

Mad Paws Holdings Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Mad Paws Holdings Limited
ABN:	39 636 243 180
Reporting period:	For the year ended 30 June 2025
Previous period:	For the year ended 30 June 2024

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	1.4% to	27,392,880
Revenue from continuing operations	up	13.8% to	8,900,964
Loss after income tax expense from continuing operations	up	140.5% to	(6,698,831)
Loss from ordinary activities after tax attributable to the owners of Mad Paws Holdings Limited	up	70.1% to	(12,271,688)
Loss for the year attributable to the owners of Mad Paws Holdings Limited	up	70.1% to	(12,271,688)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the Group after providing for income tax amounted to \$12,271,688 (30 June 2024: \$7,216,488).

Refer to Market announcement, which precedes the Appendix 4E, for further commentary on the results for the year ended 30 June 2025.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.662</u>	<u>(0.719)</u>

Right-of-use assets and lease liabilities have been excluded from net tangible assets.

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements are in the process of being audited and an unmodified opinion is expected to be issued.

11. Attachments

Details of attachments (if any):

The Unaudited Preliminary Financial Report of Mad Paws Holdings Limited for the year ended 30 June 2025 is attached.

12. Signed



Signed _____

Date: 28 August 2025

Jan Pacas
Chairman

Mad Paws Holdings Limited

ABN 39 636 243 180

Unaudited Preliminary Financial Report - 30 June 2025

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Mad Paws Holdings Limited
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30 June 2025

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Mad Paws Holdings Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Revenue from continuing operations	2	8,900,964	7,819,204
Interest revenue calculated using the effective interest method		13,918	16,945
Expenses			
Employee benefits expense		(3,394,783)	(3,405,600)
Contractors' expense		(809,188)	(760,597)
Depreciation and amortisation expense	3	(808,540)	(668,669)
Share-based payments expense	3	(616,285)	(1,125,130)
IT expenses		(887,013)	(892,336)
Marketing expenses	3	(5,885,851)	(1,803,541)
Merchant fees		(506,796)	(463,335)
Professional and consultancy expenses		(467,294)	(449,822)
Travel expenses		(6,400)	(8,968)
Transaction costs		(677,432)	(32,275)
Other expenses		(959,686)	(895,928)
Finance costs	3	(594,445)	(114,622)
Loss before income tax expense from continuing operations		(6,698,831)	(2,784,674)
Income tax expense		-	-
Loss after income tax expense from continuing operations		(6,698,831)	(2,784,674)
Loss after income tax benefit from discontinued operations	4	(5,572,857)	(4,431,814)
Loss after income tax benefit for the year attributable to the owners of Mad Paws Holdings Limited		(12,271,688)	(7,216,488)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year attributable to the owners of Mad Paws Holdings Limited		<u>(12,271,688)</u>	<u>(7,216,488)</u>
Total comprehensive loss for the year is attributable to:			
Continuing operations		(6,698,831)	(2,784,674)
Discontinued operations		(5,572,857)	(4,431,814)
		<u>(12,271,688)</u>	<u>(7,216,488)</u>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Mad Paws Holdings Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Mad Paws Holdings Limited			
Basic earnings per share	10	(1.65)	(0.75)
Diluted earnings per share	10	(1.65)	(0.75)
Earnings per share for loss from discontinued operations attributable to the owners of Mad Paws Holdings Limited			
Basic earnings per share	10	(1.37)	(1.19)
Diluted earnings per share	10	(1.37)	(1.19)
Earnings per share for loss attributable to the owners of Mad Paws Holdings Limited			
Basic earnings per share	10	(3.02)	(1.93)
Diluted earnings per share	10	(3.02)	(1.93)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

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Mad Paws Holdings Limited
Statement of financial position
As at 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents		1,668,142	2,461,577
Trade and other receivables		9,861	277,612
Inventories		80,862	1,832,793
Income tax refund due		1,073	1,073
Other assets	5	368,442	4,701,597
		<u>2,128,380</u>	<u>9,274,652</u>
Assets of disposal groups classified as held for sale	4	16,533,871	-
Total current assets		<u>18,662,251</u>	<u>9,274,652</u>
Non-current assets			
Property, plant and equipment		5,681	118,938
Right-of-use assets		17,490	2,085,812
Intangibles	6	3,393,908	21,216,685
Other assets		-	449
Total non-current assets		<u>3,417,079</u>	<u>23,421,884</u>
Total assets		<u>22,079,330</u>	<u>32,696,536</u>
Liabilities			
Current liabilities			
Trade and other payables	7	3,268,576	5,431,118
Contract liabilities		405,703	768,361
Borrowings	8	1,792,090	608,580
Lease liabilities		110,365	469,230
Employee benefits		469,392	438,717
Other liabilities	9	3,941,581	3,411,051
		<u>9,987,707</u>	<u>11,127,057</u>
Liabilities directly associated with assets classified as held for sale	4	5,988,293	-
Total current liabilities		<u>15,976,000</u>	<u>11,127,057</u>
Non-current liabilities			
Borrowings		-	6,951
Lease liabilities		-	1,873,959
Deferred tax		-	1,561,548
Employee benefits		112,642	88,278
Total non-current liabilities		<u>112,642</u>	<u>3,530,736</u>
Total liabilities		<u>16,088,642</u>	<u>14,657,793</u>
Net assets		<u>5,990,688</u>	<u>18,038,743</u>
Equity			
Issued capital		64,804,457	64,804,457
Reserves		334,408	110,775
Accumulated losses		(59,148,177)	(46,876,489)
Total equity		<u>5,990,688</u>	<u>18,038,743</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Mad Paws Holdings Limited
Statement of changes in equity
For the year ended 30 June 2025

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	58,532,038	(268,639)	(39,660,001)	18,603,398
Loss after income tax expense for the year	-	-	(7,216,488)	(7,216,488)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(7,216,488)	(7,216,488)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	6,272,419	-	-	6,272,419
Share-based payments (note 11)	-	379,414	-	379,414
Balance at 30 June 2024	<u>64,804,457</u>	<u>110,775</u>	<u>(46,876,489)</u>	<u>18,038,743</u>

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	64,804,457	110,775	(46,876,489)	18,038,743
Loss after income tax expense for the year	-	-	(12,271,688)	(12,271,688)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(12,271,688)	(12,271,688)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 11)	-	223,633	-	223,633
Balance at 30 June 2025	<u>64,804,457</u>	<u>334,408</u>	<u>(59,148,177)</u>	<u>5,990,688</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Mad Paws Holdings Limited
Statement of cash flows
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		56,796,039	54,855,293
Payments to suppliers - sitters payment		(26,050,558)	(24,579,702)
Interest received		30,745,481	30,275,591
		13,917	16,942
Payments to suppliers and employees (inclusive of GST)		(30,074,290)	(30,440,963)
Interest and other finance costs paid		(607,490)	(258,676)
Transaction costs paid		(370,851)	-
Net cash used in operating activities		(293,233)	(407,106)
Cash flows from investing activities			
Payments for property, plant and equipment		(5,786)	(57,705)
Payments for intangibles		(490,514)	(1,482,466)
Net cash used in investing activities		(496,300)	(1,540,171)
Cash flows from financing activities			
Proceeds from issue of shares		-	1,250,000
Proceeds from borrowings		2,000,000	750,000
Repayment of borrowings		(1,166,452)	(357,915)
Repayment of lease liabilities		(469,230)	(320,571)
Net cash from financing activities		364,318	1,321,514
Net decrease in cash and cash equivalents		(425,215)	(625,763)
Cash and cash equivalents at the beginning of the financial year		2,461,577	3,087,340
Cash and cash equivalents at the end of the financial year		<u>2,036,362</u>	<u>2,461,577</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Operating segments

Identification of reportable operating segments

The Group is organised into two operating segments, being marketplace and e-commerce & subscription. The operating segments are identified based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

There is no aggregation of operating segments.

Other segments represent the activities of the corporate headquarters and central costs.

During the year, the CODM change the review from Operational EBITDA (earnings before interest, tax, depreciation, amortisation and non-operating income and costs) to Group Cash EBITDA which represents the core business of the Group.

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements, except for the presentation of promotion discounts on subscription products. In the statement of profit or loss and other comprehensive income, revenue is presented net of promotion discounts on subscription products. For internal reporting purposes, promotion discounts on subscription products are presented as an expense.

The information reported to the CODM is on a monthly basis. The geographic region all segments operate in is Australia.

Types of products and services

The principal products and services of each of these operating segments are as follows:

Marketplace	An Australian based pet services marketplace that matches and connects pet owners seeking pet care services, such as walking, day care and grooming with pet sitters, walkers and other pet services providers, vetted and registered by Mad Paws.
e-Commerce & Subscription	Represents the groups of various pet product verticals including medication, over the counter pet related products, pet food and toys and treats. This segment was discontinued during the year. Refer to note 4.

Major customers

During the years ended 30 June 2025 and 30 June 2024, no customer contributed more than 10% to the Group's external revenue.

Note 1. Operating segments (continued)

	Marketplace \$	e-Commerce & Subscription \$	Other segments \$	Total \$
Consolidated - 2025				
Revenue				
Sales to external customers	8,900,964	18,491,916	-	27,392,880
Total sales revenue	8,900,964	18,491,916	-	27,392,880
Rent-sub lease income	-	152,280	-	152,280
Interest revenue	-	-	13,918	13,918
Total revenue	8,900,964	18,644,196	13,918	27,559,078
Group Cash EBITDA				
SWM marketing contra (note 5)	(3,210,400)	(789,600)	-	(4,000,000)
Group Operating EBITDA	501,406	(1,041,595)	(4,211,378)	(4,751,567)
Transaction costs				(677,432)
Share based payments				(616,285)
Depreciation and amortisation				(2,290,768)
Impairment of assets				(2,770,993)
Write off of assets				(242,913)
Restructuring expenses				(211,303)
Other non-operating items				(348,720)
Interest revenue				13,918
Finance costs				(594,445)
Loss before income tax benefit				(12,490,508)
Income tax benefit				218,820
Loss after income tax benefit				(12,271,688)
Consolidated - 2024				
Revenue				
Sales to external customers	7,819,204	19,970,392	-	27,789,596
Total sales revenue	7,819,204	19,970,392	-	27,789,596
Rent-sub lease income	-	63,215	-	63,215
Interest revenue	-	-	16,945	16,945
Total revenue	7,819,204	20,033,607	16,945	27,869,756
Group Cash EBITDA				
Acquisition/capital raising costs				(51,926)
Share-based payments				(1,125,130)
Depreciation and amortisation				(2,277,169)
Deferred consideration - linked to remuneration				1,916
Impairment of assets				(2,214,401)
Restructuring costs				(205,870)
Other non-operating items				(70,993)
Interest revenue				16,945
Finance costs				(258,676)
Loss before income tax benefit				(7,464,929)
Income tax benefit				248,441
Loss after income tax benefit				(7,216,488)

All assets and liabilities, including taxes are not allocated to the operating segments as they are managed on an overall group basis. Assets and liabilities relating to discontinued operations are presented separately in accordance with AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Note 2. Revenue

	Consolidated	
	2025	2024
	\$	\$
From continuing operations		
Rendering of services - booking fee	3,363,943	2,437,774
Rendering of services - service fee	5,508,483	5,359,072
Other	28,538	22,358
Revenue from continuing operations	<u>8,900,964</u>	<u>7,819,204</u>

Disaggregation of revenue

Revenue from contracts with customers is derived from:

- booking fees; and
- service fees.

Booking fee

Booking fee revenue is recognised at the point in time of booking the sitting service. This is non-refundable should pet owners cancel the booking.

Service fee

Service fee revenue is recognised at the point in time of commencement of the sitting service.

Note 3. Expenses

	Consolidated 2025 \$	2024 \$
Loss before income tax from continuing operations includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	15,357	35,991
<i>Amortisation</i>		
Website and software development	793,183	632,678
Total depreciation and amortisation	808,540	668,669
<i>Marketing expenses</i>		
SWM marketing contra (note 5)	3,210,400	-
Other marketing expenses	2,675,451	1,803,541
	5,885,851	1,803,541
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	594,445	114,622
<i>Net foreign exchange loss</i>		
Net foreign exchange loss	33,208	43,708
<i>Leases</i>		
Short-term lease payments	98,883	104,478
<i>Superannuation expense</i>		
Defined contribution superannuation expense	340,933	457,042
<i>Share-based payments expense</i>		
Share-based payments - employee share option plan	292,563	379,414
Share-based payments - to employees in lieu of cash remuneration	323,722	478,882
Share-based payments - to third party service provider in lieu of services provided	-	266,834
	616,285	1,125,130

Note 4. Discontinued operations

Divestment of Pet Chemist

Mad Paws Holdings Limited entered into a share sale agreement on 22 July 2025 with VetPartners to give effect to the divestment of the Pet Chemist business (**Pet Chemist**). This transaction (**Pet Chemist Divestment**) involves the sale of 100% of the shares in Animal Magnetism Pty Ltd (and its subsidiaries) 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). Completion is expected by the end of August 2025. Following completion, the founder and CEO of Pet Chemist, Howard Humphreys, will continue as CEO of Pet Chemist under VetPartners, and will resign from the Mad Paws Holdings Limited Board. Mad Paws Holdings Limited has agreed to provide certain transitional services to VetPartners for an initial period of three months after completion.

Closure of Sash and Waggly Businesses

Mad Paws Holdings Limited also commenced the process to close the Sash and Waggly businesses. This closure process is being undertaken concurrently with completion of the Pet Chemist Divestment. Customers of these brands have been notified, and deregistration of Gasset Group Pty Ltd, which operated Waggly, will occur in due course.

Impact on Continuing Operations

Following the Pet Chemist Divestment and Sash and Waggly business closures, Mad Paws will only operate its online marketplace business.

Note 4. Discontinued operations (continued)

Financial performance information

	Consolidated	
	2025	2024
	\$	\$
<i>Revenue from contracts with customers</i>		
Subscription revenue	1,382,723	2,510,077
e-Commerce revenue	15,341,368	15,913,198
Pet Medication order management fees	1,767,825	1,547,117
Total revenue	<u>18,491,916</u>	<u>19,970,392</u>
<i>Other revenue</i>		
Rent - sub lease income	152,280	63,215
Insurance recoveries	364	9,320
Total other income	<u>152,644</u>	<u>72,535</u>
Raw materials and consumables used	(10,397,143)	(10,617,151)
Delivery expenses	(2,751,776)	(3,250,456)
Employee benefits expense	(2,430,207)	(3,355,695)
Contractors' expense	(139,598)	(184,562)
Depreciation and amortisation expense	(1,482,228)	(1,608,500)
Impairment of goodwill	(2,770,993)	(2,214,401)
Write off of assets	(242,913)	-
IT expenses	(678,603)	(611,216)
Marketing expenses	(2,456,162)	(1,688,890)
Merchant fees	(472,536)	(443,662)
Professional and consultancy expenses	(1,100)	(16,327)
Travel expenses	(4,031)	(1,019)
Other expenses	(474,271)	(587,245)
Finance costs	(134,676)	(144,058)
Total expenses	<u>(24,436,237)</u>	<u>(24,723,182)</u>
Loss before income tax benefit	(5,791,677)	(4,680,255)
Income tax benefit	218,820	248,441
Loss after income tax benefit from discontinued operations	<u>(5,572,857)</u>	<u>(4,431,814)</u>

Cash flow information

	Consolidated	
	2025	2024
	\$	\$
Net cash used in operating activities	(528,266)	(747,560)
Net cash used in investing activities	(2,796)	(94,729)
Net cash used in financing activities	(466,159)	(320,279)
Net decrease in cash and cash equivalents from discontinued operations	<u>(997,221)</u>	<u>(1,162,568)</u>

Note 4. Discontinued operations (continued)

Carrying amounts of assets and liabilities disposed

	Consolidated 2025 \$
Assets of disposal groups classified as held for sale	
<i>Current assets</i>	
Cash and cash equivalents	368,220
Trade and other receivables	206,055
Inventories	989,701
Prepayments	62,692
Property, plant and equipment	47,913
Right-of-use assets	1,044,820
Goodwill	8,309,950
Brand, domain and trademarks	2,988,292
Pharmacy supply agreement	2,248,222
Customer relationships	134,400
Website and software development	132,123
Product listings	1,034
Other assets	449
	<u>16,533,871</u>
Liabilities directly associated with assets classified as held for sale	
<i>Current liabilities</i>	
Trade payables	(2,445,411)
Accrued expenses and other payables	(692,728)
Contract liabilities	(215,389)
Lease liability	(1,236,567)
Employee benefits	(55,470)
Deferred tax liability	(1,342,728)
	<u>(5,988,293)</u>
Net carrying amounts of assets and liabilities disposed	<u><u>10,545,578</u></u>

Note 5. Other assets

	Consolidated 2025 \$	2024 \$
<i>Current assets</i>		
Prepayments	<u>368,442</u>	<u>4,701,597</u>

In 2024, prepayments included \$4.0 million of advertising media services provided by Seven West Media ('SWM') in exchange for the issue of equity in Mad Paws Holdings Limited.

Note 6. Intangibles

	Consolidated	
	2025	2024
	\$	\$
<i>Non-current assets</i>		
Goodwill - at cost	1,054,700	14,250,043
Less: Impairment	-	(2,114,400)
	1,054,700	12,135,643
Brand, domain and trademarks - at cost	2,203	4,431,793
Less: Accumulated amortisation	-	(998,588)
	2,203	3,433,205
Customer relationships - at cost	363,000	747,000
Less: Accumulated amortisation	(363,000)	(535,800)
	-	211,200
Website and software development - at cost	5,339,539	5,238,560
Less: Accumulated amortisation	(2,693,781)	(2,098,796)
Less: Impairment	(308,753)	(308,753)
	2,337,005	2,831,011
Product listings - at cost	-	92,434
Less: Accumulated amortisation	-	(68,100)
	-	24,334
Pharmacy supply agreement - at cost	-	3,330,700
Less: Accumulated amortisation	-	(749,408)
	-	2,581,292
	3,393,908	21,216,685

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill \$	Brand, domain and trademarks \$	Customer relationships \$	Website and software development \$	Product listings \$	Pharmacy supply agreement \$	Total \$
Balance at 1 July 2023	14,250,043	3,875,915	398,917	2,150,241	52,966	2,914,362	23,642,444
Additions	-	-	-	1,480,666	2,142	-	1,482,808
Impairment of assets *	(2,114,400)	-	-	(100,001)	-	-	(2,214,401)
Amortisation expense	-	(442,710)	(187,717)	(699,895)	(30,774)	(333,070)	(1,694,166)
Balance at 30 June 2024	12,135,643	3,433,205	211,200	2,831,011	24,334	2,581,292	21,216,685
Additions	-	-	-	557,910	-	-	557,910
Classified as held for sale (note 4)	(8,309,950)	(2,988,292)	(134,400)	(132,123)	(1,034)	(2,248,222)	(13,814,021)
Impairment of assets *	(2,770,993)	-	-	-	-	-	(2,770,993)
Write off of assets	-	-	-	(69,572)	-	-	(69,572)
Amortisation expense	-	(442,710)	(76,800)	(850,221)	(23,300)	(333,070)	(1,726,101)
Balance at 30 June 2025	1,054,700	2,203	-	2,337,005	-	-	3,393,908

Note 6. Intangibles (continued)

* Mad Paws Group performed a review of the Pet Chemist business and Sash & Waggly technology platform resulting in a goodwill impairment of \$2,770,993 (2024: \$2,114,400). Since this relates to discontinued operations, there is no accumulated impairment in relation to the remaining goodwill balance. In 2024, a review of software development activities for the Waggly platform was performed resulting the impairment of previously capitalised software development costs of \$100,001.

Goodwill acquired through business combinations have been allocated to the following CGU:

	Consolidated	
	2025	2024
	\$	\$
Waggly	-	445,195
Sash	-	106,927
Pet Chemist	-	10,528,821
Marketplace	1,054,700	1,054,700
	<u>1,054,700</u>	<u>12,135,643</u>

Note 7. Trade and other payables

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Trade payables	1,367,602	3,861,359
Accrued expenses and other payables	1,786,570	1,389,785
GST payable	114,404	179,974
	<u>3,268,576</u>	<u>5,431,118</u>

Note 8. Borrowings

	Consolidated	
	2025	2024
	\$	\$
<i>Current liabilities</i>		
Bank loan - asset finance	6,951	9,657
Debt facility - Kashcade	-	399,727
Debt facility - PFG	1,593,272	-
Insurance premium funding	191,867	199,196
	<u>1,792,090</u>	<u>608,580</u>
<i>Non-current liabilities</i>		
Bank loan - asset finance	-	6,951

Bank loans

The bank loan - asset finance has a term of 5 years and is secured over the financed assets. Interest is charged at 5.5% per annum. The principal and interest are repaid in monthly instalments.

Note 8. Borrowings (continued)

Debt facility - Kashcade

The Debt facility had a facility limit of \$1.0 million for working capital purposes. A maximum of \$250,000 per month can be drawn down with a minimum draw down of \$100,000 per month. Each draw down has a repayment term of 12 months from the draw down date. A loan fee is charged of 14.5% at the time of drawdown, future loan fees will be 14.50% plus any change in the RBA cash rate since 30 September 2023, with principal and the loan fee repaid in monthly instalments. The facility is secured over the assets of the Group.

The Kashcade facility was repaid on 25 July 2024.

Debt facility - PFG

On 25 July 2024, the Group refinanced its existing debt facility with Kashcade, replacing it with a \$2.0 million facility with Partners for Growth VII, L.P. ('PFG').

The structure and duration of the facility is intended to enhance Mad Paw's financial position and provide the Company with resources to support its business objectives, including Mad Paws' upcoming brand and customer acquisition efforts and general working capital. In addition, funds from the facility have been used to repay the pre-existing \$1.0 million growth working capital facility with Kashcade that was discharged in full following PFG drawdown (repayment amount of remaining drawn funds of \$0.4 million).

Loan refinanced facility details are:

- The facility interest rate is pegged at BBSW plus 8.6975%, with a minimum rate of 12.00%.
- Other fees include:
 - an establishment fee of 2.00% (being \$40,000);
 - pre-payment fees for any early voluntary prepayment; and
 - back-end fee of up to \$315,000 payable upon maturity.
- Mad Paws is required to adhere to certain financial covenants during the facility term, including maintaining minimum levels of profitability, gross margin, and liquidity, in addition to other undertakings and covenants, which are customary for facilities of this nature.
- The loan facility contains typical events of default on which the facility becomes repayable, including for breach of covenants or misrepresentations.
- PFG were granted a first-ranking security interest over all assets of the Company and its subsidiaries.
- The loan facility has a 36-month term.

Insurance premium funding

The facility, used to fund the Group's insurance premiums, has a term of 12 months and is repaid in monthly instalments.

Note 9. Other liabilities

Current liabilities

Sitter deposit accounts

	Consolidated	
	2025	2024
	\$	\$
	3,941,581	3,411,051

Note 10. Earnings per share

	Consolidated 2025 \$	2024 \$
<i>Earnings per share for loss from continuing operations</i>		
Loss after income tax attributable to the owners of Mad Paws Holdings Limited	(6,698,831)	(2,784,674)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	406,228,844	373,200,836
Weighted average number of ordinary shares used in calculating diluted earnings per share	406,228,844	373,200,836
	Cents	Cents
Basic earnings per share	(1.65)	(0.75)
Diluted earnings per share	(1.65)	(0.75)
<i>Earnings per share for loss from discontinued operations</i>		
Loss after income tax attributable to the owners of Mad Paws Holdings Limited	(5,572,857)	(4,431,814)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	406,228,844	373,200,836
Weighted average number of ordinary shares used in calculating diluted earnings per share	406,228,844	373,200,836
	Cents	Cents
Basic earnings per share	(1.37)	(1.19)
Diluted earnings per share	(1.37)	(1.19)
<i>Earnings per share for loss</i>		
Loss after income tax attributable to the owners of Mad Paws Holdings Limited	(12,271,688)	(7,216,488)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	406,228,844	373,200,836
Weighted average number of ordinary shares used in calculating diluted earnings per share	406,228,844	373,200,836
	Cents	Cents
Basic earnings per share	(3.02)	(1.93)
Diluted earnings per share	(3.02)	(1.93)

61,785,477 (2024: 49,684,317) options over ordinary shares are not included in the calculation of diluted earnings per share because they are anti-dilutive for the year ended 30 June 2025.

Note 11. Share-based payments

Employee share options plan

Under the existing employee share options plan ('ESOP'), employee share options have been granted to certain employees as part of their remuneration package under Long Term Incentives ('LTI') and Short Term Incentives ('STI') arrangements.

LTI options

Under the LTI plan, options vest over 3 years, subject to the employees satisfying the vesting condition, which is an employment condition. There are no other vesting conditions attaching to the share options. Options vest as follows: one third over 12 months after start date, one third over 24 months after start date and one third over 36 months after start date. The options have a 6 year expiration.

During the financial year ended 30 June 2025, 8.25 million of LTI Options were issued to senior management which included market based vesting conditions as detailed below:

- Tranche 1 – 2,750,000 Options vest if the Company's market capitalisation plus the value of any share buy backs is greater than \$45,000,000.
- Tranche 2 – 2,750,000 Options vest if the Company's market capitalisation plus the value of any share buy backs is greater than \$60,000,000.
- Tranche 3 – 2,750,000 Performance vest if the Company's market capitalisation plus the value of any share buy backs is greater than \$80,000,000.

Market capitalisation is based on the 15-day volume weighted average share price ("VWAP").

The eligible employee needs to be employed by the Group at the vesting date for the options to vest.

All other terms and conditions of the grant are in with the LTI plan.

STI options

Under the STI plan, employees will receive a minimum of 50% of their total eligible STI in STI options. STI options have a zero exercise price and vest in two equal tranches, with 50% vesting on the first anniversary after the date of grant, and the remaining 50% vesting on the second anniversary after the date of grant, subject to the participant's continued employment at the applicable vesting date. The options have a 5 year expiration.

Salary sacrifice scheme

The Company offers eligible directors and employees the option to sacrifice a percentage of their salary to be received in shares. Shares issued under the scheme are issued at a 10% discount to Volume Weighted Average Price (VWAP) calculated.

Options granted and forfeited during the financial year related to the LTI and STI plan with 100% of the eligible STI settled in STI options, total expense for the year was \$223,633 (2024: \$379,414).

In addition to the STI option expense the Group incurred share-based payment expense to employees/directors in lieu of cash remuneration of \$323,722 (2024: \$478,882).

Note 11. Share-based payments (continued)

Set out below are summaries of options granted as at 30 June 2025:

2025	Grant Date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
	01/07/2015	\$0.0022	300,036	-	-	-	300,036
	01/10/2015	\$0.0022	1,667,750	-	-	-	1,667,750
	15/11/2015	\$0.0022	212,837	-	-	-	212,837
	31/01/2016	\$0.0022	212,837	-	-	-	212,837
	26/04/2016	\$0.0929	427,262	-	-	-	427,262
	01/07/2017	\$0.0022	584,665	-	-	-	584,665
	01/09/2018	\$0.0230	207,119	-	-	-	207,119
	17/09/2018	\$0.0230	36,108	-	-	-	36,108
	09/01/2019	\$0.0230	2,763,700	-	-	-	2,763,700
	15/01/2019	\$0.0230	198,542	-	-	-	198,542
	01/02/2019	\$0.0230	100,647	-	-	-	100,647
	03/06/2019	\$0.0159	103,559	-	-	-	103,559
	08/07/2019	\$0.0159	622,944	-	-	-	622,944
	01/07/2020	\$0.0184	5,127,775	-	-	-	5,127,775
	01/10/2020	\$0.0184	2,162,514	-	-	-	2,162,514
	23/03/2021	\$0.3000	2,000,000	-	-	-	2,000,000
	23/03/2021	\$0.3400	18,150,000	-	-	-	18,150,000
	21/06/2021	\$0.3400	500,000	-	-	-	500,000
	15/11/2021	\$0.3400	1,950,000	-	-	-	1,950,000
	08/08/2022	\$0.2900	2,919,459	-	-	-	2,919,459
	23/08/2022	\$0.2300	3,274,611	-	-	-	3,274,611
	11/11/2022	\$0.0000	813,632	-	-	-	813,632
	15/12/2022	\$0.0000	226,220	-	-	-	226,220
	20/09/2023	\$0.0000	5,122,100	-	(163,203)	(705,922)	4,252,975
	30/09/2024	\$0.0000	-	3,203,389	-	(305,084)	2,898,305
	24/10/2024	\$0.0000	-	8,250,000	-	-	8,250,000
	15/11/2024	\$0.0000	-	1,821,980	-	-	1,821,980
			<u>49,684,317</u>	<u>13,275,369</u>	<u>(163,203)</u>	<u>(1,011,006)</u>	<u>61,785,477</u>
	Weighted average exercise price		\$0.19	\$0.00	\$0.00	\$0.00	\$0.15

Note 11. Share-based payments (continued)

2024		Balance			Expired/	Balance
Grant Date	Exercise price	at the start of	Granted	Exercised	forfeited/ other	at the end of
		the year				the year
01/07/2015	\$0.0022	300,036	-	-	-	300,036
01/10/2015	\$0.0022	1,667,750	-	-	-	1,667,750
15/11/2015	\$0.0022	212,837	-	-	-	212,837
31/01/2016	\$0.0022	212,837	-	-	-	212,837
26/04/2016	\$0.0929	427,262	-	-	-	427,262
01/07/2017	\$0.0022	584,665	-	-	-	584,665
01/09/2018	\$0.0230	207,119	-	-	-	207,119
17/09/2018	\$0.0230	36,108	-	-	-	36,108
09/01/2019	\$0.0230	2,763,700	-	-	-	2,763,700
15/01/2019	\$0.0230	198,542	-	-	-	198,542
01/02/2019	\$0.0230	100,647	-	-	-	100,647
03/06/2019	\$0.0159	103,559	-	-	-	103,559
08/07/2019	\$0.0159	622,944	-	-	-	622,944
01/07/2020	\$0.0184	5,127,775	-	-	-	5,127,775
01/10/2020	\$0.0184	2,162,514	-	-	-	2,162,514
18/12/2020	\$0.2000	10,000,000	-	-	(10,000,000)	-
23/03/2021	\$0.3000	2,000,000	-	-	-	2,000,000
23/03/2021	\$0.3400	18,150,000	-	-	-	18,150,000
21/06/2021	\$0.3400	500,000	-	-	-	500,000
15/11/2021	\$0.3400	1,950,000	-	-	-	1,950,000
08/08/2022	\$0.2900	3,056,714	-	-	(137,255)	2,919,459
23/08/2022	\$0.2300	3,865,072	-	-	(590,461)	3,274,611
11/11/2022	\$0.0000	841,067	-	-	(27,435)	813,632
15/12/2022	\$0.0000	226,220	-	-	-	226,220
20/09/2023	\$0.0000	-	5,904,501	-	(782,401)	5,122,100
		<u>55,317,368</u>	<u>5,904,501</u>	<u>-</u>	<u>(11,537,552)</u>	<u>49,684,317</u>
Weighted average exercise price		\$0.21	\$0.08	\$0.00	\$0.18	\$0.19

Note 11. Share-based payments (continued)

Set out below are the options exercisable at the end of the financial year:

Grant date	2025 Number	2024 Number
01/07/2015	300,036	300,036
01/10/2015	1,667,750	1,667,750
15/11/2015	212,837	212,837
01/02/2016	212,837	212,837
26/04/2016	427,262	427,262
01/07/2017	584,665	584,665
01/09/2018	207,119	207,119
17/09/2018	36,108	36,108
09/01/2019	2,763,700	2,763,700
15/01/2019	198,542	198,542
01/02/2019	100,647	100,647
03/06/2019	103,559	103,559
08/07/2019	622,944	622,944
01/07/2020	5,127,775	5,127,775
01/10/2020	2,162,514	2,162,514
21/06/2021	500,000	500,000
23/03/2021	2,000,000	2,000,000
23/03/2021	18,150,000	18,150,000
15/11/2021	1,950,000	1,950,000
08/08/2022	1,946,306	973,153
23/08/2022	2,183,074	1,091,537
11/11/2022	813,632	406,816
15/12/2022	226,320	113,110
20/09/2023	2,126,488	-
	<u>44,624,115</u>	<u>39,912,911</u>

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Notional expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
30/09/2024	30/09/2029	\$0.069	\$0.000	61.000%	-	4.050%	\$0.059
24/10/2024	24/10/2030	\$0.064	\$0.000	60.000%	-	4.033%	\$0.021
15/11/2024	15/11/2029	\$0.069	\$0.000	61.000%	-	4.050%	\$0.059

Note 12. Events after the reporting period

Refer to note 4 regarding the Pet Chemist Divestment and Sash and Waggly business closures.

Scheme and Rover Transaction

On 22 July 2025, Mad Paws Holdings Limited 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 outlined below. If the Scheme is implemented, each shareholder of Mad Paws Holdings Limited will receive \$0.14 per Mad Paws Share in cash (**Scheme Consideration**). The Scheme Consideration implies a fully diluted equity valuation of approximately \$62 million for Mad Paws Holdings Limited, and includes approximately \$13 million of cash proceeds expected to be received from the Pet Chemist Divestment (as defined below) (subject to net debt, working capital and other purchase price adjustments).

Note 12. Events after the reporting period (continued)

Key terms of the Scheme Implementation Deed

The conditions for implementation of the Scheme include (but are not limited to):

- FIRB approval;
- Mad Paws Shareholder approval;
- an Independent Expert report concluding (and continuing to conclude) that the Scheme is in the best interest of Mad Paws Shareholders;
- Court approval;
- no restraints, Mad Paws material adverse change or Mad Paws prescribed occurrences; and
- that existing Mad Paws equity incentive arrangements are dealt with in accordance with the SID.

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. Accordingly, implementation of the Scheme is also subject to completion of the Pet Chemist Divestment and closure of the Sash and Waggly businesses as noted in note 4.

The SID contains customary exclusivity provisions, including "no-shop", "no-talk" and "no due diligence" restrictions, notification obligations and a matching right. A break fee of \$1,225,000 will be payable by Mad Paws to Rover in certain circumstances, and a reverse break fee of \$1,225,000 will be payable by Rover to Mad Paws in certain circumstances.

The indicative timetable in the SID has implementation date in October/ November 2025.

The Group plans to repay the outstanding PFG facility with the proceeds from the Pet Chemist Divestment. The total repayment amount will be \$1,575,571, inclusive of fees and interest.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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