

Catapult Group International Limited – Annual General Meeting
Wednesday, 30 November 2016

Address by Executive Chairman, Adir Shiffman

I would now like to provide you with my Chairman's remarks/address.

At this, our second AGM as a listed entity, I am very pleased to report the enormous progress we have continued to make in the past year building out Catapult's strategic platform.

Catapult is a very exciting market-leading company with a tremendous opportunity before it. Over the remainder of this meeting we will reiterate why we feel this excitement and where we see the key opportunities.

To recap briefly, the founders behind Catapult literally invented this technology category early this century, in partnership with the Australian Institute of Sport, to monitor and track the physiological performance of elite athletes. And today we continue to be the global innovators in the category of sports performance analytics.

Today, Catapult's solutions are used by approximately 1,250 teams globally across 25 sports, making us far and away the market leader globally. Our clients span professional leagues in sports as diverse as AFL, rugby, rugby league, soccer, cricket, basketball, ice hockey, lacrosse, handball, and many more. Catapult customers include all teams in the AFL, NRL, NBL and Super Rugby in Australia, and the majority of teams in national leagues like the NFL and NBA in the United States. We also feature clients across dozens of NCAA college programs, and elite football teams in Europe, Asia, the Middle East, and South America.

Through a program of continuous innovation and a commitment to our clear strategic plan, we have cemented ourselves as the undisputed global leader in wearable technology for elite athletes, one of the most used pieces of performance technology within elite clubs. More recently, via our acquisition of XOS in the US, we have expanded this dominance into video tracking analytics, the other major area of performance technology used by teams. You will hear more about XOS and our other recent acquisition, the sub-elite wearable analytics brand PlayerTek, a little later on.

Our vision remains as it always has been: to be the leading provider of technology performance solutions to elite sports, and then use this expertise and the halo effect of top brand clients to expand our dominance to the sub elite and consumer markets. FY16 saw us take several material steps forward in realising the bold and ambitious strategy.

Let me take you through these strategic pillars in more detail.

In July, we announced two significant acquisitions – XOS and PlayerTek – completed for a combined consideration of approximately A\$85 million.

XOS Technologies is the US market leader in digital and video analytic software for elite sports. Like our wearable analytics solution, video analytics is used by elite sports teams every single day and XOS is the key player in the world's largest market with more than 400 professional or elite sporting teams on its books in North America.

The company delivered revenue of US\$25.3 million and EBITDA of US\$5.7 million in FY16. This acquisition was highly strategic for us. Integrated video and player performance data is arguably the

holy grail of sports analytics. The combination of the two world-leading platforms - Catapult's player performance data and XOS's video analytics - leaves Catapult ideally positioned to win the race for an integrated video and data solution. Once again we will drive the next major step forward in sports performance analytics, with the value of the overall solution far greater than the sum of its individual parts.

In addition, the XOS acquisition cements our footprint in the US, adding around 87 staff and bringing our US headcount to well over half our total global headcount of 220. Plus the acquisition gives us valuable cross-selling opportunities and will accelerate Catapult's transition to positive EBITDA and free cashflow in the current financial year.

This is a game-changing opportunity and is a major step towards our strategic vision of becoming the leading provider of performance technology to elite sport.

The second of the two acquisitions we announced was an Irish company with a product called PlayerTek. This is a ready-made, wearable analytics solution that has seen strong early success selling to the sub-elite – or what we also call 'prosumer' – market.

While smaller in scale than XOS, Playertek is nonetheless a proven, commercialised application that is already experiencing strong early traction in Europe and the US. In 1Q17 PlayerTek sold 709 devices globally so the product is in market today. Even more impressive are the quality of the Playertek founders, and we believe that they and their team will form a core part of our strategic plan to penetrate the prosumer market.

The acquisition of Playertek and targeting of the prosumer segment greatly expands Catapult's global addressable market.

Beyond the elite and prosumer segments lies the consumer opportunity. For Catapult this market has enormous potential. We believe strongly in the halo effect that comes from our association with elite sport and athletes: it's a proven marketing model used as the fundamental sales driver by the world's largest brands.

It's early days but this month saw a significant move toward developing a footprint in the consumer space, with the appointment of a CEO for Consumer. Shaun will detail that and other appointments in his report.

On a final strategic point, the last 12 months have seen Catapult sign a number of league wide deals that include the potential of monetising data for broadcast and fan engagement in partnership with the league. These deals include league-wide contracts with the AFL, ARU, Cricket Australia and the NBL.

So, our vision is clear and it pleasing to be able to report our continuing strong growth and capital as we execute on this strategy. Our full-year result exceeded upgraded guidance for units ordered, and total contract value. Income was up 59% to \$18.7 million and annualised run rate (ARR) revenue carried through to FY17 was up 85% to \$13.5 million.

The group's first-quarter sales report announced at the end of last month shows that we have carried this momentum into the current financial year.

Q1 was a record quarter, with sales up 45%. Most pleasingly, sales growth was up 28% in the 12 months prior, so we actually saw an acceleration of our growth rate in Q1 despite the higher base. ARR was also up 16% over the quarter and 88% for the year, to \$15.7m as at quarter end.

Our shift to sales on subscription continues, providing important impetus to year-on-year revenue growth. 73% of units sold in Q1 this year were on subscription, compared to 38% in the prior September quarter.

Shareholders would be aware of the \$100 million placement and entitlement offer successfully completed in August. Capital raised financed the XOS and Playertek transactions, and has provided working capital to support our investment in growth.

Our cash position is strong, with \$17.3 million on hand as at 30 September. Catapult has balance sheet flexibility to invest in the considerable growth opportunity in front of us.

One of the achievements of which I am most proud is the quality of senior management we have added in the past 12 months. Over the past 12 months we've welcomed Steve Power as Chief Commercial Officer, Shane Greenan as CFO, and most recently Benoit Simeray as CEO of Consumer. These are all highly capable executives with a proven history of success, and their desire to become a part of Catapult speaks volumes about the exciting business we are building.

At the Board level, I am very excited to welcome Jim Orlando, who was appointed as a non-executive director in October. Most recently the CFO of ASX-listed Veda Group Limited, Jim was involved in both Veda's billion dollar IPO and subsequent \$2.5 billion takeover by a U.S. listed credit reporting agency. Jim brings considerable experience in finance and M&A within the technology sector, and as an American expat is intimately familiar with our largest market. Jim will also serve as an independent Chair of the Board's Risk and Audit Committee.

I would also like to take this opportunity to thank Rhonda O'Donnell, who resigned from the Board in September this year. Rhonda joined our Board in the lead up to the IPO and during her tenure the company achieved a more than 7-fold increase in shareholder value. We wish her the best of luck in her future endeavours.

In summary, it has been a transformative and highly satisfying year for Catapult with the company well placed to capitalise in the many growth opportunities ahead of us. I want to thank my Board colleagues, our highly capable leadership team and all our staff for their dedication and commitment over the past 12 months, and into the future.

I would now like to hand over to Shaun Holthouse, CEO and a co-founder of Catapult. Shaun will present his review of the 2016 financial year and guidance on the current financial year .

[Refer to slide pack for CEO's review]