



Appendix 4D

For the half-year ended 31 December 2015

Catapult Group International Limited

ABN 53 164 301 197

RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the half-year ended 31 December 2015

	31 Dec 2015 \$000's	31 Dec 2014 \$000's	Change \$000's	Change %
Revenue from ordinary activities	7,824	4,719	3,105	+66%
Comprehensive Profit / (Loss) from ordinary activities after tax attributable to members	(2,790)	(2,901)	111	+4%
Profit / (Loss) from ordinary activities after tax attributable to members	(2,608)	(2,629)	22	+1%

Dividend information

Catapult Group International Limited has not paid, and does not propose to pay dividends, for the half-year ended 31 December 2015 (2014: nil).

Net tangible information

	31 Dec 2015 (cents)	31 Dec 2014 (cents)
Net tangible asset per security	9.1	8.3

The commentary on the results for the period is contained in the Catapult market disclosure announcing half year financial results, the half year results presentation to investors and the review of operations in the Directors' Report accompanying the attached Half-Year Financial Report for the half-year ended 31 December 2015.

Information should be read in conjunction with Catapult's 2015 Annual Report and the attached Half-Year Financial Report. This report is based on the consolidated half-year financial Report for the half-year ended 31 December 2015 which has been reviewed by Grant Thornton with the Independent Auditor's Review Report included in the Half-Year Financial Report.



Financial Statements

Catapult Group International Ltd

For the half-year ended 31 December 2015



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Directors' Report

The Directors of Catapult Group International Ltd ('Catapult') present their Report together with the financial statements of the consolidated entity, being Catapult Group International Ltd ('the Company') and its controlled entities ('the Group') for the half-year ended 31 December 2015 ('H1 FY16').

Director details

The following persons were Directors of Catapult Group International Ltd during or since the end of H1 FY16:

- Mr Shaun Holthouse (Chief Executive Officer)
- Dr Adir Shiffman (Executive Chairman)
- Mr Igor van de Griendt (Chief Operating Officer)
- Mr Calvin Ng
- Ms Rhonda O'Donnell
- Mr Brent Scrimshaw

All Directors have been in office since the start of the financial year to the date of this report.

Review of operations and financial results

A summary of underlying financial results from operations for H1 FY16 is set out below.

For the purposes of this report, underlying earnings from operations are defined as the reported results per the half-year financial statements, adjusted for capital raising costs and one-off litigation costs.

	Half-year ended 31 Dec 2015 \$000's	Half-year ended 31 Dec 2014 \$000's	Change %
1. Statutory results			
Total Income	7,824	4,719	66%
EBITDA	(2,800)	(3,125)	10%
NPAT	(2,608)	(2,629)	1%
2. Underlying results			
Gross Margin	86%	83%	3%
EBITDA	(2,134)	(1,455)	(47%)
NPAT	(1,942)	(960)	(102%)

Strong sales growth and rapid expansion of subscriptions

For H1 FY16, the Group reported a 66% increase in total income, from \$4.7m in the half-year ended 31 December 2014 ('H1 FY15') to \$7.8m. The increase was driven by strong sales growth, with the total value of contracts ('TCV') sold up 75% from \$8.9m in H1 FY15 to \$14.0m, plus the rapid expansion of recurring revenues from subscriptions.

Revenue generated by offshore regions in H1 FY16 increased by 67% from \$3.2m in H1 FY15 to \$5.3m, totalling 75% of revenue from unit sales. Offshore revenue growth was led by Asia-Pacific and the United States which increased by 318% and 71% respectively compared to H1 FY15. The Rest of World region contributed \$254k of revenue for H1 FY16, whereas no revenue was recorded in H1 FY15.

Underlying the revenue reported in H1 FY16 was a 100% increase in annualised recurring revenue ('ARR') at the end of the period, from \$4.7m at the end of H1 FY15 to \$9.4m.

During H1 FY16 the Group also entered its first league-wide arrangements with the Australian Football League and Australian Rugby Union, with all teams under new long-term subscription arrangements. Beyond generating subscription revenue from units deployed, the agreements also broaden the potential uses of data for analytics and monetisation opportunities in partnership with these leagues.

Increased underlying gross margin and accelerated growth plans

The Group's underlying gross margin for H1 FY16 increased to 86% from 83% in H1 FY15. Included in cost of materials for H1 FY16 was a one-off charge of \$258k relating to the transfer of inventory to the manufacturer as it took on additional production processes under a renewed contract with the Group.

Employee expenses of the Group increased 58% from \$3.1m in H1 FY15 to \$4.8m as the Group continued to expand its sales and marketing platform across the United States, Europe and Asia, in line with an accelerated growth strategy announced by management in November 2015. Underlying EBITDA decreased by 47% in H1 FY16 from (\$1.5m) in H1 FY15 to (\$2.1m).

	Half-year ended 31 Dec 2015 \$000's	Half-year ended 31 Dec 2014 \$000's
Reported EBITDA	(2,800)	(3,125)
Add: Capital raising costs	317	1,370
Add: Litigation costs	348	300
Underlying EBITDA	(2,134)	(1,455)

The loss after income tax of the Group in H1 FY16 remained consistent at \$2.6m (H1 FY15: \$2.6m), whereas the loss per share decreased from (\$0.03) in H1 FY15 to (\$0.02).

Strong cash position

The Group recorded a net cash increase of \$2.9m in H1 FY16 resulting in a cash balance as at 31 December 2015 of \$8.5m. Furthermore, cash receipts increased 92% in H1 FY16 from \$5.2m in H1 FY15 to \$10.1m. The Group also raised a total of \$6.0m cash via an institutional placement in November 2015.

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* is included on page 5 of this financial report and forms part of this Directors' Report.

Signed in accordance with a resolution of the Directors.

A handwritten signature in blue ink, appearing to read 'Adir Shiffman', is positioned above the printed name and title.

Adir Shiffman
Executive Chairman

28 February 2016

The Rialto, Level 30
525 Collins St
Melbourne Victoria 3000

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au


AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF CATAPULT GROUP INTERNATIONAL LTD

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Catapult Group International Ltd for the half-year ended 31 December 2015, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Adrian Nathanielsz
Partner – Audit & Assurance

Melbourne
28 February 2016

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2015

	Notes	2015	2014
		\$	\$
Revenue		7,085,528	4,482,873
Other income		738,441	236,394
Costs of materials		(1,282,722)	(745,280)
Employee benefits expense		(4,853,486)	(3,076,305)
Depreciation and amortisation		(689,389)	(416,534)
Other expenses		(4,170,195)	(2,652,639)
Capital raising and listing expenses		(317,214)	(1,369,657)
		(3,489,037)	(3,541,148)
Finance costs		(21,528)	(290,600)
Finance income		71,409	6,899
Loss before income tax		(3,439,156)	(3,824,849)
Income tax benefit		831,556	1,195,685
Loss for the period from continuing operations attributable to owners		(2,607,600)	(2,629,164)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		(182,684)	(271,982)
Other comprehensive income for the period, net of tax		(182,684)	(271,982)
Total comprehensive income for the period attributable to owners		(2,790,284)	(2,901,146)
Earnings per share			
Basic and diluted loss per share (cents per share)	6	(2.2)	(2.9)

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position

As at 31 December 2015

	Note	31-Dec-15	30-Jun-15
		\$	\$
Assets			
Current			
Cash and cash equivalents		8,505,427	5,672,425
Trade and other receivables		3,972,068	4,499,360
Inventories		2,678,923	2,578,598
Current tax assets		1,616,659	991,715
Total Current Assets		16,773,077	13,742,098
Non-Current			
Trade and other receivables		357,328	174,386
Property, plant and equipment		2,813,401	2,171,770
Goodwill		1,212,735	1,212,735
Other intangible assets		2,708,871	2,508,280
Deferred tax assets		3,210,351	2,002,240
Total Non-Current Assets		10,302,686	8,069,411
Total Assets		27,075,763	21,811,509
Liabilities			
Current			
Trade and other payables		2,344,905	1,528,358
Other liabilities		6,462,393	5,552,458
Employee benefits		1,781,037	2,110,744
Current Liabilities		10,588,335	9,191,560
Non-Current			
Other liabilities		447,993	341,572
Employee benefits		65,158	51,101
Deferred tax liabilities		667,791	314,373
Total Non-Current Liabilities		1,180,942	707,046
Total Liabilities		11,769,277	9,898,606
Net Assets		15,306,486	11,912,903
Equity			
Share capital	7	23,794,439	17,745,799
Share option reserve		621,903	486,676
Foreign currency translation reserve		(689,590)	(506,906)
Accumulated losses		(8,420,266)	(5,812,666)
Total Equity		15,306,486	11,912,903

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

For the half-year ended 31 December 2015

	Share Capital \$	Share Option Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2014	4,878,403	298,151	(7,836)	(1,503,436)	3,665,282
Dividends	1,499,400	-	-	-	1,499,400
Share based payments	-	27,980	-	-	27,980
Treasury shares	(1,499,400)	-	-	-	(1,499,400)
Issue of share capital, net of transaction costs and tax	12,855,095	-	-	-	12,855,095
Total transactions with owners	12,855,095	27,980	-	-	12,855,095
Loss for the half-year	-	-	-	(2,629,164)	(2,629,164)
Other comprehensive income	-	-	(271,982)	-	(271,982)
Total comprehensive income	-	-	(271,982)	(2,629,164)	(2,901,146)
Balance at 31 December 2014	17,733,498	326,131	(279,818)	(4,132,600)	13,647,211
Balance at 1 July 2015	17,745,799	486,676	(506,906)	(5,812,666)	11,912,903
Share based payments	-	135,227	-	-	135,227
Issue of share capital, net of transaction costs and tax	6,048,640	-	-	-	6,048,640
Total transactions with owners	6,048,640	135,227	-	-	6,183,867
Loss for the half- year	-	-	-	(2,607,600)	(2,607,600)
Other comprehensive income	-	-	(182,684)	-	(182,684)
Total comprehensive income	-	-	(182,684)	(2,607,600)	(2,790,284)
Balance at 31 December 2015	23,794,439	621,903	(689,590)	(8,420,266)	15,306,486

This statement should be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2015

	2015	2014
	\$	\$
Operating activities		
Receipts from customers	10,052,655	5,242,999
Payments to suppliers and employees	(12,091,256)	(6,929,265)
Interest and other items of a similar nature received	101,828	7,884
Interest and other costs of finance paid	-	(248,015)
Net cash used in operating activities	(1,936,773)	(1,926,397)
Investing activities		
Purchase of property, plant and equipment	(823,653)	(1,200,076)
Purchase of other intangible assets	(401,864)	(241,176)
Payment for settlement of acquisition of GPSports	-	(2,111,892)
Net cash used in investing activities	(1,225,517)	(3,553,144)
Financing activities		
Proceeds from issue of share capital	6,048,640	12,000,000
Payment of debt and capital raising expenses	-	(666,462)
Proceeds from borrowings	-	1,500,000
Repayment of borrowings	-	(1,940,234)
Net cash from financing activities	6,048,640	10,893,304
Net change in cash and cash equivalents	2,886,350	5,413,763
Cash and cash equivalents, beginning of period	5,672,425	3,754,202
Exchange differences on cash and cash equivalents	(53,348)	40,055
Cash and cash equivalents, end of reporting period	8,505,427	9,208,020

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

1. Nature of operations

Catapult Group International Ltd and its controlled entities (the 'Group') principal activities are the development and supply of wearable athlete tracking and analytics solutions.

2. General information and basis of preparation

The interim consolidated financial statements ('the interim financial statements') of the Group are for the six (6) months ended 31 December 2015 and are presented in Australian dollar (\$AUD), which is the functional currency of the Parent Company (Catapult Group International Ltd). These general purpose interim financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2015 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

3. Significant accounting policies

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2015.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements.

4. Estimates

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2015.

5. Segment reporting

The Chief Operating Decision Maker currently reviews consolidated financial information when making decisions about the allocation of resources, and therefore there are currently no separate reportable operating segments in the Group.

The Group's revenues from external customers (excludes government grants) and its non-current assets (other than financial instruments and deferred tax assets) are divided into the following geographical areas:

	2015		2014	
	\$		\$	
	Revenue	Non-current Assets	Revenue	Non-current Assets
Australia (Domicile)	1,778,851	4,581,648	1,307,185	6,798,378
APAC	631,423	357,079	151,031	13,642
Europe	1,524,249	419,118	1,329,550	22,761
USA	2,896,588	1,097,533	1,695,107	97,090
Rest of the world	254,417	30,505	-	-
Total	7,085,528	6,485,883	4,482,873	6,931,871

Revenues from external customers in the Group's domicile, Australia, as well as its major markets, the Asia-Pacific (APAC), Europe, USA and the rest of the world, have been identified on the basis of the customer's geographical location. Non-current assets are allocated based on their physical location.

During the current period ended 31 December 2015, no one customer represented greater than 10% of the Group's revenue (2015: none).

There has been no change to the basis of segmentation since the last annual financial statements.

6. Earnings per share

Both the basic and diluted earnings per share have been calculated using the loss attributable to shareholders of the Parent Company (Catapult Group International Ltd) as the numerator (i.e. no adjustments to profit were necessary in 2014 or 2015).

The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	To Period 31 Dec 2015	To Period 31 Dec 2014
Weighted average number of shares used in basic earnings per share	116,984,483	91,498,838
Weighted average number of shares used in diluted earnings per share	116,984,483	91,498,838

7. Share Capital

The share capital of Catapult Group International Ltd consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of Catapult Group International Ltd.

	31-Dec-15	30-Jun-15	31-Dec-15	30-Jun-15
	Shares	Shares	\$	\$
Shares issued and fully paid:		116,289,982		17,745,799
Beginning of the period	116,289,982	23,299	17,745,799	4,878,403
Share split (1:3,800)	-	88,236,971	-	-
Shares issues to the Employee Share Plan Trust	-	3,876,000	-	-
Shares issued for cash	-	21,818,182	-	12,000,000
Shares issued on conversion of convertible notes	-	6,201,600	-	1,353,761
Shares issued on 1 Dec 15	4,259,606	-	6,048,640	-
Share issue costs	-	-	-	(694,807)
Deferred tax credit recognised directly on share issue costs	-	-	-	208,442
Total contributed equity at end of reporting period	120,549,588	120,165,982	23,794,439	17,745,799
Other equity securities				
Treasury shares	-	(3,876,000)	-	-
Total contributed equity	120,549,588	116,289,982	23,794,439	17,745,799

The Group had the following transaction associated with its shares:

- On 1 December 2015, the Group undertook a capital raising of 4,259,606 shares at \$1.42 per shares. The amount raised was \$6,048,640.

8. Related party transactions

Transactions with related parties, other than key management personnel remuneration during the period were:

Adir Shiffman is a director of Innovate Online Pty Ltd. During the period, the Group engaged Innovate Online Pty Ltd website services amount to \$7,700 and had an amount payable as at 31 December 2015 of \$2,200.

Calvin Ng is a director of Aura Group Pty Ltd. During the period, the Group engaged Aura Capital Pty Ltd for advisory services amounting to \$15,298 and had an amount payable as at 31 December 2015 of \$Nil.

9. Contingent liabilities

There were no contingent liabilities as at 31 December 2015.

10. Post-reporting date events

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

Directors' Declaration

In the opinion of the Directors of Catapult Group International Ltd:

- a the consolidated financial statements and notes of Catapult Group International Ltd are in accordance with the *Corporations Act 2001*, including:
 - i giving a true and fair view of its financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
 - ii complying with Accounting Standard AASB 134 *Interim Financial Reporting*; and
- b there are reasonable grounds to believe that Catapult Group International Ltd will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

A handwritten signature in blue ink, appearing to read 'Adir Shiffman', is written over a faint, light blue circular stamp or watermark.

Director

Adir Shiffman

Dated the 28th day of February 2016

The Rialto, Level 30
525 Collins St
Melbourne Victoria 3000

Correspondence to:
GPO Box 4736
Melbourne Victoria 3001

T +61 3 8320 2222
F +61 3 8320 2200
E info.vic@au.gt.com
W www.grantthornton.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF CATAPULT GROUP INTERNATIONAL LTD

We have reviewed the accompanying half-year financial report of Catapult Group International Ltd ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of Catapult Group International Ltd are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Catapult Group International Ltd consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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As the auditor of Catapult Group International Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Catapult Group International Ltd is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



Adrian Nathanielsz
Partner - Audit & Assurance

Melbourne
28 February 2016