

*For immediate release*

## Vista Group executes Cloud and delivers operating leverage

**Auckland, New Zealand, 28 February 2024** – Vista Group International Limited (NZX & ASX: VGL) reported its full year results for the year ending 31 December 2023 today, finishing the year with strong client signings to its cloud platform.

Stuart Dickinson, Vista Group's Chief Executive, commented: "In 2023 we executed on our strategic priorities; the transformation of Vista Group into a single business, Vista Cloud signings and onboarding, and accelerated margin and SaaS revenue growth.

"With box office for 2023 up more than 30% on 2022, the confidence in the long-term success of the industry is one of the key factors driving the uptake of Vista Cloud, with recent signings looking to Vista Group to help accelerate their business performance with the best solutions in the industry."

### Financial overview

- EBITDA<sup>1</sup> of \$13.3m (up 25% on FY22)
- Total revenue of \$143.0m (up 6% on FY22), with Recurring Revenue<sup>2</sup> of \$124.0m (up 10% on FY22) and SaaS Revenue<sup>2</sup> of \$45.9m (up 20% on FY22)
- ARR<sup>3</sup> of \$126.3m (up 7% on December 2022)
- Operating cashflow of \$9.0m including business transformation items (down 27% on FY22)
- Loss for the year of \$13.6m (down 35% on FY22)
- Average monthly Cash Usage<sup>4</sup> in 2H23 of \$0.6m, down from \$1.2m in 1H23. On track to become Free Cash Flow<sup>4</sup> positive during 4Q24.

### Outlook

- 2024 revenue guidance of \$152m – \$157m, with Non-Recurring Revenue<sup>2</sup> of ~\$18m
- Vista Group remains on target to achieve its medium-term aspirations of ARR<sup>3</sup> of \$175m+ and EBITDA<sup>1</sup> margin of 15%+ in each case by the end of 2025, and to be Free Cash Flow<sup>4</sup> positive in 4Q24.

### Operational overview

- First multi-territory client live on Vista Cloud, United Cinema (Australia and New Zealand)
- Strong 2H23 signings to Vista Cloud, including Pathé (France, Netherlands, Belgium, Switzerland, 129 sites), Major Cineplex (Thailand, 182 sites) and Vista Cloud's digital solutions, including Cinépolis (Spain, 50 sites)
- Expanding existing customer contracts, Vue (Germany and Denmark)
- Completion of the business transformation process, supporting Vista Group's vision and strategy, increasing role clarity for our people, and delivering over \$10.0m of annualised cost savings.

### Industry overview

- 2023 box office of US\$34b, up ~30% on 2022<sup>5</sup>
- Domestic box office of US\$9b, up more than 20% on 2022<sup>5</sup>
- Innovative and diverse content in 2H23, including the 'Barbenheimer' phenomenon (both original content) and *Taylor Swift: The Eras Tour*.

Vista Group's reported revenue of \$143.0m was up 6% on 2022, with Recurring Revenue<sup>2</sup> up 10% and SaaS Revenue<sup>2</sup> up 20%. EBITDA<sup>1</sup> of \$13.3m was up 25% on 2022.

Vista Cinema, Vista Group's largest business, reported revenue up 4% to \$97.7m on 2022. Recurring Revenue<sup>2</sup> was up 10% and SaaS Revenue<sup>2</sup> was up 42%. EBITDA<sup>1</sup> of \$20.6m was up 7% on 2022. Vista Cinema's global market share<sup>6</sup> of enterprise clients, excluding China and India, is 46% at 31 December 2023.

Client signings to Vista Cloud continue to expand, with Pathé, Major Cineplex and United Cinemas joining the pipeline. Vista Group sees this as a strong market validation, with 15% of existing clients (by sites) now due to shift their businesses to Vista Cloud capabilities by the end of 2024.

Everyman Cinemas in the United Kingdom is now live on Vista Cloud's Digital Enablement solution, and are due to complete their journey to Cloud in the second quarter of 2024. The pilot sites of Cineplex in Canada are now live on the Moviegoer Engagement capability with the roll out due to finish in the second quarter of 2024. The capital investment plan continues to deliver improved client experience and efficiency of cloud ops management, with more to come in 2024. With its focus on the independent market, Veezi is expanding its functionality and staying ahead of its competition.

Movio revenue was down 3% at \$19.3m against 2022, but up 13% adjusting for the Fox contract roll off. The roll out of Movio Cinema EQ, the next generation AI enabled, data analytics and campaign management solution, has been successful with transition plans for all clients complete by the end of 2023 and cost reduction plans to exit the Classic version now under way. Clients who have migrated to EQ are already seeing successful campaigns that reach more moviegoers and connect them with their ideal movies, saving cinema circuits time on their marketing and driving additional revenue growth opportunities through AI.

Box office reporting software, Numero, and film distribution software, Maccs, reported combined revenue up 22% on 2022, primarily driven by the continued geographic expansion of the Numero platform. Numero and Maccs, which form the key elements of Vista Group's Film segment going forward, continue to improve their EBITDA<sup>1</sup> performance.

Revenue from creative studio Powster was up 15% on the previous year, driven by strong recurring showtimes revenue, up 25%, based on the increased range of movies released to the market. Creative revenue was down 10% on 2022 as Powster is one of the few Vista Group brands that was directly impacted by the writers and actors strikes.

Flicks, the cinema and streaming discovery app, reported revenue up 28% for the full year driven by good traffic and advertising growth across its two key markets, Australia and New Zealand, with a good supporting role from early growth in the United Kingdom.

1 EBITDA is a non-GAAP measure which is defined as earnings before net finance costs, income tax, depreciation, amortisation, "other gains and losses" (see section 2.3 of the 2023 Annual Report) and share of equity accounted results from associates.

2 Recurring Revenue, SaaS Revenue and Non-Recurring Revenue are defined in section 2.1 of the 2023 Annual Report.

3 ARR is Annualised Recurring Revenue, calculated as trailing 3 month Recurring Revenue<sup>2</sup> multiplied by four.

4 Free Cash Flow and Cash Usage are non-GAAP measures and are calculated using the net movement in cash held, less cash applied to business acquisitions / earn-outs, and less cash used to settle exceptional items included within "other gains and losses" (see section 2.3 of the 2023 Annual Report).

5 Source: Gower Street Analytics

6 Management's estimate of Vista Cinema percentage of the world market for Cinema Exhibition Companies with 20+ screens, excluding China and India.

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For further information please contact:

**Media Contact:**

Holly Fraser

Communications Specialist

[Holly.Fraser@vista.co](mailto:Holly.Fraser@vista.co)

021 0855 3124

**About Vista Group**

Vista Group International Ltd (Vista Group) is a public company, founded in New Zealand in 1996 and listed on both the New Zealand and Australian stock exchanges in 2014 (NZX & ASX: VGL). Vista Group is a global leader in providing tech solutions to the international film industry. With brands including Vista, Veezi, Movio, Numero, Maccs, Flicks and Powster, Vista Group's expertise covers cinema management software; loyalty, moviegoer engagement and marketing; film distribution software; box office reporting; creative studio solutions; and the Flicks movie, cinema and streaming website and app.