



VISTA GROUP INTERNATIONAL LIMITED

INTERIM REPORT

2017

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HALF YEAR HIGHLIGHTS

The following interim financial statements, for Vista Group International Limited (the 'Company' and its subsidiaries, collectively the 'Vista Group'), are for the six months ended 30 June 2017 and represent the half year results for Vista Group.

HIGHLIGHTS

- Consolidated Vista Group revenue of \$50.1m represents growth over 1H2016 of 23%.
- EBITDA⁽¹⁾ of \$10.3m for the first half of FY2017 represents an increase over 1H2016 of \$4.4m or 74%.
- Profit before tax of \$6.6m for the first half of FY2017 represents an increase over 1H2016 of \$2.5m or 59%
- Strong cashflow performance with operating cashflow of \$6.4m, representing an increase of \$4.6m over the prior year. Available cash balance is \$23.3m, up \$10.1m over 1H2016 and \$1.9m from the year-end FY2016 position.
- Associate company Vista China performs in line with expectations during 1H2017.
- Continued investment in Vista Group product suite for future growth including moving the Vista Cinema product to the cloud, the Stardust social application for movie goers and the movieXchange platform.
- Movio Media gaining momentum with significant contract closure during the second quarter. (Refer to Epsilon and Fox market announcements.)
- Powster and MACCS established their US-based entities for expansion into the key US market.
- Headcount numbers (including Vista China) increased 93 (17.5%) to 625 to support business growth.
- Board of Directors announce a fully imputed interim dividend of 2.4 cents per share for 1H2017.
- Payment of the fully imputed FY2016 final dividend of 4.61 cents per share.

OPERATING METRICS

- Recurring revenue of \$29.4m increased 27% over 1H2016, and now represents 59% of total revenue.
- Non-recurring license revenue in 1H2017 \$9.1m, consistent with 1H2016.
- Positive operating cash flow of \$6.4m and continuing strong cash position.
- Vista Cinema cumulative site numbers increased by 258 (plus 48 in China totalling 306 in period) driving recurring maintenance revenue and additional module upsell opportunities.
- New Movio media contracts will begin to impact revenue materially in 2H2017 (Refer to Epsilon and Fox market announcements.)
- On a constant currency basis with 1H2016 reported revenue would have been circa \$2.6m higher.

OPERATIONAL AND PRODUCT OVERVIEW

Vista Cinema delivered another fast start to the year with a total of 306 new sites and revenue growth of 29% over 1H2016. Market share remains strong and expansion opportunities to new countries (Brazil, Austria, Japan and Italy) are well progressed. The investment in Senda, our Central and South American reseller, to create Vista Latin America post balance date is a significant strategic move for cinema exhibition in this important region.

Veezi increased contracted site numbers increase by 57 to 589 with the opportunities in Sweden and France expected to build momentum in the second half.

Movio Cinema increased contracted customers by 20% to 61 and the US market share of contracted screens has grown to 56%. With online data capture the active moviegoer database is being expanded beyond loyalty members. Email growth is continuing with SMS expanding at a faster rate. The investment in data science has produced a new module (Movie Insights) which adds value and revenue growth as it is adopted by customers.

Movio Media activity with existing customers has been strong and the new deals with Epsilon and Fox will grow revenue in the 2nd half. The opportunity in the digital marketing space is providing engagement with new prospects.

MACCS successfully completed the Warner Bros. implementation in February of the core distribution software and closed new deals to gain coverage of Finland and Switzerland for the MaccsBox product to be official collector of box office numbers. There is a focus on new customer opportunities to expand market share internationally and within the domestic US market.

⁽¹⁾ EBITDA is a Non-GAAP measure and is defined as earnings before net finance expense, income tax, depreciation, amortisation, acquisition costs and equity accounted results from associate companies. Expenses related to the VCL deferred consideration is also excluded. This is consistent with the measure used in the Prospectus dated 3 July 2014. Depreciation and amortisation in 1H2017 \$1.6m (1H2016: \$1.2m).

Powster opened its Los Angeles-based office and studio within Vista Group's premises. "Trailerred", a new web destination that enables moviegoers to consume trailers in a new way, was launched at CineEurope in June. Focus continues on providing data insights to users on web activity and advertising effectiveness, and integration to social media platforms for messenger and follow-up services.

Cinema Intelligence has implementations underway in three territories and has been strengthening its integration to Vista Cinema modules. Strong focus on building the sales pipeline.

Flicks produced a solid result and has a focus to build the business beyond its current base. Strategies to build the Australian site visitation levels are being executed including building a sales team to grow revenues. Launched "Your Cinema" as a website offering to smaller cinemas with 17 customers already on board.

CHINA TRANSACTION

- Equity accounted result recognised within Vista Group for the Vista China associate company was a \$1.2m loss.
- Cash received to date is ¥97.0m with ¥50.0m of equity purchase outstanding.
- Second tranche of localisation fee ¥30.0m due in 2H2017.

Operationally the China business has performed well. It has established an office in Beijing and grown staff numbers to 45. For Vista Cinema it has installed 48 new sites and continued to build a solid third-party revenue stream. There is a focus to build operations beyond Vista Cinema and they have built an impressive pipeline from new and existing customers. The access to cinema data reporting across China that has been established for Numero and Movio is an important step.

STATEMENT OF COMPREHENSIVE INCOME

SIX MONTHS ENDED 30 JUNE 2017

	30 JUNE 2017	30 JUNE 2016
	NZ\$'000	NZ\$'000
	UNAUDITED	UNAUDITED
Revenue	50,109	40,724
Total revenue	50,109	40,724
Sales and marketing expenses	3,927	3,043
Operating expenses	25,312	20,187
Administration expenses	11,796	11,965
Acquisition expenses	520	656
Foreign currency losses	399	782
Total expenses	41,954	36,633
Operating profit	8,155	4,091
Finance costs	(553)	(231)
Finance income	231	313
Share of loss from associate	(1,199)	-
Profit before tax	6,634	4,173
Tax expense	(2,987)	(1,457)
Profit for the period	3,647	2,716
Profit for the period is attributable to:		
Owners of the parent	3,828	2,393
Non-controlling interests	(181)	323
	3,647	2,716
Other comprehensive income / (loss)		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations, net of tax	328	(1,674)
Total comprehensive income for the period	3,975	1,042
Total comprehensive income for the period is attributable to:		
Owners of the parent	4,101	1,061
Non-controlling interests	(126)	(19)
	3,975	1,042
Earnings per share for profit attributable to the equity holders of the parent		
Basic (cents per share)	\$0.05	\$0.03
Diluted (cents per share)	\$0.05	\$0.03

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

SIX MONTHS ENDED 30 JUNE 2017

	ATTRIBUTABLE TO THE OWNERS OF THE PARENT						
	CONTRIBUTED EQUITY	RETAINED EARNINGS	FOREIGN CURRENCY RESERVE	SHARE- BASED PAYMENT RESERVE	TOTAL	NON- CONTROLLING INTERESTS	TOTAL EQUITY
	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000
UNAUDITED							
Balance at 1 January 2017	55,654	71,281	(991)	1,695	127,639	10,728	138,367
Profit / (loss) for the period	-	3,828	-	-	3,828	(181)	3,647
Other comprehensive income	-	-	273	-	273	55	328
Total comprehensive income	-	3,828	273	-	4,101	(126)	3,975
Share-based payments	249	-	-	150	399	-	399
Dividends paid	-	(3,777)	-	-	(3,777)	(699)	(4,476)
VCL share-based payment	811	-	-	(448)	363	-	363
Issue of equity	423	-	-	-	423	-	423
Balance at 30 June 2017	57,137	71,332	(718)	1,397	129,148	9,903	139,051
AUDITED							
Balance at 1 January 2016	45,952	22,661	164	2,296	71,073	7,979	79,052
Profit for the period	-	2,393	-	-	2,393	323	2,716
Other comprehensive loss	-	-	(1,332)	-	(1,332)	(342)	(1,674)
Total comprehensive income	-	2,393	(1,332)	-	1,061	(19)	1,042
Share-based payments	75	-	-	833	908	-	908
VCL contingent consideration	1,644	-	-	(1,644)	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	2,057	2,057
Balance at 30 June 2016	47,671	25,054	(1,168)	1,485	73,042	10,017	83,059

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	30 JUNE 2017	31 DECEMBER 2016
	NZ\$'000	NZ\$'000
	UNAUDITED	AUDITED
CURRENT ASSETS		
Cash	15,270	15,798
Short-term deposits	8,000	5,540
Trade and other receivables	61,323	73,392
Income tax receivable	508	449
Total current assets	85,101	95,179
NON-CURRENT ASSETS		
Property, plant and equipment	4,768	4,162
Investment in associate	26,470	27,669
Goodwill	50,496	50,285
Intangible assets	14,486	12,789
Deferred tax asset	1,209	1,541
Total non-current assets	97,429	96,446
Total assets	182,530	191,625
CURRENT LIABILITIES		
Trade and other payables	13,811	14,519
Deferred revenue	19,595	22,473
Contingent consideration	-	3,122
Income tax payable	782	2,315
Total current liabilities	34,188	42,429
NON-CURRENT LIABILITIES		
Borrowings	5,029	4,848
Deferred revenue	2,411	3,444
Employee benefits - VCL acquisition	-	343
Provisions	267	279
Deferred tax liability	1,584	1,915
Total non-current liabilities	9,291	10,829
Total liabilities	43,479	53,258
Net assets	139,051	138,367
EQUITY		
Contributed equity	57,137	55,654
Retained earnings	71,332	71,281
Foreign currency revaluation reserve	(718)	(991)
Share-based payment reserve	1,397	1,695
Total equity attributable to owners of the parent	129,148	127,639
Non-controlling interests	9,903	10,728
Total equity	139,051	138,367

For and on behalf of the Board who authorised these financial statements for issue on 24 August 2017.



Kirk Senior – Chairman



Susan Peterson – Chair Audit and Risk Committee

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CASHFLOWS

SIX MONTHS ENDED 30 JUNE 2017

	30 JUNE 2017	30 JUNE 2016
	NZ\$'000	NZ\$'000
	UNAUDITED	UNAUDITED
CASHFLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	52,507	38,495
Interest received	231	14
Payments to suppliers	(41,496)	(35,744)
Taxes paid	(4,683)	(1,475)
Interest paid	(163)	(65)
Net operating cashflow - net assets held for sale	-	561
Net cash inflow from operating activities	6,396	1,786
CASHFLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,012)	(603)
Purchase of intangible assets	(2,654)	(1,943)
Advance to associate	-	(1,306)
Contingent consideration paid	(2,824)	(7,290)
Proceeds from Vista China transaction	6,222	-
Net cash (applied to) investing activities	(268)	(11,142)
CASHFLOWS FROM FINANCING ACTIVITIES		
Loans and borrowings	197	-
Dividends paid to the owners of the parent	(4,476)	-
Net cash outflow from financing activities	(4,279)	-
Net increase / (decrease) in cash and short-term deposits	1,849	(9,356)
Cash and short-term deposits at the beginning of the year	21,338	27,300
Foreign exchange differences	83	(1,741)
Cash and short-term deposits at end of period	23,270	16,203

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1. SEGMENT REPORTING

Vista Group operates in a single vertical film/cinema market and is structured through operating subsidiaries that report monthly to the Chief Executive. The Chief Executive and the Board are considered to be the Chief Operating Decision Maker in terms of NZ IFRS 8 Operating Segments.

Vista Group operated across four regions during 2016. This has been reduced to three regions during 2017 due to the Asia Pacific (APAC) region being comprised solely of Vista China, which is now an associate company to Vista Group. Refer to the 2016 Annual Report, section 4.1, regarding the Vista China transaction. The three regions comprise Europe, Middle East and Africa (EMEA), the United States and Canada (Americas) and the Oceania region, which consists of New Zealand and Australia, within which Vista Entertainment Solutions Limited and the Company are included.

Revenue is reported via five main sources – Product, Maintenance, Services, Development and Other; there is no material indirect revenue source. No allocation of costs or assets is made against these revenue groups that would enable disclosure of segmented information in this way.

Revenue is allocated to geographical regions on the basis of where the sale is recorded by each operating entity within Vista Group. Independent resellers are used to promote the Vista products in multiple jurisdictions. The revenues recognised via these independent resellers are not allocated geographically, rather they are shown within the Oceania and EMEA regions.

REVENUE	APAC	EMEA	AMERICAS	OCEANIA	Total
	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
30 JUNE 2017					
Product	-	5,960	7,462	9,688	23,110
Maintenance	-	5,619	6,376	7,602	19,597
Services	-	2,243	2,043	323	4,609
Development	-	611	194	770	1,575
Other	-	300	591	327	1,218
Total revenue	-	14,733	16,666	18,710	50,109

	APAC	EMEA	AMERICAS	OCEANIA	Total
	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
30 JUNE 2016					
Product	2,630	4,073	4,259	4,732	15,694
Maintenance	682	4,726	6,563	6,074	18,045
Services	342	2,839	1,164	393	4,738
Development	198	392	387	710	1,687
Other	-	-	560	-	560
Total revenue	3,852	12,030	12,933	11,909	40,724

One individual customer has exceeded 10% of revenue in 2017, being the Associate company Vista China for which \$5.0m of revenue has been recognised in Vista Group, within the Oceania region. This revenue includes Localisation and Maintenance services under the reseller agreement. For the purposes of segment reporting Localisation services are included within the Product classification.

Non-current operating assets by location are presented in the following table. Note that investment in associate is excluded from the non-current assets balance as the value represented is impacted materially by a fair value adjusted upon disposal of Vista China. Refer to section 4.1 of the 2016 Annual Report for more information.

GEOGRAPHIC INFORMATION	30 JUNE 2017	31 DECEMBER 2016
	NZ\$'000	NZ\$'000
	UNAUDITED	AUDITED
NON-CURRENT OPERATING ASSETS		
Oceania	33,343	34,498
Americas	8,472	8,394
EMEA	29,144	25,885
Total non-current operating assets	70,959	68,777

2. VISTA CHINA ASSOCIATE

Vista Group has a 39.5% interest in Vista China, an associate company that has been accounted for using the equity method in the consolidated financial statements.

ENTITY	NATURE OF TRANSACTIONS	RECEIVABLES / (PAYABLE)	RECEIVABLES / (PAYABLE)
		30 JUNE 2017	31 DECEMBER 2016
		NZ\$'000	NZ\$'000
		UNAUDITED	AUDITED
Vista Entertainment Solutions Shanghai Limited	Related party receivable	5,892	19,010
Vista Entertainment Solutions Shanghai Limited	Related party payable	(1,225)	(1,280)
Total		4,667	17,730

The related party receivable balance is made up of the following, as at 30 June 2017:

	30 JUNE 2017
	NZ\$'000
	UNAUDITED
Licence fees	458
Maintenance fees	310
Recoverable expenses	23
Receivable owing prior to Vista China transaction	5,101
Total	5,892

All related party transactions during the period were made on normal commercial terms and no amounts owed by related parties have been provided for, written off or forgiven during the period.

A summarised income statement for Vista China and a reconciliation to the equity accounted loss recognised in Vista Group is detailed below for the six-month period to 30 June 2017. This has been amended to reflect adjustments made by the entity when using the equity method including modifications for differences in accounting policies.

	NZ\$'000
SIX MONTHS ENDED 30 JUNE 2017	UNAUDITED
Revenue	6,433
Total expenses	(9,521)
Operating loss	(3,088)
Finance income	54
Loss for the period	(3,034)
Vista Group equity accounted interest	39.5%
Vista Group equity accounted loss for the period	(1,199)

A summarised statement of financial position as at 30 June 2017 is presented below:

	NZ\$'000
Cash	28,057
Trade and other receivables	17,830
Total current assets	45,887
Total non-current assets	38,111
Total assets	83,998
Total liabilities	(17,037)
Net assets	66,961
Total equity	66,961

The carrying value of the investment in associate held by Vista Group is detailed below:

	NZ\$'000
Carrying value as at 31 December 2016	27,669
Equity accounted loss for the period	(1,199)
Investment in associate	26,470

3. TRADE AND OTHER RECEIVABLES

	30 JUNE 2017	31 DECEMBER 2016
	NZ\$'000	NZ\$'000
	UNAUDITED	AUDITED
Trade receivables	37,171	45,440
Sundry receivables	13,086	19,979
Accrued revenue	2,857	987
Prepayments	1,696	1,573
Related party loan	2,621	2,621
Related party receivables – trading	3,892	2,792
Total trade and other receivables	61,323	73,392

Sundry receivables as at 30 June 2017 include a ¥50.0m (December 2016: ¥80.0m) receivable from Wepiao related to the equity purchase of 18.3% of Vista China. Refer to sections 4.4 and 7.1 of the 2016 Annual Report for further detail.

4. GOODWILL

	30 JUNE 2017	31 DECEMBER 2016
	NZ\$'000	NZ\$'000
	UNAUDITED	AUDITED
Gross carrying amount		
Balance 1 January	53,839	44,663
Acquisition through business combinations	-	10,466
Exchange differences	211	(1,290)
	54,050	53,839
Accumulated impairment		
Balance 1 January	(3,554)	(3,554)
	(3,554)	(3,554)
Goodwill at period end	50,496	50,285

Goodwill can be analysed at divisional level as follows:

	30 JUNE 2017	31 DECEMBER 2016
	NZ\$'000	NZ\$'000
	UNAUDITED	AUDITED
Vista Entertainment Solutions Limited (VESL)	12,544	12,865
Virtual Concepts Limited (VCL)	16,970	16,970
MACCS International BV (MACCS)	11,562	11,165
Share Dimension BV (Share Dimension)	1,820	1,762
Powster Limited (Powster)	6,996	6,919
Flicks.co.nz Limited (Flicks)	604	604
Goodwill at period end	50,496	50,285

5. INTANGIBLE ASSETS

	INTERNALLY GENERATED SOFTWARE	SOFTWARE LICENCES	INTELLECTUAL PROPERTY	CUSTOMER RELATIONSHIPS	TOTAL
	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000
30 JUNE 2017	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED
Gross carrying amount					
Balance 1 January	4,814	2,362	1,940	7,275	16,391
Additions – acquired	-	47	16	-	63
Internally generated software	2,591	-	-	-	2,591
Exchange differences	(6)	44	106	65	209
Balance 30 June 2017	7,399	2,453	2,062	7,340	19,254
Accumulated amortisation					
Balance 1 January	(96)	(675)	(673)	(2,158)	(3,602)
Accumulated amortisation reclassification	-	(141)	224	(83)	-
Amortisation	(188)	(45)	(271)	(575)	(1,079)
Exchange differences	(1)	(68)	146	(164)	(87)
Balance 30 June 2017	(285)	(929)	(574)	(2,980)	(4,768)
Carrying amount 30 June 2017	7,114	1,524	1,488	4,360	14,486
	INTERNALLY GENERATED SOFTWARE	SOFTWARE LICENCES	INTELLECTUAL PROPERTY	CUSTOMER RELATIONSHIPS	TOTAL
	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000	NZ\$'000
31 DECEMBER 2016	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED
Gross carrying amount					
Balance 1 January	643	2,260	1,608	6,469	10,980
Additions – acquired	-	64	-	1,117	1,181
Internally generated software	4,171	-	-	-	4,171
Acquisition through business combinations	-	38	419	-	457
Exchange differences	-	-	(87)	(311)	(398)
Balance 31 December 2016	4,814	2,362	1,940	7,275	16,391
Accumulated amortisation					
Balance 1 January	-	(523)	(211)	(1,094)	(1,828)
Amortisation	(96)	(152)	(624)	(1,436)	(2,308)
Exchange differences	-	-	162	372	534
Balance 31 December 2016	(96)	(675)	(673)	(2,158)	(3,602)
Carrying amount 31 December 2016	4,718	1,687	1,267	5,117	12,789

6. FINANCIAL INSTRUMENTS

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Vista Group's financial assets and liabilities by category are summarised as follows:

Cash and short-term deposits

These are short term in nature and the carrying value is equivalent to their fair value.

Trade, related party and other receivables

These assets are short term in nature and are reviewed for impairment; the carrying value approximates their fair value.

Trade, related party and other payables

These liabilities are mainly short term in nature; the carrying value approximates their fair value.

Loan and advances

Fair value is estimated based on current market interest rates available for receivables of similar maturity and risk. The interest rate is used to discount future cashflows; the carrying value approximates their fair value.

Borrowings

Borrowings have fixed and floating interest rates. Fair value is estimated using the discounted cashflow model based on a current market interest rate for similar products; the carrying value approximates their fair value.

Fair values

Vista Group's financial instruments are measured subsequent to initial recognition at fair values and are grouped into levels based on the degree to which the fair value is observable:

Level 1 - fair value measurements derived from quoted prices in active markets for identical assets.

Level 2 - fair value measurements derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - fair value measurements derived from valuation techniques that include inputs for the asset or liability, which are not based on observable market data.

There have been no transfers between levels or changes in the valuation method used to determine the fair value of Vista Group's financial instruments during the period. As at 30 June 2017 Vista Group has no level 3 financial instruments (2016: \$3.1m for contingent consideration).

FINANCIAL INSTRUMENTS BY CATEGORY

	30 JUNE 2017	31 DECEMBER 2016
	NZ\$'000	NZ\$'000
	UNAUDITED	AUDITED
Loans and receivables		
Cash	15,270	15,798
Short-term deposits	8,000	5,540
Trade receivables	37,171	45,440
Sundry receivables	13,086	19,979
Related party receivables – trading	3,892	2,792
	77,419	89,549
Financial liabilities measured at amortised cost		
Trade payables	5,462	6,229
Sundry accruals	3,065	4,231
Borrowings	5,029	4,848
Financial liabilities measured at fair value		
Contingent consideration	-	3,122
	13,556	18,430

7. GENERAL INFORMATION

Vista Group International Limited (the 'Company' and its subsidiaries, collectively the 'Vista Group') is a company incorporated and domiciled in New Zealand, and whose shares are publicly traded on the New Zealand Stock Exchange (NZX) and the Australian Securities Exchange (ASX).

The principal activity of Vista Group is the sale, support and associated development of software for the film industry.

These interim financial statements were approved for issue on 24 August 2017.

These interim financial statements have been reviewed, not audited.

8. BASIS OF PREPARATION

The interim financial statements of Vista Group have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with NZ IAS 34 Interim Financial Reporting and IAS 34 Interim Financial Reporting.

The accounting policies and methods of computation and presentation adopted in the preparation of the consolidated interim financial statements are consistent with those described and applied in the Annual Report for the financial year ended 31 December 2016.

There are no new standards and amendments relevant and adopted by Vista Group as of 30 June 2017 that have had a material impact on the interim financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

This interim financial report does not include all the notes of the type normally included in an Annual Financial Report. Accordingly, this report should be read in conjunction with the Annual Report for the year ending 31 December 2016 and any public announcements made by Vista Group during the interim reporting period.

9. OTHER DISCLOSURES

CONTINGENT LIABILITIES

There were no contingent liabilities for Vista Group at 30 June 2017 (2016: \$Nil).

CAPITAL COMMITMENTS

There were no capital commitments for Vista Group at 30 June 2017 (2016: \$Nil).

RELATED PARTIES

Related parties are materially consistent with those disclosed in the 2016 Annual Report.

EVENTS AFTER BALANCE DATE

Senda acquisition

On 21 August 2017, Vista Entertainment Solutions Ltd ('VES'), a Vista Group International company announced the completion of an agreement to take a controlling 60 percent stake in its long-term Latin American business partner Senda Dirección Tecnológica, SA de CV. ('Senda'). Consideration for the acquisition is initially \$9.4m, made up of \$8.7m in cash and \$0.7m in Vista Group shares. The agreement includes an amount of contingent consideration based on defined performance metrics, the outcome of which is yet to be determined.

Senda is the reseller for VGL companies, VES and Movio and has been a VES reseller since 2003. Senda is based in Mexico and represents VES and Movio in Central and South America and has recently begun to represent VES in Brazil, the fifth largest cinema market in the world.

Given the date of the acquisition relevant to the approval of these Interim Financial Statements, the assets and liabilities acquired as well as their fair values are still subject to final determination and as a result the full details of the acquisition will be disclosed at the next reporting date.

Approval of interim dividend

On 24 August 2017, the Directors approved a fully imputed interim dividend of 2.4 cents per share. The dividend record date is 8 September 2017 and the payment date 22 September 2017.

There have been no other events subsequent to 30 June 2017 that materially impact on the results reported (2016: nil).



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