



VISTA
GROUP

Media Release

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Vista Group upgrades revenue guidance as box office growth continues

Auckland, New Zealand, 29 August 2022 – Vista Group (VGL) reported its interim results for the period ending 30 June 2022 today, with upgraded revenue guidance for the full year to 31 December 2022 of \$123-128m, reflective of a strong global cinema industry recovery. Vista Group had previously projected revenue of \$118-123m.

Kimbal Riley, Vista Group Chief Executive, commented: “We are very pleased to present a return to good, solid growth in our interim results. The increase in recurring revenue is a welcome indication of the cinema industry’s renewed strength and, after pandemic challenges, it’s heartening to see continued box office growth.

“Our sustained focus on innovation has seen our SaaS platform, Vista Cloud, go live with a second customer, and we were pleased to announce the first major cinema circuit, with over 300 sites, has also signed up for the offering. Meanwhile, Movio is on the cusp of an exciting product launch that will see significant improvements to the depth, functionality and usability of its cinema offering. A packed film slate further signals increased momentum and solidifies our role in creating the platform that connects the industry and powers the moviegoer experience.”

Industry Highlights

- Global cinema industry is showing strong recovery post-pandemic – and there’s more to come
- Box office growth and momentum sustained across all major markets
- SaaS platform strategy increases Vista Group’s relevance as the industry rebounds.

Financial Highlights

- Total revenue of \$62.4m, an improvement of 39% compared to the first half of 2021, and recurring revenue up 43%
- EBITDA¹ of \$3.1m and positive operating cashflow of \$5.1m
- Accelerated investment across the SaaS platform, with monthly cash burn of only \$0.1m over the last 12 months

Operational Highlights

- Major cinema enterprise circuit signed to Vista Cloud with over 300 sites
- Strong customer interest in the SaaS platform
- Maintained 51% market share of the estimated global enterprise market (20+ screens), excluding China.

The trading performance for the first half of 2022 was strong and reinforced a healthy return to form for the industry. The film slate continues to be solid, with some of the highest-grossing films of all time, including *Top Gun: Maverick*, having been released in recent months. The pipeline of content is growing in 2023 and beyond as production gears up again post-pandemic, with an average revenue per film in 2022 that was equal to or higher than in 2019.

Vista Group's reported revenue of \$62.4m was up 39% on the first half of 2021, with recurring revenue up 43%, while EBITDA¹ of \$3.1m was up 11% on the first half of 2021 (after adjusting for expected credit loss provisions).

Vista Cinema, Vista Group's largest business, reported revenue up 39% to \$43.7m, with recurring revenue up 46% due to the improved box office, while EBITDA¹ of \$7.8m was up from the first half of 2021 (after adjusting for expected credit loss provisions). Market share remains difficult to confirm, but Vista Group estimates it has retained 51% share of the global enterprise market (20+ screens), excluding China.

Vista Cloud is live with two customers, including the transition of our first US customer from the Retriever platform in the United States. A third customer has signed up with the major Latin American enterprise customer that is expected to transition over 300 sites to Vista Digital, and then Vista Cloud, over time. The SaaS platform focussed developments continue to represent the majority of Vista Group's innovation spend.

Movio, the global leader in data analytics and campaign management solutions for the cinema industry, reported revenue up 38% to \$9.0m against the first half of 2021, as variable fees increased with the strength of the global box office. EBITDA¹ of \$2.0m was up more than 100% from the first half of 2021. Movio's new product is in beta with customers and is due to go live in Q4 of 2022. This will largely complete the transformation of its core technology that was started in mid-2020.

Box office reporting platform, Numero, and film distribution software business, Maccs, reported revenue up 19% with 25 customers now live on Maccs' product, mica. The geographic expansion of flash and electronic box office reporting continues to support strong and stable revenue growth.

Creative studio Powster's revenue was up 91% with a rebound of the global box office increasing demand for Powster's Showtimes platform and creative services, including expanded relationships with both Netflix and Twitch.

Cinema and streaming discovery platform, Flicks, reported revenue up 16% with strong advertising and its continued growth in Australia and the United Kingdom. Unique users are now approaching 2m across New Zealand, Australia and the United Kingdom.

Vista Group's balance sheet remains strong with cash of \$51.9m (or \$33.5m net of borrowings) and the extension of the ASB debt facilities. Investing cashflow increased from the first half of 2021, with the asset acquisition of Retriever and accelerated development of the SaaS platform.

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⁽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 4.4 of the interim report) and share of equity accounted results from associates and joint ventures.