

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2022

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 001-40764

Wag! Group Co.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

88-3590180

(I.R.S. Employer
Identification No.)

55 Francisco Street, Suite 360
San Francisco, California 94133

(Address of Principal Executive Offices, including zip code)

(707) 324-4219

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	PET	The Nasdaq Global Market
Warrants, each whole warrant exercisable for one share of Common Stock at an exercise price of \$11.50 per share	PETWW	The Nasdaq Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes No

As of August 15, 2022 there were 37,923,530 shares of the registrant's ordinary shares, par value \$0.0001 per share, issued and outstanding.

EXPLANATORY NOTE

On August 9, 2022, subsequent to the fiscal quarter to which this Quarterly Report on Form 10-Q (this “Quarterly Report”) relates, Wag Labs, Inc. (“Legacy Wag!”), CHW Acquisition Corporation (“CHW”) and CHW Merger Sub Inc. (“Merger Sub”) consummated the previously announced transactions contemplated by the Business Combination Agreement, dated February 2, 2022 (the “Business Combination Agreement”), following the approval at an extraordinary general meeting of CHW’s shareholders held on July 28, 2022.

Pursuant to the terms of the Business Combination Agreement, a business combination of Legacy Wag! and CHW was effected by the merger of Merger Sub with and into Legacy Wag!, with Legacy Wag! surviving the merger as a wholly owned subsidiary of CHW (the “Merger,” and, together with the other transactions contemplated by the Business Combination Agreement, the “Business Combination”). In connection with the consummation of the Business Combination, on August 5, 2022, CHW was incorporated in State of Delaware and changed its name from CHW Acquisition Corporation to Wag! Group Co. (the “Company” or “Wag!”).

Unless stated otherwise, this Quarterly Report contains information about CHW before the Business Combination. References to the “Company,” “our,” “us” or “we” in this Quarterly Report refer to CHW before the consummation of the Business Combination and to Wag! after the Business Combination, unless stated otherwise or the context otherwise requires.

Except as otherwise expressly provided herein, the information in this Quarterly Report does not reflect the consummation of the Business Combination, which occurred subsequent to the period covered by this Quarterly Report.

WAG! GROUP CO.
(f/k/a CHW ACQUISITION CORPORATION)
FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2022
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WAG! GROUP CO.
(f/k/a CHW ACQUISITION CORPORATION)
CONDENSED BALANCE SHEETS

	<u>June 30, 2022</u> <u>(Unaudited)</u>	<u>December 31, 2021</u> <u>(Audited)</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 168,249	\$ 687,581
Due from Related Party	68,591	68,591
Prepaid expenses and other assets	317,250	286,687
Total current assets	<u>554,090</u>	<u>1,042,859</u>
Prepaid expenses – non current	48,048	191,429
Marketable securities held in Trust Account	125,190,736	125,002,997
TOTAL ASSETS	<u><u>\$ 125,792,874</u></u>	<u><u>\$ 126,237,285</u></u>
LIABILITIES, REDEEMABLE ORDINARY SHARES, AND SHAREHOLDERS’ DEFICIT		
CURRENT LIABILITIES		
Accrued and other expenses	\$ 3,621,318	\$ —
Accounts payable	81,513	583,331
Total current liabilities	<u>3,702,831</u>	<u>583,331</u>
Deferred underwriting fee payable	4,375,000	4,375,000
Total liabilities	<u>8,077,831</u>	<u>4,958,331</u>
COMMITMENTS AND CONTINGENCIES (Note 6)		
REDEEMABLE ORDINARY SHARES		
Ordinary shares subject to possible redemption, \$0.0001 par value, 12,500,000 shares at redemption value of \$10.00 per share.	125,190,736	125,000,000
SHAREHOLDERS’ DEFICIT		
Preferred stock, \$0.0001 par value; 1,000,000 shares authorized; none issued or outstanding	—	—
Ordinary shares; \$0.0001 par value; 110,000,000 shares authorized; 3,187,500 shares issued and outstanding (excluding 12,500,000 shares subject to possible redemption)	318	318
Accumulated deficit	(7,476,011)	(3,721,364)
Total Shareholders’ Deficit	<u>(7,475,693)</u>	<u>(3,721,046)</u>
TOTAL LIABILITIES, REDEEMABLE ORDINARY SHARES, AND SHAREHOLDERS’ DEFICIT	<u><u>\$ 125,792,874</u></u>	<u><u>\$ 126,237,285</u></u>

The accompanying notes are an integral part of these unaudited condensed financial statements.

WAG! GROUP CO.
(f/k/a CHW ACQUISITION CORPORATION)
CONDENSED STATEMENTS OF OPERATIONS (UNAUDITED)

	For the three months ended June 30,		For the six months ended June 30,	For the period January 12, 2021 (inception) through June 30,
	2022	2021	2022	2021
OPERATING EXPENSES				
General and administrative	\$ 1,569,501	\$ 4,239	\$ 3,751,650	\$ 15,873
Total expenses	1,569,501	4,239	3,751,650	15,873
OTHER INCOME				
Interest income on investments held in Trust Account	177,537	—	187,739	—
Total other income	177,537	—	187,739	—
NET LOSS	\$ (1,391,964)	\$ (4,239)	\$ (3,563,911)	\$ (15,873)
Weighted average shares outstanding of redeemable ordinary shares	12,500,000	—	12,500,000	—
Basic and diluted net income per share, redeemable ordinary shares	<u>\$ (0.09)</u>	<u>\$ —</u>	<u>\$ (0.23)</u>	<u>\$ —</u>
Weighted average shares outstanding of non-redeemable ordinary shares	3,187,500	3,162,500	3,187,500	3,162,500
Basic and diluted net loss per share, non-redeemable ordinary shares	<u>\$ (0.09)</u>	<u>\$ (0.00)</u>	<u>\$ (0.23)</u>	<u>\$ (0.01)</u>

The accompanying notes are an integral part of these unaudited condensed financial statements.

WAG! GROUP CO.
(f/k/a CHW ACQUISITION CORPORATION)
CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2022 (UNAUDITED)

	Ordinary Shares		Additional paid-in Capital	Accumulated Deficit	Total shareholders' equity (deficit)
	Shares	Amount			
Balance, December 31, 2021	3,187,500	\$ 318	\$ —	\$ (3,721,364)	\$ (3,721,046)
Net loss	—	—	—	(2,171,947)	(2,171,947)
Balance, March 31, 2022	3,187,500	318	—	(5,893,311)	(5,892,993)
Remeasurement for Ordinary shares to redemption value	—	—	—	(190,736)	(190,736)
Net loss	—	—	—	(1,391,964)	(1,391,964)
Balance, June 30, 2022	<u>3,187,500</u>	<u>\$ 318</u>	<u>\$ —</u>	<u>\$ (7,476,011)</u>	<u>\$ (7,475,693)</u>

FOR THE THREE MONTHS ENDED JUNE 30, 2021
AND FOR THE PERIOD JANUARY 12, 2021 (INCEPTION) THROUGH JUNE 30, 2021

	Ordinary Shares		Additional paid-in Capital	Accumulated Deficit	Total shareholders' equity
	Shares	Amount			
Balance, January 12, 2021 (inception)	—	\$ —	\$ —	\$ —	\$ —
Issuance of Ordinary shares to Sponsor	2,875,000	288	24,713	—	\$ 25,001
Net loss	—	—	—	(11,634)	(11,634)
Balance, March 31, 2021	2,875,000	\$ 288	\$ 24,713	\$ (11,634)	\$ 13,367
Net loss	—	—	—	(4,239)	(4,239)
Balance, June 30, 2021	<u>2,875,000</u>	<u>\$ 288</u>	<u>\$ 24,713</u>	<u>\$ (15,873)</u>	<u>\$ 9,128</u>

The accompanying notes are an integral part of these unaudited condensed financial statements.

WAG! GROUP CO.
(f/k/a CHW ACQUISITION CORPORATION)
CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)

	For the six month ended June 30, 2022	For the period January 12, 2021 (inception) to June 30, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (3,563,911)	\$ (15,873)
Adjustments to reconcile net loss to net cash used in operating activities:		
Interest income on investments held in Trust Account	(187,739)	—
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	112,818	—
Accrued and other expenses	3,621,318	—
Accounts payable	(501,818)	4,145
Net cash flows used in operating activities	<u>(519,332)</u>	<u>(11,728)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from common stock subject to redemption		
Payment of offering costs	—	(35,162)
Proceeds from sponsor note	—	67,000
Net cash flows provided by financing activities	<u>—</u>	<u>31,838</u>
NET CHANGE IN CASH	<u>(519,332)</u>	<u>20,110</u>
CASH, BEGINNING OF PERIOD	<u>687,581</u>	<u>—</u>
CASH, END OF PERIOD	<u>\$ 168,249</u>	<u>\$ 20,110</u>
Supplemental disclosure of noncash activities:		
Deferred offering costs paid directly by related party note	\$ —	\$ 40,297
Deferred offering costs included in accrued offering costs	\$ —	\$ 55,218
Payment of deferred offering costs by the Sponsor in exchange for the issuance Ordinary Shares	\$ —	\$ 25,000
Remeasurement of Ordinary shares subject to possible redemption	\$ 190,736	\$ —

The accompanying notes are an integral part of these unaudited condensed financial statements.

WAG! GROUP CO.
(f/k/a CHW ACQUISITION CORPORATION)
NOTES TO CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

Note 1 — Description of Organization and Business Operations and Liquidity

CHW Acquisition Corporation (the “Company”, “CHW”) was incorporated in the Cayman Islands on January 12, 2021. The Company was formed for the purpose of effecting a merger, capital share exchange, asset acquisition, share purchase, reorganization or similar Business Combination with one or more businesses (a “Business Combination”).

Business Combination

On August 9, 2022 (the “Closing Date”), Wag Labs, Inc., a Delaware corporation (“Legacy Wag!”), CHW and CHW Merger Sub Inc., a Delaware corporation and a direct, wholly owned subsidiary of CHW (“Merger Sub”), consummated the closing of the transactions contemplated by the Business Combination Agreement, dated February 2, 2022, by and among Legacy Wag!, CHW, and Merger Sub (the “Business Combination Agreement”), following the approval at an extraordinary general meeting of CHW’s shareholders held on July 28, 2022 (the “Special Meeting”).

Pursuant to the terms of the Business Combination Agreement, a business combination of Legacy Wag! and CHW was effected by the merger of Merger Sub with and into Legacy Wag!, with Legacy Wag! surviving the merger (the “Surviving Entity”) as a wholly owned subsidiary of CHW (the “Merger,” and, together with the other transactions contemplated by the Business Combination Agreement, the “Business Combination”). In connection with the consummation of the Business Combination, on August 5, 2022, CHW was incorporated in State of Delaware and changed its name from CHW Acquisition Corporation to Wag! Group Co. (“Wag!”).

In connection with the Special Meeting and the Business Combination, the holders of 9,593,970 shares of CHW’s ordinary shares, par value \$0.0001 per share (the “Ordinary Shares”), exercised their right to redeem their shares for cash at a redemption price of approximately \$10.03 per share, for an aggregate redemption amount of \$96,192,551.15.

Conversion and Exchange of Equity in the Business Combination

Upon the consummation of the Merger, the following transactions occurred (the “Conversion”): (i) all outstanding shares of Legacy Wag!’s preferred stock, except for Legacy Wag! Series P Shares (as described in part (vi) below), were converted into shares of Wag!’s common stock, par value \$0.0001 per share (“Common Stock”), at the then-effective conversion rate as calculated pursuant to the Business Combination Agreement; (ii) the cancellation of each issued and outstanding share of Legacy Wag!’s common stock and the conversion into the right to receive a number of shares of Wag!’s common stock equal to the exchange ratio of 0.97 shares of Wag!’s common stock for each share of Legacy Wag! common stock; (iii) the conversion of 91,130 warrants issued and outstanding by Legacy Wag! in 2017 to two lenders (the “Legacy Wag! Common Warrants”) into warrants exercisable for shares of Wag!’s common stock with the same terms except for the number of shares exercisable and the exercise price, each of which were adjusted using an exchange ratio of 0.97 for Legacy Wag! Common Warrants; (iv) the conversion of all outstanding vested and unvested options to purchase shares of Legacy Wag! common stock (the “Legacy Wag! Options”) into options exercisable for shares of Wag!’s common stock with the same terms and conditions as were applicable to the Legacy Wag! Options immediately prior to the Conversion, except for the number of shares exercisable and the exercise price, each of which were adjusted using the exchange ratio of 0.97 for Legacy Wag! Options; (v) the conversion of the outstanding restricted stock unit award covering shares of Legacy Wag! common stock (each, a “Legacy Wag! RSU Award”) into awards covering a number of shares of Wag! common stock (rounded down to the nearest whole number) with the same terms and conditions as were applicable to the Legacy Wag! RSU Awards immediately prior to the Conversion, except for the number of shares subject to the award, which was adjusted using the exchange ratio of 0.97 for Legacy Wag! RSU Awards, (vi) the conversion of 1,100,000 shares of Legacy Wag! Series P Shares into Wag!’s common stock on a one-for-one basis; (vii) the issuance and sale of 500,000 CHW ordinary shares for a purchase price of \$10.00 per share and an aggregate purchase price of \$5,000,000 immediately prior to or substantially concurrently with the Closing Date; (viii) immediately prior to the Effective Time, each CHW ordinary share (including any founder shares not forfeited) was converted into shares of Wag!’s common stock; (ix) the cancellation of 343,072 founder warrants held by CHW Acquisition Sponsor LLC (the “Sponsor”) in a maximum redemption scenario in connection with the Business Combination and in accordance with the terms of that certain letter agreement, dated February 2, 2022, by and among the Sponsor, Jonah Raskas, Mark Grundman and CHW (the “CHW Founders Stock Letter”) and the Business Combination Agreement; (x) the issuance of 300,000 Wag! Community Shares that Wag! may distribute to members of the pet wellness and welfare community

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as identified by our officers and directors; and (xi) the cancellation of 20,000 founder shares held by Sponsor in connection with the Business Combination and in accordance with the CHW Founders Stock Letter and the Business Combination Agreement.

Prior to the Business Combination

As of June 30, 2022, the Company had not commenced any operations. All activity from January 12, 2021 (inception) through June 30, 2022, relates to the Company's formation and initial public offering ("IPO"), which is described below, and, since the offering, the search for a prospective initial Business Combination which closed on August 9, 2022. The Company will not generate any operating revenues until after the completion of its initial Business Combination, at the earliest. The Company generated non-operating income in the form of interest income earned on investments from the proceeds derived from the IPO. The registration statement for the Company's IPO was declared effective on August 30, 2021. On September 1, 2021, the Company consummated the IPO of 11,000,000 units (the "Units") with respect to the ordinary shares (the "Ordinary Shares") included in the units being offered (the "Public Shares") at \$10.00 per Unit generating gross proceeds of \$110,000,000, which is discussed in Note 3.

Simultaneously with the closing of the IPO, the Company consummated the sale of 4,000,000 warrants ("Private Placement Warrants") at a price of \$1.00 per Private Placement Warrant in a private placement to the Company's sponsor, CHW Acquisition Sponsor, LLC and underwriters generating gross proceeds of \$4,000,000, which is described in Note 4.

On August 30, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option and partially exercised 1,500,000 Units and the remaining Units went un-exercised on expiry of 45 days. Accordingly, on September 1, 2021, the Company consummated the sale of an additional 1,500,000 Units to the public, at \$10.00 per Unit, and the sale of an additional 238,636 Private Placement Warrants, at \$1.00 per Private Placement Warrants, generating total gross proceeds of \$15,238,636.

Offering costs for the IPO and underwriters' partial exercise of the over-allotment option amounted to \$13,130,743, consisting of \$2,187,500 of underwriting fees, \$4,375,000 of deferred underwriting fees payable (which are held in the Trust Account (defined below)), \$5,975,625 for the fair value of shares issued to the anchor investors and representative shares (see Note 3 and Note 6) and \$592,618 of other costs. As described in Note 6, the \$4,375,000 of deferred underwriting fee payable is contingent upon the consummation of a Business Combination by December 1, 2022, subject to the terms of the underwriting agreement. The underwriters received the deferred underwriting fees on August 9, 2022.

Following the closing of the IPO on September 1, 2021, an amount of \$125,000,000 (\$10.00 per Unit) from the net proceeds of the sale of the Units in the IPO and the Private Placement Warrants was placed in a trust account ("Trust Account") and will be invested in U.S. government securities, within the meaning set forth in Section 2(a)(16) of the Investment Company Act of 1940, as amended (the "Investment Company Act"), with a maturity of 180 days or less or in any open-ended investment company that holds itself out as a money market fund selected by the Company meeting the conditions of paragraphs (d)(2), (d)(3) and (d)(4) of Rule 2a-7 of the Investment Company Act, as determined by the Company, until the earlier of: (i) the completion of a Business Combination and (ii) the distribution of the Trust Account, as described below.

The Company's management has had broad discretion with respect to the specific application of the net proceeds of the IPO and the sale of the Private Placement Warrants, although substantially all of the net proceeds are intended to be applied generally toward consummating a Business Combination. There is no assurance that the Company will be able to complete a Business Combination successfully. The Company must complete one or more initial Business Combinations having an aggregate fair market value of at least 80% of the assets held in the Trust Account (excluding the deferred underwriting commissions and taxes payable on income earned on the Trust Account) at the time of the agreement to enter into the initial Business Combination. However, the Company will only complete a Business Combination if the post-transaction company owns or acquires 50% or more of the outstanding voting securities of the target or otherwise acquires a controlling interest in the target sufficient for it not to be required to register as an investment company under the Investment Company Act.

Risks and Uncertainties

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus ("COVID-19") as a pandemic which continues to spread throughout the United States and the world. As of the date the financial statements were issued, there was considerable uncertainty around the expected duration of this pandemic. Management continues to evaluate the impact of the COVID-19 pandemic and the Company has concluded that while it is reasonably possible that COVID-19 could have a negative effect on closing

a Business Combination, the specific impact is not readily determinable as of the date of the financial statements. The unaudited condensed financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In February 2022, the Russian Federation and Belarus commenced a military action with the country of Ukraine. As a result of this action, various nations, including the United States, have instituted economic sanctions against the Russian Federation and Belarus. Further, the impact of this action and related sanctions on the world economy are not determinable as of the date of these financial statements and the specific impact on the Company's financial condition, results of operations, and cash flows is also not determinable as of the date of these financial statements.

Liquidity and Capital Resources

As of June 30, 2022, the Company had \$168,249 in its operating bank accounts, \$125,190,736 in securities held in the Trust Account to be used for a Business Combination or to repurchase or redeem its Ordinary Shares in connection therewith and working capital deficit of \$3,148,741. As of June 30, 2022, approximately \$190,736 of the amount deposit in the Trust Account represented interest income.

Subsequent to the consummation of the IPO, our liquidity needs had been satisfied through the use of funds held outside of the Trust Account.

Based on the foregoing, management believes that the cash on hand and the funds which the Company has available following the completion of the Business Combination was sufficient to meet the Company's needs through the consummation of the Business Combination. The substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time, which is considered to be one year from the issuance date of the financial statements, has been alleviated as a result of the Business Combination consummated subsequently to June 30, 2022.

Note 2 — Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements are presented in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the SEC.

The accompanying unaudited condensed financial statements should be read in conjunction with the Company's Annual report on Form 10-K as filed with SEC on March 9, 2022. The interim results for the six months ended June 30, 2022 are not necessarily indicative of the results to be expected for the year end December 31, 2022 or for any future periods.

Emerging Growth Company

The Company is an emerging growth company as defined in Section 102 (b)(1) of the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), which exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that an emerging growth company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such an election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period, which means that when a standard is issued or revised, and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard.

This may make comparison of the Company's financial statements with another public company that is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Making estimates requires management to exercise significant judgment. Such estimates may be subject to change as more current information becomes available and accordingly the actual results could differ significantly from those estimates. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the unaudited condensed financial statements, which management considered in formulating its estimate, could change in the near term due to one or more future confirming events. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents. The Company did not have any cash equivalents as of June 30, 2022 and December 31, 2021.

Investments Held in Trust Account

At June 30, 2022 and December 31, 2021, all of the assets held in the Trust Account were held in U.S. Treasury securities. The Company's investments held in the Trust Account are classified as trading securities. Trading securities are presented on the unaudited condensed balance sheet at fair value at the end of each reporting period. Gains and losses resulting from the change in fair value of investments held in Trust Account are included in interest earned on marketable securities held in Trust Account in the accompanying unaudited statements of operations. The estimated fair values of investments held in Trust Account are determined using available market information.

Offering Costs associated with the Initial Public Offering

Offering costs, including additional underwriting fees associated with the underwriters' exercise of the over-allotment option, consist principally of legal, accounting, underwriting fees and other costs directly related to the IPO. Offering costs for the IPO and underwriters' partial exercise of the over-allotment option amounted to \$13,130,743, consisting of \$2,187,500 of underwriting fees, \$4,375,000 of deferred underwriting fees payable, \$5,975,625 for the fair value of shares issued to the anchor investors and representative shares and \$592,618 of other costs.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash accounts in a financial institution, which, at times, may exceed the Federal Deposit Insurance Corporation coverage limit of \$250,000. At June 30, 2022, the Company has not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such account.

Fair Value of Financial Instruments

The fair value of the Company's assets and liabilities, which qualify as financial instruments under the ("FASB") ASC 820, "Fair Value Measurements and Disclosures," approximates the carrying amounts represented in the accompanying unaudited condensed balance sheet, primarily due to their short-term nature.

Income Taxes

The Company follows the asset and liability method of accounting for income taxes under FASB ASC 740, "Income Taxes." Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that included the enactment date. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized. Deferred tax assets and liabilities were deemed to be de minimis as of June 30, 2022 and December 31, 2021.

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FASB ASC 740, “Income Taxes”, prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more likely than not to be sustained upon examination by taxing authorities. There were no unrecognized tax benefits as of June 30, 2022. The Company’s management determined that the Cayman Islands is the Company’s only major tax jurisdiction. The Company is not currently aware of any issues under review that could result in significant payments, accruals, or material deviation from its position. The Company is subject to tax examinations by major taxing authorities since inception. There is currently no taxation imposed by the Government of the Cayman Islands. In accordance with Cayman income tax regulations, income taxes are not levied on the Company. Consequently, income taxes are not reflected in the Company’s financial statements. The Company’s management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

The Company has no connection to any other taxable jurisdiction and is presently not subject to income taxes or income tax filing requirements in the Cayman Islands or the United States. Consequently, income taxes are not reflected in the Company’s financial statements.

Ordinary Shares Subject to Possible Redemption

The Company accounts for its Ordinary Shares subject to possible redemption in accordance with the guidance in ASC Topic 480, “Distinguishing Liabilities from Equity.” Ordinary shares subject to mandatory redemption, if any, are classified as a liability instrument and is measured at fair value. Conditionally redeemable Ordinary Shares (including Ordinary Shares that features redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company’s control) are classified as temporary equity. At all other times, Ordinary Shares are classified as shareholders’ equity. The Company’s Public Shares features certain redemption rights that are considered to be outside of the Company’s control and subject to occurrence of uncertain future events. Accordingly, at June 30, 2022 and December 31, 2021, 12,500,000 Ordinary Shares subject to possible redemption are presented as temporary equity, outside of the shareholders’ deficit section of the Company’s unaudited condensed balance sheet.

The Company recognizes changes in redemption value immediately as they occur and adjusts the carrying value of redeemable Ordinary Shares to equal the redemption value at the end of each reporting period. Increases or decreases in the carrying amount of the redeemable Ordinary Shares are affected by charges against additional paid-in capital and accumulated deficit.

At June 30, 2022, the redeemable ordinary share subject to possible redemption reflected in the unaudited condensed balance sheet is reconciled in the following table:

Gross proceeds	\$ 125,000,000
Less:	
Proceeds allocated to Public Warrants at issuance	(16,548,464)
Redeemable ordinary share issuance costs	(6,647,710)
Plus:	
Accretion of carrying value to redemption value	23,196,174
Redeemable ordinary shares subject to possible redemption at December 31, 2021	<u>\$ 125,000,000</u>
Plus:	
Accretion of carrying value to redemption value	190,736
Redeemable ordinary shares subject to possible redemption at June 30, 2022	<u>\$ 125,190,736</u>

Net Loss per Ordinary Share

The Company has two classes of shares, which are referred to as Redeemable Ordinary Shares (the “Ordinary Shares”) and Non-Redeemable Ordinary Shares (the “Founder Shares”). Earnings and losses are shared pro rata between the two classes of shares. Public and private warrants to purchase 16,738,636 Ordinary Shares at \$11.50 per share were issued on September 1, 2021. At June 30, 2022, no warrants have been exercised. The 16,738,636 potential Ordinary shares for outstanding warrants to purchase the Company’s stock were excluded from diluted earnings per share for the period ended June 30, 2022, because the warrants are contingently exercisable, and the contingencies have not yet been met. As a result, diluted net loss per common share is the same as basic net loss per common

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share for the period. The table below presents a reconciliation of the numerator and denominator used to compute basic and diluted net loss per share for each class of ordinary share.

	For the six months ended June 30, 2022		For the period January 12, 2021 (Inception) to June 30, 2021	
	Ordinary Shares	Founder Shares	Ordinary Shares	Founder Shares
Basic and diluted net loss per share:				
Numerator:				
Allocation of net loss	\$ (2,839,770)	\$ (724,141)	\$ —	(15,873)
Denominator:				
Weighted average shares outstanding	12,500,000	3,187,500	—	3,162,500
Basic and dilution net loss per share	\$ (0.23)	\$ (0.23)	\$ (0.00)	\$ (0.01)
	For the three months ended June 30, 2022		For the three months ended June 30, 2021	
	Ordinary Shares	Founder Shares	Ordinary Shares	Founder Shares
Basic and diluted net loss per share:				
Numerator:				
Allocation of net loss	\$ (1,109,135)	\$ (282,829)	\$ —	(4,239)
Denominator:				
Weighted average shares outstanding	12,500,000	3,187,500	—	3,162,500
Basic and dilution net loss per share	\$ (0.09)	\$ (0.09)	\$ (0.00)	\$ (0.00)

Accounting for Warrants

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the instruments' specific terms and applicable authoritative guidance in ASC 480 and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the instruments are free standing financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the instruments meet all of the requirements for equity classification under ASC 815, including whether the instruments are indexed to the Company's own common shares and whether the instrument holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, was conducted at the time of warrant issuance and as of each subsequent period end date while the instruments are outstanding. Management has concluded that the Public Warrants and Private Placement Warrants issued pursuant to the warrant agreement qualify for equity accounting treatment.

Recent Accounting Pronouncements

The Company's management does not believe that any recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have a material effect on the Company's financial statement

Note 3 — Initial Public Offering and Over-Allotment

Pursuant to the IPO, the Company sold 11,000,000 units at a price of \$10.00 per Unit for aggregate purchase price of \$110,000,000. Each Unit consists of one Ordinary Share (such Ordinary Shares included in the Units being offered, the "Public Shares"), and one redeemable warrant (each, a "Public Warrant"). Each Public Warrant entitles the holder to purchase one share of Ordinary Shares at a price of \$11.50 per share, subject to adjustment (see Note 8).

Thirteen qualified institutional buyers or institutional accredited investors which are not affiliated with the Company, the Sponsor, the Company's directors, or any member of the Company's management (the "anchor investors"), have each purchased units in the IPO at varying amounts not exceeding 9.9% of the units subject to the IPO. Upon each anchor investor purchasing the full amount of Units

it had expressed an interest in, the anchor investors collectively own approximately 11% of the outstanding shares following the IPO, which includes the Founder Shares purchased by the anchor investors, and the Sponsor owns approximately 19% of the outstanding shares following the IPO (see Note 5).

On August 30, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option and partially exercised 1,500,000 Units and the remaining Units went un-exercised on expiry of 45 days. Accordingly, on September 1, 2021, the Company consummated the sale of an additional 1,500,000 Units to the public, at \$10.00 per Unit for an aggregate purchase price of \$15,000,000.

Note 4 — Private Placement Warrants

Concurrently with the closing of the IPO, the Sponsor and underwriter purchased an aggregate of 4,000,000 Private Placement Warrants at a price of \$1.00 per Private Placement Warrant for an aggregate purchase price of \$4,000,000. Each whole Private Placement Warrant is exercisable for one whole Ordinary Share at a price of \$11.50 per share, subject to adjustment (see Note 8). The proceeds from the Private Placement Warrants at the IPO are held in the Trust Account. If the Company does not complete a Business Combination within the Combination Period, the Private Placement Warrants will expire worthless.

On August 30, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option and partially exercised 1,500,000 Units and the remaining Units went un-exercised on expiry of 45 days. On September 1, 2021, the Company consummated the sale of an additional 238,636 Private Placement Warrants, at \$1.00 per Private Placement Warrant for an aggregate purchase price of \$238,636.

Note 5 — Related Party Transactions

Founder Shares

On January 18, 2021, the Sponsor paid \$25,000 in exchange for 2,875,000 Ordinary Shares (the “Founder Shares”). On August 30, 2021, the Company effectuated a 1.1-for-1 share split, resulting in an aggregate of 3,162,500 Founder Shares outstanding. The Founder Shares included an aggregate of up to 412,500 Ordinary Shares subject to forfeiture by the Sponsor to the extent that the underwriters’ over-allotment is not exercised in full or in part, so that the Sponsor will own, on an as-converted basis, 20% of the Company’s issued and outstanding shares after the IPO.

On August 30, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option and partially exercised 1,500,000 Units and the remaining Units went un-exercised on expiry of 45 days. As such, on September 1, 2021, the Sponsor forfeited 37,500 Ordinary Shares for no consideration.

The Sponsor has agreed, subject to limited exceptions, not to transfer, assign or sell any of the Founder Shares until the earliest of: (A) six months after the completion of a Business Combination and (B) subsequent to a Business Combination, (x) if the closing price of the Ordinary Shares equals or exceeds \$12.50 per share (as adjusted) for any 20 trading days within any 30-trading day period commencing at least 150 days after a Business Combination, or (y) the date on which the Company completes a liquidation, merger, share exchange or other similar transaction that results in all of the Public Shareholders having the right to exchange their shares of Ordinary Shares for cash, securities or other property.

In conjunction with each anchor investor purchasing 100% of the Units allocated to it, in connection with the closing of the IPO the Sponsor sold 60,000 Founder Shares (or 30,000 Founder Shares, as applicable) to each anchor investor (750,000 founder shares in the aggregate) at their original purchase price totaling to \$6,750; provided, however, that in the event that an anchor investor sells any of Units or Ordinary Shares purchased in the IPO within 30 days following the closing of the IPO, the number of Founder Shares transferred to such anchor investor would be reduced to 50,000 Founder Shares (or 25,000 Founder Shares, as applicable). The Company estimated the excess aggregate fair value over the amount paid by the anchor investors of the Founder Shares attributable to the Anchor Investors to be \$5,515,500, or \$7.362 per share. The excess of the fair value of the Founder Shares over the purchase price of \$6,750 was determined to be a contribution to the Company from the founders in accordance with Staff Accounting Bulletin (SAB) Topic 5T and an offering cost in accordance with SAB Topic 5A. Accordingly, the offering cost were recorded against additional paid in capital in accordance with the accounting of other offering costs. See Note 9 for valuation methodology and assumptions of the Founder Shares.

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Promissory Note — Related Party

On January 18, 2021, the Company issued an unsecured promissory note (the “Promissory Note”) to the Sponsor, pursuant to which the Company may borrow up to an aggregate principal amount of \$300,000. As of June 30, 2022, there was no amount outstanding under the Promissory Note.

Related Party Loans

In order to finance transaction costs in connection with a Business Combination, the Sponsor, or an affiliate of the Sponsor, or certain of the Company’s officers and directors may, but are not obligated to, loan the Company funds as may be required (“Working Capital Loans”). If the Company completes a Business Combination, the Company may repay the Working Capital Loans out of the proceeds of the Trust Account released to the Company. Otherwise, the Working Capital Loans may be repaid only out of funds held outside the Trust Account. In the event that a Business Combination does not close, the Company may use a portion of proceeds held outside the Trust Account to repay the Working Capital Loans, but no proceeds held in the Trust Account would be used to repay the Working Capital Loans. Except for the foregoing, the terms of such Working Capital Loans, if any, have not been determined and no written agreements exist with respect to such loans. The Working Capital Loans would either be repaid upon consummation of a Business Combination, without interest, or, at the lender’s discretion, up to \$1,500,000 of such Working Capital Loans may be convertible into warrants of the post-Business Combination entity at a price of \$1.00 per warrant. The warrants would be identical to the Private Placement Warrants. As of June 30, 2022 and December 31, 2021, the Company had no outstanding borrowings under the Working Capital Loans.

Due from related party

As of June 30, 2022, the Sponsor held \$68,591 from the closing of the IPO to be deposited as soon as practical to the Company’s operating account. Such amount was subsequently forgiven as due on the Closing Date, pursuant to the Business Combination Agreement.

Administrative Services Fee

The Company entered into an agreement, commencing on the effective date of the IPO through the earlier of the consummation of a Business Combination and the Company’s liquidation, to pay an affiliate of the Sponsor a monthly fee of \$10,000 for office space, secretarial and administrative services. For the period January 12, 2021 (inception) through June 30, 2022, for six months ended June 30, 2022, and June 30, 2021, \$100,000, \$60,000 and \$0 respectively have been paid under this arrangement.

Note 6 — Commitments and Contingencies

We received two private demand letters from purported shareholders in connection with the proposed de-SPAC transaction between CHW and WAG Labs, Inc. The demand letters seek certain supplemental disclosures and threaten to assert claims under the federal securities laws against CHW and its board of directors if the disclosures are not made. As of this date, no litigation has been filed.

Registration Rights

The holders of Founder Shares, Private Placement Warrants and warrants that may be issued upon conversion of working capital loans, if any, are entitled to registration rights (in the case of the Founder Shares, only after conversion of such shares to Ordinary Shares) pursuant to a registration rights agreement dated September 1, 2021. These holders are entitled to certain demand and “piggyback” registration rights. However, the registration rights agreement provides that the Company will not permit any registration statement filed under the Securities Act to become effective until the termination of the applicable lock-up period for the securities to be registered. The Company will bear the expenses incurred in connection with the filing of any such registration statements.

Underwriting Agreement

The Company granted the underwriters a 45-day option from the final prospectus relating to the IPO to purchase up to 1,650,000 additional Units to cover over-allotments, if any, at the IPO price less the underwriting discounts and commissions.

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On August 30, 2021, the underwriters notified the Company of their intention to partially exercise their over-allotment option and partially exercised 1,500,000 Units and the remaining Units went un-exercised on expiry of 45 days. Accordingly, on September 1, 2021, the Company consummated the sale of an additional 1,500,000 Units to the public, at \$10.00 per Unit for an aggregate purchase price of \$15,000,000.

The underwriters were paid a cash underwriting discount of \$0.175 per unit, or \$2,187,500 in the aggregate at the closing of the IPO (which includes amounts related to the partial exercise of the over-allotment option). In addition, the underwriters are entitled to a deferred underwriting commissions of \$0.35 per unit, or \$4,375,000 in the aggregate from the closing of the IPO ((which includes amounts related to the partial exercise of the over-allotment option). The deferred fee will become payable to the underwriters from the amounts held in the Trust Account solely in the event that the Company completes a Business Combination, subject to the terms of the underwriting agreement. See Note 10 for closing of Business Combination.

Advisory Fees

On March 28, 2022, the Company entered into an agreement with an MKM Partners for strategic and capital markets advisory services, pursuant to which the Company will pay the MKM Partners a fee of \$300,000 contingent upon the consummation of the Business Combination (please see Note 1 above).

On April 18, 2022, the Company entered into an agreement with Roth Capital Partners, LLC pursuant to which the Roth Capital Partners will receive a contingent fee of \$400,000, if the transaction closes during the term specified by the agreement, which shall commence on the date executed by the signatories below and shall continue until terminated by either party upon thirty (30) days' prior written notice to the other party) or the twelve (12) month period following any termination of this Agreement.

On May 6, 2022, the Company entered into an agreement with D.A Davidson & Co. to render financial advisory and investment banking services in connection with the Company's business combination with Wag Labs, Inc (see Note 1 above). The agreement calls for D.A. Davidson & Co. to receive a contingent fee of \$550,000, payable upon closing the transaction.

On November 10, 2021 the company engaged Oppenheimer & Co. Inc. ("Oppenheimer") to serve as the non-exclusive lead placement agent for the proposed private placement of the Company's securities, which could have taken the form of common stock, convertible or non-convertible preferred stock, convertible or non-convertible debt, and potentially warrants, to a limited number of sophisticated investors in connection with the Company's proposed initial business combination with Wag!. The Company and Oppenheimer were to mutually agree to the number of securities sold to each investor.

The agreement with Oppenheimer called for a fee due to Oppenheimer to be equal to the sum of (i) 6.0% of the portion of gross proceeds up to and including \$50 million and (ii) 4.0% of the portion of gross proceeds in excess of \$50 million. Oppenheimer was to receive no less than 50.0% of the fee. Also, regardless of whether the Company consummated the placement deal, the Company agreed to pay, or reimburse if paid by Oppenheimer: (i) all reasonable and documented out-of-pocket costs and expenses incident to the placement deal and (ii) all of the Oppenheimer's reasonable and documented out-of-pocket costs and expenses incurred in connection with Oppenheimer's engagement.

During the period from November 11, 2021 through December 14, 2021, Oppenheimer led a PIPE investment process where its representatives went out to investors from Oppenheimer's network and CHW's network to raise capital in connection with the potential business combination. CHW received several offers of \$30 million or more from this process, in the form of equity financing, but ultimately determined these offers were not in the best interest of CHW's investors and the best long-term interests of CHW. Oppenheimer did not incur any expenses up to the date and hence no amounts were accrued by the Company. No other contingent liabilities amounts were to be accrued from the arrangement.

See Note 10 for subsequent events related to advisor agreements entered into, after June 30, 2022.

Representative Shares

In September 2021, the Company issued to the designees of the underwriter 62,500 Ordinary Shares (the "Representative Shares"). The Company accounted for the Representative Shares as an offering cost of the IPO, with a corresponding credit to shareholders' equity. The Company estimated the fair value of the Representative Shares to be \$7.362 per share (\$460,125 in the aggregate) based upon the price of the Founder Shares issued to the anchor investors (see Note 5). The holders of the Representative Shares have agreed

not to transfer, assign, or sell any such shares until the completion of a Business Combination. In addition, the holders have agreed (i) to waive their conversion rights (or right to participate in any tender offer) with respect to such shares in connection with the completion of a Business Combination and (ii) to waive their rights to liquidating distributions from the Trust Account with respect to such shares if the Company fails to complete a Business Combination within the Combination Period.

See Note 9 for valuation methodology and assumptions of the Representative Shares.

Note 7 - Shareholders' Deficit

Preference Shares—The Company is authorized to issue 1,000,000 preference shares with a par value of \$0.0001 per share with such designations, voting and other rights and preferences as may be determined from time to time by the Company's board of directors. At December 31, 2021 and June 30, 2022, there were no preference shares issued or outstanding.

Ordinary Shares — The Company is authorized to issue 110,000,000 shares of Founder Shares with a par value of \$0.0001 per share. As of June 30, 2022 and December 31, 2021, there were 3,187,500 Ordinary Shares outstanding (excluding 12,500,000 shares subject to redemption) and after giving affect to the forfeiture of 37,500 Ordinary Shares since the underwriters' did not exercise the over-allotment option.

Note 8 - Warrants

Public Warrants may only be exercised for a whole number of shares. No fractional shares will be issued upon exercise of the Public Warrants. The Public Warrants will become exercisable on the later of (a) the completion of a Business Combination and (b) 12 months from the closing of the IPO. The Public Warrants will expire five years from the completion of a Business Combination or earlier upon redemption or liquidation.

The Company will not be obligated to deliver any Ordinary Shares pursuant to the exercise of a warrant and will have no obligation to settle such warrant exercise unless a registration statement under the Securities Act with respect to the Ordinary Shares underlying the warrants is then effective and a prospectus relating thereto is current, subject to the Company satisfying its obligations with respect to registration. No warrant will be exercisable for cash or on a cashless basis, and the Company will not be obligated to issue any shares to holders seeking to exercise their warrants, unless the issuance of the shares upon such exercise is registered or qualified under the securities laws of the state of the exercising holder, or an exemption is available.

The Company has agreed that as soon as practicable, but in no event later than 15 business days, after the closing of a Business Combination, it will use its best efforts to file, and within 60 business days following a Business Combination to have declared effective, a registration statement covering the offer and sale of the Ordinary Shares issuable upon exercise of the warrants. The Company will use its best efforts to cause the same to become effective and to maintain the effectiveness of such registration statement, and a current prospectus relating thereto, until the expiration of the warrants in accordance with the provisions of the warrant agreement. No warrants will be exercisable for cash unless the Company has an effective and current registration statement covering the offer and sale of the Ordinary Shares issuable upon exercise of the warrants and a current prospectus relating to such Ordinary Shares. Notwithstanding the foregoing, if a registration statement covering the offer and sale of the Ordinary Shares issuable upon exercise of the warrants is not effective within a specified period following the consummation of a Business Combination, warrant holders may, until such time as there is an effective registration statement and during any period when the Company shall have failed to maintain an effective registration statement, exercise warrants on a cashless basis pursuant to the exemption provided by Section 3(a)(9) of the Securities Act, provided that such exemption is available. If that exemption, or another exemption, is not available, holders will not be able to exercise their warrants on a cashless basis.

Once the warrants become exercisable, the Company may redeem the warrants:

- in whole and not in part;
- at a price of \$0.01 per warrant;
- upon not less than 30 days' prior written notice of redemption, to each warrant holder; and

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- if, and only if, the reported last sale price of the Public Shares equals or exceeds \$16.50 per share (as adjusted for share subdivisions, share consolidations, share capitalizations, rights issuances, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending on the third trading day prior to the date the Company sends the notice of redemption to the warrant holders.

If and when the warrants become redeemable by the Company, the Company may not exercise its redemption right if the issuance of shares upon exercise of the warrants is not exempt from registration or qualification under applicable state blue sky laws or the Company is unable to effect such registration or qualification.

If the Company calls the Public Warrants for redemption, management will have the option to require all holders that wish to exercise the Public Warrants to do so on a “cashless basis,” as described in the warrant agreement. The exercise price and number of Ordinary Shares issuable upon exercise of the warrants may be adjusted in certain circumstances including in the event of a share dividend, or recapitalization, reorganization, merger, or consolidation. However, except as described below, the warrants will not be adjusted for issuances of Ordinary Shares at a price below its exercise price. Additionally, in no event will the Company be required to net cash settle the warrants. If the Company is unable to complete a Business Combination within the Combination Period and the Company liquidates the funds held in the Trust Account, holders of warrants will not receive any of such funds with respect to their warrants, nor will they receive any distribution from the Company’s assets held outside of the Trust Account with the respect to such warrants. Accordingly, the warrants may expire worthless.

In addition, if (x) the Company issues additional Ordinary Shares or equity-linked securities for capital raising purposes in connection with the closing of its initial Business Combination at an issue price or effective issue price of less than \$9.50 per Public Share (with such issue price or effective issue price to be determined in good faith by the Company’s board of directors and, in the case of any such issuance to the Sponsor or its affiliates, without taking into account any Founder Shares held by the Sponsor or such affiliates, as applicable, prior to such issuance) (the “Newly Issued Price”), (y) the aggregate gross proceeds from such issuances represent more than 60% of the total equity proceeds, and interest thereon, available for the funding of the Company’s initial Business Combination on the date of the consummation of such initial Business Combination (net of redemptions), and (z) the volume weighted average trading price of the Company’s Ordinary Shares during the 20 trading day period starting on the trading day prior to the day on which the Company consummates its initial Business Combination (such price, the “Market Value”) is below \$9.50 per share, the exercise price of the warrants will be adjusted (to the nearest cent) to be equal to 115% of the greater of the Market Value and the Newly Issued Price and the \$16.50 per share redemption trigger price described above will be adjusted (to the nearest cent) to be equal to 165% of the greater of the Market Value and the Newly Issued Price.

The Private Placement Warrants are identical to the Public Warrants underlying the Units being sold in the IPO, except that the Private Placement Warrants and the Ordinary Shares issuable upon the exercise of the Private Placement Warrants will not be transferable, assignable, or saleable until 30 days after the completion of a Business Combination, subject to certain limited exceptions.

The Company has determined that warrants issued in connection with its IPO in September 2021 are subject to treatment as equity. In order to account for the fair value of the public warrants issued in the IPO, the Company used Black Scholes Model to allocate the proceeds to the Public warrants relating to the IPO. The key assumptions in the option pricing model utilized are assumptions related to expected share-price volatility, expected term, risk-free interest rate and dividend yield. The expected volatility as of the IPO Closing Date was derived from observable public warrant pricing on comparable ‘blank check’ companies that recently went public in 2020 and 2021. The risk-free interest rate is based on the interpolated U.S. Constant Maturity Treasury yield. The expected term of the warrants is assumed to be six months until the close of a Business Combination, and the contractual five-year term subsequently. The dividend rate is based on the historical rate, which the Company anticipates to remain at zero.

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The following table provides quantitative information regarding fair value measurements at issuance on September 1, 2021.

	September 1, 2021
Share Price	\$ 10.00
Exercise Price	\$ 11.50
Redemption Trigger Price	\$ 16.50
Term (years)	5
Probability of Acquisition	80 %
Volatility	22 %
Risk Free Rate	1.31 %
Dividend Yield	0.00 %

The fair value of the Public Warrants as of September 1, 2021 was \$1.32. As of June 30, 2022, the Company has 12,500,000 of Public Warrants and 4,238,636 of Private Warrants outstanding respectively.

Note 9 — Fair Value Measurements

The fair value of the Company’s financial assets and liabilities reflects management’s estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from independent sources) and to minimize the use of unobservable inputs (internal assumptions about how market participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

Level 1: Quoted prices in active markets for identical assets or liabilities. An active market for an asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2: Observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.

Level 3: Unobservable inputs based on our assessment of the assumptions that market participants would use in pricing the asset or liability.

At June 30, 2022 and December 31, 2021, the assets held in the Trust Account were held in mutual funds that invest in U.S Treasury Securities. All of the Company’s investments held in the Trust Account are classified as trading securities.

The following table presents information about the Company’s assets and liabilities that are measured at fair value on a recurring basis at June 30, 2022 and December 31, 2021 and indicates the fair value hierarchy of the valuation inputs the Company utilized to determine such fair value.

June 30, 2022	Assets:	Level	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
	Investment held in Trust Account	1	\$ 125,190,736	—	—

December 31, 2021	Assets:	Level	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
	Investment held in Trust Account	1	\$ 125,002,997	—	—

The Company utilized a Monte Carlo simulation model to value the Founder and Representative Shares at issuance. The estimated fair value of the shares is determined using Level 3 inputs. Inherent in a Monte Carlo pricing model are assumptions related to expected share-price volatility, expected term and risk-free interest rate. The risk-free interest rate is based on the U.S. Treasury zero-coupon yield curve on the grant date for a maturity in line with the timing of the and likelihood of completing a business combination. The

Ordinary Share price was assumed to fluctuate with the Company projected volatility based on comparable public companies. The term was simulated based on management’s assumptions regarding the timing and likelihood of completing a business combination.

The following table provides quantitative information for the founder share valuation.

	At September 1, 2021
Share Price	10.00
Estimated Term Remaining	1.58
Volatility	14.2 %
Risk Free Rate	0.15 %

Note 10 — Subsequent Events

The Company evaluated subsequent events and transactions that occurred after the condensed balance sheet date up to the date that the unaudited condensed financial statements were issued and determined that there have been no events that have occurred other than those mentioned below, that would require adjustments to the disclosures of the unaudited condensed financial statements.

On July 7, 2022, The board of directors of CHW Acquisition Corporation, through an extraordinary general meeting has approved, (i) the domestication of CHW as a Delaware corporation (the “Domestication”) and (ii) the Business Combination Agreement, dated as of February 2, 2022, by and among CHW, Wag Labs, Inc., a Delaware corporation (“Wag!”). Wag! is a leading provider of access to pet care services. In connection with the transactions contemplated by the Business Combination Agreement (the “Business Combination”), the Company will be renamed “Wag! Group Co.” (referred to herein as “New Wag!”).

On July 14, 2022, the Company entered into an agreement with Chardan Capital Markets to render financial advisory and investment banking services in connection with the Company’s business combination with Wag Labs, Inc. Pursuant to the agreement, Chardan Capital Markets is to receive a contingent fee of \$400,000, payable at payable at the earlier of (i) the closing of the Transaction from the closing flow-of-funds or (ii) 14 calendar days after the Company’s shareholder meeting approving the Transaction.

Pursuant to a certain Underwriting Agreement, dated August 30, 2021, by and between Wag! Group Co. (f/k/a CHW Acquisition Corporation the “Company”), and Chardan Capital Markets, LLC (“Chardan”), Chardan holds 56,250 shares (the “Shares”) of common stock, \$0.0001 par value per share, of the Company (“Common Stock”). On August 8, 2022, Chardan agreed to forfeit 50,000 Shares upon the consummation of the Company’s initial business combination with Wag Labs, Inc.

On August 5, 2022, the Company entered into Forward Share Purchase Agreements (each, a “Forward Purchase Agreement” and collectively, the “Forward Purchase Agreements”), with each of Milton Arbitrage Partners, LLC, MMCAP International Inc. SPC, Nautilus Master Fund, L.P. and Polar Multi-Strategy Master Fund (each, an “Investor” and collectively, the “Investors”) pursuant to which, on the three month anniversary of the date of the closing of the Company’s Business Combination (as defined below), the Investors may elect to sell and transfer to the Company, and the Company will purchase, in the aggregate up to 2,393,378 shares of common stock of the Company, par value \$0.0001 per share (the “Investor Shares”), consisting of shares of common stock then held by the Investors and not sold and repurchased by the Investor since the closing of the Business Combination. The Company will acquire the Investor Shares at a price of \$10.30 per share (the “Shares Purchase Price”). In exchange for the Company’s commitment to purchase the Investor Shares on the Put Date, each Investor agreed that it will not request redemption of any of the Investor Shares in conjunction with the Company’s shareholders’ approval of the Business Combination, or tender the Investor Shares to the Company in response to any redemption or tender offer that the Company may commence for its ordinary shares.

On October 27, 2021, the Company entered into an agreement with Ernst and Young LLP for due diligence services related to the Business Combination, pursuant to which the Company paid Ernst and Young LLP a fee of \$155,082 after the consummation of the Business Combination.

On August 9, 2022, the parties to the Business Combination Agreement completed the Business Combination (See Note 1). Holders of 9,593,970 Ordinary Shares exercised their right to redeem their shares for cash at a redemption price of approximately \$10.03 per share, for an aggregate redemption amount of approximately \$96.2 million. The per share redemption price of approximately \$10.03 for public shareholders electing redemption was paid out of the Trust Account.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

References in this report (the "Quarterly Report") to the "Company," "CHW," "our," "us" or "we" refer to CHW Acquisition Corporation. References to our "management" or our "management team" refer to our officers and directors, and references to the "Sponsor" refer to CHW Acquisition Sponsor, LLC. The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the unaudited condensed financial statements and the notes thereto contained elsewhere in this report. Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties.

Unless otherwise defined herein, the capitalized terms used below are defined in the business combination agreement, dated as of February 2, 2022 (the "Business Combination Agreement"), by and among CHW, CHW Merger Sub Inc., a Delaware corporation and wholly owned direct subsidiary of CHW ("Merger Sub"), and Wag Labs, Inc. ("Wag!"), pursuant to which, and subject to the terms and conditions contained therein, the business combination of CHW, Merger Sub and Wag! (the "Business Combination") will be effected.

Special Note Regarding Forward-Looking Statements

This Quarterly Report includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). We have based these forward-looking statements on our current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "continue," or the negative of such terms or other similar expressions. Such statements include, but are not limited to, possible business combinations, including our proposed Wag! Business Combination, and the financing thereof, and related matters, as well as all other statements other than statements of historical fact included in this Form 10-Q. Factors that might cause or contribute to such a discrepancy include, but are not limited to, those described in the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2021 (the "Form 10-K"), in the Registration Statement on Form S-4 that the Company has filed with the U.S. Securities and Exchange Commission (the "SEC") relating to our proposed business combination with Wag!, and in our other filings with the SEC. Our filings with the SEC can be accessed on the EDGAR section of the SEC's website at sec.gov. Except as expressly required by applicable securities law, we disclaim any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Overview

As of June 30, 2022, we are a blank check company incorporated on January 12, 2021 as a Cayman Islands corporation and formed for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or similar Business Combination with one or more businesses or entities. While we may pursue an acquisition opportunity in any business, industry, sector, or geographical location, we intend to focus on industries that complement our management's background and to capitalize on the ability of our management team to identify and acquire a business. We may pursue a transaction in which our shareholders immediately, prior to completion of our initial Business Combination, would collectively own a minority interest in the post-Business Combination company. We intend to effectuate our initial Business Combination using cash from the proceeds of this offering and the sale of the private placement warrants, our shares, debt or a combination of cash, equity and debt.

We expect to continue to incur significant costs in the pursuit of our acquisition plans. We cannot assure you that our plans to complete a Business Combination will be successful.

The Business Combination was successfully completed on August 9, 2022.

Results of Operations

Our entire activity through June 30, 2022 was in preparation for an initial public offering, and since our initial public offering, our activity has been limited to the search for a prospective initial Business Combination. We will not generate any operating revenues until after completion of our initial Business Combination at the earliest. We expect to incur increased expenses as a result of being a public company (for legal, financial reporting, accounting and auditing compliance), as well as for due diligence expenses.

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For the three and six months ended June 30, 2022, we had a net loss of \$1,391,964 and \$3,563,911 which consisted of operating expenses of \$1,569,501 and \$3,751,650 and interest income of \$177,537 and \$187,739 respectively.

For the period January 12, 2021 (inception) through June 30, 2021 and for the three months ended June 30, 2021, we had a net loss of \$15,873 and \$4,239, which consisted of operating expenses of \$15,873 and \$4,239 respectively.

Liquidity and Capital Resources

As of June 30, 2022, the Company had \$168,249 in its operating bank accounts, \$125,190,736 in securities held in the Trust Account to be used for a Business Combination or to repurchase or redeem its Ordinary Shares in connection therewith and working capital deficit of \$3,148,741. As of June 30, 2022, approximately \$190,736 of the amount deposit in the Trust Account represented interest income.

Subsequent to the consummation of the IPO, our liquidity needs had been satisfied through the use of funds held outside of the Trust Account.

Based on the foregoing, management believes that the cash on hand and the funds which the Company has available following the completion of the Business Combination was sufficient to meet the Company's needs through the consummation of the Business Combination. The substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time, which is considered to be one year from the issuance date of the financial statements, has been alleviated as a result of the Business Combination consummated subsequently to June 30, 2022 (Note 1).

Related Party Transactions

Founder Shares

On January 18, 2021, the Sponsor paid \$25,000 for 2,875,000 Ordinary Shares (the "Founder Shares"). On August 30, 2021, the Company effectuated a 1.1-for-1 share split, resulting in an aggregate of 3,162,500 Founder Shares outstanding. The Founder Shares included an aggregate of up to 412,500 shares that were subject to forfeiture depending on the extent to which the underwriters' over-allotment option was exercised, so that the number of Founder Shares will equal, on an as-converted basis, 20% of the Company's issued and outstanding shares of ordinary shares after the Initial Public Offering. On September 1, 2021, the underwriters partially exercised the over-allotment option and 37,500 Founder Shares were forfeited for no consideration by the Sponsor.

The Sponsor has agreed, subject to limited exceptions, not to transfer, assign or sell any of the Founder Shares until the earliest of: (A) six months after the completion of a Business Combination and (B) subsequent to a Business Combination, (x) if the closing price of the shares of Ordinary shares equals or exceeds \$12.50/share (as adjusted) for any 20 trading days within any 30-trading day period commencing at least 150 days after a Business Combination, or (y) the date on which the Company completes a liquidation, merger, share exchange or other similar transaction that results in all of the Public Shareholders having the right to exchange their shares of Ordinary shares for cash, securities or other property.

Private Placement

Simultaneously with the closing of the Initial Public Offering and underwriters' partial exercise of their over-allotment option, the Sponsor purchased 4,238,686 Private Placement Warrants at a price of \$1.00 per Private Placement Warrant, for an aggregate purchase price of \$4,238,686. Each Private Placement Warrant is exercisable to purchase one share Ordinary shares at a price of \$11.50 per share, subject to adjustment. A portion of the proceeds from the Private Placement Warrants were added to the proceeds from the Initial Public Offering held in the Trust Account. If the Company does not complete a Business Combination within the Combination Period, the proceeds from the sale of the Private Placement Warrants will be used to fund the redemption of the Public Shares (subject to the requirements of applicable law), and the Private Placement Warrants and all underlying securities will expire worthless.

Due from related party

As of June 30, 2022, the Sponsor held \$68,591 from the closing of the IPO that will be deposited as soon as practical to the Company's operating account. Such amount was subsequently forgiven as due on the Closing Date, pursuant to the Business Combination Agreement.

Related Party Loans

On January 18, 2021, the Company issued an unsecured promissory note (the “Promissory Note”) to the Sponsor, pursuant to which the Company may borrow up to an aggregate principal amount of \$300,000. As of June 30, 2022, there was no outstanding under the Promissory Note.

In addition, in order to finance transaction costs in connection with a Business Combination, the Sponsor or an affiliate of the Sponsor, or certain of the Company’s officers and directors may, but are not obligated to, loan the Company funds as may be required (“Working Capital Loans”). If we complete a Business Combination, we would repay the Working Capital Loans out of the proceeds of the Trust Account released to us. In the event that a Business Combination does not close, we may use a portion of proceeds held outside the Trust Account to repay the Working Capital Loans but no proceeds held in the Trust Account would be used to repay the Working Capital Loans. Up to \$1.5 million of such Working Capital Loans may be convertible into warrants of the post-Business Combination entity at a price of \$1.00 per warrant at the option of the lender. The warrants would be identical to the Private Placement Warrants. Notwithstanding the foregoing, the Business Combination Agreement does not permit Working Capital Loans to convert into warrants. Except as set forth above, to date, the terms of the Working Capital Loans, if any, have not been determined and no written agreements exist with respect to such loans. As of June 30, 2022, there were no Working Capital Loans outstanding.

Administrative Services Fee

We agreed, commencing on the effective date of the Initial Public Offering through the earlier of our consummation of a Business Combination or our liquidation, to pay an affiliate of the Sponsor a monthly fee of \$10,000 for office space, secretarial and administrative services. As of June 30, 2022, and June 30, 2021, \$100,000 and \$0 respectively have been paid under this arrangement. For the six-month ended June 30, 2022, \$60,000 has been paid under this agreement.

Registration Rights

The holders of Founder Shares, Private Placement Warrants and warrants that may be issued upon conversion of working capital loans, if any, are entitled to registration rights (in the case of the Founder Shares, only after conversion of such shares to shares of Ordinary shares) pursuant to a registration rights agreement dated September 1, 2021. These holders are entitled to certain demand and “piggyback” registration rights. However, the registration rights agreement provides that the Company will not permit any registration statement filed under the Securities Act to become effective until the termination of the applicable lock-up period for the securities to be registered. The Company will bear the expenses incurred in connection with the filing of any such registration statements.

Deferred Underwriting Fees

The underwriter was paid a cash underwriting discount of 1.75% of the gross proceeds of the Initial Public Offering, or \$2,187,500. The underwriter is entitled to a deferred fee of \$0.35 per unit, or \$4,375,000 in the aggregate. The deferred fee will become payable to the underwriter from the amounts held in the Trust Account solely in the event that we complete a Business Combination, subject to the terms of the underwriting agreement. The Business Combination was completed on August 9, 2022, and the underwriters received the deferred underwriting fees on August 9, 2022.

Off-Balance Sheet Arrangements

We have no obligations, assets or liabilities, which would be considered off-balance sheet arrangements as of June 30, 2022. We do not participate in transactions that create relationships with entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements. We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or purchased any non-financial assets.

Critical Accounting Policies

The preparation of unaudited condensed financial statements and related disclosures in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and income and

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expenses during the periods reported. Actual results could materially differ from those estimates. We have identified the following critical accounting policies:

Warrant Instruments

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the instruments' specific terms and applicable authoritative guidance in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 480, Distinguishing Liabilities from Equity ("ASC 480") and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the instruments are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the instruments meet all of the requirements for equity classification under ASC 815, including whether the instruments are indexed to the Company's own ordinary shares and whether the instrument holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the instruments are outstanding. The Company concluded that the Public Warrants and Private Placement Warrants issued pursuant to the warrant agreement qualify for equity accounting treatment.

Ordinary shares Subject to Possible Redemption

We account for our ordinary shares subject to possible redemption in accordance with the guidance in Accounting Standards Codification ("ASC") Topic 480 "Distinguishing Liabilities from Equity." Ordinary shares subject to mandatory redemption is classified as a liability instrument and is measured at fair value. Conditionally redeemable ordinary shares (including ordinary shares that features redemption rights that is either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within our control) is classified as temporary equity. At all other times, ordinary shares are classified as shareholders' equity. Our ordinary shares feature certain redemption rights that are considered to be outside of our control and subject to occurrence of uncertain future events. Accordingly, ordinary shares subject to possible redemption is presented as temporary equity, outside of the shareholders' equity section of our unaudited condensed balance sheets.

Net Loss Per Share of Ordinary shares

We apply the two-class method in calculating earnings per share. Net income per share of the redeemable shares, basic and diluted is calculated by dividing the interest income earned on the Trust Account by the weighted average number of shares of redeemable ordinary shares outstanding since original issuance. Net loss per share of ordinary shares, basic and diluted, for non-redeemable ordinary shares is calculated by dividing the net loss, less income attributable to shares of redeemable ordinary shares, by the weighted average number of shares of non-redeemable ordinary shares outstanding for the periods presented.

Recently Adopted Accounting Standards

Recent Accounting Standards

Management does not believe that any recently issued, but not yet effective, accounting pronouncements, if currently adopted, would have a material effect on the Company's unaudited condensed financial statements.

Contractual Obligations

We do not have any long-term debt, capital lease obligations, operating lease obligations or long-term liabilities, other than an agreement to pay an affiliate of the Sponsor a monthly fee of \$10,000 for office space, utilities and secretarial, and administrative support services provided to the Company. We began incurring these fees on June 15, 2021 and will continue to incur these fees monthly until the earlier of the completion of a Business Combination and the Company's liquidation.

On March 28, 2022, the Company entered into an agreement with an MKM Partners for strategic and capital markets advisory services, pursuant to which the Company will pay the MKM Partners a fee of \$300,000 contingent upon the consummation of the Business Combination (please see Note 1 above).

On April 18, 2022, the Company entered into an agreement with Roth Capital Partners, LLC pursuant to which the Roth Capital Partners will receive a contingent fee of \$400,000, if the transaction closes during the term specified by the agreement, which shall

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commence on the date executed by the signatories below and shall continue until terminated by either party upon thirty (30) days' prior written notice to the other party) or the twelve (12) month period following any termination of this Agreement.

On May 6, 2022, the Company entered into an agreement with D.A Davidson & Co. to render financial advisory and investment banking services in connection with the Company's business combination with Wag Labs, Inc (see Note 1 above). The agreement calls for D.A. Davidson & Co. to receive a contingent fee of \$550,000, payable upon closing the transaction.

On November 10, 2021 the company engaged Oppenheimer & Co. Inc. ("Oppenheimer") to serve as the non-exclusive lead placement agent for the proposed private placement of the Company's securities, which could have taken the form of common stock, convertible or non-convertible preferred stock, convertible or non-convertible debt, and potentially warrants, to a limited number of sophisticated investors in connection with the Company's proposed initial business combination with Wag!. The Company and Oppenheimer were to mutually agree to the number of securities sold to each investor.

The agreement with Oppenheimer called for a fee due to Oppenheimer to be equal to the sum of (i) 6.0% of the portion of gross proceeds up to and including \$50 million and (ii) 4.0% of the portion of gross proceeds in excess of \$50 million. Oppenheimer was to receive no less than 50.0% of the fee. Also, regardless of whether the Company consummated the placement deal, the Company agreed to pay, or reimburse if paid by Oppenheimer: (i) all reasonable and documented out-of-pocket costs and expenses incident to the placement deal and (ii) all of the Oppenheimer's reasonable and documented out-of-pocket costs and expenses incurred in connection with Oppenheimer's engagement.

During the period from November 11, 2021 through December 14, 2021, Oppenheimer led a PIPE investment process where its representatives went out to investors from Oppenheimer's network and CHW's network to raise capital in connection with the potential business combination. CHW received several offers of \$30 million or more from this process, in the form of equity financing, but ultimately determined these offers were not in the best interest of CHW's investors and the best long-term interests of CHW. Oppenheimer did not incur any expenses up to the date and hence no amounts were accrued by the Company. No other contingent liabilities amounts were to be accrued from the arrangement.

On July 14, 2022, the Company entered into an agreement with Chardan Capital Markets to render financial advisory and investment banking services in connection with the Company's business combination with Wag Labs, Inc. Pursuant to the agreement, Chardan Capital Markets is to receive a contingent fee of \$400,000, payable at payable at the earlier of (i) the closing of the Transaction from the closing flow-of-funds or (ii) 14 calendar days after the Company's shareholder meeting approving the Transaction.

Pursuant to a certain Underwriting Agreement, dated August 30, 2021, by and between Wag! Group Co. (f/k/a CHW Acquisition Corporation the "Company"), and Chardan Capital Markets, LLC ("Chardan"), Chardan holds 56,250 shares (the "Shares") of common stock, \$0.0001 par value per share, of the Company ("Common Stock"). On August 8, 2022, Chardan agreed to forfeit 50,000 Shares upon the consummation of the Company's initial business combination with Wag Labs, Inc.

On August 5, 2022, the Company entered into Forward Share Purchase Agreements (each, a "Forward Purchase Agreement" and collectively, the "Forward Purchase Agreements"), with each of Milton Arbitrage Partners, LLC, MMCAP International Inc. SPC, Nautilus Master Fund, L.P. and Polar Multi-Strategy Master Fund (each, an "Investor" and collectively, the "Investors") pursuant to which, on the three month anniversary of the date of the closing of the Company's Business Combination (as defined below), the Investors may elect to sell and transfer to the Company, and the Company will purchase, in the aggregate up to 2,393,378 shares of common stock of the Company, par value \$0.0001 per share (the "Investor Shares"), consisting of shares of common stock then held by the Investors and not sold and repurchased by the Investor since the closing of the Business Combination. The Company will acquire the Investor Shares at a price of \$10.30 per share (the "Shares Purchase Price"). In exchange for the Company's commitment to purchase the Investor Shares on the Put Date, each Investor agreed that it will not request redemption of any of the Investor Shares in conjunction with the Company's shareholders' approval of the Business Combination, or tender the Investor Shares to the Company in response to any redemption or tender offer that the Company may commence for its ordinary shares.

On October 27, 2021, the Company entered into an agreement with Ernst and Young LLP for due diligence services related to the Business Combination, pursuant to which the Company paid Ernst and Young LLP a fee of \$155,082 after the consummation of the Business Combination.

JOBS Act

On April 5, 2012, the JOBS Act was signed into law. The JOBS Act contains provisions that, among other things, relax certain reporting requirements for qualifying public companies. We will qualify as an “emerging growth company” and under the JOBS Act will be allowed to comply with new or revised accounting pronouncements based on the effective date for private (not publicly traded) companies. We are electing to delay the adoption of new or revised accounting standards, and as a result, we may not comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. As such, our financial statements may not be comparable to companies that comply with public company effective dates.

Additionally, we are in the process of evaluating the benefits of relying on the other reduced reporting requirements provided by the JOBS Act. Subject to certain conditions set forth in the JOBS Act, if, as an “emerging growth company,” we choose to rely on such exemptions we may not be required to, among other things, (i) provide an auditor’s attestation report on our system of internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act, (ii) provide all of the compensation disclosure that may be required of non-emerging growth public companies under the Dodd-Frank Wall Street Reform and Consumer Protection Act, (iii) comply with any requirement that may be adopted by the PCAOB regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements (auditor discussion and analysis) and (iv) disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of executive compensation to median employee compensation. These exemptions will apply for a period of five years following the completion of our Initial Public Offering or until we are no longer an “emerging growth company,” whichever is earlier.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As of June 30, 2022, we were not subject to any market or interest rate risk. Following the consummation of our Initial Public Offering, the net proceeds of our Initial Public Offering, including amounts in the Trust Account, have been invested in certain U.S. government obligations with a maturity of 185 days or less or in certain money market funds that invest solely in U.S. treasuries. Due to the short-term nature of these investments, we believe there will be no associated material exposure to interest rate risk.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed by us in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial and accounting officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the fiscal quarter ended June 30, 2022, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on this evaluation, our principal executive officer and principal financial and accounting officer have concluded that our disclosure controls and procedures were not effective due to the material weaknesses in our internal control over financial reporting related to the Company’s accounting for complex financial instruments and the improper accounting and reporting for certain expenses. As a result, we performed additional analysis as deemed necessary to ensure that our financial statements were prepared in accordance with U.S. generally accepted accounting principles. Accordingly, management believes that the unaudited condensed financial statements included in this Form 10-Q present fairly, in all material respects, our financial position, result of operations and cash flows for the periods presented.

Changes in Internal Control over Financial Reporting

During the fiscal quarter ended June 30, 2022, there has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting, other than as described herein. Management has identified material weaknesses in internal controls related to the accounting for complex financial instruments and the improper accounting and reporting for certain expenses as described above. While we have processes to identify and appropriately apply applicable accounting requirements, we plan to enhance our system of evaluating and implementing the accounting standards that apply to our unaudited condensed financial statements, including through enhanced analyses by our personnel and third-party professionals with whom we consult regarding complex accounting applications. The elements of our remediation plan can only be accomplished over time, and we can offer no assurances that these initiatives will ultimately have the intended effects.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We received two private demand letters from purported shareholders in connection with the proposed de-SPAC transaction between CHW and WAG Labs, Inc. The demand letters seek certain supplemental disclosures and threaten to assert claims under the federal securities laws against CHW and its board of directors if the disclosures are not made. As of this date, no litigation has been filed.

ITEM 1A. RISK FACTORS

As of the date of this Quarterly Report, there have been no material changes from the risk factors previously disclosed in the Form 10-K. We may disclose changes to such factors or disclose additional factors from time to time in our future filings with the SEC.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered Sales

In connection with entering into the Business Combination Agreement, on February 2, 2022, CHW entered into Subscription Agreements (the “Subscription Agreements”) with qualified institutional buyers (the “PIPE and Backstop Investors”), pursuant to which, among other things, the PIPE and Backstop Investors agreed to purchase an aggregate of 500,000 shares of common stock of CHW following the Domestication and immediately prior to the Acquisition Merger at a cash purchase price of \$10.00 per share, resulting in aggregate proceeds of \$5,000,000; provided, however, if the PIPE and Backstop Investors acquire shares of common stock of CHW in the open market between the date of the Subscription Agreements and the close of business on the third trading day prior to the special meeting of CHW’s shareholders called in connection with the Business Combination, then the required purchase amount shall be reduced on a share-for-share basis by the number of shares of common stock of CHW so acquired in the open market (the “PIPE and Backstop Investment”).

Use of Proceeds

On September 1, 2021, we consummated our initial public offering of 12,500,000 units, including 1,500,000 units issued pursuant to the partial exercise of the underwriters’ over-allotment option. Each unit consists of one ordinary share and one redeemable warrant, with each warrant entitling the holder thereof to purchase one ordinary share for \$11.50 per share. The units were sold at a price of \$10.00 per unit, generating gross proceeds to the Company of \$125,000,000.

A total of \$125,000,000 of the proceeds from the initial public offering (which amount includes \$4,375,000 of the underwriters’ deferred discount) and the sale of the private placement warrants, was placed in a U.S.-based trust account maintained by Wilmington Trust, National Association, acting as trustee. The proceeds held in the trust account may be invested by the trustee only in U.S. government securities with a maturity of 185 days or less or in money market funds investing solely in U.S. government treasury obligations and meeting certain conditions under Rule 2a-7 under the Investment Company Act of 1940, as amended.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

<u>Exhibit No.</u>	<u>Description</u>
31.1*	Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted in Inline XBRL and included as Exhibit 101)

* Filed herewith.

** Furnished herewith.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

WAG! GROUP CO.

Date: August 15, 2022

By: /s/ Garrett Smallwood

Name: Garrett Smallwood

Title: (Principal Executive Officer)

Date: August 15, 2022

By: /s/ Alec Davidian

Name: Alec Davidian

Title: Chief Financial Officer

(Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES
EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY
ACT OF 2002**

I, Garrett Smallwood, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wag! Group Co.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) (Paragraph omitted pursuant to SEC release Nos. 33-8238/34-47986 and 33-8392/34-49313);
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 15, 2022

By: /s/ Garrett Smallwood
Name: Garrett Smallwood
Title: Co-Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES
EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY
ACT OF 2002**

I, Alec Davidian, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wag! Group Co.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) (Paragraph omitted pursuant to SEC release Nos. 33-8238/34-47986 and 33-8392/34-49313);
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

August 15, 2022

By: /s/ Alec Davidian

Name: Alec Davidian

Title: Chief Financial Officer

(Principal Financial and Accounting Officer)

**CERTIFICATION OF THE CO-CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. § 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Wag! Group Co. (the "Company") on Form 10-Q for the quarterly period ended June 30, 2022, as filed with the Securities and Exchange Commission (the "Report"), I, Garrett Smallwood, Chief, Co-Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as added by §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Date: August 15, 2022

By: /s/ Garrett Smallwood
Garrett Smallwood
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. § 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Wag! Group Co. (the "Company") on Form 10-Q for the quarterly period ended June 30, 2022, as filed with the Securities and Exchange Commission (the "Report"), I, Alec Davidian, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as added by §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Date: August 15, 2022

By: /s/ Alec Davidian
Alec Davidian
Chief Financial Officer
(Principal Financial and Accounting Officer)
