

FY 2025 Preliminary Full Year Results

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 release its preliminary unaudited full year results for the 12 months ended 30 June 2025. All financial results are in Australian dollars.

FY 2025 Preliminary Highlights – Continuing Operations

- **Operating Revenues of \$8.9m** – up 14% on pcg
- **Group Operating EBITDA margins +3.2 percentage points on pcg**
 - Marketplace Cash EBITDA of **\$3.7 million up from \$2.6 million** in the pcg, with an **EBITDA margin of 41.7%**
- **Group Operating Cash outflow improved by \$0.1 million to (\$0.3) million**
- **Adjusted Group Operating Cash flow of \$1.0 million, adjusting for one-off items**
- Successfully deployed Seven West Media marketing contra accelerating growth rates of the marketplace
- On 22 July 2025 announced **Scheme Implementation Deed** with Rover Group, Inc and the divestment of the Pet Chemist, and closure of Sash and Waggly brands

Justus Hammer, Co-Founder & CEO commented:

"This year we delivered a strong performance, with revenue from our continuing Marketplace operations growing 14% and Cash EBITDA margins expanding by 8 percentage points to 41.7%. These results reflect both the scalability of our platform and the disciplined execution of our strategy. The successful deployment of our Seven West Media marketing contra has further accelerated our growth and strengthened our brand presence.

At the same time, we have remained focused on unlocking shareholder value, progressing initiatives to close the valuation gap for the Group. This included executing the Scheme Implementation Deed with Rover Group, Inc."

FY 2025 Preliminary Results Summary

During FY25, the continuing operations of Mad Paws Holdings Limited comprised the Group's marketplace and corporate functions. Following the year end, on 22 July 2025, Mad Paws announced it had entered into a binding Scheme Implementation Deed (**SID**) with Rover Group, Inc. (**Rover**), under which it is proposed that Rover will acquire 100% of the issued shares in Mad Paws Holdings Limited by way of scheme of arrangement (**Scheme**). Implementation of the Scheme is subject to certain conditions which are discussed in Mad Paws' ASX Announcement dated 22 July 2025.

Rover's interest is directed towards acquiring the Mad Paws online marketplace business without Mad Paws' online e-commerce division under the Pet Chemist, Sash and Waggly brands.

On 22 July 2025, Mad Paws also announced it had agreed to divest its Pet Chemist business and close the Sash and Waggly e-commerce operations (collectively, the "**E-Commerce Transactions**"). These

E-Commerce Transactions were considered highly probable at 30 June 2025, and accordingly, the results of those businesses are presented as discontinued operations with FY24 comparatives adjusted to align to this treatment.

Group Operating Income Statement

	FY24	FY25	Change \$000s	%
Operating revenue	7,819	8,901	1,082	14%
Cost of goods sold	(412)	(459)	(47)	-12%
Gross Margin	7,407	8,442	1,034	14%
Marketing	(1,755)	(2,194)	(439)	-25%
Employment costs	(1,969)	(1,365)	604	31%
Other opex	(1,047)	(1,170)	(123)	-12%
Marketplace Cash EBITDA (Continuing Operations)	2,636	3,712	1,076	41%
Central/Corporate costs	(3,323)	(4,211)	(888)	-27%
Group Cash EBITDA (Continuing Operations)	(687)	(500)	188	27%
Seven West Media Marketing Contra - Continuing operations	-	(3,210)	(3,210)	nm
Group Operating EBITDA (Continuing Operations)	(687)	(3,710)	(3,023)	-440%
Non operating, non-cash and non-recurring items	(1,331)	(1,600)	(269)	-20%
Depreciation & Amortisation	(669)	(809)	(140)	-21%
Interest revenue	17	14	(3)	-16%
Finance costs	(115)	(594)	(480)	-419%
Loss before income tax benefit (Continuing Operations)	(2,785)	(6,699)	(3,914)	-141%
Income tax benefit/(loss)	-	-	-	0%
Loss before income tax expense (Continuing Operations)	(2,785)	(6,699)	(3,914)	-141%
Profit/(loss) after income tax discontinued operations	(4,432)	(5,573)	(1,141)	-26%
Group Loss after income tax	(7,216)	(12,272)	(5,055)	-70%
Operating metrics - Continuing Operations				
GMV \$000s	34,873.3	39,494.3	4,621.0	13%
Bookings 000s	180.7	192.0	11.3	6%
New customers 000s	46.1	47.4	1.3	3%
Average booking value \$	193.0	205.7	12.7	7%
Gross Margin %	94.7%	94.8%		
Marketplace Cash EBITDA (Continuing Operations) %	33.7%	41.7%		
Group Cash EBITDA (Continuing Operations) %	-8.8%	-5.6%		

Gross Merchandising Value ('GMV') is a non- GAAP measure that represents the total value of transactions processed by all Mad Paws Businesses, on a cash basis, before deduction pet service provider payments, cancellations, refunds, chargebacks, discounts and GST

The Group's continuing operations delivered operating revenue of \$8.9 million in FY25, an increase of 14% on FY24 (\$7.8 million). Growth was driven by higher bookings and customer acquisition, with Gross Marketplace Value (GMV) up 13% to \$39.5 million, supported by a 6% increase in bookings and a 7% increase in average booking value. Gross margin improved 14% to \$8.4 million, maintaining a strong margin profile of 94.8%.

Marketplace Cash EBITDA (Continuing Operations) increased by 41% to \$3.7 million (FY24: \$2.6 million), reflecting operating leverage and disciplined cost management. This result was achieved despite higher investment in marketing, which increased by \$0.4 million (25%) to support growth

initiatives. Employment costs decreased by \$0.6 million (31%) as the Group streamlined operations, while other operating expenses rose by \$0.1 million (12%).

Corporate costs increased by \$0.9 million (27%) to \$4.2 million, resulting in a Group Cash EBITDA (Continuing Operations) loss of \$0.5 million, an improvement of \$0.2 million (27%) compared with FY24.

Seven West Media Marketing Contra

In FY25, the Group deployed \$4.0 million of marketing support under its strategic partnership with Seven West Media. \$3.2 million of this investment was allocated to continuing operations of marketplace and recorded as a non-cash contra expense. The campaigns were well received, generating strong visibility for the Mad Paws brand. Since launch, the Group has observed an acceleration in bookings, new customer acquisition and GMV growth, underpinning the 13% year-on-year GMV uplift and contributing to improved marketplace operating leverage.

Non-operating, Non-cash and Non-recurring Items – Continuing Operations

in \$000s	FY4	FY25	Change	
			\$000s	%
Transaction/Capital raising costs	-	(677)	(677)	nm
Share based payments	(1,125)	(616)	509	45%
Restructuring expenses	(206)	(211)	(5)	-3%
Other non-operating items	-	(95)	(95)	nm
Total	(1,331)	(1,600)	(269)	-20%

The Group incurred non-operating, non-cash and non-recurring costs of \$1.6 million in FY25 (FY24: \$1.3 million). These primarily related to transaction and advisory costs associated with the Rover Scheme transaction, the E-Commerce Transaction divestments and closures, share based payments expense of \$0.6 million down \$0.5 million compared to FY24, as well as other one-off corporate items. These charges are excluded from the Group's cash EBITDA metrics to provide a clearer view of underlying trading performance.

The Group reported a loss before income tax from continuing operations of \$6.7 million, compared to a \$2.8 million loss in FY24. This reflects higher finance costs from the early repayment of the Kashkade facility as well as interest charges from the PFG facility entered into in July 2024, increased depreciation and amortisation, higher non-operating costs and the utilisation of the Seven West Media marketing contra of \$3.2 million.

Discontinued Operations

As announced on 22 July 2025, post year end Mad Paws agreed to divest the Pet Chemist business (operated through Animal Magnetism Pty Ltd and its subsidiaries) and close its remaining e-commerce businesses, Sash and Waggly. These businesses have been presented as discontinued operations in the FY25 results, reflecting the Group's strategic exit from its e-commerce operations.

In FY25, the Group recognised a goodwill impairment of \$2.2 million in relation to the Pet Chemist CGU and \$0.6 million on Waggly and Sash CGU's combined. This impairment charge is included within the results of discontinued operations.

The Pet Chemist divestment is expected to complete by the end of August 2025 for cash consideration of approximately \$13 million on a cash free, debt free basis (subject to net debt, working capital and other purchase price adjustments). Concurrently with the Pet Chemist divestment, the Group has also proceeded with the closure of the Sash and Waggly businesses, with customer notifications

completed, operations largely ceased and deregistration of Gassett Group Pty Ltd, which operated Waggly, to occur in due course.

The discontinued operations recorded a loss after income tax of \$5.6 million in FY25 (FY24: \$4.4 million), reflecting the impairment charge, operating costs associated with the e-commerce businesses, and transaction-related expenses.

Collectively, these Pet Chemist, Sash and Waggly transactions represent the Group's exit from its e-commerce division. Following completion of these, Mad Paws will only operate its online pet services marketplace, with the continuing business focused on driving growth in bookings, customer acquisition and operating leverage.

Cash Flow

in \$000s	FY24	FY25	\$000s	%
Cash flows from operating activities				
Receipts from customers (inclusive of GST)	54,855	56,796	1,941	4%
Payments to suppliers – sitters payment	(24,580)	(26,051)	(1,471)	6%
	30,276	30,745	470	2%
Interest received	17	14	(3)	-18%
Payments to suppliers and employees (inclusive of GST)	(30,441)	(30,074)	367	-1%
Interest and other finance costs paid	(259)	(607)	(349)	135%
Transaction costs paid	-	(371)	(371)	0%
Net cash used in operating activities	(407)	(293)	114	28%
Cash flows from investing activities				
Payments for property, plant and equipment	(58)	(6)	52	-90%
Payments for intangibles	(1,482)	(491)	992	67%
Net cash used in investing activities	(1,540)	(496)	1,044	68%
Cash flows from financing activities				
Proceeds from issue of shares	1,250	-	(1,250)	-100%
Proceeds from borrowings	750	2,000	1,250	167%
Repayment of borrowings	(358)	(1,166)	(809)	-226%
Repayment of lease liabilities	(321)	(469)	(149)	-46%
Net cash from financing activities	1,322	364	(957)	-72%
Net decrease in cash and cash equivalents	(626)	(425)	201	32%
Cash and cash equivalents at the end of the financial year	2,462	2,036	(425)	-17%

For the year ended 30 June 2025, the Group recorded net cash outflows from operating activities of \$0.3 million (FY24: outflow of \$0.4 million). Receipts from customers (inclusive of GST) increased to \$56.8 million (FY24: \$54.9 million), reflecting growth in bookings and GMV. Payments to sitters rose to \$26.1 million (FY24: \$24.6 million), consistent with the increase in GMV.

Operating cash flows were impacted by one-off items totalling \$1.3 million, including:



- \$0.4 million of transaction costs relating to the Rover Scheme and E-Commerce Transactions,
- \$0.4 million payment for the GST component of the Seven West Media marketing contra,
- \$0.2 million restructuring costs to reduce technology and product resources in the Marketplace, and
- \$0.3 million above-the-line content production expenses.

Excluding these items, the Group generated positive operating cash flows of \$1.0 million in FY25, highlighting the underlying cash-generating capacity of the marketplace business.

Net cash used in investing activities was \$0.5 million (FY24: \$1.5 million), reflecting a \$1.0 million reduction compared to FY24. The reductions were driven by a rationalisation across the marketplace product and technology employment costs as the platform reached a level of maturity. This shift allowed the Group to focus on innovating and enhancing the existing platform rather than undertaking larger platform builds.

Financing activities generated net cash inflows of \$0.4 million (FY24: inflow of \$1.3 million). During the year, the Group refinanced its existing facility, replacing it in July 2024 with a \$2.0 million facility with a 36-month term provided by Partners For Growth (**PFG**). The refinancing supported brand and customer acquisition, enabled the Group to realise savings under the cost reduction program executed in Q1 FY25, and provided general working capital. As part of the refinancing, the Group repaid \$0.4 million of outstanding liabilities under its Kashcade facility and incurred \$0.1 million of one-off establishment costs.

Overall, the Group recorded a net decrease in cash and cash equivalents of \$0.4 million (FY24: decrease of \$0.6 million), with year-end cash of \$2.0 million (30 June 2024: \$2.5 million).

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

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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.

For more information: 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.