

Market Release

New all-time record quarterly sales result and strong finish to FY16 exceeding Management guidance

Highlights

- Third consecutive all-time record quarterly sales result with unit orders up 54% on the previous corresponding period (pcp);
- Strong FY16 result exceeding management guidance for both total units ordered and total contract value (TCV)¹;
- Higher mix of subscription sales drives 84% growth in annualised run rate (ARR) over FY16, up to \$13.4m at the end of the quarter;
- New league-wide deal signed with Cricket Australia;
- Acquisitions of XOS Technologies and PLAYERTEK expected to complete in August, funded via a fully underwritten \$100m capital raising launched on 13 July 2016 (c.\$91m institutional offer completed);
- The capital raising includes c.\$11m for ongoing working capital requirements.

Record quarterly sales in 4Q underpins strong FY16 result

Catapult today reported that it had sold 2,862 new units in Q4 FY16, an increase of 54% on Q4 FY15 and a new all-time quarterly sales record, beating the previous record set in Q3 FY16 by 37%.

Catapult Chief Executive Officer, Shaun Holthouse, said: "This is the third consecutive quarter in which we have set a new all-time sales record and has underpinned better-than-expected sales for FY16".

The FY16 sales result exceeded Catapult management's upgraded guidance of 8,000 total units ordered and \$24.5m TCV, announced in November 2015, as follows:

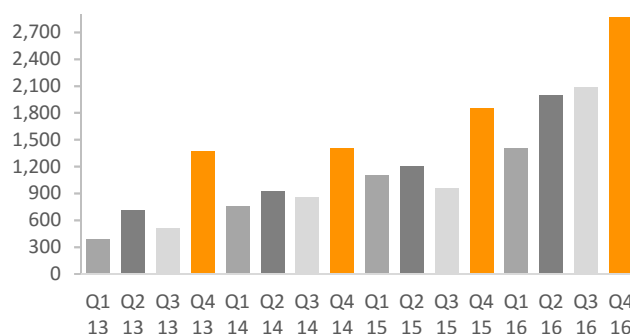
- Total units ordered: 8,354 (up 63% on FY15)
- TCV: \$29.4m (up 74% on FY15)

Catapult also made significant progress across other key metrics during the quarter including:

- Total units under subscription²: 8,715 (up 26% on previous quarter)
- Annualised Run Rate (ARR)³ from subscription revenue at the end of Q4 FY16 up 84% to \$13.4m
- Subscription orders accounted for 63% of all orders in Q4 FY16, compared to 59% in Q4 FY15

"The June quarter result extends the pattern of consistent growth established over consecutive periods and shows that the accelerated investment in our global sales and marketing platform is paying off," said Mr Holthouse.

Units Ordered per Quarter



¹ TCV is calculated as the total revenue attributable to i) all new capital sales contracts, plus ii) all new subscription contracts over the full term of the contract. It excludes existing subscription contracts that have auto-renewed.

² 260 subscription units relating to league wide deals did not generate any revenue in the quarter and should therefore be excluded from any average subscription unit revenue calculations.

³ Assumes AUD:USD exchange of 75 cents to facilitate constant comparison during FY16.

Strong full-year result with continued growth in subscriptions

As reported On 13 July 2016, Catapult expects to achieve the following revenue and EBITDA for FY16:

- Revenue in the range \$18.0m-\$19.0m (up from \$11.8m in FY15)
- Adjusted EBITDA loss in the range \$3.8m-\$4.8m⁴

A key factor in FY16 revenue and EBITDA was the strong growth in subscription sales, increasing to 57% of all units sold (compared to 46% in FY15), with a large proportion sold in June 2016. This has resulted in an annual revenue uplift that is mainly reflected in the recurring revenue base going into FY17 (ARR at the end of FY16 up 84% to \$13.4m, from \$7.3m at the end of FY15), rather than in FY16 revenue.

Subscription sales were driven primarily by the US (42% of all subscription units sold) and Europe (31% of all subscription units sold). The less mature Asia Pacific (ex-Australia) region continued to grow strongly (up 74% on FY15 to 1,034 units) with a high proportion of capital sales (79% of units sold in this region).

“In the FY16 result we are seeing solid growth in key offshore regions of North America, Europe and Asia Pacific. However, there remains significant untapped potential in these regions and we expect our recent investment in sales and marketing will support continued revenue growth over the medium term,” said Mr Holthouse.

Catapult signs new league wide deal with Cricket Australia

Catapult has continued its success in securing league wide deals with a new 3-year contract signed with Cricket Australia. The deal includes 170 subscription units tracking athletes in the Australian national men’s team (including Test, One Day International and Twenty-Twenty) and women’s team, plus all state teams competing in the national Sheffield Shield and Matador Cup leagues.

Catapult acquires XOS Technologies and PLAYERTEK by Kodaplay

During the quarter, Catapult commenced detailed due diligence on XOS technologies Inc. (XOS) and Kodaplay Limited (trading as PLAYERTEK) under exclusivity. On 13 July 2016, Catapult announced it had agreed to acquire 100% of XOS and 100% of PLAYERTEK and both acquisitions are expected to complete in August 2016.

XOS Technologies, Inc. (XOS) is a US-based company providing innovative digital and video analytic software solutions to elite sports teams throughout the United States. Founded in 1999 and headquartered in Boston, Massachusetts, XOS introduced the first digital coaching system to the professional sports market. With a team of 87 employees, XOS today has more than 400 clients and is considered the leader in designing custom digital video solutions to optimise sports coaching in the US professional and college sports market.

Based in Ireland, Kodaplay trading as PLAYERTEK is a leading developer of wearable analytics software solutions for the ‘Prosumer’ market – primarily targeted at amateur footballers and clubs/organisations. Over 140 teams in Europe have adopted PLAYERTEK’s solution since they were commercially launched in June 2015.

Compelling strategic rationale for transactions

Taken together, the XOS and PLAYERTEK acquisitions significantly enhance Catapult’s financial position and long-term growth potential. The acquisitions enlarge Catapult’s addressable market opportunities are expected to enhance Catapult’s free cash flow.

The XOS acquisition brings together leaders in both wearable and video technology, which are regarded as the two key technology pillars in elite club environments. It strengthens Catapult’s strategic positioning in this market, will accelerate its global expansion and generate significant potential synergies. It will also enable Catapult to pioneer the development of next-generation

⁴ Adjusted for one-off costs and other extraordinary items including litigation costs, transaction costs and STIP costs

products for elite sports, integrating player performance data analytics and video analytics, which is considered the next frontier in sports analytics.

Catapult expects the XOS acquisition to be substantially accretive to total revenues, recurring revenue base and EBITDA pre-synergies, and to accelerate Catapult's transition to positive EBITDA and free cash flow in FY17⁵. On a pro-forma basis, after acquiring XOS Catapult expects revenue in the range A\$52.3-\$53.3m, ARR in the range A\$40.0m-\$41.0m and EBITDA in the range A\$3.5m-\$4.5m in FY16⁶.

The PLAYERTEK acquisition, while expected to have an immaterial upfront financial impact for Catapult, is highly strategic providing a proven commercialised solution for Catapult to accelerate entry into the Prosumer market.

Acquisition funding and additional working capital secured

On 13 July 2016, Catapult launched a fully-underwritten \$100m equity raising which comprised an approximately \$91m institutional placement and entitlement offer and an approximately \$9m retail entitlement offer (Equity Raising). The institutional component of the Equity Raising settled on 22 July 2016.

The final offer price of \$3.00 per share was determined via a bookbuild, with bids accepted across a range of \$2.70-\$3.30 per share (Offer Price). The Offer Price represented a 7% discount to the volume weighted average price (VWAP) for the 15 trading days prior to offer launch (15-day VWAP) and a 1% discount to the 30-day VWAP.

The retail entitlement offer is expected to end on 4 August 2016, with settlement expected to occur on 10 August 2016.

New client additions

New client acquisitions in the June quarter cover a wide range of sports and geographies, including:

- Northwestern University (NCAA)
- Houston Texans (NFL)
- University of Georgia (NCAA)
- University of Southern California (NCAA)
- Japan Table Tennis Association
- Korean Olympic Committee
- SC Braga (Premeira League)
- FC Basel (Swiss Super League)
- Malmo Redhawks (Swedish ice hockey team)
- Queen's Park Rangers (English Championship league)
- England and Wales Cricket Board

-ENDS-

⁵ Excluding one-off costs and extraordinary items.

⁶ Refers to pro-forma EBITDA, adjusted for one-off costs, other extraordinary items and a reclassification of R&D costs. Catapult pro-forma for XOS Acquisition only. XOS financials are XOS management financials. XOS financials are XOS management financials. Calendarised to June Year End. Converted from USD to AUD based on average AUD:USD exchange rate of 0.728 over FY16.

About Catapult

Catapult is an Australian multinational corporation that is revolutionising the way professional and elite athletes worldwide are being monitored and analysed in training and competition.

Developed in Australia in conjunction with the Australian Institute of Sport, Catapult's wearable athlete tracking platform has become the most widely accepted solution globally. As of February 2016, over 900 elite and professional teams are customers of Catapult's solution, competing in the largest and most prestigious sporting codes. Despite this market share, Catapult estimates only a small fraction of all elite and professional athletes currently have any wearable solution in place.

Some of Catapult's recent championship winning clients include:

- Hawthorn Football Club (AFL, Australia)
- Denver Broncos (NFL, USA)
- Leicester City FC (English Premier League, UK)
- Real Madrid CF (UEFA Champions League)
- Bayern Munich (Bundesliga, Germany)
- Beşiktaş JK (Super Lig, Turkey)
- North Queensland Cowboys (NRL, Australia)
- Adelaide United FC (A-League, Australia)
- Saracens RFC (Premiership Rugby, UK)
- University of Alabama (NCAA gridiron, USA)
- Guangzhou R&F FC (Chinese Super League)

For a more detailed list of Catapult clients please visit <http://www.catapultsports.com/au/clients/>

With major offices in Australia, the United States and the United Kingdom and 118 staff in more than 10 countries, Catapult is an Australian technology success story with a truly global footprint that is committed to advancing the way data is used in elite sports.

For more information on Catapult, please visit:

Investor Centre – <http://www.catapultsports.com/au/investors/>

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APPENDIX 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Catapult Group International Limited

ABN

53 164 301 197

Quarter Ended

30 June 2016

Under the conditions of Catapult's listing on the ASX in December 2014, Catapult is required to provide quarterly cash flow reports to the ASX. This unaudited cash flow report is for the quarter ended 30 June 2016.

At 30 June 2016, Catapult had cash balances of \$3.6m. Net decrease in cash held for the quarter was \$3.6m, comprising:

- Net operating cash outflows of \$2.1 million;
- Net investing cash outflows of \$1.5 million; and
- Net financing cash inflows of \$nil.

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Consolidated statement of cash flows

Cash flows related to operating activities:

		Current Quarter \$A'000	Year to Date \$A'000
1.10	Receipts from customers	5,171	19,029
1.2	Payments for		
	a) Staff costs	(3,575)	(11,981)
	b) advertising and marketing	(317)	(749)
	c) research	(224)	(360)
	d) leased assets		
	e) accounting and legal	(374)	(1,298)
	f) travel and accommodation	(1,129)	(3,110)
	g) inventory and cost of sales	(1,402)	(4,738)
	h) other working capital	(370)	(1,242)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	165	283
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(34)	1,172
1.7	Other	(21)	(331)
	Net operating cash flows	(2,111)	(3,325)
1.8	Net operating cash flows (carried forward)	(2,111)	(3,325)
	<i>Cash flows related to investing activities</i>		
1.9	Payment for acquisition of:		
	a) businesses (item 5)		
	b) equity investments		
	c) intellectual property	-	(12)
	d) physical non-current assets ¹	(764)	(2,295)
	e) other intangible assets ²	(761)	(2,131)
	f) other non-current assets		
1.10	Proceeds from disposal of:		
	a) businesses (item 5)		
	b) equity investments		
	c) intellectual property		
	d) physical non-current assets		
	e) other non-current assets		
1.11	Loans to other entities		
1.12	Loans repaid by other entities		
1.13	Other (Release of investments in mutual funds and deposits placed as security for performance bonds)		
	Net investing cash flows	(1,525)	(4,438)
1.14	Total operating and investing cash flows	(3,637)	(7,763)

<i>Cash flows relating to financing activities</i>			
1.15	Proceeds/ (costs) related to issues of shares	-	5,783
1.16	Proceeds from sale of forfeited shares		
1.17	Proceeds from borrowings		
1.18	Repayment of borrowings		
1.19	Dividends paid		
1.20	Other (provide details if material)		
	Net financing cash flows	-	5,783
	Net increase (decrease) in cash held	(3,637)	(1,980)
1.21	Cash at beginning of quarter/ year to date	7,243	5,672
1.22	Exchange rate adjustments to item 1.20	35	50
1.23	Cash at end of quarter	3,642	3,642

Payments to directors of the entity and associates of the related entity

	Current Quarter \$A'000
Wages	(226)
Consulting fee	(54)

Payments to related entities of the entity and associates of the related entity

	Current Quarter \$A'000
1.24	(280)
1.25	-

1.26 Explanations necessary for an understanding of the transactions

Non cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Financing Facilities available

		Amount available \$A'000	Amount used \$A'000
3.1	Loan Facilities available	-	-
3.2	Credit standby Arrangements	-	-

Reconciliation of cash

		Current Quarter \$A'000	Previous Quarter \$A'000
4.1	Cash on hand at bank	3,642	7,243
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (short term deposit and security deposits)	-	-
Total cash at the end of the quarter		3,642	7,243

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total Net Assets		
5.5	Nature of business		

Notes

- 1 Includes Capitalisation of hardware sold under subscription model.
- 2 Includes Capitalisation of product development activities.

Compliance Statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to the ASX.
2. This statement does give a true and fair view of the matters disclosed.



Anand Sundaraj
Company Secretary