



26 July 2018  
ASX Market Release

## **Q4 FY18 Appendix 4C and full year update – Catapult’s core business underpins growth in total revenue, ARR and cash flow**

In conjunction with the attached Catapult Group International Limited (ASX:CAT, ‘Catapult’ or the ‘Group’) unaudited Appendix 4C cash flow report for the quarter ended June 2018 (‘Q4 FY18’), Catapult is also providing a summary update on its unaudited financial and operating results for the full year to 30 June 2018 (‘FY18’).

### **Preliminary unaudited Group FY18 Revenue and Underlying EBITDA results<sup>1</sup>**

- Group revenue \$76.8m<sup>2</sup>, 26% growth on a reported basis and 19% on a pro-forma basis (in line with guidance)
- Group underlying EBITDA \$0.6m (in line with guidance)

### **Core business**

- Elite Wearables
  - Revenue \$34.0m, 29% growth
  - ARR \$24.4m, 29% growth
  - Subscriptions accounted for 60% of Elite Wearables revenue, up from 58% in FY17
  - Subscription mix 57% of total units sold
- Elite Video
  - Revenue \$39.4m, 9% growth on a pro-forma constant currency basis
  - ARR \$28.4m, 5% growth

### **New business**

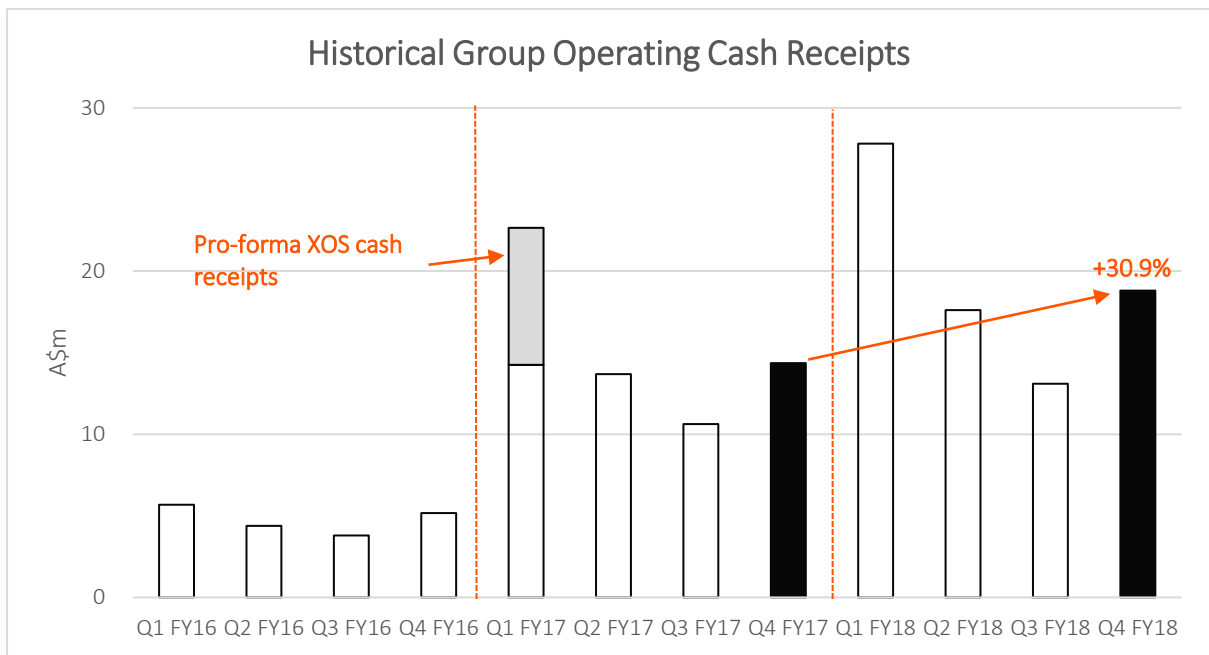
- New Product revenue \$3.4m (Prosumer) up from \$1.0m in FY17
- Successful launch of new Prosumer product, PLAYR, in June 2018 with minimal revenue contribution in FY18

### **Key Highlights from Cash Flow Statement**

- Net operating cash flow of \$1.5m, an improvement of \$7.3m on Q4 FY17. FY18 net operating cash flow of \$6.4m marks the first full year of positive operating cash flow for the Group, highlighting the growing profitability of the core business
- Cash and cash equivalents balance ending Q4 FY18 of \$31.7m, down \$3.2m on balance ending Q3 FY18
- Group cash receipts from customers of \$18.8m, up 30.9% on Q4 FY17
- Group accounts receivable balance ending Q4 FY18 of \$26.9m, up 17% on Q4 FY17

<sup>1</sup> growth rates are year on year unless specified

<sup>2</sup> AUDUSD = 0.775



The Group looks forward to providing more detailed analysis of its FY18 results next month with the release of its audited financial statements.

- ENDS -

For media and investor enquiries please contact:

Andrew Keys  
 Investor Relations  
 Catapult Group International  
 E: [investor.relations@catapultsports.com](mailto:investor.relations@catapultsports.com)  
 M: +61 400 400 380

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

#### Name of entity

Catapult Group International Limited

#### ABN

53 164 301 197

#### Quarter ended ("current quarter")

30th June 2018

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	18,804	77,253
1.2 Payments for	-	-
(a) research and development	(150)	(631)
(b) product manufacturing and operating costs	(6,234)	(23,742)
(c) advertising and marketing	(894)	(3,199)
(d) leased assets	(19)	(84)
(e) staff costs	(8,282)	(35,132)
(f) administration and corporate costs	(2,008)	(10,189)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	122	169
1.5 Interest and other costs of finance paid	(25)	(51)
1.6 Income taxes paid	(40)	(131)
1.7 Government grants, tax incentives and other income	188	2,107
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>1,462</b>	<b>6,370</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment <sup>(i)</sup>	(1,810)	(5,838)
(b) businesses, net of cash acquired (see item 10)	(45)	(1,546)
(c) investments	-	-
(d) intellectual property	-	(67)
(e) other non-current assets <sup>(ii)</sup>	(3,125)	(8,512)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(4,980)</b>	<b>(15,963)</b>

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	25,000
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	300	447
3.4 Transaction costs related to issues of shares, convertible notes or options	(73)	(1,138)
3.5 Proceeds from borrowings	134	253
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>361</b>	<b>24,562</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	34,944	16,686
4.2 Net cash from / (used in) operating activities (item 1.9 above)	1,462	6,370
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(4,980)	(15,963)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	361	24,562
4.5 Effect of movement in exchange rates on cash held	(72)	60
<b>4.6 Cash and cash equivalents at end of quarter</b>	<b>31,715</b>	<b>31,715</b>

<b>5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</b>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	31,715	34,944
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>31,715</b>	<b>34,944</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	(316)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

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**7. Payments to related entities of the entity and their associates**

Current quarter \$A'000
(118)
-

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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**8. Financing facilities available***Add notes as necessary for an understanding of the position*

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8,119	3,383
-	-
-	-

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

The Group's US subsidiary, XOS Technologies Inc, entered into a secured loan facility with Western Alliance Bank in April 2017. The total facility is for up to AUD 8.1 million. At 30 June 2018 the available amount was AUD 7.1 million. Of this amount AUD 3.4 million was drawn down at 30 June 2018. (Note: The loan facility is denominated in USD. The AUD:USD exchange rate applied to report amounts in AUD is 0.739)

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(162)
9.2 Product manufacturing and operating costs	(8,914)
9.3 Advertising and marketing	(1,748)
9.4 Leased assets	(43)
9.5 Staff costs	(10,631)
9.6 Administration and corporate costs	(2,039)
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>(23,537)</b>

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

**Notes**

- (i) 'Property, plant and equipment' includes Capitalisation of hardware sold under subscription model.
- (ii) 'Other non-current assets' includes Capitalisation of product development activities.

**Compliance statement**

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Sign here:  .....  
(Director/Company secretary)

Date: 26 July 2018 .....

Print name: Markus Ziemer .....