

Mad Paws secures \$5.25 million strategic investment from Seven West Media

The Company has been advised that the announcement in relation to the \$5.25 million strategic investment from Seven West Media released to the ASX earlier today, is not viewable from some mobile devices.

Please find attached the announcement. The announcement can be accessed from a desktop by the following link: <https://announcements.asx.com.au/asxpdf/20240216/pdf/060gd8tvppss6x.pdf>

Mad Paws secures \$5.25 million strategic investment from Seven West Media

Mad Paws Holdings Limited (**Mad Paws** or the **Company**) announces a strategic investment by one of Australia's leading media companies, Seven West Media (ASX: SWM) (**SWM** or **Seven**), to further accelerate growth for Australia's leading pet eco system over the next 12 to 24 months.

Highlights

- Strategic investment of up to **\$9.25 million** from Seven, with **\$5.25 million** in tranche 1 and an option for a further **\$4.0 million** in media in tranche 2
- Tranche 1 of \$1.25 million in cash and the equivalent of \$4 million in advertising
- Transformational opportunity to build awareness for Mad Paws group through SWM's network which has a combined reach of more than 19 million Australians

SWM has agreed to make a strategic investment of \$5.25 million in Mad Paws via a share placement, giving it a 10.8% stake in the company, with both companies perfectly aligned to drive future growth. The investment is priced at \$0.12 per share, representing a premium to the last traded price.

Payment for the \$5.25 million investment will be split between \$1.25 million in cash and the equivalent of \$4 million in advertising across Seven's television, publishing and digital media assets, which have a combined reach of more than 19 million Australians a month. The cash funds from the strategic investment will be deployed to develop advertising and creative content as well as fast track Mad Paws progression to a single platform.

As part of the strategic investment, Mad Paws will work with Seven to utilise its extensive media reach for a concerted brand advertising campaign to accelerate the growth of Mad Paws in the Australian market.

The Company will issue 43.75 million new fully paid ordinary shares in the Company in connection with the strategic investment on Monday, 19 February 2024 under Mad Paws' existing placement capacity under ASX Listing Rule 7.1. The shares will be subject to a 12-month escrow upon issue subject to customary exceptions, including the ability to transfer the shares to affiliates and accept an offer under a takeover bid, a merger by way of a scheme of arrangement or company buy-back.

Justus Hammer, Co-Founder & CEO commented: *"We are excited about the strategic investment from Seven which reflects the strong market position Mad Paws has and quality of business the team has built. With over 6m households now having at least one pet, Seven's reach presents the perfect platform for taking Mad Paws' growth to the next level. With Seven we will be able to reach a large national audience and position Mad Paws as the leading pet eco system in Australia."*

SWM Chief Financial Officer, and Managing Director and CEO elect, Jeff Howard, said: *"Mad Paws has built a high-quality digital eco-system over the past three years and is now in a strong position to consolidate and grow its brand via national brand marketing."*



We know brand awareness is critical for driving trust and demand for a digital marketplace business. We look forward to working with the Mad Paws team to help them become a household name across Australia.”

Additionally to the initial \$5.25 million investment, Mad Paws has a 24-month discretionary option to acquire further advertising placements from SWM to the value of \$4 million. If exercised by Mad Paws, the purchase will be settled through the issue of a second tranche of ordinary shares to SWM at an issue price equal to Mad Paws’ 30 day VWAP at the exercise date, capped at a minimum issue price of \$0.12 and a maximum issue price of \$0.25 , and conditional on the receipt of requisite shareholder approvals. In the event the 30 day VWAP is below \$0.10 exercise of the option is also subject to Seven’s prior approval. If exercised, further details about the potential share issue and any required shareholder approvals will be provided to the market at the relevant time.

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.