



Mad Paws Holdings Limited ACN 636 243 180
ASX: MPA
Pre-Quotation Disclosure

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with the admission to the official list and official quotation of the fully paid ordinary shares in Mad Paws Holdings Limited ACN 636 243 180 (**Company**). Unless otherwise defined, capitalised terms used in this notice have the meaning given to them in the Company's prospectus dated 12 February 2021 (**Prospectus**), available at www.asx.com.au.

Close of Offer

The initial public offering of Shares at an issue price of A\$0.20 per Share closed on 17 March 2021. The Company successfully completed the issue of 60,000,000 fully paid ordinary Shares on 23 March 2021 to successful applicants under the Offer, raising gross proceeds of \$12 million before Offer costs (the Maximum Subscription under the Prospectus). Proceeds raised included \$1 million received from successful applicants under the Customer Offer (5,000,000 Shares).

The Company confirms that it has completed the Convertible Note Conversion and the issue of other securities noted in the Prospectus, and specifically confirms the following:

- 37,335,483 fully paid ordinary shares were issued on 23 March 2021 following conversion of 5,857,916 Convertible Notes on 23 March 2021 and otherwise on the terms stated in the Prospectus;¹
- 2,564,681 fully paid ordinary shares were issued on 23 March 2021 following exercise of 2,564,681 Legacy ESOP Options on 23 March 2021 and otherwise on the terms stated in the Prospectus;
- 18,650,000 IPO Options were granted to the Company's Directors, key executives and employees under the Company's Equity Incentive Plan on 23 March 2021 and otherwise on the terms stated in Section 6.4.3.4 of the Prospectus;² and
- 2,000,000 JLM Options were granted to the Company's Joint Lead Managers on 23 March 2021 on the terms stated in Section 10.2 of the Prospectus.

Capital Structure

The Company's current capital structure is as set out below:

Class of security	Number	% (undiluted)	% (diluted)
Total Shares on issue	214,523,989	100%	82.45%
Legacy ESOP Options	15,011,495	-	5.77%
<i>Options exercisable at \$0.023 nil expiry</i>	3,278,638	-	
<i>Options exercisable at \$0.0022 nil expiry</i>	2,978,124	-	
<i>Options exercisable at \$0.0184 nil expiry</i>	7,575,078	-	
<i>Options exercisable at \$0.0929 nil expiry</i>	427,262	-	
<i>Options exercisable at \$0.0229 nil expiry</i>	25,890	-	
<i>Options exercisable at \$0.0159 nil expiry</i>	726,503	-	
Bombora Options exercisable at \$0.20 expiring 26/03/24	10,000,000	-	3.84%
JLM Options exercisable at \$0.30 expiring 26/03/26	2,000,000	-	0.77%
IPO Options exercisable at \$0.34 expiring 23/03/27	18,650,000	-	7.17%
Total Options on issue	45,661,495	-	17.55%
Total securities (Shares and Options)	260,185,484	100%	100%

¹ The Prospectus noted an estimated number of 37,407,853 Conversion Shares assuming a conversion date of 31 March 2021, with the difference in the number of Conversion Shares issued relating to accrued interest.

² The Prospectus noted a maximum of 21,250,000 IPO Options to be interested, with 17,050,000 IPO Options to be issued to the Company's Non-Executive Directors, Jan Pacas, Mike Hill and Joshua May, and key executives, Justus Hammer and Alexis Soulopoulos, and up to a further 4.2 million IPO Options to be allocated to other Mad Paws employees and consultants (to be determined by the Company) prior to Listing, of which 1.6 million IPO Options have been allocated.

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ASX restricted securities

The Company confirms the following securities are subject to restriction under the ASX Listing Rules (updating section 11.9 of the Prospectus).

Securities	Number	ASX restriction period
Shares	24,085,466	24 months from the date of quotation of the Company's securities
Options	39,173,399	24 months from the date of quotation of the Company's securities
Shares	74,994	12 months ending 1 October 2021
Shares	1,611,976	12 months ending 23 December 2021
Shares	600,543	12 months ending 23 March 2022
Options	1,600,000	12 months ending 23 March 2022

In summary, of the 214,523,989 Shares on issue in the capital of the Company, 26,372,979 Shares will be subject to ASX escrow restrictions, comprising 12.29% of the total issued Shares. Of the 45,661,495 Options on issue in the capital of the Company, 40,773,399 Options will be subject to ASX escrow restrictions, comprising 89.29% of the total issued Options.

Voluntary Escrow

As described in section 11.9 of the Prospectus, a number of existing Shareholders have entered into voluntary escrow agreements under which they will be restricted from disposing of the escrowed Shares they will hold on Completion of the Offer for the relevant voluntary restriction period, subject to certain limited exceptions disclosed in the Prospectus pursuant to which escrowed Shareholders may be released early from the escrow obligations.

The Company confirms that a total of 21,148,017 Shares will be subject to voluntary escrow restrictions for the periods set out in the following table:

Securities	Number	Voluntary restriction period
Shares	10,574,009	From the Listing Date until the earlier of the business day after the release of the Company's FY21 audited accounts and 31 August 2021
Shares	10,574,008	From Listing Date until the earlier of the business day after the release of the Company's FY22 half year audited accounts and 28 February 2022

Statement of commitments

The Company confirms that there are no changes to its statement of commitments as set out in Section 7.5 of the Prospectus having raised the Maximum Subscription under the Prospectus.

Updated Pro forma Statement of Financial Position

Below is an updated Pro Forma Historical Statement of Financial Position as at 30 June 2020 based on the actual amount of funds raised under the Prospectus (being the maximum subscription amount of \$12,000,000) (updating Figure 4.10 of the Prospectus).

	HISTORICAL	PRO FORMA ADJUSTMENTS					PRO FORMA At 30 June 2020
	30 June 2020 \$	Impact of Acquisition \$	Convertible Note Issue \$	Convertible Note conversion \$	IPO options \$	Offer proceeds Maximum Subscription \$	Maximum Subscription \$
Notes		1	2	3	4	5	
Assets							
Cash and cash equivalents	984,822	764,232	5,690,000			10,885,000	18,324,054
Other current assets	240,257	12,882					253,139
Total current assets	1,225,079	777,114	5,690,000	-		10,885,000	18,577,193
Right-of-use assets	215,609						215,609
Intangible assets	758,382						758,382
Total non-current assets	973,991	-	-	-		-	973,991
Total assets	2,199,070	777,114	5,690,000	-		10,885,000	19,551,184
Liabilities							
Trade and other payables	267,784	4,719					272,503
Lease liabilities	79,300						79,300
Employee benefits	114,714						114,714
Borrowings			5,850,000	(5,850,000)			-
Other liabilities	490,860	-					490,860
Total current liabilities	952,658	4,719	5,850,000	(5,850,000)		-	957,377
Lease liabilities	139,692						139,692
Employee benefits	39,434						39,434
Total non-current liabilities	179,126	-	-	-		-	179,126
Total liabilities	1,131,784	4,719	5,850,000	(5,850,000)		-	1,136,503
Net assets	1,067,286	772,395	(160,000)	5,850,000	-	10,885,000	18,414,681
Equity							
Issued capital	10,102,685	9,571,309	(160,000)	5,969,244		11,048,000	36,531,238
Reserves	700,118	(5,171,309)			2,145,600	164,000	(2,161,591)
Accumulated losses	(9,735,517)	(3,627,605)		(\$119,244)	(2,145,600)	(327,000)	(15,954,966)
Total Equity	1,067,286	772,395	(160,000)	5,850,000	-	10,885,000	18,414,681

Notes:

- The Statement of Financial Position of the Company at 30 June 2020 presents the impact of the acquisition of 100% of the shares of Mad Paws via a share exchange transaction. The Company is the legal acquirer of Mad Paws, however in accordance with Australian Accounting Standards the substance of the transaction is required to be considered and as such, Mad Paws is considered to have acquired the Company for accounting purposes ("accounting acquirer"). The pro forma adjustment to reflect the transaction values the share issue at the fair value of \$0.20 (the initial listing share price), with the difference between the net assets acquired and the fair value of the shares issued being recorded as a share based payment expense under AASB 2: Share Based Payments at the time of the acquisition within accumulated losses (to be reflected in the income statement for FY21). Further, an additional adjustment of \$5,171,309 is posted to issued capital and reserves to reflect the issued capital of the legal acquirer as part of the acquisition accounting for the transaction.
- Adjustment to cash and cash equivalents and borrowings to reflect \$5,850,000 of convertible notes issued by the Company in December 2020, net of transaction costs.
- Adjustment to borrowings, capitalised interest and issued capital to reflect the conversion of the convertible notes at IPO.
- Adjustment to reflect valuation and expensing of Options issued to the cornerstone investor (10,000,000 Bombora Options), directors and management (18,650,000 IPO Options).
- Adjustment to cash and cash equivalents and issued capital includes anticipated maximum cash proceeds of \$12,000,000 from the Offer and estimated capitalised and expensed transaction costs.

Waivers

The Company has received the following waivers from the ASX:

- (a) **Listing Rule 1.1 condition 12** – waiver granted from Listing Rule 1.1. condition 12 to the extent necessary to permit the Company to have on issue 15,011,495 options ('Legacy ESOP Options') with an exercise price varying from \$0.0022 to \$0.929 per share, on the condition that the material terms and conditions of the options are clearly disclosed in the Company's initial public offering Prospectus; and
- (b) **Listing Rule 9.1(b)** - waiver granted from listing rule 9.1(b) to the extent necessary to permit the Company to apply the restrictions in paragraphs 1 and 2 of Appendix 9B (as applicable) to the ordinary shares issued to the shareholders of Mad Paws Pty Ltd ('MPPL') ('MPPL Sellers') as follows:
 - (i) The shares issued to the MPPL Sellers who subscribed with cash for their shares in MPPL are treated as being held by a related party, promoter or unrelated party seed capitalist of the Company.
 - (ii) Cash formula relief is applicable to those shares that are issued to the MPPL Sellers who subscribed for their MPPL shares for cash consideration, provided ASX is satisfied with the evidence submitted to substantiate the cash amounts paid to MPPL.
 - (iii) For the purposes of determining the length of the escrow period for shares issued to unrelated seed capitalists which are subject to 12 months escrow, the 12 months escrow period will be deemed to begin on the date on which the cash subscription for their shares in MPPL was made.
 - (iv) For the purposes of determining the length of the escrow period for shares issued to related party or promoter seed capitalists which are subject to 24 months escrow, the 24 months escrow period will begin on the date of the commencement of trading in MPA's securities.

Documents released to the market

The following documents have been provided for release to the market:

- (a) the Company's Appendix 1A and Information Form and Checklist;
- (b) the Prospectus;
- (c) the Company's Constitution;
- (d) the Company's audited accounts for the period from incorporation to 30 June 2020;
- (e) the Company's reviewed accounts for the half year ended 31 December 2020;
- (f) the audited accounts of Mad Paws Pty Ltd for the years ending 30 June 2019 and 2020;
- (g) the full terms and conditions of:
 - (i) the IPO Options;
 - (ii) the JLM Options; and
 - (iii) the Bombora Options;
- (b) a copy of the Mad Paws Equity Incentive Plan;
- (c) a copy of the Mad Paws Legacy Employee Option Plan;
- (d) the Company's corporate governance statement;
- (e) the Company's securities trading policy;
- (f) the distribution schedule of holders in each class of security to be quoted on the ASX; and
- (g) the statement setting out the name of the 20 largest holders of MPA Shares, including the number and percentage of Shares held by those holders.

Release of HY21 Interim Results

The Company refers to the reviewed interim half year financial report for the six month period ending 31 December 2020 which has been released to the ASX today along with its other pre-quotation disclosures. Refer to the Company's reviewed interim half year financial report and accompanying commentary for further detail regarding the Company's HY FY21 results.

This announcement has been authorised by the board of directors of the Company.

A handwritten signature in black ink, appearing to read "J. Hammer".

Justus Hammer

CEO and Managing Director