



Media Release

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Vista Cloud launch expands horizon for Vista Group

Vista Group (VGL) reported its interim results for the period ending 30 June 2021 today, with a strong financial performance amidst a wider industry recovery and a free flow of movies into cinemas globally.

Kimbal Riley, Vista's Group Chief Executive, commented "we are delighted to present a strong and balanced set of results to the market. The growth in higher quality recurring revenue is pleasing given market conditions and our good collections performance demonstrates the importance of the Vista Group products to our customers."

"To be able to deliver the first iteration of Vista Cloud to market, on schedule and on budget, is an outstanding achievement. Customers on Vista Cloud will be able to access the latest product innovation immediately and benefit from the efficiencies created by a simpler operating environment. With Vista managing the performance and risk of their core transaction technology, cinemas can focus on what they do best – delivering the ultimate moviegoing experience."

Highlights

- Promising box office recovery with an exciting film slate of Hollywood blockbusters out to end 2022
- Strong first half result with good underlying recurring revenue growth
- Vista Cloud launched on time and on budget, expanding the opportunity within cinema
- Movio core technology transformation delivers improved insights across the industry
- Establishment of a development hub in Mexico

Key Financial Metrics

- Total revenue \$44.9m, in line with the first half of 2020 ('1H20'), recurring revenue up 13%
- Positive operating cashflow of \$1.0m and reduced cash burn, an average of \$1.6m per month for the last six months
- EBITDA ⁽¹⁾ profit of \$6.4m, an improvement of \$12.9m compared to 1H20
- Loss before tax of \$2.1m, an improvement of \$47.9m compared to 1H20

Key Operational Metrics

- Launch of Vista Cloud
- Active moviegoers and connections in Movio Cinema trending up strongly
- Good uptake of Vista Digital, now 142 sites
- Maintained 51% market share of the 20+ screens segment (excluding China)

The trading performance for the first half of 2021 was pleasing given wider market conditions, with blockbusters only returning to cinemas in the last months of the financial half. The film slate has been stable since April with blockbuster releases scheduled well into 2022 and beyond.

Reported revenue was flat at \$44.9m, though up 7% when accounting for unfavourable foreign exchange compared to the first half of 2020. Recurring revenue was up 13%, helped by improved content flow later in the half.

Market share data remains difficult to confirm, but Vista estimates it has retained its 51% share of the global enterprise market (20+ screens) excluding China. A high degree of uncertainty will remain around these estimates until each market is fully open.

Vista Cinema, the largest part of the Vista Group, reported revenue up 6% to \$31.5m, with particularly strong recovery in recurring revenue, up 25%. Site count for Vista Digital, delivering an omni-channel experience for moviegoers across mobile, web and kiosk, grew to 142. Vista Cloud has been launched to select initial customers in the second half of 2021, increasing the addressable market within the cinema segment by expanding the relevance of the product to more customers. Cloud focused product development now makes up the majority of Vista Group's spend on innovation.

Movio, the leading campaign management and data analytics solution for the film industry, reported a credible revenue result of \$6.5m, down 19% against the first half of last year. This was impacted by the reduced release schedule of movies. The Movio team kicked off campaigns with initial customers for its Madex product and is on track to launch its updated Movio Cinema offering in the second half of 2021.

Numero and Maccs revenue was up 12% on the first half of 2020 making further gains in the studio/distributor space. Flicks was up 25%, albeit off a smaller base. Powster, like the content driven parts of Movio, was down 26%, though showtimes activity in particular was trending up towards the end of the half year.

Vista China revenues recovered to \$7.1m for the financial half and continues to operate within its own cash resources.

Vista Group's balance sheet remains strong with \$58.1m of cash and \$38.1m of undrawn debt facilities available. Collections improved in the half and Vista Group generated a positive cashflow from operating activities of \$1.0m.

Assuming the current level of cinema opening is sustained at around 80% in key markets and the film release schedule remains on track, Vista Group expects revenue for the full year to 31 December 2021 to be in the range of \$95m - \$100m, and to be EBITDA⁽¹⁾ and cash flow positive for the second half of 2021.

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⁽¹⁾ EBITDA is a non-GAAP measure and is defined as earnings before net finance costs, income tax, depreciation and amortisation, "other gains and losses" (see section 4 of the interim report) and share of equity accounted results from associates and joint ventures.