2026 Half Year Result Presentation Transcript

3 August 2026, Vista Group International Ltd, Auckland, New Zealand

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***Matt Thompson** – Vista Group, CFO*

Good morning everyone, and thank you for joining us for Vista Group's 2026 Half Year Results presentation. We'll give the last few participants a moment to join, and then we'll get underway shortly.

Good morning again. I'm Matt Thompson, CFO of Vista Group, and I'm joined this morning by our CEO, Stuart Dickinson. Thank you for your time today as we take you through our performance for the first half of 2026, and our outlook for the remainder of the year.

Before we begin, please note our standard disclaimer.

We'll be taking questions at the end of the presentation. If you'd like to ask a question, please use the "raise hand" feature on your screen. When it's your turn, we'll call your name and open your line for you to ask your question.

Turning to today's agenda. Stuart will start with the highlights of the first half and the strategic progress we've made against the goals that we set out in February.

I'll then take you through the financial results in detail.

Stuart will then return to cover our industry outlook and our updated guidance for 2026, before we open the floor to your questions.

This is an interim result, so we'll keep the formal presentation tight and leave plenty of time for Q&A. With that, I'll hand you over to Stu to get us started.

***Stuart Dickinson** – Vista Group, CEO*

Thanks Matt, and good morning everybody. Before we get into the numbers that underpin this result, I want to highlight the four key themes from what has been an exciting first half.

Thanks, Matt, and good morning, everybody. Hope everybody is well this morning. Just as we get into it, I wanted to go slightly off-script a little bit, and just comment on the weekend that's still going on in the US. And so, for those of you who have been out and about this weekend, *Spider-Man: A Brand New Day*, and also *The Odyssey* have played incredibly well. It looks like over the weekend, *Spider-Man* will probably end up around US$355m for the Domestic Box Office. When we put all of these things together, it will probably be the largest Domestic Box Office weekend that's ever been recorded. And so, pretty exciting, from a domestic perspective, but also a global perspective as well, to see the power of theatrical release and to see people out having a great time at the movies.

So let's get into our conversation.

- Six months ago we noted that 2026 would be a year where we would start growing market share. I am delighted to advise that we have done this in the first half, growing our contracted market share from 46% to 48% globally.
- We also said that we were seeing substantial demand from our marquee clients. You will see in this half, where several signings that have not only de-risked our full year site count targets, but they are also filling our pipeline for 2027 and beyond.
- The third theme is that we have delivered another strong result, with key metrics expanding and cash deployed to accelerate our cloud transition growth strategy. And the progress we are making on a day-to-day basis is enhancing the visibility towards our 2030 exit rate aspirations and reducing our execution risk.
- And finally on the back of that strong first half and a favourable industry backdrop, we've upgraded our 2026 revenue guidance to between $179 and $184m.

These are four fantastic achievements and they demonstrate how well the Vista Group team are working together and executing our strategy.

So let me now turn to our key financial metrics. Matt will take you through all the detail shortly.

But overall, from my perspective this was a really high-quality first half.

While there were positives across the board, what really stood out to me were two things:

- The 38% increase in SaaS Revenue to over $43m, which is now more than half of Vista Group's total revenue. And of course, it is this ramp-up in SaaS Revenue which is driving the increase in total revenue, which was up 12%.
- The second thing I want to point out is that we grew EBITDA by 24%, which is a preview of the kind of operating leverage investors can look forward to over the coming years.

For me though, operationally, this is the slide I'm most proud of in the last six months. These four wins are the strongest evidence yet that our strategy is working. They demonstrate both the strength of the demand we're seeing and the increasing momentum behind our platform.

To start with, I want to celebrate an important milestone for us: the re-signing of Cinemex from a competing solution. Under the agreement, 312 sites across Mexico and the US will transition to a combination of Vista Classic and Data Empowerment through 2026. On its own, this win increases our Contracted Enterprise Market Share by two percentage points. More importantly though, it demonstrates our ability to attract new clients. The project is already well underway, with Cinemex's US operations now live.

We were also hugely pleased to secure a major Operational Excellence commitment from Cinépolis Mexico. At 504 sites, this represents Vista Group's largest single-country deployment and accounts for approximately 10% of our Contracted Enterprise Client Sites moving to the full platform. Importantly though, this demonstrates the success of our pilot-and-then-expand strategy. Following the successful deployment of Operational Excellence across Cinépolis' 51-site Cine Yelmo circuit in Spain, the group has now committed to a significantly broader rollout in its home market.

Another way to think about the significance of these two wins is that when combined with our other clients in Mexico, Vista has a more than 90% enterprise market share. This accounts for more than 95% of the Mexican box office, which is the third largest enterprise cinema market in the world.

To continue the momentum, Cineworld has contracted 88 sites in the UK to Digital Enablement. Importantly, Cineworld is part of the wider Regal Entertainment Group, which operates around 500 sites, including 400 sites in the US through Vista Classic. This win follows the successful deployment of Digital Enablement across Regal's 25-site Picturehouse circuit in the UK and creates a pathway to a much larger opportunity across the broader Regal estate.

And Cineplexx, a leading European circuit, has signed a multi-year agreement covering 59 sites to Operational Excellence.

Taken together, these are exactly the marquee wins we told you to expect in February, and they give us real confidence.

Beyond the individual wins though, let's now look how conversion progressed during the half.

I'll start with the small table in the bottom right. Over the past six months, the number of sites live on the Vista Cloud Platform increased from 1,557 to 1,646. Our goal remains to reach 2,000 live cloud sites by the end of 2026, and I'm pleased to confirm that we remain on track to achieve that target.

However, the more important 2026 metric is Operational Excellence adoption, where we expect Operational Excellence sites to increase from 724 at the end of 2025 to approximately 1,300 by the end of 2026. This step change is largely driven by the Cinépolis Mexico agreement, which accounts for 504 sites.

Now let's look at the most important number on this slide: our contracted Operational Excellence backlog, shown in the table on the left.

Of the 1,808 sites now contracted for Operational Excellence, 750 are live, leaving more than 1,000 sites contracted but still to be deployed. Put it another way, 37% of our client sites are now contracted to transition to the full Operational Excellence platform, compared with just 17% currently live.

This contracted backlog gives us significant confidence as we move into the second half. It materially strengthens revenue visibility not only through the remainder of 2026, but increasingly into 2027 as well. Importantly, these figures reflect only contracts already secured today. We expect to continue to add further wins over the next twelve months.

Finally, as you can see in the top right hand corner: our Contracted Enterprise Market Share has increased to 48%.

At our full-year result, we outlined why we believe Vista Group is best placed to be an AI winner. Central to that is our competitive moat, and the proprietary, industry-specific data that generic AI simply cannot access or replicate. I won't repeat all of that today, but I do want to show you the progress we've made this year and what we're continuing to focus on.

The key point in this slide is that AI at Vista is not a set of bolt-on features. Our intelligence layer is being woven throughout the platform, underpinned by decades of cinema operations, ticketing, loyalty, payments, marketing, film distribution and guest-behaviour data flowing through our ecosystem.

That intelligence layer is enhancing decision support for our clients across pricing, scheduling, operations and guest engagement. It also delivers automation, optimisation and real-time insight at scale, and extends the platform's role in our clients' day-to-day operations. If you're following our product development process along, remember to visit our website where the roadmap is published.

AI doesn't just make our offerings better though: it strengthens the economics and defensibility of the whole business.

It raises switching costs, through deeper workflow integration and data dependency. It supports margin expansion, through productivity and operating leverage. It increases our revenue opportunity, through wider value solutions and optimisation. It amplifies our data advantage across the global platform. And it reinforces our position as mission-critical infrastructure, rather than commoditised SaaS. In short, we are best positioned to benefit from AI adoption, not to be disrupted by it.

A tangible example of this for us internally is AVO: our third-generation engineering AI agent. Built on a Vista proprietary model harness, AVO consolidates knowledge across more than 45 of our product repositories. AVO is already helping our teams resolve issues faster, scale expertise across the organisation, and accelerate software development through engineering support and automation. This is exactly the kind of operational leverage that, over time, supports both faster delivery and margin expansion.

The final highlight I'd like to cover is Vista Payments. You'll remember that this is a growth initiative we launched last year. By embedding a white-label payments solution directly into our software, we are now able to offer clients a single vendor relationship, automated reconciliation, guaranteed day settlement, and competitive transaction rates.

Basically, I can share with you it's off to a great start. By 30 June, the platform was live and transacting with 11 Vista and Veezi clients. So far we estimate that Vista Payments has contracted more than $2m of ARR, which is more than 10% of our 2030 ARR aspiration of $15m.

And I'll remind everybody we've really only been going here for five months. Based on the momentum we are seeing, we believe that target is increasingly achievable.

Overall, we see this is a highly attractive revenue stream. Revenue is reported net of transaction costs and is expected to carry strong incremental margins. For example, at scale we anticipate only needing a payments team of around 20 people.

At our 2030 exit-rate aspiration of $15m ARR, Vista Payments is expected to contribute approximately three percentage points towards our 33% to 37% EBITDA margin aspiration.

Importantly though, payments provide an additional growth lever alongside our cloud transition, further diversifying and de-risking our path to our long-term ARR objectives.

With that, I'm going to hand over to Matt to take you through the financials.

Matt Thompson *– Vista Group, CFO*

Thank you, Stuart, and good morning again everyone.

As Stuart said, this was a strong first half, and that comes through clearly in the financials.

Revenue has increased 12% to $86m, but most importantly for me we're starting to see operating leverage with EBITDA growing 24% to $12m.

Continuing down the page, EBITDA margin, adjusted for foreign exchange, increased by 190 basis points, and I'd encourage you to remember that this has been achieved despite the acceleration we set out to do this year.

I am delighted with these results, most of all because I see them as a validation of our internal modelling and longer-term financial objectives.

I'll now take you through a more detailed view of the P&L, as there are three aspects of this result I'd like to highlight.

Firstly, our revenue growth has accelerated for the second consecutive year.

What I find interesting with that is that revenue growth has continued to accelerate despite us cycling larger and larger numbers.

Secondly, EBITDA margins have also expanded for the second consecutive year. This operating leverage is driven by the scaling of our top line revenue, where we are seeing profit expansion on our fixed cost base. It is also being achieved through our disciplined cost management, which can immediately be seen in our general and administration cost line.

The third thing I want to point out on this slide is our well-established second half seasonality for both revenue and EBITDA based on the charts on the right-hand side of this slide.

Looking first at revenue, over the past two years the first half has represented between 46% and 47% of the full-year outcome.

At the midpoint of our upgraded full year guidance range, the first half revenue represents 48% of projected full-year revenue.

The same is true for EBITDA. Over the past two years, first half EBITDA has represented between 33% and 34% of the full-year result. At the midpoint of our upgraded guidance range, first half EBITDA represents approximately 34% of projected FY26 EBITDA.

So, while we have increased guidance, the implied second half performance remains consistent with the seasonal patterns we have delivered historically, which gives us confidence in achieving our full-year outlook.

There are three key reasons for this seasonality that we've mentioned:

- The first: As ARR grows through cloud conversions, a greater proportion of revenue is naturally recognised in the second half of the year.
- The second reason: Is the box office activity which is weighted towards the Northern Hemisphere summer, Thanksgiving and Christmas periods, all of which occur in the second half.
- And finally: From a profitability perspective, annual remuneration reviews take effect in January each year which creates a natural first half cost weighting.

Now to our segmental breakdown, where both Cinema and Film have continued to grow.

In our growth engine, Cinema, SaaS Revenue was up 45% on the first half of last year, driven by 37% of client sites now being on the Vista Cloud Platform. Overall, total Cinema revenue was up 15% on the prior period.

In Film, SaaS Revenue grew 9% and Recurring Revenue grew 3%. Please note that components of the Powster revenue this year are weighted to the second half, so the Film result will be best read on a full-year basis.

Now to the balance sheet, where earlier in the year, we advised that we expected to use a portion of our debt facilities to support us to accelerate to meet client demand. Given the amount of client signings we announced during the half, I'm confident that demand has now been confirmed.

As a result, we closed the half in a net debt position of $5.8m, which we consider to be working capital level debt.

We continue to enjoy strong support from our banking partners. We have a $62m facility in place through to 2029. Including that facility, we have approximately $56m of available funding capacity, providing more than sufficient liquidity to support the business and our growth ambitions.

Looking at the bottom right of this slide. Reassuringly, our cash profile is tracking exactly as outlined in February. We used a modest amount of Free Cash Flow during the half, which I will discuss on the next slide.

Most importantly looking ahead, we remain on track for the second half of 2026 and full year 2027 to be broadly Free Cash Flow neutral, before returning to both Free Cash Flow positive and net cash positive positions during 2028.

Now to looking at the cash flow in more detail.

You'll notice that we drew $30m from our debt facility during the half. During the macroeconomic uncertainty we have experienced since February, we took a prudent approach to liquidity management by drawing the facility and holding these funds on deposit to preserve our financial flexibility.

This was an extremely conservative move. And I want to be clear, the debt was not drawn to fund our cloud transition strategy, and we expect to repay it once macroeconomic conditions become more stable. Just so you know, the net cost of maintaining this additional liquidity is less than 2% per annum on the amount we have drawn.

Meanwhile, client collections remain strong at 98% of revenue, albeit a touch lighter than prior periods.

Operating cash flow of $9.2m was lower than the reported result in the first half of 2025, but the prior period benefited from a one-off working capital tailwind of $6.8m. Adjusting for that effect, underlying operating cash flow increased by approximately 25%.

Finally, we used $6.8m of Free Cash Flow in this half. This was a deliberate investment to support our acceleration strategy designed to meet the significant client demand we are experiencing, and is consistent with the investment profile that we outlined earlier in the year.

For those who wish to delve into the Free Cash Flows calculations in more detail, full reconciliations are available in the appendix.

On this slide I have provided a bridge to show you how we have used our cash during the first half.

Moving first to the table at the top of this slide. As I mentioned earlier, the first half of 2025 benefited from a one-off $6.8m working capital tailwind which you'll see in the second row. Adjusting for that, the like-for-like Free Cash Flow was similar to last year, being a $6.9m outflow compared to $5.8m in 2025.

I now draw your attention to the chart at the bottom of the slide, which shows the changes in FCF against the prior period.

On the left side of the waterfall chart in dark purple, you can see the cash changes in the underlying business. Together this box accounts for approximately $3.3m of incremental cash inflows relating to the underlying business.

Revenue net of variable costs, was $5.6m higher than the same period last year. Meanwhile, we had our remuneration review in the first half and our VistaCon client conference which occurs every other year. Overall, the left side shows that as more clients transition to Vista Cloud, the additional Recurring Revenue increasingly drops to the bottom line and translates into cash generation.

On the right side which has a lighter purple, we invested $4.4m directly into accelerating our cloud transition strategy through capitalised development and implementation costs. I view these investments as the seeds of tomorrow's ARR. We incur those one-off costs today before the associated Recurring Revenue and cash flows are realised in future periods. So it's a classic timing delta between our cash flows and P&L.

Put simply, the incremental cash invested during the half was substantially directed towards accelerating future growth. And meanwhile the underlying business continued to generate increasing cash returns from investments already made.

To better illustrate the underlying cash-generating capability of the business, we use an Underlying Free Cash Flow measure. This excludes the one-off incremental capitalised development and deferred implementation costs associated with the upfront cloud transition. A full reconciliation of that is also included in the appendix.

You should expect to hear us talk increasingly about this metric, because it demonstrates the underlying cash-generating power of the business.

If we start with the chart on the left:

- In the first half of 2026, Underlying Free Cash Flow was $5.6m. While this is lower than the $9m generated in the first half of 2025, it's important to remember that the prior period benefited from a one-off $6.8m working capital tailwind.
- Looking ahead, we have advised today that we remain on track to be Free Cash Flow neutral in the second half of 2026. Assuming a similar level of cloud transition investment in the second half, Underlying Free Cash Flow is expected to increase to $12.4m, which is a $2.6m improvement.

Now turning to the chart on the right:

- In 2025, we generated $18.8m of Underlying Free Cash Flow.
- In 2026, that figure is expected to be only modestly lower, showing that our acceleration has only had a minimal impact on short-term Underlying Free Cash Flow. And again, we've already reached an inflection point with the improvement we expect in the second half.

The key point I want you to take away from this slide is that every dollar we invest today increases the pace of cloud adoption. This matters because it further de-risks our 2030 aspirations and supports a pathway towards $75m of Free Cash Flows, which is approximately quadruple where Underlying Free Cash Flow is today.

For my final slide today, I want to reiterate our 2030 exit rate aspirations.

Over the next five years, we continue to expect to approximately double ARR to $315m. In addition, we estimate that EBITDA margins can double to between 33% and 37%, while Underlying Free Cash Flow quadruples to around $75m.

These are the same aspirations we shared with you in February. What has changed since then is that we now have more evidence to support the path to achieving them.

We have added more cloud sites, signed more Enterprise Clients, increased our Contracted Market Share, and further demonstrated the potential of Vista Payments as an additional growth and margin lever.

So, while the opportunity remains compelling, the more important point is that the path to achieving it carries less execution risk than it did six months ago.

Before I wrap up, I want to thank the entire Vista Group team. Together, they have already delivered many of our 2026 objectives, including the marquee client signings, a meaningful increase in contracted market share, and the continued development of Vista Payments.

With that, I'll hand back to Stuart to discuss the outlook.

Stuart Dickinson *– Vista Group, CEO*

Thanks, Matt. Let me finish with a few words on the industry backdrop and our updated guidance.

You'll see from this slide that the industry backdrop remains encouraging, and as I started this call, some of the things going on are just truly exciting.

Domestic Box Office grew 15% in the first half and is now within 17% of pre-COVID levels. Importantly, this growth is being driven by admissions, which increased approximately 12% year on year, rather than ticket pricing alone.

We're also seeing meaningful capital being reinvested into the exhibition industry, providing a strong signal of confidence from our clients and the investment community. For example:

- AMC has completed two capital raisings for approximately US$350m, and they have committed up to US$225m into theatre investment during 2026. On top of this, they have just reported their strongest revenue and EBITDA quarter in their 106-year history.
- Another example of this investment in the industry is Kinépolis, who has continued to expand through acquisition, adding 27 US sites across the Emagine and Showcase Cinema transactions.
- And finally IMAX have signed agreements for 42 new systems across ten countries including in Australia and New Zealand, reflecting continued investment in premium cinema experiences.

All of that content pipeline drives and continues to drive strong and exciting new things.

The second half of 2026 is genuinely blockbuster-heavy, with six of the nine wide releases on this slide being franchise tentpoles whose previous instalments collectively generated greater than US$3b at the Domestic Box Office.

It is also encouraging to see content creating genuine audience excitement. *The Odyssey* is a great example, where demand for those 70mm IMAX screenings has been so strong that premium-format screenings have sold out weeks in advance across major markets worldwide.

So that brings me to guidance.

On the back of a strong first half, continued cloud transition progress and a favourable currency backdrop, we are upgrading our 2026 revenue guidance to between $179m and $184m. This is up from the $176m to $182m that we set six months ago.

We continue to expect EBITDA margin of 18% to 20%, and we expect Free Cash Flows to be neutral in the second half.

So a few notes on the assumptions that underpin the guidance.

- Our Domestic Box Office assumption is unchanged at US$9.75b: and is roughly in line with US-based industry analyst consensus.
- The currency assumption has moved down slightly to US$0.59: back from the US$0.60 previously assumed.
- And our cloud transition remains on track: for the 1,300 Operational Excellence and 2,000 Digital Solutions site targets we set for year end.

And finally, as Matt mentioned before our 2030 exit rate aspirations are entirely unchanged.

Now let me return to the four key messages we opened with, which I believe really highlight the strength of the first half performance:

- We've grown market share.
- We've secured several marquee client wins.
- We've materially strengthened growth visibility and reduced execution risk.
- And we have upgraded our FY26 revenue guidance.

So, before we take your questions, I'd like to thank our shareholders for your continued support, our clients for the trust they place in us, and our people across Vista Group for their hard work, dedication, and commitment. The progress we've delivered in the first half is a direct reflection of their efforts, and it positions us really well for the opportunities ahead. Thanks everybody.

Thank you all for joining our call this morning. We appreciate your continued interest in Vista Group and your support for our company. Have a great day ahead.

ENDS

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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 runs the mission-critical commerce and operations infrastructure for cinema and film distribution. Its deeply embedded software and payments workflows power ticketing, scheduling, concessions, and guest experience at scale across the world's leading exhibitors and distributors.

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.