



8 June 2021

Mad Paws to acquire Waggly Club and Trading Update Webinar
Business update and Webinar - Continuous growth and milestones achieved

Mad Paws Holdings Limited (ASX:MPA) (“**Mad Paws**” or the “**Company**”) is pleased to announce that it has entered into a binding agreement to acquire one of Australia’s largest dog treats and toys subscription business, Gassett Group Pty Ltd ACN 603 552 067 trading as “Waggly Club” (“**Waggly Club**” or “**Waggly**”).

Mad Paws CEO and Co-founder, Justus Hammer, commented on the acquisition:

“We are always interested in strategic acquisitions that accelerate our growth and which fit into the Mad Paws strategy. The Waggly group perfectly complements Mad Paws not just from a product and strategy perspective but we share the same passion for helping pets to live their lives to the fullest.”

“The opportunity to cross sell between Waggly and Mad Paws customers is huge and we are excited for the Waggly team to join us.”

Launched by founder Kate Herbert in 2016, Waggly Club provides dog owners with monthly subscription boxes ranging from \$45 - \$52 per month of Australian made, chemical free and healthy dog treats as well as toys which are tailored to the dog’s age, chewing needs and size.

Waggly Club is a subscription based model with approximately 2,000 boxes ordered per month¹. The subscription based model presently accounts for 70% of the Waggly Club revenue, with the remaining 30% revenue generated from the Waggly online store.² From FY 2020 to FY 2021, Waggly Club revenue has almost doubled from \$800k to \$1.5m.

Waggly’s Founder and CEO - Kate Herbert commented: “As we look to our next horizon, my aim is to scale Waggly and reach more and more dogs and their fur parents each month. To this end, I feel Mad Paws and Waggly are a perfect match.

Mad Paws’ current and future offerings in the premium subscription market are strongly aligned with Waggly’s vision, value proposition and subscription expertise, and our products are complementary not only to the Mad Paws Dinner Bowl and Insurance offerings, but also for distribution and promotion via the Mad Paws marketplace network.

¹ At May 2021

² Based on management accounts provided during due diligence.

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On a personal note, it's a dream of mine to be staying on and working with Mad Paws' exceptional leadership team to help us navigate through this next, exciting phase. It's a far cry from my kitchen table all those years ago, and I'm looking forward to delivering even more tail wags across the country."



Terms of the Waggly Club Sale Agreement

Mad Paws will acquire 100% of the shares in Gasset Group Pty Ltd for A\$2.0 million in cash ("**Cash Consideration**") payable on completion, and A\$1.0 million in Mad Paws fully paid ordinary shares ("**Share Consideration**") as deferred consideration to be issued on 28 June 2021. The Share Consideration will be issued at an issue price of \$0.25 per share (4 million shares).

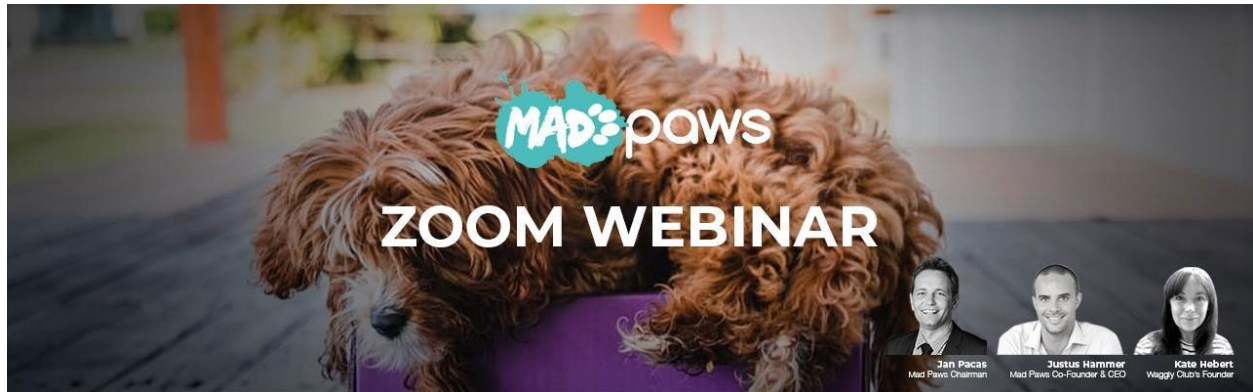
A further amount of up to \$0.5 million will be payable in cash after completion subject to the Waggly Club business achieving agreed revenue-based performance hurdles during the period commencing on completion and ending on 31 December 2022.

The Waggly Club acquisition is not subject to conditions and is expected to be completed today, 8 June 2021.



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Investor Webinar



The Board also invites shareholders and investors to the Mad Paws Company Update Investor Briefing to be held today on 8 June 2021 at 10:30 am AEST.

CEO and Co- founder, Justus Hammer, Chairman Jan Pacas, and Waggly's Founder Kate Herbert will provide a company update, followed by a Q&A session

Details of the event are as follows:

Event: Mad Paws Company Update Webinar

Webinar Presenters: Justus Hammer CEO, Jan Pacas Chairman, and Co-founder and Kate Herbert, Waggly's Founder

Date and Time: 8 June 2021, 10:30 am AEST

Where: Zoom Webinar - details to be provided upon registration

To register your interest in the webinar please click through to the link below.
Registration Link:

https://janemorganmanagement-au.zoom.us/webinar/register/WN_nXDkvoAnTQWsnFC4yGUhEg

This announcement has been approved by the Board of Mad Paws Holdings Limited.

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