NEW FINANCING

6 August 2020: Village Roadshow Limited (ASX: VRL) today provides an update on its current operations and new financing.

Current Operations

All Queensland based operations are currently open, operating at a reduced capacity to comply with COVID safety protocols. These protocols include restricting entry numbers to 50% of capacity for each major theme park. Admissions since reopening have been predominantly from the local Queensland market.

VRL's cinemas in metropolitan Melbourne and some areas of Victoria are closed in line with Victorian Government COVID directives. Cinemas across the rest of Australia are operating under social distancing rules in each State or Territory. There have been significant deferrals in the release schedule of some major films however it is expected that film product will start to become more available from late August or early September 2020.

VRL continues to exercise strict controls over its operating expenditure to preserve liquidity while ensuring the divisions can take advantage of improving patronage as restrictions are eased across Australia. VRL's participation in the Commonwealth Government's JobKeeper scheme continues to allow the Company to maintain employment of its workforce. Significant numbers of VRL's employees have been deployed in the reopening of the various operations particularly in Queensland.

As stated in VRL's ASX release on 18 May 2020, VRL is delaying large capital expenditure projects in its Cinema Exhibition division. In the Theme Parks division, work continues on the pre-committed capital expenditure program, primarily at Sea World for the Atlantis precinct.

Liquidity Position and Funding

With the reopening of several of its operating businesses, VRL's previous monthly net cash costs of negative $10 - $15m per month has reduced, however the Company is still operating on a negative cash basis which it expects will continue for several months.

As at 30 June 2020, VRL had a net debt position of approximately $280 million[1]. Undrawn debt facilities at that date amounted to $5 million from a total VRL group debt facility of $340 million. $230 million of this debt facility matures in January 2022 with the balance maturing in January 2024. In addition to the $5 million of undrawn facilities, VRL also had unrestricted cash available of approximately $40 million to fund its operations.

VRL has secured additional funding of $70 million from its existing lenders and the Queensland Treasury Corporation. This additional facility is currently undrawn however is

[1] Excluding cash held for working capital purposes the net debt position at 30 June 2020 was approximately $295 million.

expected to be utilised to fund VRL's operating and capital expenditure requirements. VRL expects this additional debt facility will be sufficient for the Company to fund its cash needs for the next 12 months. The Company's forecasts are based on the existing trading environment and are subject to change, in particular if there are changes in current COVID regulations. $43 million of the new facility is a short-term facility of 12 months with the balance having a 5-year tenor.

As part of securing the new facilities, VRL has given an undertaking to raise a minimum of $35 million through new shareholder equity or equity like instruments. This must be completed by the earlier of the Company's half year announcement (in February 2021) or three months after the termination of a transaction with BGH Capital Pty Ltd (BGH).

VRL remains in negotiation with BGH in relation to a transaction.

This announcement has been authorised by the VRL Board.

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