



VILLAGE ROADSHOW

UPDATE ON IMPACT OF COVID-19

18 May 2020: Village Roadshow Limited (ASX: VRL) ("VRL") today provides an update on the impact of COVID-19 on its businesses and the action it is taking. VRL today also provides an update on its funding and liquidity position.

COVID-19 Impact

Following the COVID-19 related announcement released on 23 March 2020, VRL's Gold Coast theme parks (Warner Bros. Movie World, Sea World, Wet'n'Wild and Paradise Country), Topgolf, Australian Outback Spectacular and the Film Studios remain closed. VRL's entire cinema circuit, including those sites operated by VRL's partner Event, also remains closed.

VRL's other businesses, Roadshow Distribution and Marketing Solutions, continue to operate at a reduced capacity. Revenues from these two businesses are not a material component of Group revenues under business as usual conditions.

The Company is in regular contact with local, state and federal Government authorities and continues to monitor, on a state-by-state basis, the easing of Government-mandated restrictions and social distancing policies. The Company will make the decision to re-open its venues as soon as practicable ensuring the safety of its patrons, employees and the community.

Liquidity position and funding

VRL has implemented a number of measures to conserve capital and maintain operating liquidity, whilst ensuring that the business is in a strong position to re-open venues when appropriate. This includes working with landlords and other suppliers to substantially reduce operating expenditure and deferring non-essential capital expenditure. As previously announced, it has also stood down all employees not performing essential tasks and senior executives have agreed to reduced salaries until 30 June 2020.

VRL is participating in the Commonwealth Government's JobKeeper arrangements to support the continued employment of all eligible employees including those who were stood down as a result of the impact of COVID-19.

In Cinema Exhibition, the Company is delaying large capital expenditure projects post COVID-19. The Company expects that capital expenditure in FY21 will be predominately maintenance capital expenditure in both the Village circuit and Event managed sites. In Theme Parks, maintenance and safety capital expenditure will continue to be funded, as will previously committed capital expenditure including the Leviathan which is the final phase of the Atlantis development at Sea World.

While its key businesses remain closed, VRL expects its underlying operating cash costs net of JobKeeper subsidy to be between \$10-15 million per month.¹ Operating cash costs will increase in preparing for the reopening of its key businesses. During the ramp up phase on

¹ Underlying operating cash costs includes maintenance and safety capital expenditure

reopening the Company does not expect the businesses to generate positive operating cashflows.

As at 30 April 2020, VRL had a net debt position of approximately \$284 million – comprising \$342 million of gross debt and \$58 million of readily available cash.² Undrawn debt facilities as at 30 April 2020 amounted to \$5 million. The Company expects a net debt position of approximately \$315 million at 30 June 2020. VRL has no near term debt maturities in its group debt facility and has received confirmation from its lenders that they will not apply financial covenants as at 30 June 2020.

VRL is in advanced discussions with lenders to increase its debt financing facilities

VRL has also progressed discussions with Industry Groups and Government at Federal and State levels to develop financial action plans and support.

VRL will continue to keep the market informed of any material developments in accordance with its continuous disclosure requirements.

This announcement has been authorised by the VRL Board.

For more information:

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² 'Readily available cash' excludes cash floats, foreign restricted cash and JV / associate cash which VRL could access if required, however in normal circumstances remains within the businesses