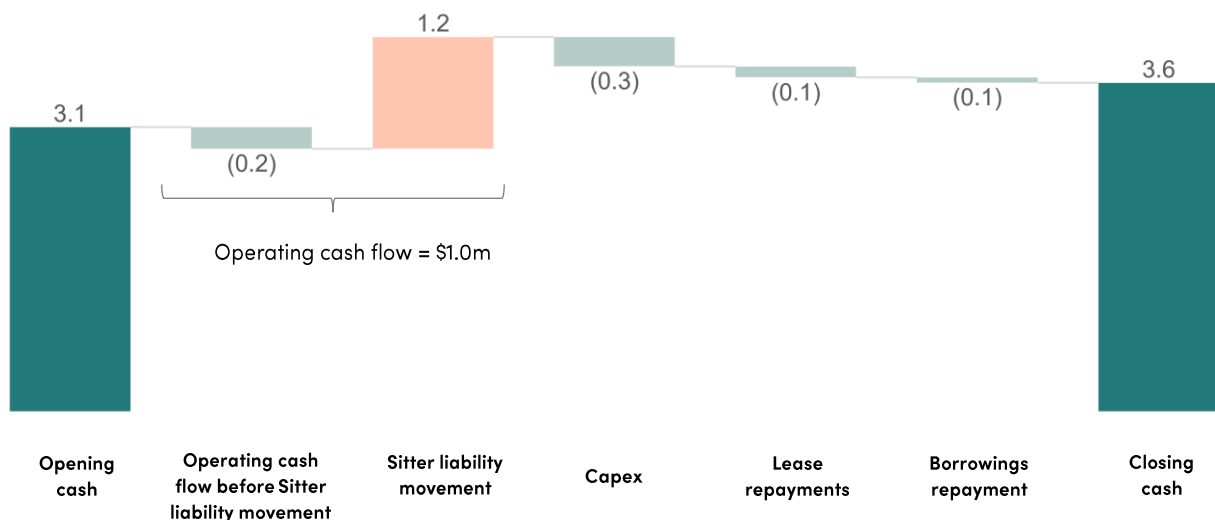
## Group Operating EBITDA in \$ millions



Group operating EBITDA margins improved by 1 percentage points on a Quarter-on-Quarter basis and 16 percentage points vs pcp. The improvement in Operating EBITDA margins was led by our Marketplace segment which delivered 42% operating EBITDA margins demonstrating increasing take rates, improving scale and high operating leverage. E-commerce operating EBITDA improved by \$0.5 million vs pcp and decreased by \$0.2 million Quarter-on-Quarter due to seasonal factors impacting Sash and the investment to launch Sash in the UK market.

## Corporate & Cash flow

### Cash flow bridge for the Quarter





Operating cash flow before sitter liability movement was (\$0.2) million reflecting the improved operating performance of the group Quarter-on-Quarter. The Marketplace has a favourable working capital cycle with the customer paying for the service up front and payment to the pet sitter made after the service has been provided. The sitter liability movement was \$1.2 million positive in the Quarter resulting in \$1.0 million in positive operating cash flow in the period.

### **Financing and Investment Activities**

Mad Paws continued to invest in key areas of the pet life cycle in the Quarter, with \$0.3m invested in product initiatives in our Marketplace vertical. Specifically, the launch of new native app, pricing improvements and the release of a new sitter application process.

During the Quarter, Mad Paws repaid \$0.1 million of its borrowing facility with \$0.75 million of the facility still available to be drawn at the end of the Quarter.

As detailed in Item 6.1 of the accompanying Appendix 4C, this Quarter the Company paid \$71k in relation to the CEO and the Executive Director remuneration and Directors' fees.

### **ASX Waiver**

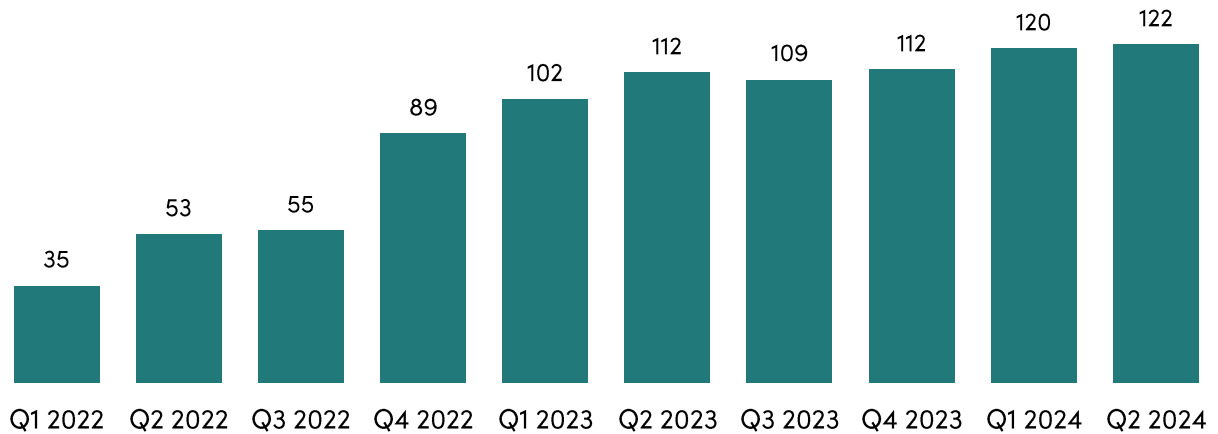
The Company received an ASX waiver in February 2022 with regards to Listing Rule 7.3.4 to issue deferred considerations shares to a maximum 15,000,000 ordinary shares no later than 31 December 2024. As at 31 December 2023, there were no deferred consideration shares issued and there are up to 15,000,000 ordinary shares remaining to be issued.



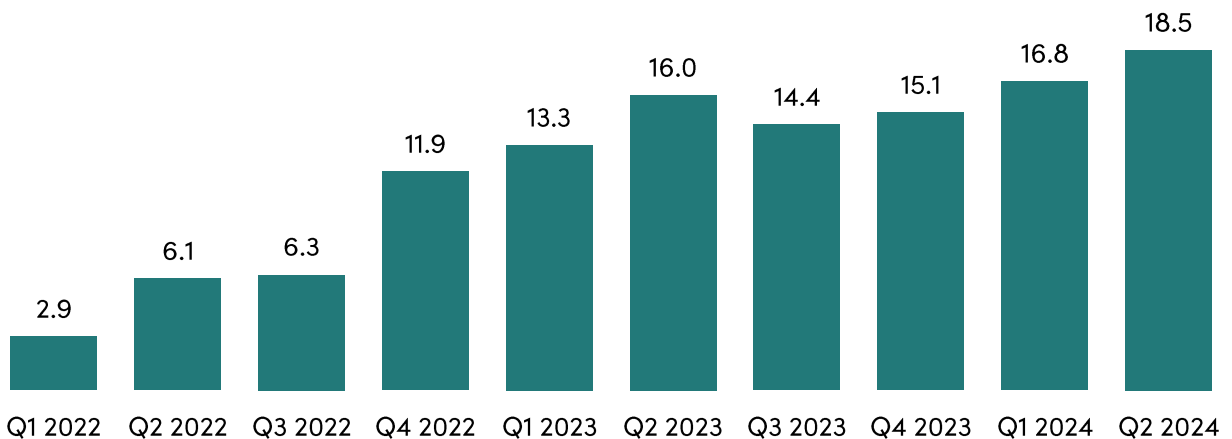
## Key performance metrics for the Quarter

### Group metrics

#### Group Bookings/transactions in 000s

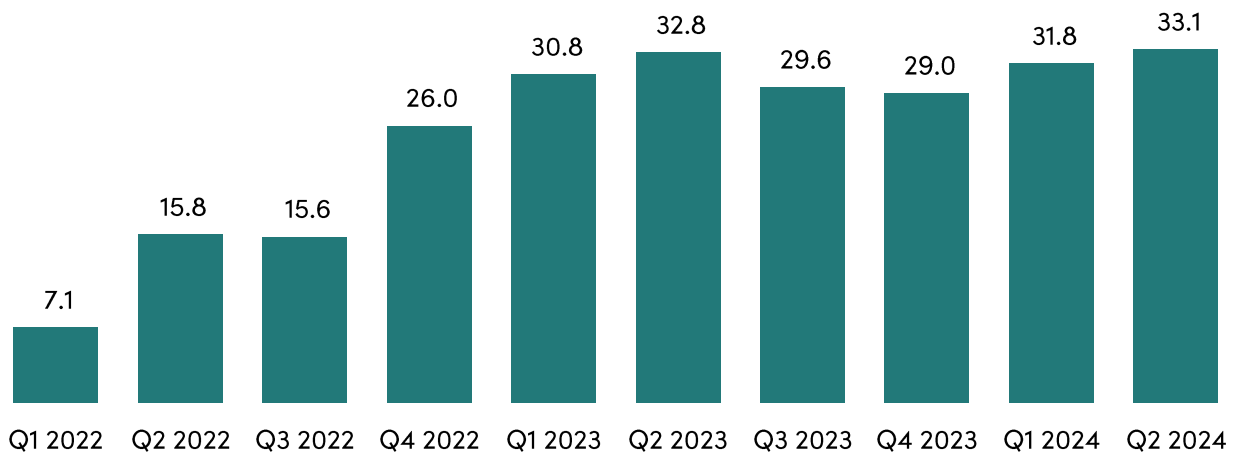


#### Group Gross Merchandise Value (GMV) in \$ millions



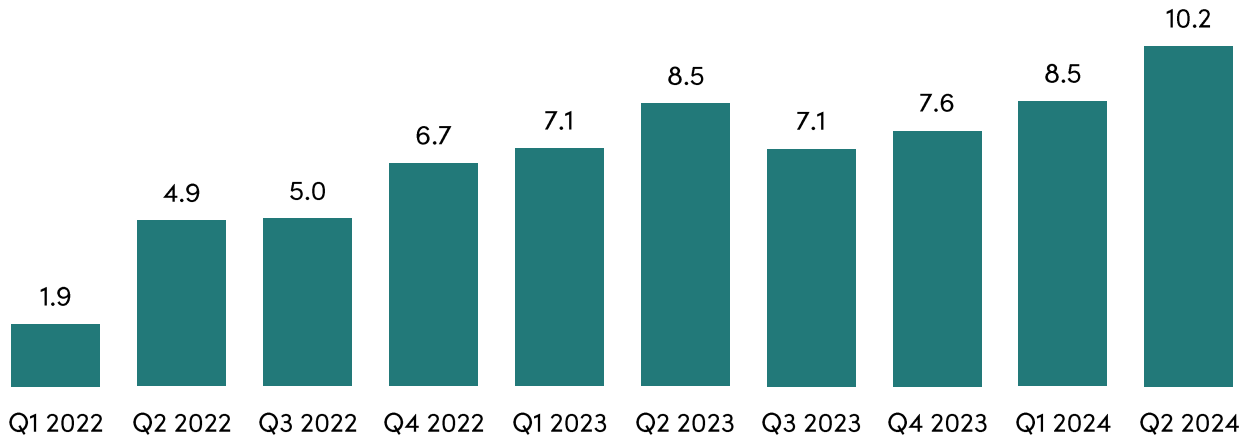
<sup>1</sup>GMV is a non-IFRS measure, it represents the total value of transactions processed by All Mad Paws businesses, on a cash basis, before deducting pet service provider payments, cancellations and refunds, chargebacks, discounts and GST.

#### Group New customers in 000s

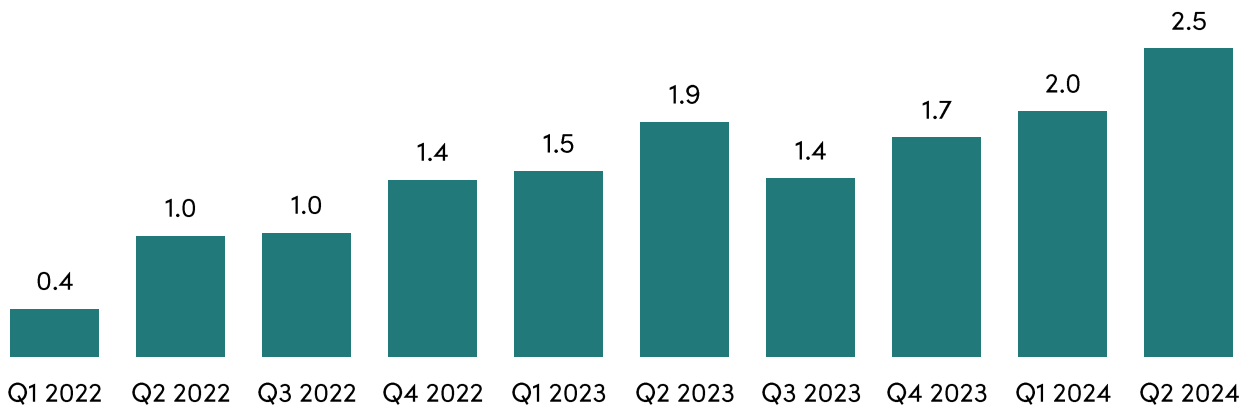


## Segment metrics

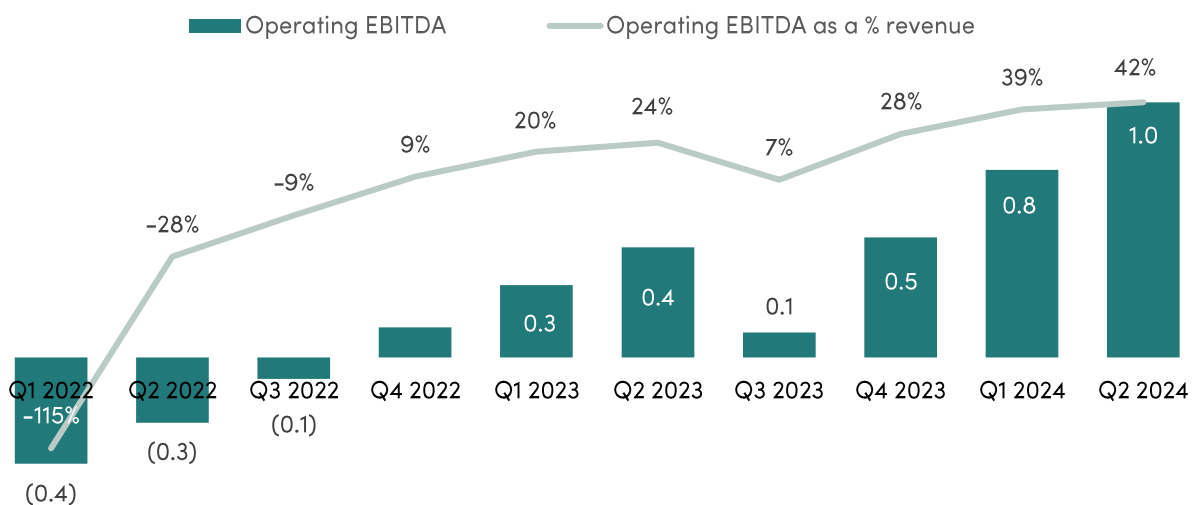
### Marketplace GMV in \$ millions



### Marketplace Revenue in \$ millions

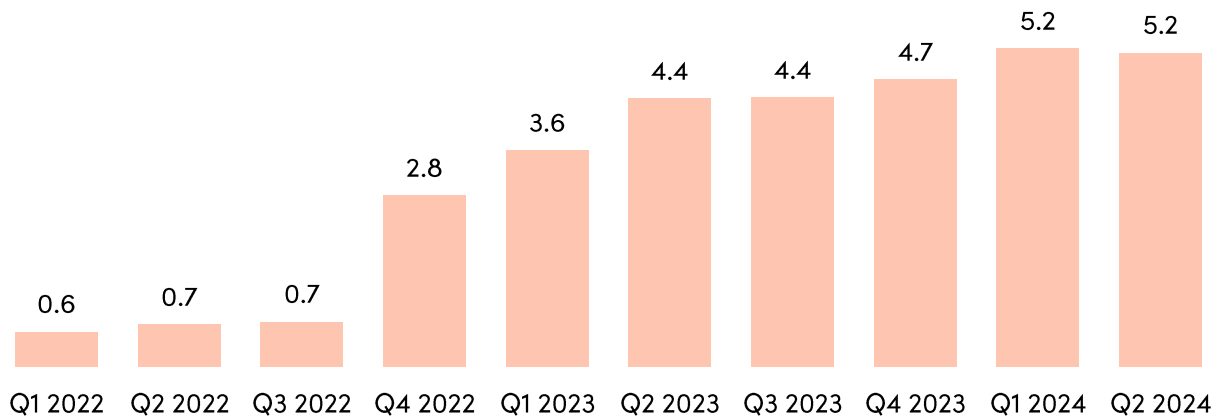


### Marketplace Operating EBITDA in \$ millions

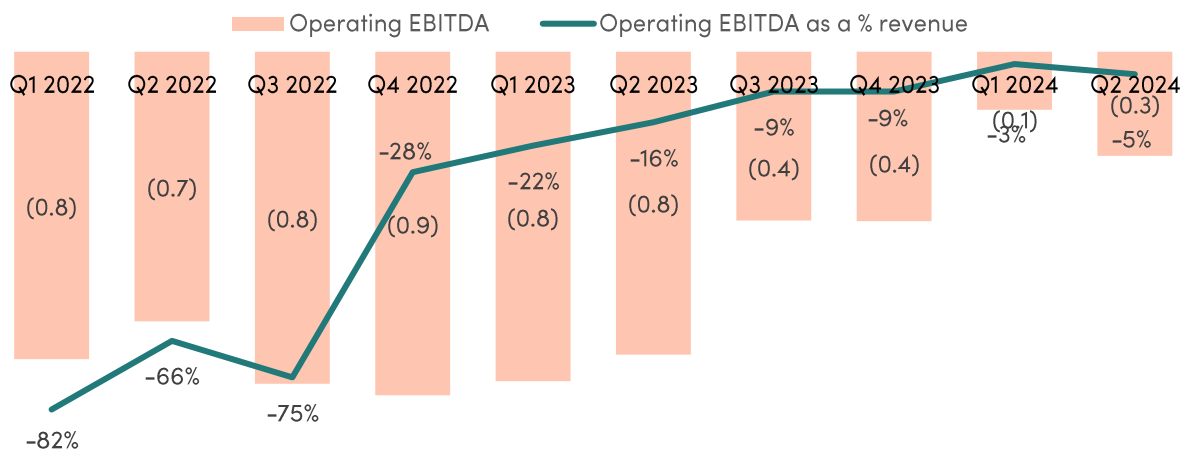




**E-commerce revenue (Excluding closed Dinner bowl product lines) in \$ millions**



**E-commerce Operating EBITDA in \$ millions**



This announcement was approved for release by the Board of Directors of Mad Paws Holdings Limited

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**CONTACTS**

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## About Mad Paws

Mad Paws operates Australia’s leading online pet ecosystem, connecting pet owners with an ecosystem of high-quality services and products.

The Mad Paws pet ecosystem supports over 300,000 active pet owners, facilitating over 400,000 transactions last year, driven by the rapid growth in pet ownership and increased spending on pets in this \$30 billion Australian pet market. The Mad Paws marketplace is the leading online platform for pet owners to book their pet sitting, walking, day care and grooming services, with one of over 40,000 registered pet carers Australia wide. With over 2 million pet care services since inception the Mad Paws pet services marketplace is the leading marketplace of its kind in Australia. Mad Paws also operates an online only e-Commerce division offering pet healthcare, prescription medicine, pet treats and specialty items to improve the every day life of Australian pets, with brands including Pet Chemist, Waggly, Dinner Bowl and Sash beds.

Mad Paws is a purpose driven organisation and exists to enable pets to live their lives to the fullest, supporting owners through all stages of the pet lifecycle.

For more information: [www.madpaws.com.au](http://www.madpaws.com.au)

## Forward Looking Statements

This Announcement may contain forward-looking statements, including estimates, projections and other forward-looking information (**Estimates and Projections**). Forward-looking statements can generally be identified by the use of forward-looking words such as “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of Mad Paws. The Estimates and Projections are based on information available to Mad Paws as at the date of the Announcement, are based upon management’s current expectations, estimates, projections, assumptions and beliefs in regards to future events in respect to Mad Paws’ business and the industry in which it operates which may in time prove to be false, inaccurate or incorrect. The Estimates and Projections are provided as a general guide and should not be relied upon as an indication or guarantee of future performance. The bases for these statements are subject to risk and uncertainties that might be out of control of Mad Paws and may cause actual results to differ from the Announcement. No representation, warranty, or guarantee, whether express or implied, is made or given by Mad Paws in relation to any Estimates and Projections, the accuracy, reliability or reasonableness of the assumptions on which the Estimates and Projections are based, or the process of formulating any Estimates and Projections, including that any Estimates and Projections contained in this Announcement will be achieved. Mad Paws takes no responsibility to make changes to these statements to reflect change of events or circumstances after the release.

## 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.
ARR	Annual Recurring Revenue	Annual recurring revenue (ARR) = Closing subscribers at the end of period X Subscription price X 12 months
Operating Revenue	<u>Non-GAAP</u> measure of revenue	Operating revenue is revenue recognised in accordance with IFRS before the deduction of promotional voucher cost for subscription customers
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
LTM	Last Twelve Months	Refers to the trailing <u>12 month</u> period ending on the reporting date, or as otherwise indicated
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
LTV	Lifetime Value	Lifetime Value = Customer marketplace GMV after cancellations multiplied by take rate % excluding GST for the period from the point the customer was acquired. Lifetime value is taken for a period of up to 7 years where the data is available for that cohort.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

#### Name of entity

Mad Paws Holdings Limited

#### ABN

39 636 243 180

#### Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	14,571	28,069
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(9,943)	(20,092)
(c) advertising and marketing	(992)	(1,814)
(d) leased assets	-	-
(e) staff costs	(2,421)	(4,344)
(f) administration and corporate costs	(206)	(492)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	5
1.5 Interest and other costs of finance paid	(59)	(103)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>954</b>	<b>1,228</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(4)
(d) investments	-	-
(e) intellectual property	(321)	(754)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(321)</b>	<b>(758)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings / working capital	-	250
3.6	Repayment of borrowings	(57)	(85)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other Lease liabilities	(118)	(155)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(175)</b>	<b>10</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,098	3,076
4.2	Net cash from / (used in) operating activities (item 1.9 above)	954	1,228
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(321)	(758)

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(175)	10
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,556</b>	<b>3,556</b>

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,556	3,098
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,556</b>	<b>3,098</b>

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	71
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

Payments in 6.1 relate to CEO, Executive Director remuneration and Director's fees in the quarter

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	1,000	250
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		750
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>Facility provided by Kashkade.</p> <p>Loan fee of 14.50% of the loan principal drawn, future draw downs loan fees will 14.50% plus any change in the RBA cash rate.</p> <p>Commitment fee of 1% of the available limit of \$1,000,000</p> <p>12 month term</p>		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	954
8.2 Cash and cash equivalents at quarter end (item 4.6)	3,556
8.3 Unused finance facilities available at quarter end (item 7.5)	750
8.4 Total available funding (item 8.2 + item 8.3)	4,306
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	n/a
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	



8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....

Authorised by: .The Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.