



CATAPULT

# FINANCIAL REPORT

FOR THE 6-MONTH PERIOD ENDED SEPTEMBER 30, 2021  
VERSUS THE 6-MONTH PERIOD ENDED DECEMBER 31, 2020

**Catapult Group International Ltd**

Half-Year Report (Appendix 4D)

for the period ended September 30, 2021

given to ASX under Listing Rule 4.2A.3



# APPENDIX 4D

## HALF-YEAR REPORT RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the 6-month period ended September 30, 2021, against the corresponding 6-month period ended December 31, 2020

**CATAPULT GROUP INTERNATIONAL LTD**  
ABN 53 164 301 197

Reporting Period: For the 6-month period ended September 30, 2021

Corresponding Period: For the 6-month period ended December 31, 2020, for the:

- consolidated statement of profit and loss and other comprehensive income;
- consolidated statement of changes in equity; and
- consolidated statement of cash flows.

Corresponding Period: As at March 31, 2021, for the consolidated statement of financial position.

	September 30, 2021 US\$'000	December 31, 2020 US\$'000	Change US\$'000	Change %
Revenues from ordinary activities	37,464	33,271	4,193	12.6%
(Loss) from ordinary activities after tax attributable to the owners of Catapult Group International Ltd	(10,783)	(4,538)	(6,245)	(137.6%)
Comprehensive (Loss) from ordinary activities after tax attributable to the owners of Catapult Group International Ltd	(10,860)	(2,236)	(8,624)	(385.7%)

### Dividend information

Catapult Group International Ltd has not paid, and does not propose to pay, dividends for the period ended September 30, 2021 (2020: nil).

### Net tangible asset information

US Cents	September 30, 2021	March 31, 2021
Net tangible asset per security*	10.5	4.1

\*The Group in calculating the NTA has excluded the NBV of right-of-use assets to determine the value.

As announced to the market on July 24, 2020, Catapult has changed its financial year-end to March 31, (from June 30) and its presentation currency to the United States dollar ('USD') from the Australian dollar ('AUD'), with effect from July 1, 2020. All numbers in this report are denoted or calculated in USD.

### Other information required by Listing Rule 4.2A.3

Other information requiring disclosure to comply with Listing Rule 4.2A.3 is contained in the September 30, 2021 Financial Report. Commentary on the results for the period is also contained in the Catapult market release announcing half-year financial results, the half-year results presentation to investors and the review of operations in the Director's Report accompanying the attached half-year Financial Report for the half-year ended September 30, 2021.

# APPENDIX 4D

Information should be read in conjunction with Catapult's 2021 Annual Report and the attached September 30, 2021 Financial Report. This report is based on the consolidated half-year report for the half-year ended September 30, 2021, which has been reviewed by Ernst & Young with the Independent Auditor's Review Report included in the half-year financial report.



**FINANCIAL STATEMENTS**

FOR THE 6-MONTH PERIOD ENDED SEPTEMBER 30, 2021  
VERSUS THE 6-MONTH PERIOD ENDED DECEMBER 31, 2020

# IMPORTANT NOTICE

This document including the Directors' Report and financial statements may contain forward-looking statements including plans and objectives. Do not place undue reliance on them as actual results may differ and may do so materially. They reflect Catapult's views as at the time made, are not guarantees of future performance and are subject to uncertainties and risks, such as those described in Catapult's most recent financial report. Subject to law, Catapult assumes no obligation to update, review or revise any information in this document.

The document may contain pro forma financial information. This information is non-IFRS and has not been independently audited or reviewed. Catapult recently changed its financial year-end from June 30 to March 31, with a nine-month transitional FY21 consisting of an interim period ended December 31, 2020, and a final period ended March 31, 2021. Catapult also changed its presentation currency from A\$ to US\$, which commenced with reporting in US\$ for the six-month period ended December 31, 2020. The pro forma information is provided solely for the purpose of illustrating the effects of these two changes on certain historical financial results and on the basis of the background in the relevant page, so as to assist the market's understanding of these changes. Because of its hypothetical nature the pro forma information may not give a true picture of the effects of the changes on those results. Subject to law, Catapult assumes no obligation to update, review or revise the pro forma information.

While Catapult's results are reported under IFRS, this document also includes non-IFRS information such as the pro forma information referred to above, EBITDA, Contribution Margin, Free Cash Flow, Annualized Contract Value (ACV), Lifetime Duration (LTD), and ACV Churn. These measures are provided to assist in understanding Catapult's financial performance. They may not have been independently audited or reviewed, and should not be considered an indication of, or an alternative to, IFRS measures.

The information in this document should be read in conjunction with Catapult's 2021 Annual Report and other market announcements made up to the date of this interim financial report. Readers should make their own assessment and take professional independent advice prior to taking any action based on the information.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the presented figures.

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In this Appendix 4D, the terms 'Catapult', the 'Company', the 'Group', 'our business', 'organisation', 'we', 'us', 'our' and 'ourselves' refer to Catapult Group International Ltd and, except where the context otherwise requires, its subsidiaries.



**PLAY SMART**

# DIRECTORS' REPORT

The Directors of Catapult Group International Ltd ('Catapult' or the 'Company') present their Report together with the financial statements of the consolidated entity, being the Company and its controlled entities (the 'Group') for the 6-month period ended September 30, 2021 ('H1 FY22').

## DIRECTOR DETAILS

The following persons were Directors of Catapult Group International Ltd during H1 FY22 and up to the date of this report:

- **Dr Adir Shiffman** Executive Chairman
- **Mr Shaun Holthouse** Non-Executive Director
- **Mr Igor van de Griendt** Non-Executive Director
- **Mr James Orlando** Independent Non-Executive Director
- **Ms Michelle Guthrie** Independent Non-Executive Director
- **Mr Thomas Bogan** Independent Non-Executive Director (appointed on April 1, 2021)

## KEY PERFORMANCE METRICS

The Company measures its performance through the achievement of a number of principal SaaS metrics, and is pleased to report the following movements in all of these metrics:

METRIC	As at September 30, 2021	As at September 30, 2020	% Change
ACV (\$M)	58.8	41.2	42.7%
ACV (EX SBG ACQUIRED) (\$M)	53.6	41.2	30.1%
ACV CHURN (%)*	4.1%	6.8%	(39.7%)
LIFETIME DURATION (YEARS)	5.5	6.3	(11.5%)
MULTI VERTICAL CUSTOMERS	314	209	50.2%
GROSS MARGIN (%)**	73.5%	75.4%	(2.5%)
CONTRIBUTION MARGIN (%)**	44.9%	54.3%	(17.3%)

The numbers in the table above are non-IFRS and unaudited and have been provided for information purposes only.

\* ACV Churn is calculated on a 12-month rolling basis

\*\* Margin % are calculated for the six-month periods ended on the respective dates

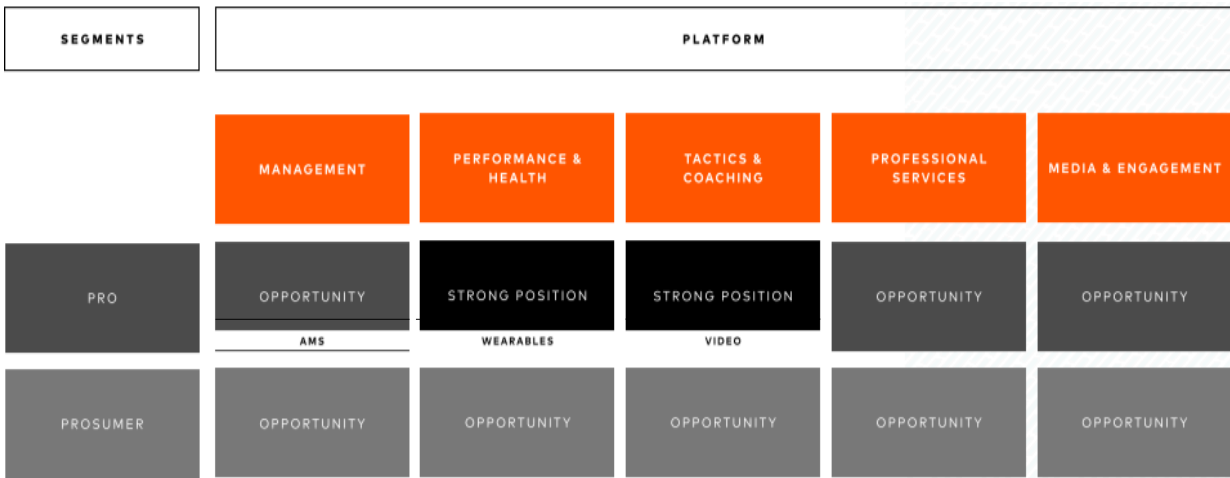


# DIRECTORS' REPORT

## PRINCIPAL ACTIVITIES

Catapult's vision is to create the platform of solutions for teams and athletes, in order to improve the performance of athletes and teams globally.

Within this platform Catapult has identified five "verticals" of technology solutions across two customer segments.



During the period, the principal activities of the entities within the Group and across the verticals were:

- In the Management vertical, AMS or the 'athlete management system', which is a cloud-based repository for wellness information that teams use to better understand athlete welfare, and an administration tool to plan rostering and the like.
- In the Performance & Health vertical, a range of SaaS tracking technologies that use proprietary algorithms to quantify the load, effort and fatigue levels of athletes enabling them to maximize performance and minimize injury.
- In the Tactics & Coaching vertical, a range of video analysis software that segments game footage, enables instant video manipulation and replay, scouting of upcoming opponents, and more effective tactical and coaching practices and outcomes.
- In the Professional Services vertical, a range of services that maximize the productivity of customers' sports technology, providing them with sports science insights and perspectives to gain a competitive edge.
- In the Media & Engagement vertical, a range of services to manage and monetize the video content assets (i.e., footage) of customers, to drive fan engagement via social media, generate revenue from media licensing, and facilitate talent scouting of athletes.

The Group's wearable and video solutions are provided to elite clients on both a subscription and upfront sales basis, with subscription sales forming the majority of all sales to elite clients. Catapult is the global leader in wearable tracking technology and analytics solutions for the sports performance market with more than 3,400 teams. Catapult is also a market leader in providing innovative digital and video analytic software solutions to elite sports teams in the United States.

With major offices in Australia, the United States and the United Kingdom and over 400 staff in 26 countries, Catapult is a global technology success story that is committed to advancing the way data is used in elite sports.

# DIRECTORS' REPORT

## REVIEW OF OPERATIONS & FINANCIAL RESULTS FOR THE 6-MONTHS ENDED SEPTEMBER 30, 2021

USD \$M	H1 September 30, 2021	H1 December 31, 2020	% Change
SUBSCRIPTION REVENUE	32.3	26.1	23.6%
TOTAL REVENUE	37.5	33.3	12.6%
SUBSCRIPTION % OF TOTAL REVENUE	86.1%	78.4%	9.8%
EBITDA	(2.4)	2.6	(193.6%)
UNDERLYING EBITDA*	1.0	3.8	(73.3%)
FREE CASH FLOW	(2.9)	8.8	(132.7%)
R&D AS A % OF REVENUE	17.2%	10.0%	72.0%

\* These numbers are non-IFRS and unaudited.

As Catapult emerges from the worst of the COVID-19 pandemic, customer ACVs continue to grow, usage of the Company's SaaS solutions continue to rise, and the number of multi-vertical customers continues to grow, reinforcing the growing importance of these solutions to our customers' daily work-flows irrespective of circumstances. During the period the Company undertook a number of important and strategic initiatives, including:

- the acquisition of leading sports software video solutions provider, SBG Sports Software Limited ('SBG') – see below;
- an equity placement and share purchase plan which raised c.\$45M, with \$20M going towards the SBG acquisition and the remainder planned for accelerated organic growth investment over the next two years; and
- the appointment of Tom Bogan as an Independent Non-Executive Director, who has a diverse, long, and celebrated history in successfully hyper-scaling numerous US-based B2B SaaS businesses as a CEO, Chairman, and investor, including leading several billion-dollar transactions.

### SALES HIGHLIGHTS

- Catapult announced that it had signed the Atlanta Falcons as a customer in the National Football League ('NFL'), taking the Company's customer penetration in the world's richest sports league to 100%.
- Catapult announced that it had teamed up with Super League and Sky Sports to break new ground with a UK first in delivering real-time player statistics direct to the viewer at home, representing a significant milestone for the sport as it will be the first time this information has been broadcast live in the UK.
- Catapult announced that VfB Stuttgart, one of the most successful German football clubs in history, has selected Catapult for a multi-year subscription to Vector, Catapult's wearable solution, for performance insights. This came quickly on the heels of VfB Stuttgart's decision in July to power its video performance analysis infrastructure with the use of SBG's core products, MatchTracker and Focus.
- Catapult announced a new multi-year deal with the National Basketball League's Brisbane Bullets to power its video performance analysis infrastructure with Catapult's new Focus and Hub SaaS solutions. This marked the first time ever globally that either of these technologies have been sold to a basketball customer, with basketball now the fifth sport for these technologies.

# DIRECTORS' REPORT

## STRONG PROGRESS IN KEY SAAS METRICS

The key metric measuring the Company's recurring revenue, annual contract value ('ACV'), grew 42.7% from September 2020, and is up 30.1% excluding the SBG acquisition, with growth driven primarily from up-selling existing customers as well as converting customers (principally in Performance & Health) from capital to higher-quality subscription contracts.

The resilience of the Company's recurring revenue was affirmed with ACV Churn falling 39.7% from 6.8% to 4.1% in the previous corresponding period (September 2020). This was achieved despite the continuing challenging environment for customers, highlighting the importance of the Company's SaaS solutions to its customers' daily workflows.

Average customer lifetime duration ('LTD') dropped to 5.5 years, down 11.5% from September 2020, principally due to the addition of SBG's newer customer base. Importantly, the total ACV from all customer age cohorts grew during the period. Cross-selling opportunities also grew with the number of multi-vertical customers up 50.2% to 314.

Contribution margin dropped to 44.9%, down 17.3% from 54.3% in the prior period (September 2020), in line with Company expectations and impacted by the transition from a capital to subscription sales model and the non-repetition of COVID-19 related savings from the prior period (September 2020).

## FINANCIAL PERFORMANCE

The post-COVID-19 recovery continues with Catapult emerging from the worst of the pandemic and beginning to show strong SaaS growth, a more positive business environment and continued investment in growth and capability.

The Company delivered revenue of \$37.5M which was 12.6% higher than the prior corresponding period, up from \$33.3M. This is despite the discontinuation of capital Performance & Health deals. Subscription revenues grew strongly, up 28.7% (24% excluding SBG) and subscription revenue as a percentage of total revenue grew 14.3% to reach 86.1%.

The Company reported underlying earnings before interest, taxes, depreciation and amortisation ('Underlying EBITDA') of \$1.0M which represents a 73.3% decrease on the previous corresponding period (December 2020) and is in line with the Company's expectations as it positions itself to continue investing in growth and capability. Without adjusting for various one-off factors, the Company reported EBITDA for H1 FY22 of (\$2.4M), down 135.4%. These one-off factors include \$2.8M relating to SBG share-based payment expense which has been recognized as share-based payments expense.

The cash balance as at September 30, 2021 was \$42.1M and has been boosted by the receipt of monies from the capital raising that was announced in June. The net loss after tax was (\$10.8M), up from (\$4.5M) in the prior period (December 2020).

	Half-year ended September 30, 2021 US\$'000	Half-year ended December 31, 2020 US\$'000	Change %
<b>1. Statutory results</b>			
Revenue	37,464	33,271	12.6%
EBITDA	(2,434)	2,601	(193.6%)
NPAT	(10,840)	(4,534)	(139.1%)
<b>2. Underlying results</b>			
EBITDA	1,019	3,818	(73.3%)
NPAT	(7,387)	(3,317)	(122.7%)

# DIRECTORS' REPORT

	Half-year ended September 30, 2021	Half-year ended December 31, 2020
	US\$'000	US\$'000
EBITDA	(2,434)	2,601
Add: employee share option expense	33	750
Add: employee severance costs	131	467
Add: SBG acquisition costs	484	-
Add: SBG share-based payments expense	2,805	-
<b>Underlying EBITDA</b>	<b>1,019</b>	<b>3,818</b>

	Wearables US\$'000	Video Analytics US\$'000	New Products US\$'000	Total US\$'000
<b>Half-year ended September 30, 2021</b>				
Segment EBITDA	4,278	4,099	(232)	8,145
<b>Half-year ended December 31, 2020</b>				
Segment EBITDA	6,024	4,571	(162)	10,433

## CONTINUED R&D FOCUS

The Company continues to focus on R&D investment to enhance its platform and world-class solutions. R&D investment in H1 FY22 of \$6.4M represented 17.2% of revenue and was up significantly from 8.5% in the previous corresponding period (September 2020). This investment was focused on the continued differentiation of the platform and core solution categories across performance and health, tactics and coaching, and the integration of SBG products. The Company intends to accelerate its growth investment as discussed in the "Equity Raising and Accelerated Growth Investment" section below.

## ACQUISITION OF SBG SPORTS SOFTWARE LIMITED

On July 1, 2021, Catapult announced the strategic acquisition of leading sports software video solutions provider, SBG Sports Software Limited ('SBG'). London-based SBG was founded in 2008 in collaboration with Mercedes F1 with the purpose of developing products that could capture large quantities of live data and video. More recently, SBG has transformed its learnings from F1 into leading global solutions for soccer and rugby, generating data visualizations that extract key information from multiple sources in real-time, with analytics and insights that assist coaches in rapidly breaking down factors driving team performance.

The acquisition of SBG enhances Catapult's mission to deliver the most comprehensive and insightful set of performance metrics for athletes and teams worldwide by accelerating its technology capabilities in the video analysis market. The acquisition of SBG:

- advances Catapult's development of contextualizing performance data, improving time to market by approximately two years, and complementing Catapult's development strategy for Vision;
- significantly expands Catapult's video offering, including feature sets, data capabilities, analytics and user experiences, thereby accelerating opportunities to cross-sell and scale;

# DIRECTORS' REPORT

- expands Catapult's total addressable market opportunities in motorsports, soccer and rugby;
- instantly places Catapult in an industry-leading position for motorsports as well as adding 20 new marquee clients from the top 100 teams in soccer and rugby globally. SBG's high profile customers in this segment include Manchester City, Manchester United, Tottenham Hotspur, Everton and PSG;
- is materially accretive to Catapult's "Rule of 40" constituent metrics, with ACV growth of 28% and EBITDA margins of 28% in FY21.

## EQUITY RAISING AND ACCELERATED GROWTH INVESTMENT

The Company raised \$44.8M in equity in July 2021 to fund the acquisition of SBG, as well as an acceleration of its growth investment plans over the coming two years. This was conducted through a \$35M underwritten institutional placement ('Placement'), a \$8.5M non-underwritten share purchase plan ('SPP'), and a placement to two Directors of Catapult of \$1.35M ('Director Placement'). All shares were issued at a price of A\$1.90.

The accelerated growth investment involves a plan to invest \$20-25M in organic growth opportunities over two years to support:

- Continued recent ACV growth momentum, and
- Further scaling of the business to expand medium and long-term margins

The investment includes:

- Up to \$17M for technology, product, and data science expansion, including:
  - Capitalizing on new contextualization and data science insight opportunities from the SBG acquisition
  - Further investment in SBG's video product and feature sets
  - Accelerating the Performance & Health product roadmap, and
- Up to \$8M for additional sales and operational capacity as Catapult scales

It is intended that the accelerated growth investment will be made to support the Company's 'Rule of 40' ambitions.

## COVID-19

The COVID-19 crisis significantly abated during the period, with most sports codes and leagues finding a way to return to play, in many cases in front of live crowds. Accordingly, the Company's general operating environment in global sport, in particular at the elite level, has significantly improved, enabling it to achieve significant growth rates during the period. Despite this, the impact of COVID-19 continues to be felt in many of the Company's customer and supplier markets, and COVID-19 remains a risk for the Company. The Company continues to actively monitor for secondary impacts to issues such as its supply chain and cost structure.

## OUTLOOK

- We are confident in our long-term strategy of expanding and penetrating our large TAM.
- We are confident that our ACV growth will be strong in the short to medium term, and that this growth will accelerate subscription revenue growth in the short to medium term.
- We anticipate that as we continue to transition to subscription sales, our revenue growth will catch up to our leading ACV metric.
- We are confident in our continued ability to generate strong operating cash flow.

# DIRECTORS' REPORT

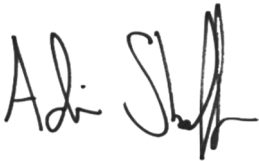
- We are aware of some elevated supply chain and inflationary risks; these have had an immaterial impact to-date on freight, COGS, wage costs, and inventory sourcing.

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is included on page 15 of this financial report and forms part of this Directors' Report.

## ROUNDING OF AMOUNTS

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 relating to the 'rounding off' of amounts in the Directors' Report and, in accordance with that instrument, amounts in the Directors' Report have been rounded off to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Signed in accordance with a resolution of the Directors.



**Dr Adir Shiffman**  
Executive Chairman  
November 17, 2021

# AUDITOR'S INDEPENDENCE DECLARATION



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## Auditor's independence declaration to the directors of Catapult Group International Limited

As lead auditor for the review of the half-year financial report of Catapult Group International Limited for the half-year ended 30 September 2021, I declare to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- No contraventions of any applicable code of professional conduct in relation to the review; and
- No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Catapult Group International Limited and the entities it controlled during the financial period.

Ernst & Young

Brett Croft  
Partner  
17 November 2021

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	Note	September 30, 2021 US\$'000	December 31, 2020 US\$'000
Revenue	5	37,464	33,271
Other income	6	1,703	448
Cost of goods sold		(9,945)	(8,178)
Employee benefits expense		(19,123)	(16,815)
Employee share option compensation expense		(5,032)	(1,494)
Capital raising and listing expenses		(79)	(108)
Travel, marketing and promotion		(1,733)	(610)
Occupancy		(351)	(249)
Professional fees		(1,824)	(961)
Other expenses		(3,514)	(2,703)
<b>Operating profit before depreciation and amortisation</b>		<b>(2,434)</b>	<b>2,601</b>
Depreciation and amortisation		(7,872)	(6,648)
<b>Loss from operations</b>		<b>(10,306)</b>	<b>(4,047)</b>
Finance costs		(108)	(194)
Finance income		8	15
Other financial items		(529)	(204)
<b>Loss before income tax expense</b>		<b>(10,935)</b>	<b>(4,430)</b>
Income tax benefit/(expense)		95	(104)
<b>Loss after income tax expense for the period attributable to the owners of Catapult Group International Ltd and non-controlling interests</b>		<b>(10,840)</b>	<b>(4,534)</b>
Earnings per share	9	(5.2)	(2.4)
Basic and diluted earnings per share (cents per share)	9	(5.2)	(2.4)

Refer to Note 2. General information and Basis of Preparation for explanation of comparative periods presented.

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



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	September 30, 2021 US\$'000	December 31, 2020 US\$'000
	Note	
Loss for the year from continuing operations	(10,840)	(4,534)
Other comprehensive income		
<i>Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):</i>		
Foreign currency translation differences for foreign operations, net of tax	(77)	2,302
Other comprehensive (loss)/income for the half-year, net of tax	(77)	2,302
<b>Total comprehensive loss for the period</b>	<b>(10,917)</b>	<b>(2,232)</b>
Loss for the half-year is attributable to:		
Non-controlling interest	(57)	4
Owners of Catapult Group International Ltd	(10,783)	(4,538)
	(10,840)	(4,534)
Total comprehensive loss for the half-year is attributable to:		
Non-controlling interest	(57)	4
Owners of Catapult Group International Ltd	(10,860)	(2,236)
	(10,917)	(2,232)

Refer to Note 2. General information and Basis of Preparation for explanation of comparative periods presented.

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

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	September 30, 2021 US\$'000	March 31, 2021 US\$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		42,102	22,171
Trade and other receivables		22,841	13,329
Inventories		2,336	3,884
<b>Total current assets</b>		<b>67,279</b>	<b>39,384</b>
<b>Non-current assets</b>			
Receivables		223	306
Property, plant and equipment		12,149	9,473
Goodwill	10	69,682	41,994
Intangible assets		23,523	23,183
Deferred tax assets		7,356	7,503
<b>Total non-current assets</b>		<b>112,933</b>	<b>82,459</b>
<b>Total assets</b>		<b>180,212</b>	<b>121,843</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		7,608	6,898
Contract liabilities	8	32,192	17,822
Other liabilities	8	1,856	1,312
Employee benefits		5,565	6,311
Borrowings		151	1,738
Other financial liabilities		1,907	1,907
<b>Total current liabilities</b>		<b>49,279</b>	<b>35,988</b>
<b>Non-current liabilities</b>			
Contract liabilities	8	4,933	3,091
Other liabilities	8	1,317	-
Employee benefits		98	82
Deferred tax liabilities		3,113	3,148
Other financial liabilities		1,665	2,609
<b>Total non-current liabilities</b>		<b>11,126</b>	<b>8,930</b>
<b>Total liabilities</b>		<b>60,405</b>	<b>44,918</b>
<b>Net assets</b>		<b>119,807</b>	<b>76,925</b>
<b>Equity</b>			
Share capital	7	175,097	130,452
Share option reserve		9,146	5,260
Foreign currency translation reserve		(2,386)	(2,309)
Other reserve		5,268	-
Accumulated losses		(67,219)	(56,436)
<b>Equity attributable to the owners of Catapult Group International Ltd</b>		<b>119,906</b>	<b>76,967</b>
Non-controlling interest		(99)	(42)
<b>Total equity</b>		<b>119,807</b>	<b>76,925</b>

Refer to Note 2. General information and Basis of Preparation for explanation of comparative periods presented.

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital US\$'000	Share Option Reserve US\$'000	Foreign Currency Translation Reserves US\$'000	Other reserve US\$'000	Accumulated Losses US\$'000	Non- Controlling Interests US\$'000	Total equity US\$'000
<b>Balance at July 1, 2020</b>	127,981	4,908	(4,189)	-	(47,637)	-	81,063
Loss after income tax expense for the half-year	-	-	-	-	(4,538)	4	(4,534)
Other comprehensive income for the half-year, net of tax	-	-	2,302	-	-	-	2,302
<b>Total comprehensive income for the half-year</b>	-	-	2,302	-	(4,538)	4	(2,232)
<i>Transactions with owners in their capacity as owners:</i>							
Contributions of equity, net of transaction costs (note 6)	143	-	-	-	-	-	143
Share-based payments	2,036	64	-	-	-	-	2,100
<b>Total transactions with owners</b>	<b>2,179</b>	<b>64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,243</b>
<b>Balance at December 31, 2020</b>	<b>130,160</b>	<b>4,972</b>	<b>(1,887)</b>	<b>-</b>	<b>(52,175)</b>	<b>4</b>	<b>81,074</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Option Reserve	Foreign Currency Translation Reserves	Other reserve	Accumulated Losses	Non- Controlling Interests	Total equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at April 1, 2021</b>	130,452	5,260	(2,309)	-	(56,436)	(42)	76,925
Loss after income tax benefit for the half-year	-	-	-	-	(10,783)	(57)	(10,840)
Other comprehensive loss for the half-year, net of tax	-	-	(77)	-	-	-	(77)
<b>Total comprehensive loss for the half-year</b>	-	-	(77)	-	(10,783)	(57)	(10,917)
<i>Transactions with owners in their capacity as owners:</i>							
Contributions of equity, net of transaction costs (refer note 7)	43,416	-	-	-	-	-	43,416
Share-based payments	1,229	3,886	-	-	-	-	5,115
Deferred consideration on acquisition	-	-	-	5,268	-	-	5,268
<b>Total transactions with owners</b>	<b>44,645</b>	<b>3,886</b>	<b>-</b>	<b>5,268</b>	<b>-</b>	<b>-</b>	<b>53,799</b>
<b>Balance at September 30, 2021</b>	<b>175,097</b>	<b>9,146</b>	<b>(2,386)</b>	<b>5,268</b>	<b>(67,219)</b>	<b>(99)</b>	<b>119,807</b>

Refer to Note 2. General information and Basis of Preparation for explanation of comparative periods presented.

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2021 (6 months) US\$'000	2020 (6 months) US\$'000
<b>Cash flows from operating activities</b>			
Cash receipts from customers		45,768	40,922
Cash paid to suppliers and employees		(39,032)	(28,632)
Interest received		8	15
Government grants and other income*		111	909
Income taxes paid		(245)	(117)
<b>Net cash from operating activities</b>		<b>6,610</b>	<b>13,097</b>
<b>Cash flows from investing activities</b>			
Acquisition of subsidiaries net of cash acquired	10	(19,303)	(431)
Payments for property, plant and equipment		(2,833)	(924)
Payments for intangibles		(6,656)	(3,369)
<b>Net cash used in investing activities</b>		<b>(28,792)</b>	<b>(4,724)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares, net of transaction costs	7	43,416	143
Loans repaid		-	(3,349)
Repayments of leasing liabilities		(840)	(725)
Interest paid		(103)	(191)
Proceeds from share options		130	580
<b>Net cash from/(used in) financing activities</b>		<b>42,603</b>	<b>(3,542)</b>
Net increase in cash and cash equivalents		20,421	4,831
Cash and cash equivalents at the beginning of the financial half-year		22,171	18,888
Effects of exchange rate changes on cash and cash equivalents		(490)	924
<b>Cash and cash equivalents at the end of the financial half-year</b>		<b>42,102</b>	<b>24,643</b>

\* Certain monies received in the prior period were previously recorded as a loan payable in the cash flows from financing activities. These monies have been forgiven in the current reporting period, are not repayable and have been reclassified as grant income. This is a non-cash flow item in the current reporting period.

Refer to Note 2. General information and Basis of Preparation for explanation of comparative periods presented.

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

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 1. NATURE OF OPERATIONS

Catapult Group International Ltd and its controlled entities (the 'Group') principal activities are the development and supply of innovative technologies that improve the performance of athletes and sports teams. This includes the development and sale of performance and health technology solutions, including wearable tracking and analytics, to elite sporting teams, leagues and associations; the development and sale of tactical and coaching technology solutions, including digital video and analytics, to elite sporting teams, leagues and associations; the development and sale of performance and health technology solutions, including wearable tracking and analytics, to prosumer athletes, sporting teams and associations; the development and sale of an athlete management platform and analytics to elite sporting teams, leagues and associations; and the development and growth of a subscription online sport learning platform.

## NOTE 2. GENERAL INFORMATION AND BASIS OF PREPARATION

The financial report has been prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134 Interim Financial Reporting issued by the Australian Accounting Standards Board (AASB). The financial report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at March 31, 2021. The consolidated financial statements have been prepared on a historical cost basis, except for other liabilities in relation to the contingent considerations which have been measured at fair value.

Catapult Group International Ltd is the Group's Ultimate Parent Company. Catapult Group International Ltd is a Public Company incorporated and domiciled in Australia and listed on the Australian Securities Exchange. The address of its registered office and its principal place of business is 75 High Street, Prahran, Victoria, Australia.

The consolidated interim financial statements for the half-year ended September 30, 2021, were approved and authorised for issue by the Board of Directors on November 17, 2021.

The Group had a current asset surplus of \$18.000M (March 2021: surplus \$3.396M). Current liabilities include contract liabilities of \$32.192M (March 2021: \$17.822M) expected to release into revenue within 12 months. Current contract liabilities are expected to be delivered over the next 12 months; therefore, no actual cash outflows are expected other than those required to pay costs associated with delivering the service.

As announced to the market on July 24, 2020, Catapult has changed its financial year-end to March 31, (from June 30) and its presentation currency to the United States dollar ('USD') from the Australian dollar ('AUD'), with effect from July 1, 2020. All numbers in this report are denoted or calculated in USD. The comparative period for the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of cashflows and the consolidated statement of changes in equity is the 6-month period ended December 31, 2020, and the comparative period for the consolidated statement of financial position is as at March 31, 2021. The comparative period, as disclosed in the consolidated financial statements for the half-year ended December 31, 2020 has been used, since the reporting close process performed as at September 30, 2020 was limited in scope.

The financial report has been prepared on the going concern basis of accounting which contemplates continuity of normal business and the realisation of assets and settlement of liabilities in the ordinary course of business. The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 3. CHANGES TO REPORTING ACCOUNTING POLICIES

During the interim 6-month period the Group has not adopted any new accounting policies or made any changes to its existing policies.

### 3.1 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended March 31, 2021, except for the adoption of new standards effective as of April 1, 2021. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2021, but do not have an impact on the interim condensed consolidated financial statements of the Group.

### 3.2 Configuration or customisation costs in a cloud computing arrangement

In April 2021, the IFRS Interpretations Committee (IFRIC) published an agenda decision for configuration and customisation costs incurred related to implementing Software as a Service (SaaS) arrangements. The Group has assessed the impact of the agenda decision on its current accounting policy, which has not resulted in previously capitalised costs needing to be recognized as an expense.

## NOTE 4. SIGNIFICANT ACCOUNTING POLICIES

### Principles of consolidation

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

### 4.1 Overall considerations

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

### 4.2 Basis of consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of September 30, 2021. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and could affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of September 30, with the exception of Catapult Sports Technology Beijing Co Ltd (based in China), SBG Sports Software Ltd (based in the Isle of Man), Landmark Technology Services Limited and SBG Sports Software UK Ltd (based in the UK), SBG Sports Software GmbH (based in Germany) and SBG Sports Software Inc. (based in the US) each of which has a reporting date of December 31.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of

# NOTES TO THE FINANCIAL STATEMENTS

subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

## 4.3 Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Group recognizes identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognized in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognized amount of any non-controlling interest in the acquiree, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognized in profit or loss immediately.

## 4.4 Foreign currency translation

### *Foreign currency transactions and balances*

Foreign currency transactions are translated into the functional currency of the respective Group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognized in profit or loss.

Non-monetary items are not re-translated at period-end and are measured at historical cost (translated using the exchange rates at the date of the transaction), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

### *Foreign operations*

In the Group's financial statements, all assets, liabilities, and transactions of Group entities with a functional currency other than the US dollar are translated into the US dollar upon consolidation.

On consolidation, assets and liabilities have been translated into the US dollar at the closing rate at the reporting date. Under this method, the consolidated statement of profit or loss and comprehensive income and consolidated statement of cash flows for each year and period have been translated into the presentational currency using the average exchange rates prevailing during each reporting period (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction). Exchange differences are charged or credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation the cumulative translation differences recognized in equity are reclassified to profit or loss and recognized as part of the gain or loss on disposal.

## 4.5 Revenue

Revenue arises from the sale of goods and the rendering of services. It is measured by reference to the fair value of consideration the Group is entitled to, excluding sales taxes, rebates, and trade discounts.



# NOTES TO THE FINANCIAL STATEMENTS

The Group enters into sales transactions involving an outright sale to the client, on a subscription basis or for the rendering of services. The Group applies the revenue recognition criteria set out below to each separately identifiable component of the sales transaction in order to reflect the substance of the transaction.

To determine whether to recognize revenue, the Group follows a five-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

When the Group enters into transactions involving its products and services, the total transaction price for a contract is allocated amongst the various performance obligations. Revenue is recognized either at a point in time or over time, when the Group satisfies performance obligations by transferring the promised goods or services to customers.

## **Subscription – Software as a Service**

Subscription revenue comprises the recurring monthly recognition of revenue from wearables subscription sales, rendering of software services and content licensing. Unbilled revenue at the period end is recognized in the Consolidated Statement of Financial Position as contract assets and included within trade and other receivables. Unearned revenue at the period end is recognized in the Consolidated Statement of Financial Position as deferred revenue and included within contract liabilities.

Revenue is recognized as performance obligations under customer contracts are met. Performance obligations consist of the provisioning of the software/cloud/SaaS subscription and related maintenance and support services over the term of the contract.

### *(i) Wearables subscription sale*

The Group provides access to its software under subscription agreements which are referred to as Software as a Service (SaaS) revenue and is recognized on a straight-line basis over the contract period. To enable its customers to access the software platform offered by the Group, customers are provided with hardware devices. The Group has determined that Catapult's customers do not have the right to direct the use of Catapult's hardware devices. Due to the interdependency between the software services and the hardware devices, the Company considers these revenue transactions to form part of a single performance obligation. These contracts are therefore accounted for as service contracts. There are no variable consideration terms within the contracts.

These hardware units enable customers to access the software platform offered by the Group. The transaction involving hardware and accessories do not convey a distinct good or service. The provision of hardware does not transfer control to the customer as the Group provides a significant service of integrating the software service to produce a combined output. The provision of the hardware, accessories and software services are referred to as Software as a Service (SaaS) revenue, which is recognized on a straight-line basis over the contract period. There are no variable consideration terms within the contracts.

The Group's continual assessment of and review relating to the subscription agreements continues to indicate that the subscription agreements do not contain a lease component.

# NOTES TO THE FINANCIAL STATEMENTS

## *(ii) Rendering of services*

The Group is involved in providing software, support and maintenance services. The Group recognizes revenue from such activities on a monthly basis in equal amounts for each month of the subscription agreement.

## *(ii) Content licensing*

The Group is involved in the provision of licensed video content to customers. Where video content is purchased on a one-off basis, associated revenue is recognized upon delivery of the licensed content. Where video content is purchased via a term contract with content available for consumption during the contract term, associated revenue is recognized on a monthly basis in equal amounts for each month of the content licensing agreement.

## *(iv) Multiple element contracts*

The Group may enter into a contract or multiple contracts with customers that may include multiple performance obligations. Where multiple contracts are entered into, the Group determines whether it is required to be measured with another pre-existing contract by determining whether the performance obligations promised are being sold at their stand-alone selling price ('SASP'). Where pricing is equal to SASP, the contract is treated as a stand-alone contract. Where pricing is not equal to SASP, the contract is combined with the pre-existing contract with the customer as a multiple-performance obligation (multi-PO) arrangement. Where a multi-PO arrangement is entered into, each performance obligation is allocated a proportional amount of revenue based on the transaction price of the contract and the relative SASP of each performance obligation.

## *(v) Interest and dividend income*

Interest income and expenses are reported on an accrual basis using the effective interest method. Dividends, other than those from investments in associates, are recognized at the time the right to receive payment is established.

## **Capital goods**

Capital revenue is the sale of goods to third parties and is recognized at a point in time when the Group has transferred to the buyer the significant risks and rewards of ownership, and control of the goods. The timing of the transfer of risks and rewards/control varies depending on the individual terms of the sales agreement. For sales of wearable units and sale of hardware in the video analytics business the transfer usually occurs once the software account has been activated and the goods have been dispatched from Catapult's premises.

## **Other revenue**

Other revenue is additional revenue related to the sale of hardware, as well as of media, training and installation income. Revenue is recognized either at a point in time or over time, when the Group satisfies performance obligations by transferring the promised goods or services to customers.

## **NOTE 5. SEGMENT INFORMATION**

### **For the 6-month period ended September 30, 2021**

Management identifies its operating segments based on the Group's business units which represent the main products and services provided by the Group. The Group's three main operating segments are:

- **Wearables:** design, development and supply of wearable technology and analytic software to athletes and sports teams.
- **Video Analytics:** develops and provides innovative digital and video analytic software solutions to elite sports teams.
- **New Products:** development of the prosumer product and entry into the prosumer market.

# NOTES TO THE FINANCIAL STATEMENTS

These operating segments are monitored, and strategic decisions are made on the basis of adjusted segment operating results.

The Group's results are impacted by the key selling season for northern hemisphere sporting teams during the May - July period, primarily American Football in the US and European soccer, which coincides with the off-season for these sporting codes. This results in higher working capital balances during these times. Consequently, the current assets and liabilities at September 30, 2021 are not strictly comparable with the balances at March 31, 2021.

The revenues and profit generated by each of the Group's operating segments and segment assets are summarised as follows:

	Wearables US\$'000	Video Analytics US\$'000	New Products US\$'000	Total US\$'000
<b>Half-year to September 30, 2021</b>				
Revenue – external customers	16,719	19,296	1,449	37,464
Segment EBITDA	4,278	4,099	(232)	8,145
Segment operating profit/(loss)	1,188	(630)	(285)	273
Segment assets	60,098	110,819	9,295	180,212
Segment liabilities	27,121	28,468	4,816	60,405
	Wearables US\$'000	Video Analytics US\$'000	New Products US\$'000	Total US\$'000
<b>Half-year to December 31, 2020</b>				
Revenue – external customers	17,455	13,902	1,914	33,271
Segment EBITDA	6,024	4,571	(162)	10,433
Segment operating profit/(loss)	3,065	897	(177)	3,785
Segment assets	47,081	73,599	6,629	127,309
Segment liabilities	23,318	20,637	2,280	46,235

# NOTES TO THE FINANCIAL STATEMENTS

The Group's segment operating loss reconciles to the Group's loss before tax as presented in its financial statements as follows:

	2021 (6 months) US\$'000	2020 (6 months) US\$'000
Total reporting segment operating EBITDA	8,145	10,433
Depreciation and amortisation for the segments	(7,872)	(6,648)
<b>Total reporting segment operating profit</b>	<b>273</b>	<b>3,785</b>
<b>Corporate costs</b>		
Other income	1,703	448
Employee benefits expense	(4,156)	(4,206)
Employee share option compensation expense	(4,535)	(1,317)
Capital raising and listing expenses	(79)	(108)
Travel, marketing and promotion	(228)	(52)
Occupancy	(109)	(106)
Professional fees	(1,997)	(1,388)
Other expenses	(1,178)	(1,103)
<b>Total corporate costs</b>	<b>(10,579)</b>	<b>(7,832)</b>
Finance segment expense	(108)	(194)
Finance segment income	8	15
Other financial items	(529)	(204)
<b>Group loss before tax</b>	<b>(10,935)</b>	<b>(4,430)</b>

# NOTES TO THE FINANCIAL STATEMENTS

## Revenue by Geography

The Group's revenues from external customers (excludes government grants) and are divided into the following geographical areas:

	Wearables 2021 US\$'000	Video Analytics 2021 US\$'000	New Products 2021 US\$'000	Total 2021 US\$'000
Half-year to September 30, 2021	(6 months)	(6 months)	(6 months)	(6 months)
<b>Revenue – external customers</b>				
Australia	1,544	20	167	1,731
APAC	1,703	80	41	1,824
EMEA	6,067	1,621	820	8,508
Americas	7,405	17,575	421	25,401
<b>Total</b>	<b>16,719</b>	<b>19,296</b>	<b>1,449</b>	<b>37,464</b>
	Wearables 2020 US\$'000	Video Analytics 2020 US\$'000	New Products 2020 US\$'000	Total 2020 US\$'000
Half-year to December 31, 2020	(6 months)	(6 months)	(6 months)	(6 months)
<b>Revenue – external customers</b>				
Australia	1,571	3	225	1,799
APAC	2,008	27	32	2,067
EMEA	7,104	85	1,135	8,324
Americas	6,772	13,787	522	21,081
<b>Total</b>	<b>17,455</b>	<b>13,902</b>	<b>1,914</b>	<b>33,271</b>

All revenue is generated from external customers and there are no inter-segment revenues.

Revenues from external customers in the Group's domicile, Australia, as well as its major markets, Europe and the Middle East (EMEA), Asia-Pacific (APAC) and the Americas, have been identified on the basis of the customer's geographical location.

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 6. OTHER INCOME

Other income has been generated from the following sources:

	September 30, 2021 US\$'000	December 31, 2020 US\$'000
Government grants and assistance (i) (ii)	1,588	311
Other income	115	137
<b>Total other income</b>	<b>1,703</b>	<b>448</b>

- (i) Government grants represents the payments received from various governments in response to the ongoing COVID-19 pandemic which included JobKeeper in 2020. Government grants are recognized in the financial statements at their fair values when there is a reasonable assurance that the Consolidated Entity will comply with the requirements and that the grant will be received.
- (ii) During the half-year ended September 30, 2021 certain government grants, which the Group had reported as loans in the prior reporting period, were converted to grant monies.

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 7. EQUITY - 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 a shareholders' meeting of Catapult Group International Ltd.

		September 30, 2021 Shares (6 months)	March 31, 2021 Shares (9 months)	September 30, 2021 US\$'000 (6 months)	March 31, 2021 US\$'000 (9 months)
	<b>Notes</b>				
Shares issued and fully paid for:		231,924,764	200,431,654	175,097	130,452
Beginning of the period/year		200,431,654	190,895,116	130,452	127,981
Shares issued to the Catapult Employee Share Plan Trust		-	9,432,117	-	-
Shares issued for cash		31,493,110	104,421	44,781	143
Share issue costs		-	-	(1,365)	-
Exercise of performance options and equity options		-	-	1,229	2,328
Total contributed equity at		231,924,764	200,431,654	175,097	130,452
Treasury shares	7.1	(6,768,434)	(7,979,640)	-	-
<b>Total contributed equity</b>		<b>225,156,330</b>	<b>192,452,014</b>	<b>175,097</b>	<b>130,452</b>

During the 6-month period ended September 30, 2021 the Group issued:

- 25,484,985 shares as a share placement, of which 24,538,500 was to the market and the remaining 946,485 was to Directors. Shares were issued at a price of A\$1.90 per share. The amount raised was A\$48,421,472 (US \$36,416,207).
- 6,008,125 shares as part of a share purchase plan. Shares were issued at a price of A\$1.90 per share. The amount raised was A\$11,416,157 (US \$8,364,618).

# NOTES TO THE FINANCIAL STATEMENTS

## 7.1 Treasury shares

Treasury shares are shares in Catapult Group International Ltd that are held by the Catapult Sports Employee Share Plan Trust for the purpose of issuing shares under the Catapult Sports Employee Share Plan in respect of options and performance rights issued under that Plan:

	2021 Shares	2020 Shares
Opening Balance at April 1	7,979,640	659,296
Transactions during the period	(1,211,206)	7,320,344
<b>Balance at September 30</b>	<b>6,768,434</b>	<b>7,979,640</b>

During the six months to September 30, 2021 the Group awarded:

- 4,199,685 performance rights as part of the Employee Share Plan. The rights were issued at an average exercise price of A\$0.00 and a fair value of A\$1.99 (US \$1.49).
- 393,408 performance rights as part of the Employee Share Plan. The rights were issued at an average exercise price of A\$0.00 and a fair value of A\$1.93 (US \$1.39).
- 141,877 rights as part of the Director Sacrifice Plan. The rights were issued at an average exercise price of A\$0.00 and a fair value of A\$1.93 (US \$1.39).

During the financial period a number of shares were issued under the Employee Share Plan:

- The number of shares exercised under the option plan was 82,000 at an average exercise price of A\$1.42. The amount raised was A\$116,440 (US \$85,661).
- The number of shares exercised under the option plan was 27,500 at an average exercise price of A\$1.83. The amount raised was A\$50,325 (US \$38,208).
- The number of shares exercised under the option plan was 5,000 at an average exercise price of A\$1.72. The amount raised was A\$8,600 (US \$6,527).

The number of shares exercised under the performance rights plan was 1,096,706 at an average exercise price of A\$0.00. The amount raised was A\$0.00 (US \$0.00).



# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 8. CONTRACT LIABILITIES AND OTHER LIABILITIES

Contract liabilities and other liabilities consist of the following:

	September 30, 2021 US\$'000	March 31, 2021 US\$'000
Contract liabilities – current (i)	32,192	17,822

	September 30, 2021 US\$'000	March 31, 2021 US\$'000
Advances received for future service work	384	331
Other liabilities	1,141	981
Deferred consideration – current	331	-
<b>Total other liabilities - current</b>	<b>1,856</b>	<b>1,312</b>

	September 30, 2021 US\$'000	March 31, 2021 US\$'000
Contract liabilities - non-current	4,933	3,091
Contingent consideration – non-current (ii)	1,317	-

- (i) All amounts recognized relating to contract liabilities are assessed for current versus non-current classification and are applied to revenue as recognized in relation to the timing of the client contract. The Group expects to recognize \$32,192,434 (FY21: \$17,821,568) of contract liabilities during the next 12 months following September 30, 2021. The significant increase as compared to the balance as at March 31, 2021 is due to the key selling season in the northern hemisphere sporting teams during May-July period, primarily American Football in the US and European soccer, which coincides with the off-season for these sporting codes.
- (ii) On 1 July 2021, Catapult acquired SBG Sports Software Limited (SBG). Catapult agreed to acquire 100% of the entire issued share capital of the company for a total consideration of US\$45,000,000. Please refer to note 10 for further information.

# NOTES TO THE FINANCIAL STATEMENTS

## NOTE 9. 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 2019 or 2020). Options and performance rights have not been included in calculating diluted EPS because their effect is anti-dilutive.

The reconciliation of the weighted average number of shares for the purpose 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:

### 9.1 Basic and diluted loss per share

	2021 (US Cents)	2020 (US Cents)
Basic loss and diluted loss per share attributable to the ordinary equity holders of the Company	(5.2)	(2.4)

### 9.2 Reconciliation of loss used in calculating loss per share

	2021 US\$'000	2020 US\$'000
Basic and diluted loss per share		
Loss attributable to the ordinary equity holders of the company used in calculating loss per share:		
From continuing operations	(10,783)	(4,538)

### 9.3 Weighted average number of shares used as the denominator

	2021 shares '000	2020 shares '000
Weighted average number of shares used in basic and diluted earnings per share	207,467	191,442

## NOTE 10. ACQUISITION OF SBG SPORTS SOFTWARE LIMITED

On July 1, 2021, Catapult completed the strategic acquisition of leading sports software video solutions provider, SBG Sports Software Limited ('SBG'). The Company acquired 100% of the issued share capital in SBG for a total price of \$40-45M, comprising \$20M in cash, \$20M in deferred Catapult shares and up to \$5M in Catapult shares which is subject to the achievement of agreed key performance indicators.

London-based SBG was founded in 2008 in collaboration with Mercedes F1 with the purpose of developing products that could capture large quantities of live data and video. More recently, SBG has transformed its learnings from F1 into leading global solutions for soccer and rugby, generating data visualizations that extract key information from multiple sources in real-time, with analytics and insights that assists coaches in rapidly breaking down factors driving team performance.

The acquisition advances Catapult's development of contextualizing performance data, improving time to market by approximately two years (complementing Catapult's development strategy for Vision), significantly expands Catapult's video offering, including feature sets, data capabilities, analytics and user

# NOTES TO THE FINANCIAL STATEMENTS

experiences, thereby accelerating opportunities to cross-sell and scale, expands Catapult's total addressable market opportunities in motorsports, soccer and rugby, instantly places Catapult in an industry-leading position for motorsports and is materially accretive to Catapult's "Rule of 40" constituent metrics.

The SBG acquisition, alongside planned increased investment to scale growth, was funded through a \$35M underwritten institutional placement ('Placement') and a \$8.5M non-underwritten share purchase plan ('SPP'). In addition to the Placement, two Directors of Catapult subscribed for \$1.35M of shares, on the same terms as participants under the Placement, subject to shareholder approval ('Director Placement'). All shares were issued at a price of A\$1.90.

At the date of finalization of the half-year report, the Group has provisionally recorded the purchase price accounting for the acquisition since the valuation has not been finalized. Details of the purchase consideration, the net assets acquired, and the provisional acquisition accounting treatment are as follows:

	Provisional fair value US\$'000
<b>Recognized amounts of identifiable net assets / (liabilities)</b>	
Cash	398
Trade and other receivables	739
Property, plant and equipment	50
<b>Total assets</b>	<b>1,187</b>
Trade and other payables	(289)
Other liabilities	(330)
Employee benefits	(81)
Contract liabilities	(1,714)
<b>Total liabilities</b>	<b>(2,414)</b>
<b>Net liabilities acquired</b>	<b>(1,227)</b>
<b>Goodwill arising from acquisition (i)</b>	<b>27,812</b>
<b>Purchase consideration transferred (excluding share-based payments)</b>	<b>26,585</b>
<b>Representing:</b>	
Amount settled in cash	20,000
Amount settled in deferred shares (ii)	5,268
Amount settled as contingent consideration* (iii)	1,317
<b>Other amounts</b>	
Amount settled in deferred shares (iv)	14,732
Amount settled as contingent consideration* (v)	3,683
<b>Total</b>	<b>45,000</b>
<b>Reconciliation of cash flows</b>	
<b>Consideration settled in cash</b>	<b>20,000</b>
Cash acquired on acquisition	398
Net cash consideration paid	19,303
Cash consideration still to be paid	299

(i) The SBG PPA will be completed in H2. For the half-year accounts the SBG consideration has been provisionally allocated to goodwill

(ii) To be issued in instalments over the 12-month period commencing on the anniversary of completion

(iii) Subject to achievement of agreed key performance indicators, to be measured at the end of FY23 and FY24

(iv) To be issued in instalments over the 12-month period commencing on the anniversary of completion, for several key employees of SBG (recognized as share-based payments)

(v) Subject to achievement of agreed key performance indicators, to be measured at the end of FY23 and FY24, for several key employees of SBG (recognized as share-based payments)

\* Contingent consideration

# NOTES TO THE FINANCIAL STATEMENTS

As part of the purchase agreement with the previous owners of SBG, a contingent consideration component has been agreed, with up to \$5M of Catapult shares available subject to the achievement of key performance indicators which are aligned to the performance metrics used for the Executive team's annual STI award. The \$5M contingent consideration is split into two tranches of \$2.5M, with the first tranche expected to be calculated in June 2023 (at the time that Catapult's Executive STI percentages are agreed) and the second tranche expected to be calculated in June 2024 (at the time that Catapult's Executive STI percentages are calculated).

A portion of the contingent consideration which pertains to several key employees of SBG is being recognized as share-based payments in the accounts (\$3.7M) of which \$0.3M has been recognized as at September 30, 2021. The fair value of the remaining contingent consideration is \$1.3M which has been recorded in non-current other liabilities.

## Acquisition related costs

Acquisition related costs of \$0.5M are included in other expenses in the income statement and in operating cash flows in the statement of cash flows.

From the date of acquisition, SBG has contributed \$1.5M of revenue and \$0.5M to the profit before income tax of the Company. If the combination had taken place at the beginning of the year, revenue would have been \$38.8M and the loss before income tax for the Company would have been (\$10.4M).

As at the acquisition date the fair value of the deferred and contingent consideration was estimated to be \$6.6M.

## NOTE 11. CONTINGENT LIABILITIES

There were no contingent liabilities as at September 30, 2021.

## NOTE 12. FAIR VALUE

Financial assets and financial liabilities are recognized in the consolidated statement of financial position, when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value.

Financial assets are de-recognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is de-recognized when it is extinguished, discharged, cancelled or expires.

# NOTES TO THE FINANCIAL STATEMENTS

The following table presents the Group's financial assets and liabilities measured and recognized at fair value:

As at September 30, 2021	Notes	Level 1 (Quoted prices in active markets)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)
<b>Financial assets</b>				
<b>Total financial</b>		-	-	-
<b>Financial liabilities</b>				
Other liabilities		-	-	-
Non-current other liabilities	8	-	-	1,317
<b>Total financial</b>		-	-	<b>1,317</b>

## Fair value hierarchy

All financial instruments for which fair value is recognized or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Contingent consideration in relation to the SBG acquisition was classified as financial liability measured at fair value at the date of acquisition and subsequently remeasured at the reporting date with changes in fair value recognized in profit or loss. The Group has adopted the probability-weighted average payout approach associated with each possible outcome to determine the fair value of the contingent consideration at the date of acquisition. The significant unobservable inputs adopted by the Group were based on a combination of the entity's key performance indicators being achieved such as the number of Customers, Annualised Contract Value ("ACV") and Multi Vertical Customers with a range determined between 80% - 100% and the probability of achieving each of the possible outcomes assessed. As at September 30, 2021, the group has remeasured the fair value of the contingent consideration.

Based on the sensitivity analysis performed, a 10% increase/(decrease) of the probability factor applied is not expected to change the valuation significantly.

## NOTE 13. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since September 30, 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

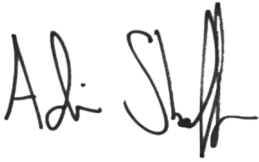
# DIRECTORS' DECLARATION

The Directors of Catapult Group International Ltd declare that, in the Directors' opinion:

- The consolidated financial statements and notes to the consolidated financial statements set out on pages 16 to 37 are in accordance with the *Corporations Act 2001*, including:
  - section 304, which requires that they comply with the Australian Accounting Standards and any further requirements in the *Corporations Regulations 2001*; and
  - section 305, which requires that they give a true and fair view of the consolidated entity's financial position as at September 30, 2021 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations from the Chief Executive Officer and the Chief Financial Officer for the half-year ended September 30, 2021, in accordance with Recommendation 4.2 of the ASX Corporate Governance Council's Principles and Recommendations (4th Edition).

Signed in accordance with a resolution of Directors.



**Dr Adir Shiffman**  
Executive Chairman  
November 17, 2021

# AUDITORS' REVIEW REPORT



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## Independent auditor's review report to the members of Catapult Group International Limited

### Conclusion

We have reviewed the accompanying half-year financial report of Catapult Group International Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 September 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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 the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 September 2021 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### Directors' responsibilities for the half-year financial report

The directors of the Company 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 internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

# AUDITORS' REVIEW REPORT



## Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 Group's financial position as at 30 September 2021 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*.

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.

Ernst & Young

Brett Croft  
Partner  
Melbourne  
17 November 2021

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# CORPORATE DIRECTORY

## REGISTERED OFFICE

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Telephone: +61 (0)3 9095 8401

## COMPANY SECRETARY

Jonathan Garland  
General Counsel and Company Secretary

## SHAREHOLDER ENQUIRIES:

### Share Registry

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GPO Box 3993  
Sydney NSW 2001  
Telephone: 1300 737 760  
Fax: +61 (0)2 9279 0664  
Email: [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au),  
[www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)

### Investor Relations

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## AUDITOR

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## SECURITIES EXCHANGE LISTING

Catapult Group International Ltd's shares are listed on the Australian Securities Exchange (ticker: CAT)

## WEBSITE

[catapultsports.com](http://catapultsports.com)

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