



VISTA
GROUP

VISTA GROUP 2018 HALF YEAR RESULTS
29 August 2018

AGENDA

- 1st Half 2018 Summary
- Financial Results
- Operational Highlights
- Associate Companies
- Growth Drivers
- Outlook
- Questions



1ST HALF 2018 SUMMARY



- Another strong period of growth for Vista Group
 - **20%** increase in Revenue over pcp
 - **37%** increase in Operating Profit over pcp
 - Operating Profit % increased from 16.4% to 18.4%
 - **95%** increase in Operating Cash Flow over pcp
 - **28%** increase in recurring revenue over pcp to \$37m – **62%** of total revenue
- Maintained very strong balance sheet, low debt and a strong cash position.
- Transition to new Group CEO, and CEO / COO of Vista Cinema completed.
- Vista Cinema global market share of 20+ screens segment increased to 40%.
- Period of continued investment in product & solution innovation.

FINANCIAL RESULTS



FINANCIAL HIGHLIGHTS



TOTAL REVENUE

\$60.1m

(up 20%)

RECURRING REVENUE

\$37.2m

(up 28%)

OPERATING PROFIT

\$11.1m

(up 37%)

EBITDA¹

\$13.1m

(up 27%)

OPERATING CASHFLOW

\$12.5m

(up 95%)

INTERIM DIVIDEND

1.6

CENTS P/SHARE

(Increase of 33% on prior year interim dividend²)

¹ EBITDA is a Non-GAAP measure and is defined as earnings before net finance expense, income tax, depreciation, amortisation, acquisition costs and equity-accounted results from associate companies. Expenses related to the VCL deferred consideration is also excluded. This is consistent with the measure used in the Prospectus dated 3 July 2014. Depreciation and amortisation in 1H 2018 \$1.9m (1H 2017: \$1.6m).

² Note: In FY2017 Vista Group paid an interim dividend of 2.4 cents / share. This was however prior to the 2:1 share split completed in November 2017. The comparative interim dividend for FY2017 is therefore divided by two to ensure a relevant comparison.

TRADING PERFORMANCE



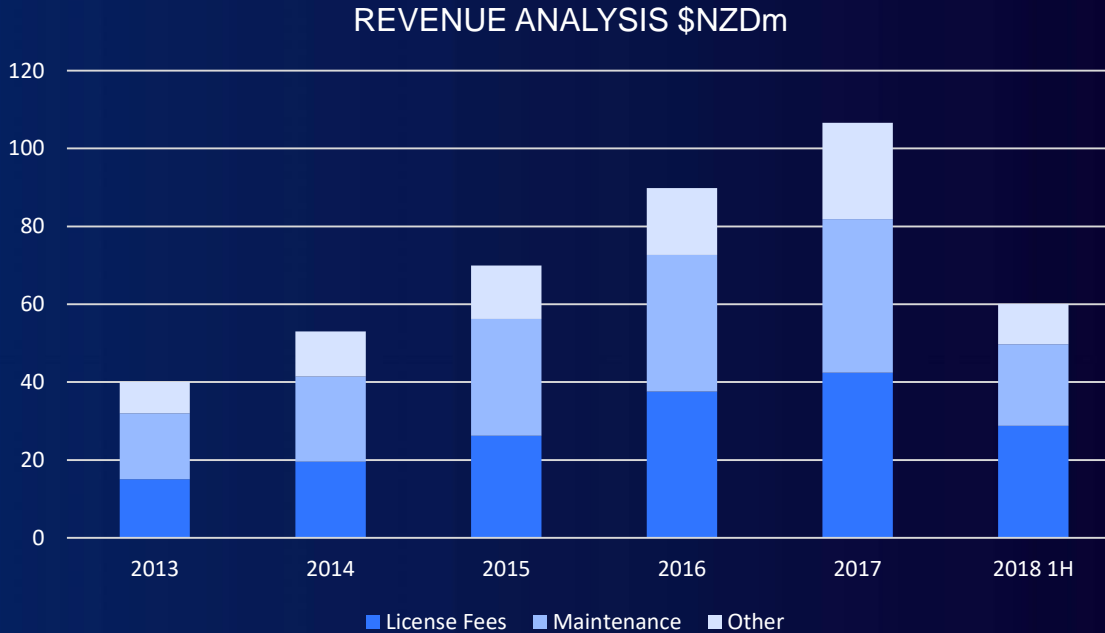
	For six months ended		
NZ\$m	30 June 2018	30 June 2017	%PCP
Revenue	60.1	50.1	20%
Expenses	49.8	41.6	20%
Foreign exchange losses / (gains)	(0.8)	0.4	
Operating Profit	11.1	8.2	37%
Other Revenue / (costs)	(2.1)	(1.5)	
Profit Before Tax	9.1	6.6	37%
Net Profit attributable to Vista Group Shareholders	5.2	3.8	36%

NZ\$m	2018 Actual	2017 Actual	
EBITDA	13.1	10.3	27%

- Another period of 20% Revenue Growth.
- Solid Profit and EBITDA performance improved by FX.

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VISTA GROUP – Revenue Analysis





OPERATING SEGMENTS

CINEMA



MOVIO

MOVIO

ADDITIONAL GROUP
COMPANIES

POWSTER

maccs

FLICKS

EARLY STAGE
INVESTMENTS



ASSOCIATES



VISTA CHINA

OPERATING SEGMENTS

1H2018

NZ\$m	Cinema	Movio	Additional Group Companies	Early Stage Investments	Corporate	Total
Revenue	39.7	8.6	6.7	2.2	2.9	60.1
EBITDA	12.8	1.5	0.6	0.5	(2.2)	13.1

1H2017

NZ\$m	Cinema	Movio	Additional Group Companies	Early Stage Investments	Corporate	Total
Revenue	32.5	6.4	5.9	0.3	5.0	50.1
EBITDA	7.7	1.3	0.9	(0.9)	1.4	10.3

- Cinema segment grew revenue 22% and EBITDA 67% over pcp (EBITDA uplift enhanced by consolidation of Vista Latam).
- Movio grew revenue 34% over pcp, but investments for growth restricted EBITDA growth to modest increment.
- AGC - Strong revenue growth from Powster in AGC.
- ESI showed pleasing signs off a very small base.
- Corporate result shows expected reduction in localisation revenue from Vista China.

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FINANCIAL POSITION

NZ\$m	30 June 2018	31 Dec 2017
Current Assets		
Cash & short term deposits	26.3	21.0
Other receivables	68.2	71.3
	94.5	92.3
Non Current Assets		
Plant & equipment	5.3	4.6
Investment in associate	25.0	26.1
Intangibles	82.1	78.9
Deferred tax asset	3.5	2.3
	115.9	112.0
Total Assets	210.4	204.2
Current liabilities	44.8	41.2
Non current liabilities		
Loans	11.3	10.7
Deferred tax and consideration	2.2	4.2
	13.5	14.9
Net Assets	152.2	148.1
Share capital	59.3	57.8
Retained earnings	76.3	75.2
Reserves	5.2	3.8
Non controlling interests	11.4	11.2
Total Equity	152.2	148.1

- Strong balance sheet maintained giving capacity to take advantage of new opportunities.
- Cash levels strong as a result of improving operating cashflow and focus on conversion of trade receivables into cash.
- Second and final tranche of China transaction cash was received from Vista China.
- Receivables reduce as cash conversion increases during first half of 2018.
- Increase in intangibles reflects investment in capitalised software development.

CASH FLOW

NZ\$m	For six months ended	
	30 Jun 2018	30 Jun 2017
Receipts from customers	61.2	52.5
Cash was applied to:		
Payments to suppliers	(42.8)	(41.5)
Tax & interest	(5.9)	(4.6)
	(48.7)	(46.1)
Net cash flow from operating	12.5	6.4
Cash applied to investing activities		
Investments – internally generated software	(4.0)	(2.7)
Disposal of intangible	1.4	-
Other investing activities	(2.0)	2.4
	(4.6)	(0.3)
Cash from financing activities		
Loans and borrowings	0.3	0.2
Dividends paid	(3.4)	(4.5)
	(3.2)	(4.3)
Net movement in cash held	4.7	1.8
Foreign exchange differences	0.6	0.1
Cash balance	26.3	23.3

- Strong cash receipts from trading drives increase in operating cash flow.
- Vista Group did not pay an interim dividend in 2016, therefore 2017 includes full year dividend for 2016.
- Overall cash outlook remains strong with the business generating increasing operating cashflow.
- Disposal of intangible in 2018 relates to termination of French business partner agreement (CCG).
- Other investing activities in 2017 include proceeds from the sale of Vista China of \$6.2m.

DIVIDEND PROPOSAL



- The directors have resolved to pay an interim dividend at the top of the policy range (50%) and that the dividend will carry full imputation credits.
- The value of the dividend will be 1.6 cents per share representing a total payment of \$2.6m.
- The record date for the dividend is 5pm on Friday, 13 September 2018 with the payment date set for Friday, 27 September 2018.
- The FY18 interim dividend represents a 33% increase on the prior year.

OPERATIONAL HIGHLIGHTS

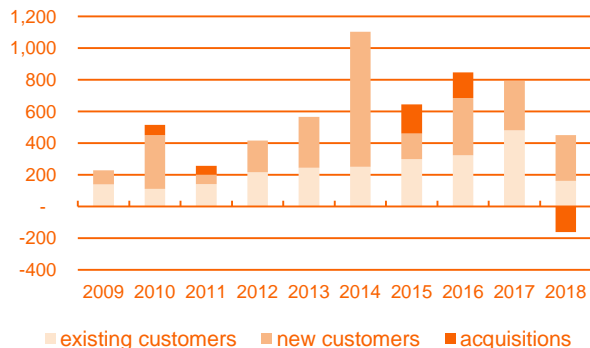




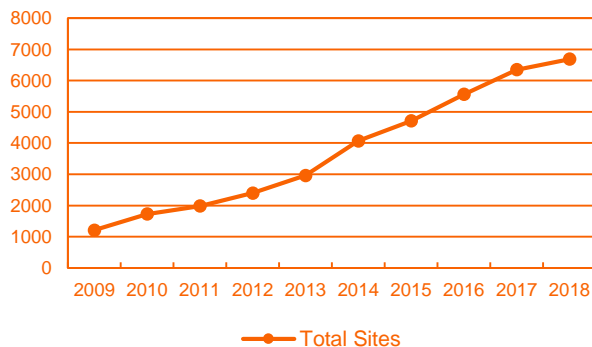
Vista Cinema provides cinema management software to the world's largest cinema exhibitors

- Global market share of 20+ screen segment increased from 38% to 40%, (45.6% excluding China).
- 450 new sites (plus 46 for Vista China) added in 1st half 2018.
- Termination of French reseller relationship eliminates 161 sites added in 2016.
- Therefore total site count now 6,685.
- Signed Aeon (the largest circuit in Japan) enabling entry into Japanese market for the first time.
- Signed Pathe France (the largest circuit in France) following direct representation in France.
- Total now of 94 installed countries.
- Ancillary revenue streams trending upwards, may become material in 2019/2020.

NEW SITES ADDED



TOTAL SITE COUNT



5%

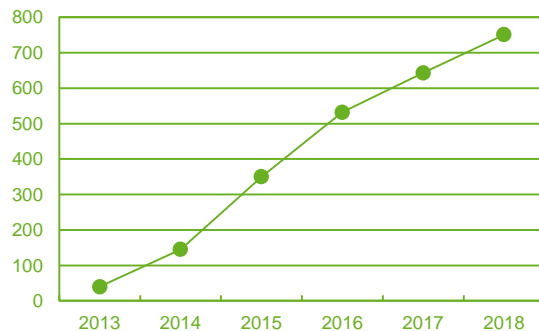
growth in total
sites to 6,685



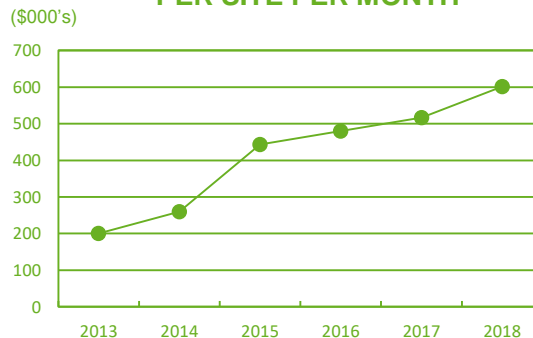
Provides cinema management software to the world's independent cinema exhibitors

- 108 sites bring site numbers to 751 with solid growth in USA.
- Solid uptake of new modules released in 2017 highlighted by Vouchers and Gift Cards (VGC) – 23% of sites have signed up.
- New module – Digital Signage – released in May 2018.
- Revenue sharing deals continue with payment providers and other 3rd parties.
- Annual churn rate (sites) sustained below 5%.

VEEZI - TOTAL SITE COUNT



AVERAGE REVENUE
PER SITE PER MONTH



17%

increase in site
revenue to \$606 p.mth

176

customers using VGC

37%

increase in ARR
to \$5.5m

17%

growth in contracted
sites to 751

MOVIO SEGMENT



MOVIO

Connecting all moviegoers to their ideal movie

- Connected Moviegoers increased 74% in the US, despite the volume of Active Moviegoers decreasing 13%. Connected Moviegoers represent the subset of Active Moviegoers Movio has permission to use in digital campaigns.
- AMC: Initial license expired in Aug 2018 and was not renewed, this has no effect on projected revenue as AMC was never fully implemented and did not contribute data to Movio Media.
- Total connections increased 37% globally, which includes all email, SMS, Push and digital connections.
- Media revenue grew 97% driven by existing contracts with STX, Sony, Lionsgate, Fox, Viacom and Epsilon.
- Cinema revenue grew 20%, led by the successful implementation of Cinemark Brazil and PVR India, bringing the total number of countries to 39.

	Active Moviegoers (Millions)			Revenue / Active Moviegoer (NZD cents)		
	H1 2017	H1 2018	Growth	H1 2017	H1 2018	Growth
USA	23	20	-13%	18	28	56%
Rest of World	16	22	38%	13	14	8%
Global	39	42	8%	16	20	25%

Note: metrics for half year only

34%

growth in total revenue

37%

growth in total Connections

8%

growth in Active Moviegoers

25%

growth in revenue per Active Moviegoer

97%

growth in Movio Media revenue

PCWSTER

World leading film marketing products

- Continued solid growth in revenue and EBITDA.
- Created 29% more movie destination sites than pcp.
- Potentially significant new developments under way in direct ticketing (through movieXchange).
- New product launched on Facebook Messenger (bots) with initial interest from both film industry and broadcast TV.
- LA studio staffed with 10 people and well engaged in local market.

maccs

Provides world leading theatrical distribution software

- New CEO hired – George Eyles – started July 30.
- Delivery profile for MACCS considerably improved during 1st Half 2018, but financial performance improvement is taking longer.
- Warner Bros. project moving to normal commercial terms and relationship remains strong.
- Outlook is for better 2nd half performance leading to satisfactory 2019.

FLICKS

Movie and cinema review and showtime guide

- Accelerated investment strategy bearing fruit with growth ramping up.
- June/July 2018 best months ever for both Australia and NZ in terms of unique visitors.
- July first month ANZ broke through the 1 million unique visitors mark.
- Soft launch of flicks.co.za in late June 2018.



CINEMA INTELLIGENCE

Software to optimise film forecasting and scheduling

- Performance improvement from late 2017 continuing in 2018 with strong revenue growth.
- New customers signed up in Europe, Middle East, and USA.
- Funding joint sales resource in US office with Vista Cinema to sell joined up solutions.
- Good turnaround - EBITDA breakeven for 1st half 2018.



movieXchange

A new platform to share film digital assets & enable new cinema ticketing sales channels to access cinema exhibitors

- MX Film connecting over 70 distributors and nearly 200 cinema circuits.
- MX Tickets revenue growing strongly (off a small base).
- MX Tickets contracted with 15 ticketing vendors of whom 5 are live, and 20+ cinema circuits.
- MX Showtimes increasing coverage in key markets.



Stardust

Social app to share video reaction to movies and tv shows

- Stardust is undergoing enhancement to support increased user engagement and retention.
- Focused on broadening appeal from a niche video reactions app to an entertainment centric social media platform.
- Generated modest revenues during 1st half from movie marketing partnerships – emphasizes the potential of the serious movie-fans who are regular users.
- Average of 24K reaction videos posted per month – Jan-Jun.

ASSOCIATE COMPANIES





Box office tracking and reporting product

- 40% increase in revenue over pcp.
- USA remains key focus for 2018.
- 1000+ sites reporting in the USA at the end of June.
- Data collection under way in Thailand, Mexico, Nigeria, and Indonesia to add to existing collection in Korea, South Africa, Malaysia/Singapore.
- Agreements obtained for 2 of the top 3 exhibitors in the UK to report.



VISTA CHINA

Performance

- Vista China revenue growth continues – up 36% on pcp.
- Vista Cinema 13% share of total market – estimated as 19% share of 20+ screens segment.
- 20 Veezi sites live at the end of June.
- Movio live with Jinyi – 5th largest circuit in China.

China film industry

- China box office revenue growth rate 2017 over 2016 = 15%.
- Consolidation of 3rd party ticket sellers with now 2 main players dominating – Maoyan and Tao Piaopiao – 85% of cinema tickets sold through 3rd parties.

Update on transactions

- Regulatory approval has been received for the acquisition of 7.9% of Vista China from Weiying by Vista Group.
- Additional transactions contemplated in our February announcement (to enable consolidation) are in the process of being finalised.

GROWTH DRIVERS





Innovation

- Exec appointed to lead Cloud Services for Vista Cinema.
- First cloud based implementation for a new customer expected before end 2018.
- New Products in development: Handheld Server App, Omni-channel.

Customers

- Focus on relationships with Super-Circuits – e.g. Cineworld, Pathe etc.
- Focus on competitive wins in USA.

Geography

- Building out from territory breakthroughs - Brazil, Italy, Japan, Saudi Arabia.

Revenue Expansion

- Broaden offerings to customers – through additional products, services and relationships.
- Develop ancillary revenue relationships with related parties in the overall ecosystem.



Innovation

- Developing solutions to ingest additional data sources to enrich the Active Moviegoer database.
- Productising the Movio Media solution to enable faster campaign sales to execution cycle.

Customers and Geography

- Increase exhibitor participation in Movio Media.
- Expand Movio Cinema client base in new and existing territories.



Integrated Offering Development

- Integrated labour forecasting with forecast attendance – Cinema Intelligence / MovieTeam.
- CxM – Vista Cinema / Movio.

Cross Group Sales Campaigns and Proposals

- Targeting Super-Circuits in particular.

OUTLOOK



- Very pleasing first half performance provides confidence we can deliver to our guidance for the full year.
- New executive structure settling in well, with Chief Product Officer creating some significant opportunities.
- Vista Cinema and Movio continue to perform well – with excellent product innovation roadmaps.
- AGC and ESI segments offer potential upside over next year and beyond with improvements to 1st half performance.
- Continued strong operation focus to improve margin quality.
- Consolidation in the international cinema exhibitor space tending to work in favour of Vista Group companies.
- The Global cinema market continues to show strength, admissions and box office increasing in many territories, driving a continued growth in sites and screens, which create opportunities for all group companies.



QUESTIONS?

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