

Market Release
13 July 2016

Catapult Acquires XOS Technologies, Inc. and PLAYERTEK, Launches Equity Raising

- Catapult today announces the acquisition of XOS Technologies, Inc (“XOS”), a market leader in providing innovative digital and video analytic software solutions to elite sports teams in the United States, for US\$60 million (A\$80.1 million¹) (the “XOS Acquisition”).
- Compelling strategic rationale for the XOS Acquisition, bringing together the leaders in both wearable and video technology, which are regarded as the two key technology pillars in elite club environments. This will strengthen Catapult’s strategic positioning and operational platform to accelerate its global expansion and generate significant potential synergies. It will also enable Catapult to pioneer the development of next generation products for elite sports, integrating player performance data analytics and video analytics.
- The XOS Acquisition is expected to be substantially accretive to Catapult’s total revenues, recurring revenue base, and earnings before interest, taxes, depreciation and amortisation (“EBITDA”) pre-synergies, and will accelerate Catapult’s transition to positive EBITDA and free cash flow in FY17.²
- Catapult also announces the separate acquisition of Ireland-based Kodaplay Limited trading as PLAYERTEK, a leading developer of wearable analytics software solutions for the prosumer market, for €3.3 million (A\$4.9 million) with €2.4 million (A\$3.6 million) payable in cash and €0.9 million (A\$1.3 million) payable in scrip consideration³ (the “PLAYERTEK Acquisition”). The acquisition is expected to have an immaterial upfront financial impact for Catapult but is highly strategic for the Company, delivering a proven, commercialised solution and completing the platform to accelerate Catapult’s entry into prosumer markets globally.
- To finance the Acquisitions and provide additional working capital, Catapult is today launching a fully underwritten placement and entitlement offer to raise up to approximately A\$100 million (the “Equity Raising”). Goldman Sachs Australia Pty Ltd is acting as sole underwriter and bookrunner for the Equity Raising.
- As released to the market on 5 July, Catapult upgrades its full year FY16 guidance for units ordered to 8,354 and total contract value (“TCV”) to \$29.4 million. Today Catapult also advises that it expects to achieve revenue of A\$18.0 to 19.0 million, annual recurring revenue (“ARR”) of A\$13.0 to 14.0 million and EBITDA of A\$(3.8) to (4.8) million⁴ for FY16.

Overview of the XOS Acquisition

Transaction Summary

Catapult Group International Limited (Catapult, ASX: CAT) is pleased to announce it has today entered into an agreement to acquire 100% of the shares in XOS, a market leader in providing innovative digital and video analytic software solutions to elite sports teams in the United States, for a total cash consideration of US\$60 million (A\$80.1 million¹), on a cash-free and debt-free basis.

Based on management estimates, XOS is expected to deliver US\$25.0 million (A\$34.3 million) in revenue, US\$19.6 million (A\$27.0 million) in annualised recurring revenue (“ARR”), and US\$6.0 million (A\$8.3 million) in EBITDA⁵ in the 12 months to 30 June 2016 (“FY16”).⁶ The acquisition price implies a transaction multiple of 2.4x FY16 revenue and 10.0x FY16 EBITDA.

The XOS Acquisition is expected to:

- substantially increase ARR;

¹ USD to AUD conversion based on spot exchange rate of 0.749 AUD:USD as at 8 July 2016.

² Excluding one-off costs and extraordinary items.

³ 424,579 New Shares issued based on 30 day VWAP of \$3.04 and EUR to AUD conversion based on spot exchange rate of 0.6852 as at 5pm on 12 July 2016.

⁴ Refers to pro-forma figures, adjusted for one-off costs and other extraordinary items. These include litigation costs, transaction costs and STIP costs.

⁵ Refers to pro-forma EBITDA, adjusted for one-off costs, other extraordinary items and a reclassification of R&D costs.

⁶ Financials based on 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.

- substantially increase EBITDA pre-synergies and accelerate Catapult's transition to positive EBITDA and free cash flow in FY17²; and
- create significant long term value for Catapult shareholders.

The XOS Acquisition is subject to customary closing conditions and is expected to complete by the end of August 2016.

Company Overview

Founded in 1999 and headquartered in Boston, Massachusetts, XOS is a market leader in providing innovative digital and video analytic software solutions to elite sports teams in the United States, specialising in designing custom digital video solutions to improve and optimise sports coaching operations as well as monetisation and distribution of digital media assets. XOS has a team of 87 employees and an extensive customer base of over 400 professional and college sport organisations, including 24 of 32 NFL teams, over 100 NCAA Division 1 American football programs, 21 of 30 NHL teams, and over 50 NCAA Division 1 hockey programs.

XOS' flagship product is XOS Thunder, a suite of video coaching and analysis software designed for professional and college sporting teams in the US, and currently used primarily in football and hockey leagues. XOS Thunder is a scalable technology platform offering integrated on-premise and cloud deployment. XOS also operates a licensing business in partnership with US college sports teams (NCAA) to provide licensed video content to customers.

Catapult and XOS have had an existing strategic partnership since June 2015. Catapult views the acquisition of XOS as a logical next step in the partnership that will accelerate Catapult's expansion in the US professional and college sports market by enabling the highly complementary product offering of both wearable and video technologies.

Strategic Rationale

The XOS Acquisition is strategically and financially compelling for Catapult's shareholders as it:

- Brings together the leaders of wearable and video technology, the two key technology pillars in elite club environments;
- Strengthens Catapult's strategic positioning and operational platform to accelerate its expansion globally and generate significant potential synergies;
- Enables Catapult to pioneer the development of next generation products for elite sports which integrate player performance data analytics and video analytics; and
- Is substantially accretive to Catapult's total revenues, recurring revenue base and EBITDA (pre-synergies) and will accelerate Catapult's transition to positive EBITDA and free cash flow in FY17.²

Commenting on the acquisition of XOS, Shaun Holthouse, Catapult Chief Executive Officer, said "This acquisition is highly complementary with Catapult's strategic focus of cementing its position as the global market leader of analytics solutions for elite sports. The addition of XOS will substantially enhance Catapult's sales network and capabilities in the US, accelerating our strategy to increase penetration of our analytic solutions in the largest addressable market in the world for elite sports."

Mr Holthouse added, "Furthermore, the acquisition leaves Catapult ideally positioned to develop the next generation of technology solution for elite sports that will combine player performance data analytics with video analytics. This combination will provide sporting teams with a whole new level of insight to assist in reducing injuries and enhancing performance. We believe that the strategic, operational and financial synergies of the business combination will substantially increase the long-term value for Catapult's customers and shareholders."

Overview of the PLAYERTEK Acquisition

Catapult is also pleased to announce today the separate acquisition of Kodaplay Limited trading as PLAYERTEK, a leading developer of wearable analytics software solutions for the prosumer market for €3.3 million (A\$4.9 million), with €2.4 million (A\$3.6 million) payable in cash and €0.9 million (A\$1.3 million) payable in scrip consideration.⁷ The PLAYERTEK Acquisition is subject to customary closing conditions and is expected to complete by the end of August 2016.

This acquisition is expected to have an immaterial upfront financial impact for Catapult but is highly strategic, delivering a proven commercialised low-cost solution and completing the platform from which Catapult will spearhead its entry into the prosumer market.

⁷ 424,579 New Shares issued based on 30 day VWAP of \$3.04 and EUR to AUD conversion based on spot exchange rate of 0.6852 as at 5pm on 12 July 2016.

On the PLAYERTEK Acquisition, Mr Holthouse said "PLAYERTEK provides amateur athletes an excellent, low cost, simple 'plug-and-play' software solution which has already been adopted by more than 140 teams in Europe since their commercial launch in June 2015. Catapult's acquisition of PLAYERTEK fits perfectly into our strategy to leverage the halo effect from our established leadership position in the elite sports market to expand into the prosumer market, which will substantially enlarge our global addressable market opportunity."

Catapult Trading Update

As released to the market on 5 July, Catapult upgrades full year FY16 guidance for units ordered to 8,354 and total contract value ("TCV") to \$29.4 million.

Today Catapult also provides the additional financial guidance that it expects to achieve revenue of A\$18.0 to 19.0 million, ARR of A\$13.0 to 14.0 million and EBITDA of A\$(3.8) to (4.8) million⁸ for FY16.

Equity Raising

To finance the XOS Acquisition and PLAYERTEK Acquisition and provide additional working capital, Catapult has today announced the Equity Raising of up to approximately A\$100 million comprising:

- An approximately A\$68 million⁹ placement to institutional investors ("Placement") within the company's placement capacity under ASX Listing Rule 7.1 and 7.1A.
- A 1-for-10.65 accelerated non-renounceable pro-rata entitlement offer ("Entitlement Offer") to raise approximately A\$32 million⁹ from existing shareholders of Catapult; and

The issue price ("Issue Price") for both the Entitlement Offer and the Placement will be determined through a variable price bookbuild from an underwritten floor price ("Floor Price") of A\$2.70 per new share ("New Share") up to A\$3.30 per New Share which represents at the Floor Price a 28.9% discount to the last close price of A\$3.80 on 12 July 2016 and a 23.9% discount to the theoretical ex-rights price ("TERP")¹⁰ and an 11.1% discount to 30 day VWAP of A\$3.04 on 12 July 2016.

The Placement and Entitlement Offer have been fully underwritten by the sole underwriter and lead manager, Goldman Sachs Australia Pty Ltd.

Major shareholders Shaun Holthouse, Igor Van De Griendt, funds managed by the Aura Group and Adir Shiffman representing 61% of existing shares on issue have confirmed that they will not participate in the Entitlement Offer but remain committed to holding their diluted ownership. Their 7.1 million entitlements will be sold in the institutional bookbuild increasing the amount of New Shares available to new investors.

Catapult's shares will remain in trading halt today and tomorrow while the Placement and institutional component of the Entitlement Offer is conducted. Trading in Catapult's shares is expected to recommence normal trading on Friday, 15 July or such other time as the completion of the Placement and the institutional component of the Entitlement Offer is announced to the market.

Shareholder Approval

The ASX has provided in-principle advice to Catapult that shareholder approval will not be required under the ASX Listing Rules for the XOS Acquisition or PLAYERTEK Acquisition.

Shareholder Enquiries

Eligible retail shareholders will be sent further details about the Entitlement Offer via the Retail Offer Booklet to be lodged with ASX and dispatched on or around Wednesday, 20 July. The retail component of the Entitlement Offer will be priced at the Issue Price, in line with the institutional component of the Entitlement Offer and the Placement.

⁸ Refers to pro-forma figures, adjusted for one-off costs and other extraordinary items. These include litigation costs, transaction costs and STIP costs.

⁹ At the Floor Price of \$2.70.

¹⁰ The TERP is the theoretical price at which a Catapult share will trade immediately after the ex-date for the Entitlement Offer. It is a theoretical calculation only and the actual price at which Catapult shares will trade immediately after the ex-date for the Entitlement Offer will depend on many factors and may not be equal to the TERP. TERP is calculated by reference to Catapult's closing price of \$3.80 on 12 July 2016 and reflects shares issued under the Entitlement Offer and Placement.

Retail shareholders who have any questions regarding the Retail Entitlement Offer should contact the Catapult Shareholder Information Line on 1300 850 505 (inside Australia) or +61 03 9415 5000 (outside Australia) at any time between 8.15am to 5.30pm during the Retail Entitlement Offer period.

Further Information

For further details regarding the Acquisition and the Equity Raising, shareholders are advised to refer to the investor presentation released to the ASX. The investor presentation contains important information including important notices and key risks that may affect Catapult.

Goldman Sachs acted as exclusive financial adviser and sole underwriter to Catapult, while DLA Piper acted as legal adviser.

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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, completing 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)
- Golden State Warriors (NBA, USA)
- Denver Broncos (NFL, USA)
- Leicester City FC (English Premier League, UK)
- Bayern Munich (Bundesliga, Germany)
- North Queensland Cowboys (NRL, Australia)
- Saracens RFC (Premiership Rugby, UK)

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

Website – www.catapultsports.com