



Market Announcement

25 August 2016, Vista Group International Limited, Auckland, New Zealand

Vista Group completes new venture agreement in China with Tencent affiliate – WePiao.

Vista Group International Limited (Vista Group) and its Chinese subsidiary, Vista Entertainment Solutions Limited, Shanghai (Vista China), confirm the granting of the final regulatory approvals required to establish the new venture with WePiao (ref. Vista Group Market Announcement issued 04 March 2016). WePiao have completed the first tranche of two scheduled payments in accordance with the contract agreements and have initiated the second tranche, due on final regulatory approval.

WePiao have indicated that they will take up the offer to subscribe for up to 2.0% of new shares to be issued in Vista Group as outlined in the 04 March 2016 Announcement.

Vista Group is providing the new venture with the distribution rights to all existing Vista Group software including Vista Cinema, Veezi, Movio, MACCS and Numero. This is expected to facilitate the acceleration of Vista's growth strategy in China for its core cinema product Vista Cinema and its cloud based product, Veezi, which is ideally suited to the large number of smaller cinemas in China. It will also provide a launch platform for Movio, MACCS and Numero software in what is the world's fastest growing cinema exhibition market.

The transaction will generate cash to Vista Group in the first year in excess of circa NZ\$38million. This includes:

- the value for the sale of shares in Vista China
- an initial upfront fee for the distribution rights
- three years of maintenance fees
- the value for the 2.0% of new shares issued in Vista Group.

Additional upfront distribution fees will be received in year 2 and ongoing maintenance fees from year 4.

On completion Vista Group will hold 40% of the new venture and it will be equity accounted as an associate company. It is anticipated that the new venture will generate returns to Vista Group through its success in the China market.

More detail will be provided in conjunction with the 2016 half year result announcement (26 August 2016) and presentations on the anticipated accounting and revenue treatment of the transaction.

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About WePiao

Founded and headquartered in Beijing, WePiao is backed by Tencent Holdings Limited, along with the China Cultural Investment Fund and other investors, including some leading Chinese cinema chains. WePiao brings scale in the form of its smart phone ticketing application, which is embedded in the WeChat messaging app. The backing of WeChat (the largest standalone messaging app in the world with more than 600 million monthly active users, mainly in China) will provide a much greater ability to connect with film audiences and the entertainment industry in general.

About Vista Group International:

Vista Group International (Vista Group) is a public company, listed on both the New Zealand and Australian stock exchanges (NZX & ASX: VGL). Vista Group provides cinema management, film distribution and customer analytics software to companies across the global film industry. Cinema management software is provided by Vista Entertainment Solutions (Vista Cinema), the core business of the Group. Movio (data analytics), Veezi (cloud-based SaaS software for the Independent Circuit Market), MACCS International (film distribution software), Numero (box office reporting software for film distributors and cinemas), Cinema Intelligence by Share Dimension (business intelligence solutions), and Powster (creative studio and marketing platform for movie studios), provide products that leverage the success of this platform into other parts of the film industry; from production and distribution, to cinema exhibition through to the moviegoer experience. Vista Group has over 450 staff across nine offices in New Zealand (Auckland headquarters), Sydney, Los Angeles, Dallas, London, the Netherlands, Romania and Shanghai.

Website: www.vistagroup.co

LinkedIn: www.linkedin.com/company/vista-group-limited