



VISTA
GROUP

VISTA GROUP 2015 AGM : Event Cinema 3, Gold Class
24 May 2016

AGENDA



- **Introduction**
- **Chairman's Address**
- **CEO Address**
- **Questions on Annual Report & Financial Statements**
- **Business Resolutions**
 - Resolution 1 – Remuneration of Auditors
 - Resolution 2 – Re-election of Susan Peterson as a Director
 - Resolution 3 – Re-election of Kirk Senior as a Director
- **General Business & Questions**
- **Morning Tea in the Gold Class Lounge**



CHAIRMAN'S ADDRESS





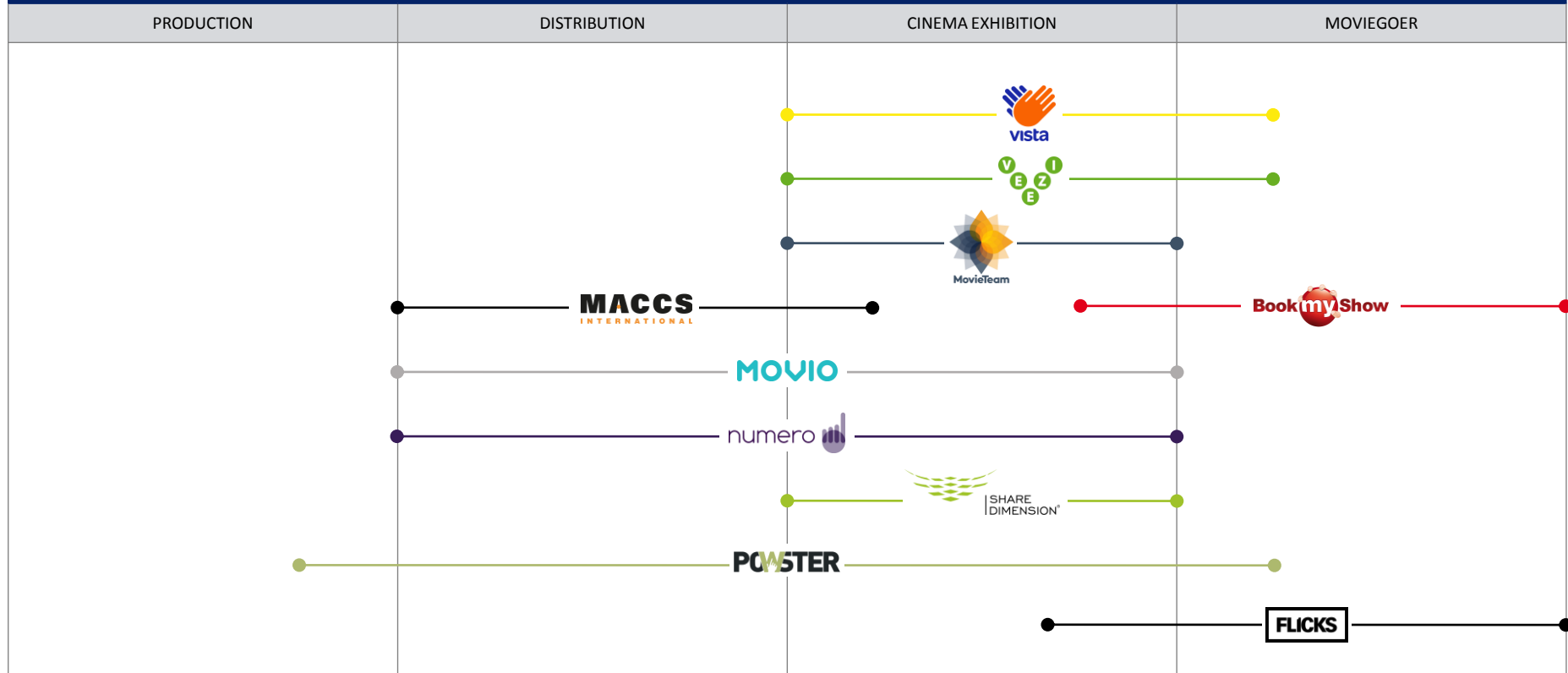
VISTA
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GROUP CEO ADDRESS
24 May 2016





VISTA GROUP COMPANIES WITHIN THE FILM INDUSTRY VALUE CHAIN



VGL UPDATE

- Founded 1996 & listed on NZX/ASX in Aug 2014 with market cap of \$187M; now \$470M
- 400+ staff & 8 offices:
 - Auckland, Sydney, London, LA, Dallas, Holland, Shanghai, Romania
- Completed the acquisition of Ticketsoft in 2015, a US competing solution to Vista Cinema used in 200+ cinemas
- Completed the 50% acquisition of Share Dimension, a Dutch software company specialising in predictive analytics & intelligence solutions for cinema exhibitors
- Establishment of distributor agreement with Cote Cine Group to distribute Vista Cinema & Veezi software in France
- 50% investment in Powster, a UK based provider of movie websites & marketing platforms to Film studios & distributors
- 100% acquisition of Flicks NZ & Australia.



MOVIO

MACCS
INTERNATIONAL

numero 

 | SHARE
DIMENSION®

POWSTER

FLICKS



FINANCIAL PERFORMANCE



Result Highlights

OPERATING METRICS

Strong cinema performance with VES turning in another 20+% growth year.

VEEZI new sites and revenue beat prospectus.

Movio Cinema exceeds targets

PFI ACHIEVEMENT

Revenue up \$3.9M or 6% -
65.4M actual vs 61.5M PFI.

EBITDA up \$1.9M or 14% -
\$15.1M vs \$13.2M.

INVESTMENT & STRATEGY

Successful installation of Vista into most Ticketsoft sites

New product for VES –
MovieTeam

Número commences revenue

MACCS wins Warner Bros.
USA

Trading Performance



All figures in \$m's	2015 ACTUAL		2015 PFI		2014 ACTUAL	
TRADING	\$		\$	%	\$	%
Revenue	65.4		61.5	6%	47.2	39%
EBITDA	15.1		13.2	14%	9.4	61%
Adjusted Net Profit ¹	9.0		8.1	11%	4.0	125%

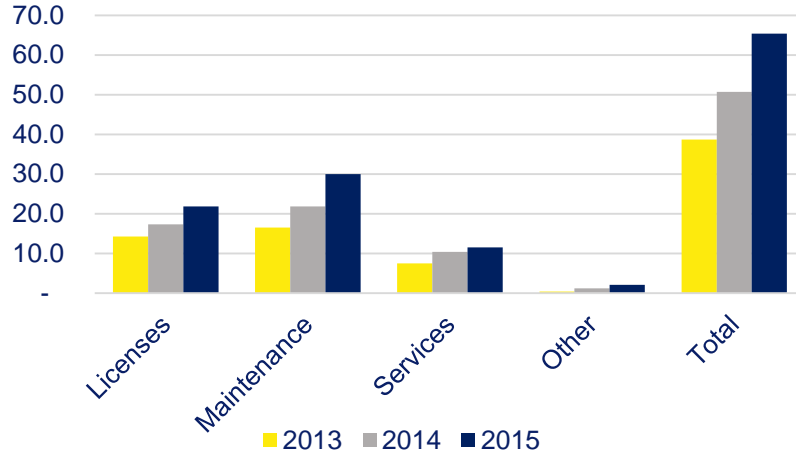
Note : percentages are 2015 actual increase/decrease to the PFI number & the 2014 actual number

- Vista Entertainment Solutions strong performance again - 20+% revenue growth year on year & install of 461 new sites; approximately 70% of new sites came from existing customers
- Veezi site numbers & revenue exceeded PFI target
- Over 81 million members in the Movio database; up 212% from Vista Group August 2014 listing (26 million members)
- MACCS signed Warner Bros. USA
- Numero now collects box office results for over 99% of the Australasian market.

Adjusted Net Profit refers to Statutory Net Profit adjusted for deferred consideration accrual (\$2.0m), LTI expense (\$0.1), acquisition costs (\$0.5m) & Amortisation of Intangibles in relation to Ticketsoft & CCG (\$0.6m). FY14 Adjusted Net Profit refers to Statutory Net Profit with a deferred consideration adjustment of \$4.2m.

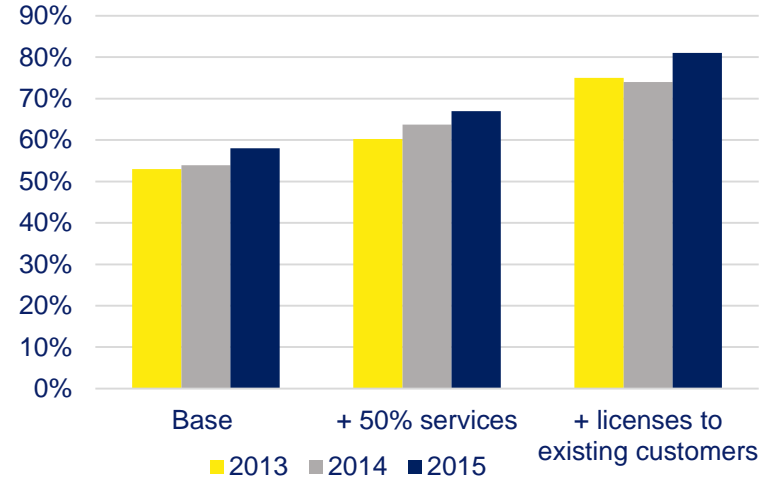
Revenue Components

Revenue by Type



- Growth in all categories of revenue
- Growth in maintenance due to increase in new licence sales
- Based on pro forma – full years of all subsidiaries for 2013 & 2014

ARR as a % of Revenue



- Base = recurring licences + maintenance + contracted services
- +50% services – because services are consistent from existing customers we consider around 50% to be “recurring”
- +licences and new software sold to existing customers as we also consider this to be recurring

Pro Forma Financial Overview

NZ\$000 (Year ended 31 December)	FY11 Pro Forma	FY12 Pro Forma	FY13 Pro Forma	FY14 Pro Forma	FY14 Actual	FY15 Actual
Total Revenue	25.0	33.7	38.7	50.7	47.2	65.4
EBITDA	4.5	8.8	9.0	9.6 ²	9.4	15.1
Adjusted Net Profit ³					4.0	9.0

Note: EBITDA is a non-GAAP profit measure defined in the Prospectus dated 3 July 2014. EBITDA is earnings before net finance expense, income tax, depreciation, amortisation & offer costs. The expense accrual related to the Movio contingent consideration is also excluded

Net Profit reconciliation³

NZ\$m	FY15			FY14	
	Value	Tax Effect	After Tax Value		
Net Profit attributable to shareholders				5.8	8.2
- Movio Contingent Consideration	2.0	0%	2.0		(4.2)
- LTI accrued expense	0.2	28%	0.1		
- Acquisition expenses	0.7	28%	0.5		
- Amortisation of Ticketsoft & CCG Intangibles	0.6	0%	0.6		
Adjusted Net Profit	3.5		9.0		4.0

Note. 2 - Pro Forma Adjustments to include Group entity revenue & expenses which were not part of the Group prior to IPO.

Note. 3 - Net profit adjusted for a number of one off accounting entries, see Net Profit reconciliation.

Financial Position



NZ\$m	2015 Actual	2015 PFI	2014 Actual
Current assets			
Cash & short term deposits	27.3	43.5	30.7
Other receivables	30.5	19.6	22.1
	57.8	63.1	52.8
Non current assets			
Plant & equipment	2.4	3.1	2.0
Intangibles	50.5	40.2	40.1
	52.9	43.3	42.1
Total assets	110.7	106.4	94.9
Current liabilities	24.2	26.2	17.6
Non current liabilities			
Loans	4.8	4.8	4.7
Deferred consideration	2.7	1.7	1.8
	7.5	6.5	6.5
Net assets	79.0	73.7	70.8
Share capital	46.0	46.0	46.0
Retained earnings	22.7	18.6	15.9
Reserves	2.4	-	1.2
Non controlling interests	7.9	9.1	7.7
Total Equity	79.0	73.7	70.8

- Higher receivables at year end due to higher billing in last quarter including maintenance invoicing
- Cash balance is lower than forecast due to acquisitions
- Intangibles & Goodwill increased with acquisitions of Ticketsoft & CCG
- No impairment of Intangibles
- Current liabilities up in line with increased trading levels
- Re-negotiated Movio deferred consideration to align founders interested for an additional year. Total deferred consideration is expected to be \$6.8m (of which \$2.9 has been expensed);
 - Earn out for deferred consideration now 3 years; paid 40% in March 2016, 30% in March 2017 & 30% in March 2018
- Post the Vista China transaction the Vista Group cash balance is expected to increase by between \$30-\$40 million.

Cash Flow



NZ\$m	2015 Actual	2015 PFI	2014 Actual
Cash received from trading	62.8	60.5	48.2
Cash applied from trading			
Operating expenses	53.0	44.0	39.3
Tax & interest	3.5	3.1	2.2
Listing costs			1.8
	56.5	47.1	43.3
Net cash flow from operating	6.3	13.4	4.9
Cash applied to investing			
Investments	(8.6)	-	(13.9)
Other assets	(1.1)	(1.1)	(1.1)
	(9.7)	(1.1)	(15.0)
Cash from financing activities			
Proceeds from share issue	-	-	38.0
Proceeds from borrowing	-	-	4.8
Borrowings repaid	-	(0.6)	(1.9)
Dividends paid	-	(0.3)	(3.5)
	-	(0.9)	37.8
Net movement in cash held	(3.4)	11.4	27.3
Cash balance at 31 December	27.3	43.5	30.7

- The high sales in the last quarter & larger December maintenance renewals resulted in higher sales but lower cash receipts in the period. A timing issue only.
- Cash outflows on operating expenses reflect uplift in trading levels
- Investment activity includes the Ticketsoft & CCG transactions.

Dividend Policy



- Dividend policy for FY15 to remain aligned with Prospectus guidance, which was:
 - There is no intention to pay a dividend on the FY15 results.
- Dividend policy for Vista Group has been reviewed & set for the future:
 - Dividend policy for FY16 & beyond is to distribute 30% to 50% of Net Profit after Tax subject to immediate & future growth opportunities & identified capital expenditure requirements. The dividends will be provided with the maximum value of imputation (franking) credits available to the Group to apply.

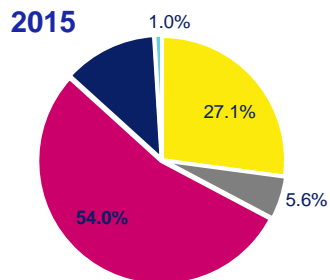
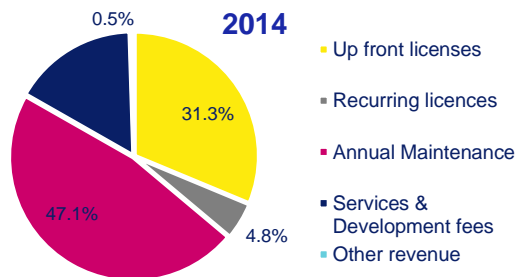


BUSINESS UNIT REVIEWS

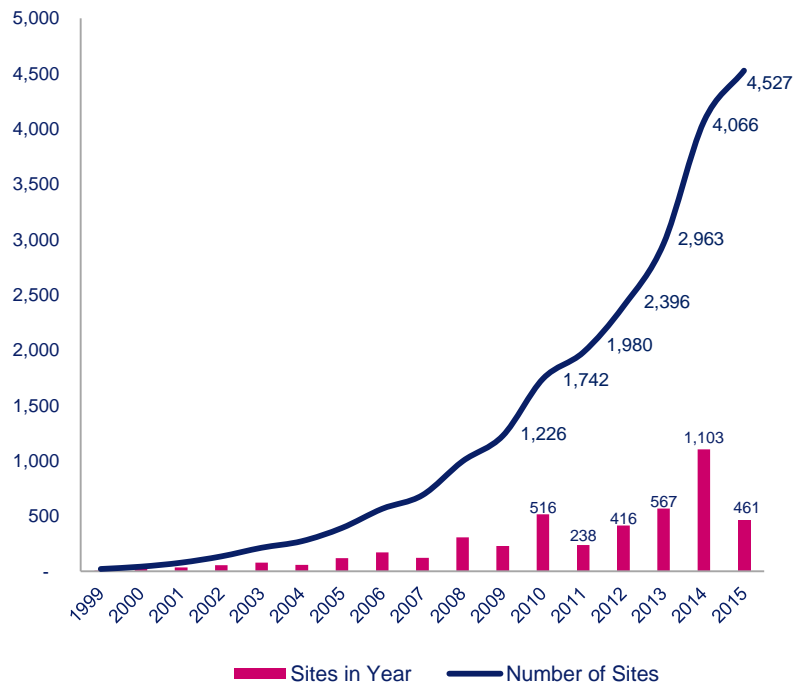


Vista Entertainment Solutions

- Another very strong performance:
 - 461 sites installed in 2015 (excluding ~400 Ticketsoft & CCG sites in the process of being converted to Vista software)
- Regal's commitment to Vista strengthened further; will increase their contribution in 2016 & beyond
- Continuing investment to drive future growth:
 - Development & customer support resources
 - In innovation to drive new product & business opportunities
 - Recurring revenue (maintenance + recurring license fees) has increased 15% from 2014 levels to 60% (see charts below).



Vista Cinema Sites



87% CANADA
2,042/2,327 screens

41% USA
12,784/31,293 screens

97% CENTRAL AMERICA
5,865/6,072 screens

22% SOUTH AMERICA
1,210/5,605 screens

22% EUROPE
4,172/18,600 screens

24% ASIA
5,620/23,926 screens

49% MIDDLE EAST
1,055/2,155 screens

88% AFRICA
761/864 screens

95% AUSTRALASIA
1,604/1,636 screens

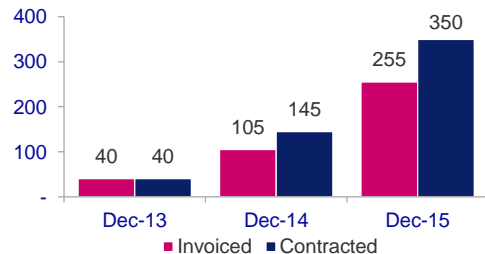
38% WORLD WIDE
35,113/92,556 screens

WORLD REACH

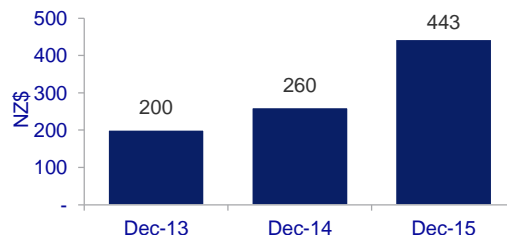
Vista Entertainment Solutions percentage of the market –
for Cinema Companies with 20+ screens

- 350 total installed sites by 31 December 2015 – more than 100 over PFI forecast – now 400+
- Revenue building with additional revenue from on-line fees & additional chargeable modules has increased average revenue per site
- Certification for Veezi granted by Chinese authorities in 2015
- Opportunities in France via new Vista reseller; France has a large number of smaller independent exhibitors; significant product development for France is ongoing
- Work for India was largely completed in 2015 & 2016 is expected to see this market open up
- Product enhancements to address market requirements enable new revenue opportunities in existing customer set.

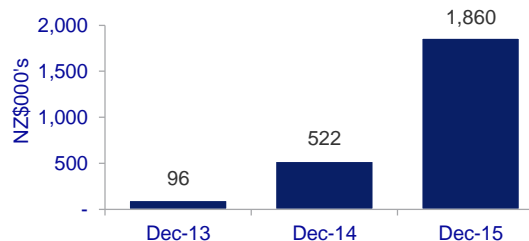
Site numbers



Average revenue per site



Annualised recurring revenue



Movio



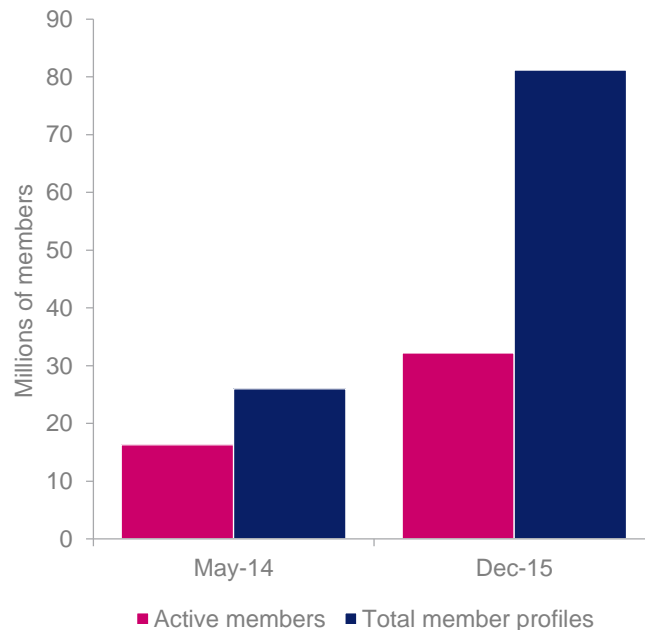
- **Movio Cinema**

- 37 Circuits using Movio Cinema – up from 20 at start of 2015
- 81 million members in the Movio database – the largest database of cinema going individuals in the world
- 745 million emails sent in 2015 – up 53%
- SMS integration introduced in Q4 – 500,000 SMS sent
- Movio functionality continues to act as a draw card for Vista Entertainment Solutions to potential customers.

- **Movio Media**

- Launched in USA in April 2015
- 18 Film trial campaigns run across 6 studios: Fox, Lionsgate, Paramount, Universal, Sony, Warner Bros
- Agreement with Sony Pictures Entertainment
 - Movio Media's services on five films between now & 31 July 2016
- Significant development continuing through 2016.
- Movio Staff now 52 – up 44% on 2014.

Member Data Held in Movio Database



MACCS

- Core business performed well in 2015; 10 new MACCS installations
- Now installed in 45 territories
- Signed Warner Bros. in USA
 - Significant product development being undertaken & full implementation expected in second half of 2016
 - Warner Bros. development will provide a USA version of MACCS in Q1 creating an opportunity with other US based distributors
- Progress with introduction of MaccsBox to several new territories in 2015
 - Clearing house for box office reports or invoicing between cinema exhibitors & film distributors
 - Charge on a usage basis
 - MaccsBox is now the standard for this function in 12 territories.



The World's Leading Film Distributor Software



Numero



- Numero provides fast & accurate box office numbers for film studios, distributors & cinema exhibitors
- Now collecting box office results for over 99% of the Australasian market
- Launched LIVE box office reporting service delivering up to the minute results from major multiplexes
- 7 years of historical data now available
- Future Film Release Calendar now available
- 2 major studios in Australia have now signed for subscription services; other studios are close to signing.





NEW ACQUISITIONS





SHARE DIMENSION

Key product is Cinema Intelligence:

- Business Intelligence for Exhibitors – Big Data analysis

Optimise film performance in a cinema environment:

- Extract historical information from BO systems (Vista Cinema & others)
- Build forecasting models for film performance at a site level based on a mix of films to be shown
- Produce an optimised schedule that maximises revenue & admissions.

POWSTER

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

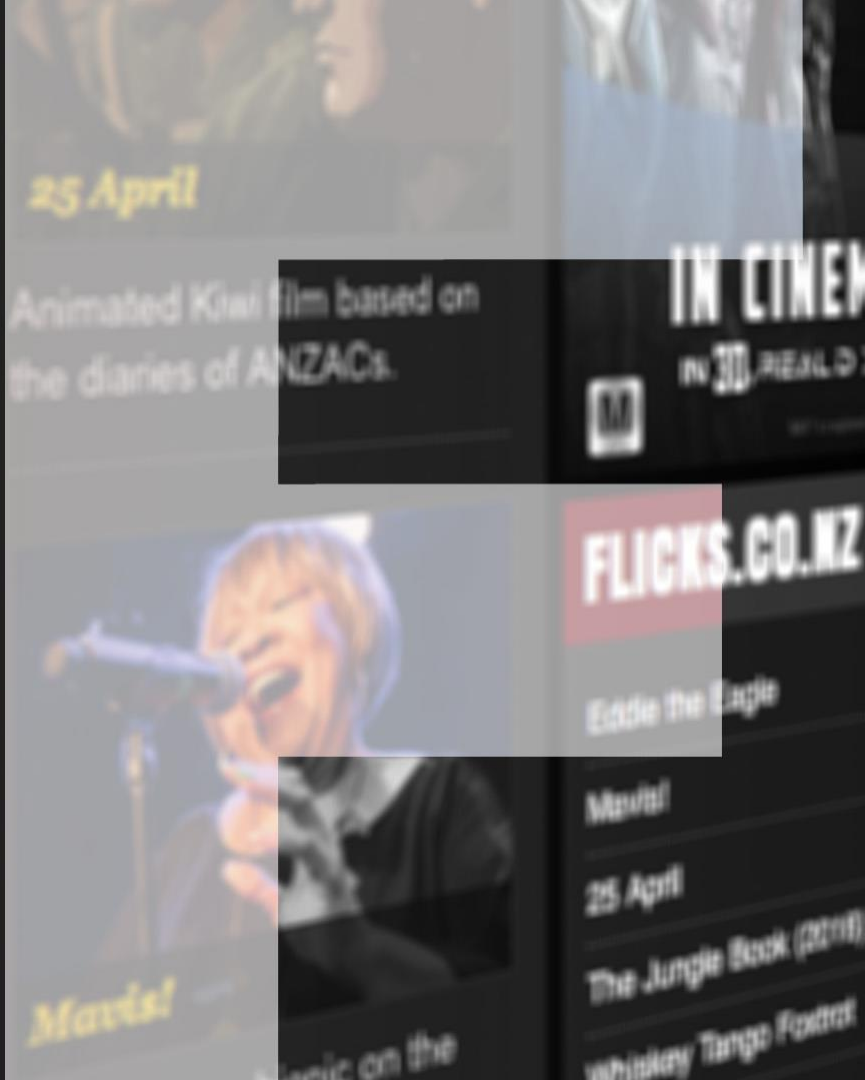
POWSTER Movie Platform:

- Marketing platform for movie studios, powering the world's biggest blockbusters
- One destination per film with all cinemas & show-times listed
- Official platform for over 40 movie studios globally incl. USA
- 2.2m visitors/week discovering cinema locations
- Targets individual & hard to reach moviegoers to go to the cinema.



FLICKS

- Authoritative Australasia movie & cinema guide
- Moviegoer access nationally for every movie playing; + cinemas, session times, booking links, videos & trailers, reviews (user & critical) + editorial from Australasia's best industry contributors
- NZ's no. #1 film buff port-of-call – film website, mobile site & iPhone app
- 1 million monthly visitors across NZ & Australia
- Leading supplier of movie/cinema metadata & show times for portals, marketers & distributors - among other sector players in NZ, Australia & worldwide.





CHINA PARTNERSHIP TRANSACTION



China Cinema Industry

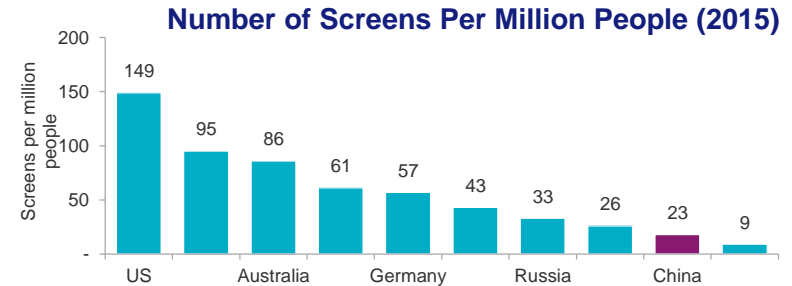


Industry Background

- China box office revenue is forecast to overtake the US by 2017:
 - China grew 48.7% 2014-2015
 - ~1800 Cinemas opened in last 2 years
- Fragmented cinema market; top 10 providers = 44% share; only one circuit (Wanda) with 10%+ market share
- Low movie screen penetration; 23 screens/million people (5 screens/million people 2009).

Rationale for Transaction

- WePiao & owners wider WeChat/Tencent Group will support Vista China's growth in the world's fastest growing cinema market
- Vista China will have exclusive distribution rights for all Vista Group software in China
- Expected to enable the acceleration of Vista Cinema's China growth strategy & Veezi (ideally suited to the large number of smaller cinemas in China).



Chinese Transaction – Key Terms



WePiao Investment:

- WePiao to acquire existing shares in Vista China for cash; will subscribe for new shares in Vista China, providing growth capital to the business
- WePiao acquiring 2.0% of new shares in Vista Group issued at a one month VWAP share price
- Vista Group providing a long term distribution agreement in exchange for upfront payment to Vista China for all the Vista Group software
- Vista Group is expected to receive:
 - In year one - cash of ~\$30 million from up-front licence & maintenance fees & WePiao's investment in Vista China
 - Funds of ~\$8 million for WePiao's investment in Vista Group¹
 - In year two cash from up-front fees
- Vista is expected to receive on an ongoing basis:
 - From year four ongoing maintenance fees
 - Ongoing service fees based on additional work undertaken (services & development)
 - An equity accounted interest in Vista China
- The transaction is currently proceeding through the regulatory approval process.

1. Based on the one month Value Weighted Average price of Vista Group International Limited at the time of the announcement. This was \$4.871

Summary



- Group Financial performance in excess of PFI for 2015
- Vista Cinema – Continued Growth in excess of 20%+ per annum
- Recurring Revenue continues to grow
- Movio continues to add exhibitor clients & is positioned for their studio products; strong growth prospects
- Other business centres in strategically strong positions to deliver the performance expected in 2016
 - Number of Veezi sites continuing to grow, France, India and China are promising markets
 - MACCS has signed Warner Bros. and will release their USA product in 2016
 - Numero collecting revenue & >99% of Box Office in ANZ
- Acquisitions will provide revenue lift for 2016.



QUESTIONS



BUSINESS RESOLUTIONS

Confirmation of Proxies:

- Resolution 1 – That the Board is authorised to fix the auditors remuneration.
- Resolution 2 – That Susan Peterson be re-elected as a director of Vista.
- Resolution 3 – That Kirk Senior be re-elected as a director of Vista.

BUSINESS RESOLUTIONS

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BUSINESS RESOLUTIONS

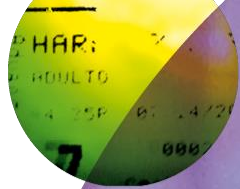
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BUSINESS RESOLUTIONS

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GENERAL BUSINESS FURTHER QUESTIONS CLOSING





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