

Annual Results

1 March 2022



Vista Group
International
Limited

2021

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Unless otherwise stated, all information in this presentation is expressed at the date of this presentation and all currency amounts are in NZ dollars.



Agenda

01 **Vista Group summary** Kimbal Riley, Group Chief Executive

02 **Financial results** Matt Cawte, Chief Financial Officer

03 **Operational highlights** Kimbal Riley, Group Chief Executive

04 **Outlook**

05 **Q+A**



Enhancing the
moviegoer experience



Vista Group – 2021 Summary

Vista delivers big screen result

- The future is bright – our industry is back !
- Cinema and theatrical experience remains vital component of the economic model of film
- We have delivered on all our 30 June projections
- Early signs indicate the longer-term outlook for Vista Cloud is more significant than we thought
- Strong balance sheet supports innovation powerhouse



Financial results

Financials

Total Revenue

\$98m +12%

Recurring Revenue¹

\$81m +24%

SaaS Revenue¹

\$28m +16%

EBITDA²

\$7m +\$18m

Operating Cashflow

\$11m +277%

1. For definitions of Recurring Revenue and SaaS Revenue, refer to section 2.1 of the 2021 Annual Report. The SaaS Revenue of \$28m reported in the 2020 presentation has been adjusted as the 2021 definition excludes certain revenue streams.

2. EBITDA is a non-GAAP measure and is defined as earnings before net finance costs, income tax, depreciation, amortisation, "other gains and losses" (see section 2.3 of the 2021 Annual Report) and share of equity accounted results from associates and joint ventures.

Trading performance

NZ\$m (Year Ended)	31 Dec 2021	31 Dec 2020 <i>Restated¹</i>	% Change
Revenue	98.1	87.5	+12%
Expenses	(91.1)	(99.7)	-9%
Foreign exchange gains	(0.5)	0.8	
EBITDA²	6.5	(11.4)	+157%
Depreciation and amortisation	(13.9)	(17.7)	-21%
Net finance costs	(1.5)	(1.5)	-
Other (impairment, share of associates, one-off sales taxes and restructuring)	(3.4)	(34.3)	-90%
Loss before tax	(12.3)	(64.9)	+81%
Net loss attributable to Vista Group shareholders	(9.8)	(51.8)	+81%

1. See section 8.1 of the 2021 Annual Report for information of restatement of prior period US sales tax obligations.

2. EBITDA is a non-GAAP measure and is defined as earnings before net finance costs, income tax, depreciation, amortisation, "other gains and losses" (see section 2.3 of the 2021 Annual Report) and share of equity accounted results from associates and joint ventures.

- Revenue and EBITDA² within guidance
- Good recurring revenue levels
- Strong box office late in the second half of 2021 supported customers and flowed to all aspects of financials
- Good cost management across the Group, increasing people cost pressure likely to last for the medium term
- Reduced non-cash depreciation and amortisation, no impairments, one-off sales tax costs

Last 24 months compared

NZ\$m (Six Months – Unaudited)	1H20	% Change	2H20	% Change	1H21	% Change	2H21
Recurring Revenue ¹	32.9	-1%	32.6	+14%	37.3	+18%	44.1
Non-Recurring Revenue ¹	11.9	-15%	10.1	-25%	7.6	+20%	9.1
Total revenue	44.8	-5%	42.7	+5%	44.9	+18%	53.2
Expenses (excl ECL ²)	(46.9)	-2%	(45.9)	-8%	(42.3)	+23%	(51.9)
ECL ² (expense)/credit	(5.8)		(1.1)		3.7		(0.6)
Foreign exchange gains/ (losses)	1.4		(0.6)		0.1		(0.6)
EBITDA³	(6.5)		(4.9)		6.4		0.1
<i>EBITDA³ excl ECL²</i>	<i>(0.7)</i>		<i>(3.8)</i>		<i>2.7</i>		<i>0.7</i>

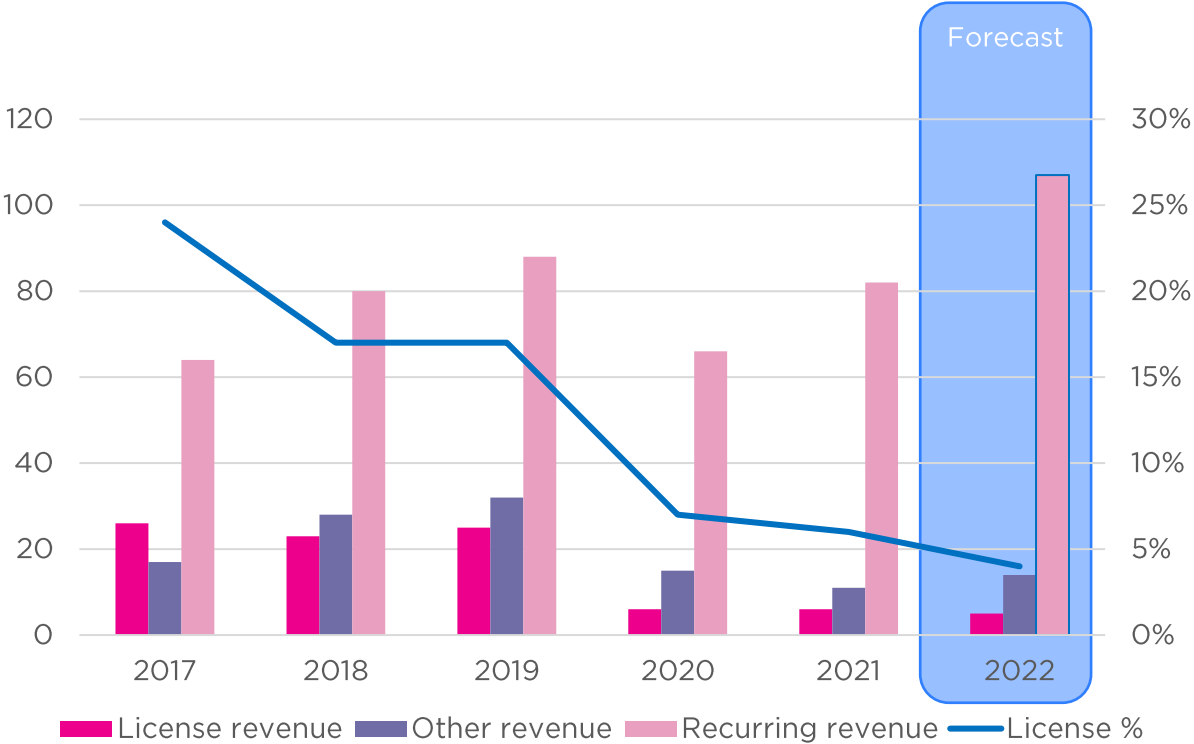
1. For definitions of Recurring Revenue and Non-Recurring Revenue, refer to section 2.1 of the 2021 Annual Report.

2. ECL is the non-cash Expected Credit Loss provision.

3. EBITDA is a non-GAAP measure and is defined as earnings before net finance costs, income tax, depreciation, amortisation, "other gains and losses" (see section 2.3 of the 2021 Annual Report) and share of equity accounted results from associates and joint ventures.

- Strong 2H21 result, on guidance
- Good recurring revenue growth, including new revenue
- Non-recurring revenue likely to settle around the \$8-10m per half for medium term
- Good underlying cost management, need to grow back into our skin
- Expecting more people, marketing, travel and hosting costs – linked to market recovery

Changes in revenue



- The pandemic has significantly impacted our customers ability to invest in technology
- In parallel we are transitioning from on-premise to Cloud, and from perpetual to SaaS / subscription
- The transition to subscription is largely complete, licenses will be less than 5% of revenue in FY22
- FY22 should see total revenues similar to FY18, with significantly higher recurring revenue¹

¹ For definitions of Recurring Revenue and Non-Recurring Revenue, refer to section 2.1 of the 2021 Annual Report.

Operating segments

31 December 2021

NZ\$m	Cinema	Movio	AGC	Corporate	Total
Revenue	66.5	15.1	16.5	-	98.1
EBITDA ²	13.8	2.0	1.3	(10.6)	6.5
EBITDA % of revenue	21%	13%	8%		7%

31 December 2020

NZ\$m	Cinema ¹	Movio	AGC	Corporate ¹	Total
Revenue	58.3	14.8	14.4	-	87.5
EBITDA ²	(2.5)	(0.1)	(0.3)	(8.5)	(11.4)
EBITDA % of revenue	-4%	-1%	-2%		-13%

Revenue growth	14%	2%	15%		12%
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1. Segment disclosures for the prior comparative year for the Cinema and Corporate segments has been reclassified to include the maintenance revenues from Vista China (an associate company) within the Cinema segment. This represents a change in the definition of these segments.

2. EBITDA is a non-GAAP measure and is defined as earnings before net finance costs, income tax, depreciation, amortisation, "other gains and losses" (see section 2.3 of the 2021 Annual Report) and share of equity accounted results from associates and joint ventures.

- Core revenue (Cinema and Movio) revenues bounce back led by Cinema segment earlier in FY21, Movio later in 2H21
- Good EBITDA² margins across operating segments – noting move of centralised costs into Corporate
- Numero • Maccs delivered good revenue growth, Powster picking up later in 2H21

Financial position

NZ\$m	31 Dec 2021	31 Dec 2020 <i>Restated¹</i>	% Change
Cash	60.4	67.1	-10%
Receivables and other current assets	39.2	39.7	-1%
Non-current assets	143.5	145.9	-2%
Current liabilities	47.6	44.8	6%
Non-current liabilities	35.7	46.1	-23%
Net assets / total equity	159.8	161.8	-1%

- Strong balance sheet maintained and cash position of \$60.4m (\$43.6m net cash)
- Reduced receivables due to improved collections, but work still required on stubborn aged balances
- Non-current assets and total liabilities similar levels to those of the prior year

1. See section 8.1 of the 2021 Annual Report for information of restatement of prior period US sales tax obligations.

Cashflow

NZ\$m (Year Ended)	31 Dec 2021	31 Dec 2020	% Change
Receipts from customers	105.7	86.6	22%
Payments to suppliers & employees	(92.2)	(90.9)	1%
Tax & interest	(3.1)	(2.6)	
COVID-19 related wage subsidies (NZ, AU, UK and NL)	3.1	5.9	
COVID-19 related tax deferrals	(2.2)	4.0	
Cash flow from operating activities	11.3	3.0	277%
Investments in internally generated software and other intangibles	(11.9)	(12.8)	-7%
Other investing activities	(1.0)	(4.2)	
Cash flow (to)/from financing activities	(2.5)	61.3	
COVID-19 related support (US PPP loan)	(2.8)	3.2	
Net movement in cash held	(6.9)	50.5	
Foreign exchange differences	0.2	(2.9)	
Cash balance	60.4	67.1	-10%

- Positive cash in 2H21, \$60.4m up from \$58.1m at 30 June 2021
- Strong collections at end of year due to box office
- Good cash cost management and embedded restructuring savings
- Investment in internally generated software is now focused on SaaS, down on FY20, likely to be higher in FY22



Operational highlights

Vista Cinema

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

- Tremendous pickup in activity from cinemas over the year
- Recurring revenue growth sustained, reducing reliance on one-off revenues
- Mexico development hub fully staffed to initial plan with 2 squads delivering core development
- 2nd Odeon Cinemas Group territory (Spain / Portugal) signed up and pilot site live
- Veezi net sites growth of 10% - with recurring revenue in Dec 21 higher than Dec 19
- Online ticket sales % in Veezi increased from 29% to 56% over 2021
- Enterprise market share (excluding China) remains at 51% — net of additions and closures
- Retriever acquisition strengthens competitive position

Revenue

\$66.5m

+14% vs 2020

EBITDA¹

\$13.8m

¹ EBITDA is a non-GAAP measure and is defined as earnings before net finance costs, income tax, depreciation, amortisation, "other gains and losses" (see section 2.3 of the 2021 Annual Report) and share of equity accounted results from associates and joint ventures.

Vista Cinema site count¹

(compared to 30 June 2021)

Market	Channel	30 Jun 2021	New Sites	Closures / Losses	31 Dec 2021
Enterprise	Direct	5,125	54	(51)	5,128
	India	1,441	68		1,509
	China	337	88		425
	Total Enterprise	6,903	210	(51)	7,062
Independent	Veezi	852	81		933
	Veezi China	153		(6)	147
TOTAL		7,908	291	(57)	8,142

1. Management estimate - due to the pandemic, market data is less available

2. Global market share excluding China

Enterprise Market Share²

51%

Enterprise Sites (Direct)

+3

The Vista Cloud journey



What we've achieved to date

- Technology platform established for Vista Cloud and Vista Digital
- First Vista Cloud customer live

Where we are now

- First commercial offerings of Vista Cloud and Vista Digital in market
- Delivering immediate customer and moviegoer value
- Customer quote "We're excited about the whole system, and its impact on both our operations and sales channels"

What's coming in 2022

- Early customer adoption
- Digital Channels
- Increased investment to drive customer value creation and moviegoer experience

Vista Cloud • Tracking against our original plan

What we said in 2019

Recurring revenue ¹ of 80%+ in 2025	Yes (2021)	Larger TAM – 1.5-2.5x maintenance	Likely Better
Slower revenue growth in 2021 / 2022	Yes	SaaS platform in market in 2021	Yes
EBITDA ² target upper-30% in 2025	On Track	First live customer in late 2021	Jan 22
35% of customers transitioned in 2025	On Track	Operational leverage from 2021 onwards	2023

¹ For definitions of Recurring Revenue and Non-Recurring Revenue, refer to section 2.1 of the 2021 Annual Report.

² EBITDA is a non-GAAP measure and is defined as earnings before net finance costs, income tax, depreciation, amortisation, "other gains and losses" (see section 2.3 of the 2021 Annual Report) and share of equity accounted results from associates and joint ventures.

Movio

Global leader in data-driven marketing, providing products and services to exhibitors, studios and film advertising specialists

Movio Cinema

- Strong use of Movio Cinema by exhibitors, volume of connections up to 3.2B - higher than pre-pandemic (2.3B)
- Next generation Movio Cinema product in Alpha testing

Movio Research

- Research 2.0 platform in use by all customers with positive feedback around additional data points

Movio Media

- Uptick in direct and digital campaigns – 22 in total in 2021
- Interest in Madex¹ remains strong (both from exhibitor and studio) though concrete commitments modest to date

¹ Madex is the market brand for the Moviegoer Audience Data Exchange.

² EBITDA is a non-GAAP measure and is defined as earnings before net finance costs, income tax, depreciation, amortisation, "other gains and losses" (see section 2.3 of the 2021 Annual Report) and share of equity accounted results from associates and joint ventures.

Revenue

\$15.1m

+2% vs 2020

EBITDA²

\$2.0m

Additional Group Companies

Numero • Maccs

Box office reporting and world leading theatrical distribution software

- Solid financial results with revenue and EBITDA¹ growth
- Growing year for Mica (Maccs) with customers now numbering 19 (up from 6)
- Numero live reporting in 35 territories
- Strong engagement with major studios sees momentum for Numero growing internationally

Flicks

Movie and cinema review and showtime guide

- Revenue up on both 2020 and 2019
- User numbers growing – up 45% over 2020, up 85% over 2019
- UK launch executed and ahead of plan

Powster

World leading film marketing products

- 2nd half revenue up 113%, showtimes numbers almost at pre-pandemic levels
- Creative revenue contribution increasing – Netflix largest creative customer

Revenue

\$16.5m

+15%

EBITDA¹

\$1.3m

¹ EBITDA is a non-GAAP measure and is defined as earnings before net finance costs, income tax, depreciation, amortisation, "other gains and losses" (see section 2.3 of the 2021 Annual Report) and share of equity accounted results from associates and joint ventures.

Associate companies

Vista China: Operating Performance

- Revenue well up on 2020, but still behind 2019
- Trading conditions remain challenging with majority of revenue directly linked to box office
- Cash flow is self-sustaining
- New customer Perfect World contributing – likely only larger circuit to change supplier in 2021



The Outlook

Vista Group Strategy

01



**Support our
customers to rebuild
their business**

02



**Expand our core platform
that delivers value
to our customers and
connects moviegoers**

03



**Create and
invest in new
opportunities**



Industry outlook

- Strong and stable slate for 2022 and beyond, anchored around tentpole releases
- Cinemas open with few operating restrictions and moviegoers attending in big numbers
- Moviegoing has cemented its pivotal role as a key element of the film industry
- Cinemas are not yet in robust financial heart – but Vista Group offerings are critical elements of their business
- Looking forward to a strong box office year – with a resilient industry outlook



Vista Group Outlook

- Our purpose is to bring more people together to enjoy the magic of movies and cinema
- Truly excited about the potential for our platform strategy – likely to be more substantial over time than we originally thought
- Revenue growth for 2022 projected to be 20% - \$118-123m - driven by high quality recurring revenue
- Projecting positive operating cashflow for 2022, expecting cost pressure around people to continue
- Vista Cloud focus in 2022 on engineering for faster scaling in 2023 and beyond



Questions



Thank you



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GROUP