



VISTA
GROUP

VISTA GROUP 2017 HALF YEAR RESULTS

24 August 2017

IMPORTANT NOTICE

This presentation has been prepared by Vista Group International Limited ("Vista Group").

Information in this presentation:

- is provided for general information purposes only, does not purport to be complete or comprehensive and is not an offer or invitation for subscription, purchase or recommendation of securities in Vista Group. This presentation does not constitute investment advice;
- should be read in conjunction with, and is subject to, Vista Group's financial statements, market releases and information published on Vista Group's website (www.vistagroup.co.nz);
- may include projections or forward looking statements about Vista Group and the environment in which Vista Group operates. Such forward-looking statements are based upon current expectations and involve risks, uncertainties and contingencies outside of Vista Group's control. Vista Group's actual results or performance may differ materially from these statements. Although management may indicate and believe the assumptions underlying the forward looking statements are reasonable, any assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward looking statements will be realised;
- may include statements relating to past performance, which should not be regarded as a reliable indicator of future performance.

While all reasonable care has been taken in compiling this presentation, Vista Group accepts no responsibility for any errors or omissions.

All information in this presentation is current at the date of this presentation, unless otherwise stated.

All currency amounts are in NZ dollars, unless stated otherwise.



AGENDA

- Introduction
- CEO commentary on the result and general business activity
- CFO commentary on the Financial Results
- Operational update
- Senda acquisition
- Outlook
- Questions



VISTA GROUP HIGHLIGHTS

- Founded 1996 & listed on NZX/ASX in Aug 2014 with market cap of \$187M; currently circa \$450M.
- 600+ staff & offices in 10 offices:
 - Auckland, Sydney, London, LA, Holland, Shanghai, Romania, Cape Town, Beijing, Mexico City
- Vista Cinema (our largest business) continues to deliver strong growth with new projects in 4 new territories and 300+ new cinema installs
- Movio Media building revenue momentum having closed significant contracts with Epsilon & Fox
- MACCS Warner Bros. project goes live in Q1
- Launch of new products:
 - MovieXchange
 - Stardust
 - Movio Media Agency
 - Trilered (Powster)



— VISTA ENTERTAINMENT SOLUTIONS —

MOVIO

maccs

numero



CINEMA INTELLIGENCE
Your competitive advantage

POWSTER

FLICKS

FINANCIAL HIGHLIGHTS



REVENUE

\$50.1m

(up 23%)

OPERATING PROFIT

\$8.2m

(up 100%)

OPERATING CASHFLOW

\$6.4m

(up 356%)

INTERIM DIVIDEND

2.4

CENTS P/SHARE

Note FY2016 full year dividend 4.61

EBITDA

\$10.3m

(up 74%)

CHINA CASH RECEIPTS

\$20m

RECEIVED

Combination of equity and trading payments

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 1H2017 \$1.6m (1H2016: \$1.2m).

THE STRENGTHS OF VISTA GROUP



- Consistent strong revenue growth in line with guidance
- Continued growth in an already strong annuity revenue stream
- Sustained profitability while we continue to develop new products
- Positive operating cash generation
- Dividend payer (first interim dividend)
- Leading global market position in an expanding film industry

TRADING PERFORMANCE

For six months ended

NZ\$m	30 June 2017	30 June 2016	%
Revenue	50.1	40.7	23.1%
Operating Expenses	41.5	35.8	15.9%
Foreign exchange losses / (gains)	0.4	0.8	
Operating Profit	8.2	4.1	100.0%
Other Revenue / (costs)	(1.6)	0.0	
Profit Before Tax	6.6	4.2	57.1%
Net Profit attributable to Shareholders	3.8	2.4	58.3%

NZ\$m	2017 Actual	2016 Actual	
EBITDA	10.3	5.9	74.6%

- On a constant currency basis revenue would increase \$2.6m and EBITDA \$0.5m 1H2016
- Headcount growth to support the business in a tight labour market. Headcount has increased 17% (93) to 625



Note: 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 1H2017 \$1.6m (1H2016: \$1.2m).

VISTA GROUP – TRADING METRICS

TOTAL REVENUE ANALYSIS

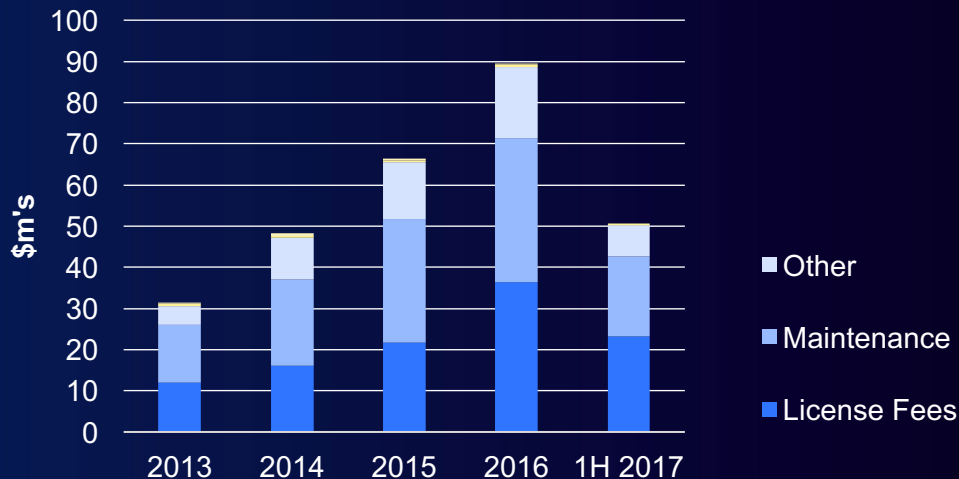
23%

REVENUE GROWTH
OVER 1H2016

27%

INCREASE IN VALUE OF
RECURRING REVENUE
OVER 1H2016 TO \$29M

REVENUE ANALYSIS



FINANCIAL POSITION

NZ\$m	30 June 2017	31 December 2016
Current assets		
Cash & short term deposits	23.3	21.3
Other receivables	61.4	73.9
	84.7	95.2
Non Current Assets		
Plant & equipment	4.8	4.1
Investment in Associate	26.5	27.7
Intangibles	66.1	64.6
	97.4	96.4
Total assets	182.1	191.6
Current liabilities	33.8	42.4
Non current liabilities		
Loans	5.0	4.8
Deferred tax and consideration	4.3	6.0
	9.3	10.8
Net assets	139.0	138.4
Share Capital	57.1	55.7
Retained earnings	71.3	71.3
Reserves	0.7	0.7
Non controlling interests	9.9	10.7
Total Equity	139.0	138.4

- Cash levels strong as China cash is received
- Increase in intangibles reflects investment in capitalised software development
- Current liabilities lower by \$8.6m due to reductions in Deferred revenue and settlement of Contingent consideration

CASH FLOW

NZ\$m	For six months ended	
	30 June 2017	30 June 2016
Cash received from trading	52.5	39.1
Cash applied from trading		
Operating expense	(41.5)	(35.7)
Tax & interest	(4.6)	(1.6)
	(46.1)	(37.3)
Net cash flow from operating	6.4	1.8
Cash applied to investing activities		
Investments	0.0	(9.2)
Other assets	(0.3)	(1.9)
	(0.3)	(11.1)
Cash from financing activities		
Dividends paid	(4.3)	-
	(4.3)	0.0
Net movement in cash held	1.8	(9.3)
Foreign exchange differences	0.0	(1.7)
Cash balance	23.3	16.3

- Strong cash receipts from trading assisted by trading cash from China transaction
- Tax & Interest includes \$1.3m Withholding Tax from China on trading receipts
- Investment activity includes investment in capitalised software development offset by cash receipts from WePiao for Vista China share sale
- VGL's first dividend since listing (paid at the top of the policy range) paid in March
- Dividends paid includes non-controlling interest of \$0.8m
- Overall cash position remains strong with circa \$21.0m still to flow from China:
 - \$10m from WePiao on share sale
 - \$11.0m trading receipts from Vista China

VISTA GROUP OPERATIONAL HIGHLIGHTS



Provides cinema management software to the world's leading cinemas.

Largest Group subsidiary delivered fast start to the year. Revenue growth 29% over 1H2016.

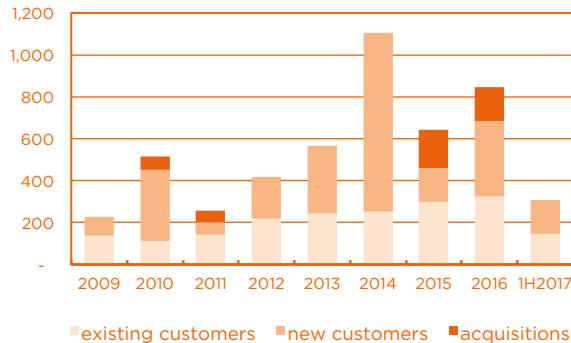
Strong growth with 306 new cinema sites added (includes 48 in China) to bring global total to 5,863.

Leading global market share 38% of large circuit market – 44.5% excluding China.

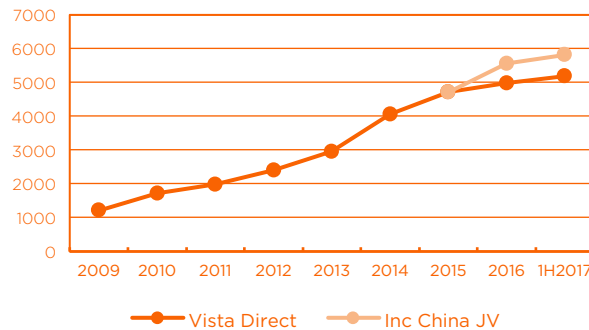
Live projects in 4 new countries including Italy, Japan, Brazil and Austria provide continued expansion opportunities.

Continuation of key Cloud project will bring opportunity for lower maintenance costs, rapid deployment and reduced sales cycle time.

NEW SITES ADDED



TOTAL SITE COUNT



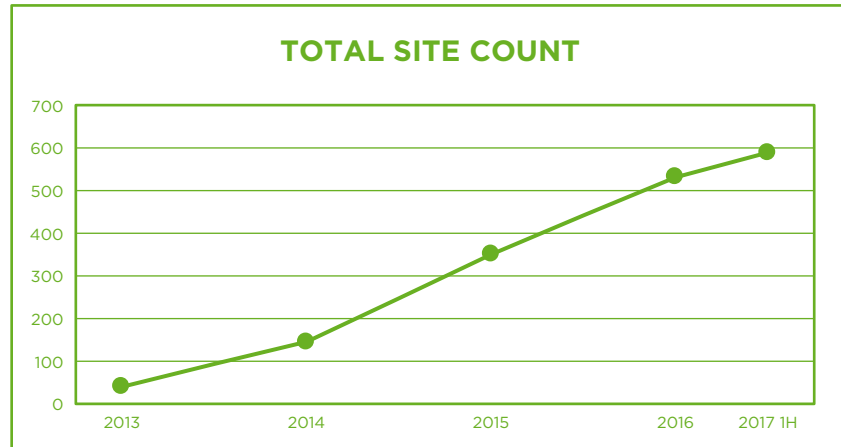
KIMBAL RILEY
Chief Executive,
Vista Cinema

Provides cloud-based cinema management software to independent cinemas.

Site numbers increased by 57 to 589.

Continued flow of 'Vista Cinema' modules being made available to Veezi customers.

Indications that 2nd half will be stronger in both France and Sweden with solid pipelines in play.



\$3.15m

Annualised Recurring Revenue (ARP)

589

Global total of contracted sites



MATTHEW PREEN
General Manager

Revolutionising the way distributors & exhibitors interact with moviegoers; analyse data & engage in the marketing of movies.

Increased total revenue per 1,000 active members 7% from 1H 2016 to \$323, as media revenue component increases.

Movio Cinema

- Increased customer numbers by 20% to 61 in 1H2017 from Dec 2016.
- US market share grown to 57%. Strengthens Movio Media position.
- Building active moviegoer database beyond Loyalty members with online data capture.
- Data science investment has produced Movie Insights module. Adding value as customers adopt new modules.
- SMS messaging growing faster than email.

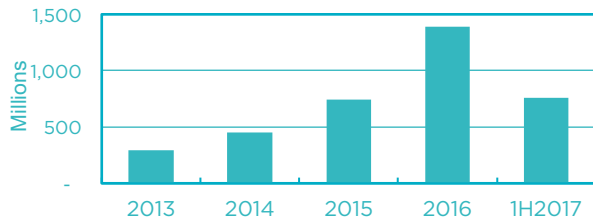
Movio Media

- Significant new deals with Fox and Epsilon with engagement in digital marketing initiatives.
- Planning for entry to new countries where cinema market share and data levels are sufficient.
- Significant increase in recurring contracted revenue with additional potential campaign revenues.

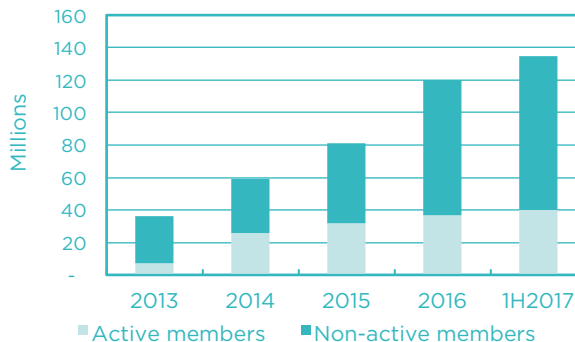
\$323

Total revenue per 1,000 active members

EMAIL GROWTH



MEMBER DATABASE



MACCS & MACCSBOX

Maccs – Movie ACounting System

Provides theatrical distribution software to enable film distributors to better manage their entire movie life cycle.

MaccsBox – Theatrical Value Chain

Collects audited box office results enabling automated invoicing and collection.

Successful completion of biggest ever implementation of MACCS at Warner Bros. USA the worlds largest film distributor in 1H2017.

Have won a new USA contract from our major competitor.

Two new countries, Finland and Switzerland, for countrywide MaccsBox rollout.



SANDER VAN OYEN
Managing Director



POWSTER

Provides world-leading film marketing products including interactive content to promote films.



Strong revenue growth in 1H2017.

Opened Los Angeles office & studio within the Vista Group premises. This built on existing US based distributor relationships and created new contracts in 1H2017.

Enhanced products to provide greater data insights to distributors on visitation and advertising effectiveness and from where consumers arrive to the Powster Web platform.

Integration of the Powster Movie Platform to social media platforms.

Launched “Trailerred”, a new web destination that enables moviegoers to consume trailers in a completely new way, at Cine Europe in June.



STE THOMPSON
CEO & Founder

CINEMA INTELLIGENCE

Provides business intelligence solutions for exhibitors, to enable optimised forecasting and scheduling of movies.



Strong actions on bringing the business to break-even during 2H2017.

Large pipeline of prospects built, requires focus on closure.

Strengthen integration to Vista Cinema modules.

Implementations underway in 3 territories with Europe leading the way.

**CLAUDIU
TANASESCU**
CEO



FLICKS

Authoritative Australasian movie and cinema guide.

Moviegoer access nationally for every movie playing; cinemas, session times, booking links, videos and trailers, reviews (user and critical) plus editorial from Australasia's best industry contributors.

Strong plan to build the business beyond its current base – both in number of visitors and number of territories covered.

Applying new strategies to build Australian site visitation levels – Australian site unique visitors up 34% this year.

Building sales team in Australasia to grow revenues from increased site visitation rates.

Launched “Your Cinema”, a website offering for smaller cinemas with 17 customers already on board.



**PAUL
SCANTLEBURY**
CEO

NUMERO

SaaS product that tracks daily results at cinema level for Film Studios, Distributors and Exhibitors.



Complete China, Australia, New Zealand & Southern Africa coverage

- Totalling over 8,000 Theatres
- Reporting \$8.1 Billion of Annual Box Office or 29.7% of International Box Office.

Expand the service to include other major markets from 2018 onwards. Focus on APAC region and the USA.

Collaborate with VGL companies to deliver the most comprehensive Global Cinema Audience reporting tool through combining Box Office and Audience Demographics in one platform.



SIMON BURTON
Chief Executive

Expanded business operations to extend services beyond Vista Cinema

- Set up office in Beijing
- Staff numbers increased 15% to 45

Grown revenue of business

- 48 new sites installed in first half
- Solid third party revenue stream
- Veezi team established
- Built impressive pipeline from both new and existing customers

Established access to cinema reporting data for Numero and Movio



LAWRENCE WANG
Chief Executive

NEW DEVELOPMENTS



- **Stardust – our social media app to share video reaction to movies and shows**
Released to the app store (Stardust) in June 2017 and interest is growing.
Marketing campaigns planned to build user base of the app.
- **movieXchange**
 - MX Film
New SaaS application to standardise and distribute movie data and assets
 - MX Tickets
A new platform offering for exhibitors to make it easier to access the growing number of cinema ticketing sales channels. New revenue streams expected in 2017.
- **Movio Media Digital Agency**
An extension of Movio Media to enable Movio to participate in the online and social media advertising world.



DEREK FORBES
COO, Vista Group

SENDA ACQUISITION

- On 21 August 2017, Vista Group announced the acquisition of a controlling 60% stake in long-time Latin American business partner Senda.
- The acquisition gives Vista Group direct access to the burgeoning Latin American market plus closer relationships with significant acquisitive cinema circuits.
- Initial consideration paid is \$9.4m, payable \$8.7m cash and \$0.7m in Vista Group shares. Contingent consideration is yet to be determined.
- Due to the recent closure of the transaction the full details of the acquisition will be disclosed at the next reporting date.
- Senda will be renamed Vista Latin America and will be consolidated into the Vista Group results from 1 September 2017.
- The transaction will be earnings accretive.



OUTLOOK

- Strong first half revenue result supports the full year growth projection for FY2017 of 20%+. Second half skew of revenue unlikely to be as pronounced as in the past.
- The pipeline for future revenue remains solid.
- Movio to grow monetisation of Movio Media with announced, and new, contracts.
- Powster to continue expansion of product offering and integration to VGL products.
- Vista China to continue growth strategy and introduction of the range of VGL products to the China market.
- The Global cinema market continues to show strength with increased site & screen numbers.
- Investment in building new products and updating current products will continue.
- Further acquisition opportunities will continue to be explored.
- We continue to be confident in our ability to execute on our growth strategy.





VISTA
GROUP



QUESTIONS?