

CATAPULT'S ACV UP 20% WITH FREE CASH FLOW OF US\$4.8M

NOVEMBER 14, 2024

ALL FINANCIALS ARE IN USD UNLESS OTHERWISE INDICATED

Catapult Group International Ltd (ASX:CAT, 'Catapult' or the 'Company'), the global leader in sports technology solutions for professional teams, is pleased to announce its financial results for the half year ended September 30, 2024 (1H FY25).

1H FY25 HIGHLIGHTS

- Annualized Contract Value (ACV), Catapult's leading indicator of future revenue, grew 20% on a constant currency (CC) basis year-on-year (YoY) reaching US\$96.8M (A\$143M)
- Revenue increased to US\$57.8M (A\$85M), +19% (CC) YoY
- The profit margin on the incremental revenue generated reached 75% YoY; delivering Free Cash Flow (FCF) of US\$4.8M (A\$7M)

Commenting on the results, Chief Executive Officer and Managing Director, Mr Will Lopes, said "Catapult started FY25 exactly how we finished FY24, delivering another strong performance and growing our Annualized Contract Value, our primary metric, by another 20% year-on-year. Our Performance & Health vertical delivered another predictable and reliable performance, and we're continuing to see increased adoption of our New Video Solutions in our Tactics & Coaching vertical. Combined, this SaaS growth engine enabled strong growth in our profit margin, accelerating us to improved levels on the Rule of 40 – an important valuation metric for SaaS companies – as we kept 75% of every new dollar we generated in Revenue. Our strong growth also generated an acceleration in Free Cash Flow, which increased to \$4.8 million US dollars in the half, already above the Free Cash Flow we generated in all of FY24. Catapult continues to generate top-line growth and bottom-line expansion, as we capitalize on the global opportunity ahead of us."

RECORD HALF OF ACV GROWTH

Catapult delivered another strong performance from its core SaaS verticals, with ACV growth of 20% (CC) YoY. This reflects the addition of US\$10M of incremental ACV half-on-half (HoH), the largest incremental dollar ACV increase in any previous half year period. Catapult's core SaaS metrics continue to demonstrate the embeddedness of Catapult's product solutions into team workflows, with:

- ACV Retention consistently strong at 96.2%
- Customer Lifetime Duration increasing 7% YoY to 7.6 years
- Pro Team Customers increasing 7.9% YoY to 3,470 Teams

In Performance & Health (P&H), Catapult's SaaS vertical that includes wearables, ACV grew 22% (CC) YoY, driven by market segment expansion and new geographies. The Company experienced success signing league-wide deals in soccer across EMEA and Asia, and continued growth from college sports across North America. This performance again reinforces that Catapult remains the partner of choice when teams and leagues are evaluating the best available solution for athlete monitoring, management, and recovery, and that there remains a significant addressable market in its P&H segment.

In Tactics & Coaching (T&C), the vertical inclusive of Catapult's video solutions, ACV grew 18% (CC) YoY, an increase from 12% growth the previous year, driven by consistently strong growth of its New Video Solutions ACV, which grew 42% (CC) YoY. Catapult's groundbreaking sideline video solution delivered strong growth in North America, supported by continued growth from new and existing customers in soccer and motorsport. Catapult's go-to-market strategy of acquiring new logos continues to drive adoption, with teams using Catapult's New Video Solutions growing 71% YoY. As the Company continues to grow New Video Solutions ACV, this will have an increasing impact on overall T&C growth rates.

Catapult is continuing to execute its Land and Expand strategy, with Multi Vertical Pro Teams, those who adopted more than one Catapult solution, typically a New Video Solution, increasing 80% YoY to 663 Teams. As Pro Teams add a higher value New Video Solution to their subscription, this is positively impacting the average ACV earned from each Pro Team, which increased by 11% (CC) in 1H FY25 and is now approaching US\$26.5K per Pro Team. Cross-sell remains a significant opportunity for Catapult, and the Company has a mid-term target of cross-selling its New Video Solutions to 2,500 Pro Teams.

PROFITABILITY AND CASH FLOW POSITION CONTINUES TO STRENGTHEN

Catapult's total 1H FY25 revenue was US\$57.8M, up 19% (CC) YoY, underwritten by its SaaS (ACV) revenue which exceeded US\$47M, up 21% (CC) YoY. Recurring Revenue, which includes SaaS Revenue and Revenue from Catapult's Media business, also performed well, and exceeded US\$50M for the first time in a half-year period, finishing 1H FY25 at US\$53.3M.

Revenue growth, together with a disciplined approach to costs, generated a Contribution Margin of 48%, an increase from 44% YoY. This enabled the Company to generate a Management EBITDA (Catapult's measure of profitability) of US\$6.2M. Catapult also significantly exceeded its 30% target of incremental profit margin, delivering an incremental profit margin of 75% in 1H FY25.

Catapult is pleased to have already delivered on its guidance to grow Free Cash Flow (FCF) in FY25, generating FCF of US\$4.8M in 1H FY25. This is higher than the US\$4.6M generated in FY24, and represents a US\$3.4M improvement YoY. As today's 1H FY25 results demonstrate, this reflects an ongoing approach to diligently managing the Company's Variable and Fixed cost base, further strengthening Catapult's financial position since the Company crossed a key profitability inflection point in FY24.

During 1H FY25, Catapult has further reduced debt on its Balance Sheet, making a net repayment of US\$6.0M of funds drawn down from its existing debt facility with Western Alliance Bank. Catapult is now left with an existing debt balance of US\$5.0M, down from its peak of US\$15.7M at the end of FY23.

Commenting on the results, Mr Bob Cruickshank, Chief Financial Officer, said "Catapult continues to deliver a financial performance consistent with some of the best SaaS businesses we benchmark ourselves against. Whether it be our top-line growth, disciplined cost management, or incremental profitability; I am extremely pleased with the progress we continue to make. Exceeding US\$50 million of recurring revenue in a half year for the very first time highlights the strength of our product, technology, and market leadership position.

"Free Cash Flow of \$4.8 million US dollars in the first half of FY25 is already delivering on our commitment to generate higher Free Cash Flow this financial year, and by growing our Free Cash Flow, we have been able to reduce our debt to just \$5 million US dollars. This has strengthened our Balance Sheet and ensures we have solid foundations as we continue executing on our objective of delivering profitable growth."

CONTINUED INNOVATION, EXPANSION OF PRODUCT SOLUTIONS

Catapult developed several new product solutions in 1H FY25, delivering on investments made into Research & Development (R&D) initiatives. These included:

- **Focus for American Football:** Successful launch of sideline video analysis, transforming the way coaches and athletes operate on game day in NCAA
- **Next Gen Video Presentations:** New presentation tools that significantly improve how coaches present and share key moments in video
- **MatchTracker Live For UEFA:** Partnered with UEFA (Union of European Football Associations) to deliver live insights for every match at Euro 2024
- **New Algorithms:** New algorithms to measure metabolic power and expand sport-specific parameters for basketball, rugby, and tennis
- **Vector Pro Live For LNR:** Delivered live performance data for broadcast enhancement for French Rugby League (LNR)
- **Vector Core Expansion:** Expanded to more sports and added new language support including French, Spanish, Portuguese, and Japanese

FY25 OUTLOOK¹

Commenting on the outlook for the Company, Mr Lopes said "Our objective remains to deliver on our strategic priorities, emphasizing profitable growth. For the entirety of FY25, we continue to expect ACV growth to remain strong with low churn, continued improvement in cost margins towards long-term targets, and higher free cash flow as our business continues to scale in alignment with our Rule of 40 focus.

Catapult pioneered the use of technology in sport, and it is that type of visionary thinking that continues to drive us to innovate on behalf of our customers. We will continue investing in our next generation of products, with the goal of surprising and delighting our customers with amazing solutions.

With our unique, and comprehensive, all-in-one technology SaaS platform, I am confident in our outlook and the critical role we provide in helping unleash the potential of every athlete and team on earth."

1H FY25 RESULTS WEBCAST BRIEFING

The 1H FY25 results webcast briefing will be hosted by Mr Lopes and Mr Cruickshank at 9.30am (Melbourne time) today. To access the briefing, participants will need to pre-register at the webcast link below. The briefing will be accessible using the same link from 9.15am (Melbourne time) today.

Webcast briefing link: webcast.openbriefing.com/cat-hyr-2025/

Authorized for release to ASX by the Board

For further information, please contact:

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ABOUT CATAPULT

Catapult exists to unleash the potential of every athlete and team on earth. Operating at the intersection of sports science and analytics, Catapult products are designed to optimize performance, avoid injury, and improve return to play. Catapult works with more than 4,400 teams in over 40 sports across more than 100 countries globally. To learn more about Catapult and to inquire about accessing performance analytics for a team or athlete, visit us at catapult.com. Follow us at @CatapultSports on social media for daily updates.

¹ This section contains forward-looking statements. 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 FY2024 financial report. Subject to law, Catapult assumes no obligation to update, review or revise any information in this section. See the important notices on page 5.

FORWARD-LOOKING STATEMENTS

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DEFINED TERMS AND CALCULATION METHODOLOGIES

In this document, unless otherwise indicated:

"1H" for April 1, 2021 onwards, is each period starting April 1 and ending September 30, with the first such period being 1H FY22;

"2H" for October 1, 2021 onwards, is each period starting October 1 and ending March 31, with the first such period being 2H FY22;

"FY" for April 1, 2021 onwards, is each period starting April 1 and ending March 31, with the first such period being FY22;

"ACV" or "Annualized Contract Value" is the annualized value of all active subscription contracts in effect using an average exchange rate to US\$ over a 1-month period ending on the ACV Effective Calculation Date;

"ACV (CC)" or "ACV constant currency" is ACV calculated on a "constant currency" basis, which is calculated using an average exchange rate to US\$ over a 1-month period ending on September 30, 2023;

"ACV CAGR" is the cumulative annual growth rate in ACV on a "constant currency" basis over a period A to B, which is calculated as the annualized growth rate (expressed as a percentage) of (x) the ACV as at the Effective Calculation Date for B (using currency rates as at the effective calculation date for A); divided by (y) the ACV as at, and using the currency rates as at, the effective calculation date for A. Therefore, for example, the ACV CAGR for 1H FY23 to 1H FY25 is calculated as the annualized growth rate (expressed as a percentage) of (x) the ACV calculated as at September 30, 2024 (using currency rates as at September 30, 2022); divided by (y) the ACV calculated as at, and using the currency rates as at, September 30, 2022;

"ACV Churn" is the reduction in ACV from the loss of customers over a period, which is calculated as the quotient (expressed as a percentage) of (x) the reduction in ACV from the loss of customers over the 12-month period prior to the Effective Calculation Date; divided by (y) the total ACV calculated as at the date that is 12 months prior to that Effective Calculation Date;

"ACV Effective Calculation Date" for ACV is, unless otherwise stated, September 30, 2024. The ACV Effective Calculation Date for ACV denoted as "Opening ACV" or "Closing ACV" is ACV calculated as at, respectively, the start or end of the relevant period.

Therefore, for example, the Opening ACV FY24 Effective Calculation Date is April 1, 2023 and the Closing ACV FY24 Effective Calculation Date is March 31, 2024. ACV denoted as "1H" is calculated as at the end of the relevant period. Therefore, for example, the ACV 1H FY24 Effective Calculation Date is September 30, 2023, and the ACV 1H FY25 Effective Calculation Date is September 30, 2024;

"ACV Growth" or "ACV YoY" is the growth in ACV (including on a "constant currency" basis), which is calculated as the quotient (expressed as a percentage) of (x) the ACV calculated as at the Effective Calculation Date; divided by (y) the ACV calculated as at the date which is 12 months prior to that Effective Calculation Date;

"ACV Retention" is the retained ACV from continuing customers over a period, which is calculated as $(1 - \text{ACV Churn})$, expressed as a percentage;

"Fixed Costs" is the total of General & Administrative (G&A), and capitalized and non-capitalized Research & Development (R&D) costs;

"Free Cash Flow" or "FCF" is cash flows from operating activities less cash flows used for investing activities, excluding cash used for acquisitions of, and investments into, businesses and strategic assets. FCF excludes AASB16 lease payments;

"Incremental profit" over a period is calculated as the incremental Management EBITDA over that period;

"Incremental profit margin" over a period is calculated as the quotient (expressed as a percentage) of (x) the incremental Management EBITDA over that period; divided by (y) the incremental revenue over that period;

"Lifetime Duration" or "LTD" is the average length of time that customers have continuously subscribed for Catapult's products or services as at the effective calculation date, weighted by each customer's ACV as at that date;

"Management EBITDA" is EBITDA excluding share-based payments, purchase consideration, and severance; and including capitalized development expense;

"Multi-vertical customers" is the number of customers that, as at the effective calculation date, use a product from more than one of Catapult's verticals;

"pp" means percentage point, which is the arithmetic difference between two percentages;

"Recurring Revenue" is SaaS Revenue, plus Media, and plus other recurring revenue that is not attributable to ACV;

"SaaS Revenue" or "SaaS (ACV) Revenue" is revenue attributable to ACV; and

"Variable Costs" is Total non-capitalized COGS, Sales & Marketing (S&M), and Delivery Costs.

This document should be read in conjunction with the above definitions and calculation methodologies as they are integral to understanding the content.

NON-IFRS INFORMATION

While Catapult's results are reported under IFRS, this document also includes non-IFRS information, such as Management EBITDA, EBITDA, Gross Margin, Contribution Margin, Free Cash Flow (FCF), Annual Recurring Revenue (ARR), Annualized Contract Value (ACV), Lifetime Duration (LTD), ACV Retention, and ACV Churn. These measures are provided to assist in understanding Catapult's financial performance, given that it is a SaaS business. They have not been independently audited or reviewed, and should not be considered an indication of, or an alternative to, IFRS measures.

GENERAL

The information in this document is for general information purposes only and does not purport to be complete. It should be read in conjunction with Catapult's other market announcements. 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. All financials are in US\$ unless otherwise indicated.