



Promotora de Informaciones, S.A. ("**PRISA**" or the "**Company**") pursuant to article 17 of Regulation (EU) No 596/2014 on market abuse and article 226 of the Spanish Securities Market Act (*Ley del Mercado de Valores*) as recast by Royal Legislative Decree 4/2015, of 23 October, hereby discloses the following

INSIDE INFORMATION

As a continuation of the Inside Information published on December 20, 2022 (registration number 1699), PRISA announces that, today, the Board of Directors of the Company has agreed unanimously the issuance of subordinated notes mandatorily convertible into newly issued ordinary shares of the Company (the "**Convertible Notes**" and the "**New Shares**", respectively), with recognition of the preferential subscription rights of PRISA's shareholders (the "**Issuance**"), as well as to establish the terms and conditions of the Convertible Notes.

The Issuance is made pursuant to the authorization granted by the ordinary General Shareholders' Meeting of the Company on June 28, 2022 and is implemented through a public subscription offering in Spain, as well as abroad outside of the United States of America under Regulation S of the U.S. Securities Act of 1933 through a private placement among qualified investors (the "**Offering**"). Therefore, the Offering is primarily addressed to the Company's shareholders and to the potential purchasers of preferential subscription rights as well as, secondarily, to qualified investors, domestic or foreign.

The Board of Directors of the Company, in accordance with the provisions of Articles 414.2 and 510 of the Capital Companies Act (*texto refundido de la Ley de Sociedades de Capital*), has also approved an explanatory report of, among other matters, the bases and modalities of the conversion of the Convertible Notes, which was the subject of a report prepared and issued today by PricewaterhouseCoopers Auditores, S.L., an auditor other than the Company's auditor appointed as an independent expert for such purpose by the Commercial Registry (*Registro Mercantil*). Both reports will be available on the Company's website (www.prisa.com) upon approval and publication of the Securities Note referred to below.

In addition, it is expected that the corresponding securities note relating to the Offering (the "**Securities Note**") will be registered in the official registries of the Spanish Securities and Exchange Commission (the "**CNMV**"), drafted in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**"), which includes the corresponding summary, drafted in accordance with the Prospectus Regulation, which together with the universal registration document of the Company registered in the official registries of the CNMV and published on December 20, 2022 on the website of the CNMV (www.cnmv.es) and on the Company's website, make up the Offering prospectus. The Securities Note will also be available to the public in electronic format through the CNMV's website and on the Company's website once it has been approved by the CNMV and registered in the CNMV's official registries.

1. MAIN FEATURES OF THE ISSUANCE AND MAIN TERMS AND CONDITIONS OF THE CONVERTIBLE NOTES.

The main features of the Issuance and the main terms and conditions of the Convertible Notes are described below:

- Maximum nominal amount of the Issuance, maximum number of Convertible Notes to be issued, unit nominal amount of the Convertible Notes and issue price of the Convertible Notes: The Offering will be made for a total maximum nominal amount of up to EUR 129,999,500, through the issue and placement into circulation of up to a total of 351,350 Convertible Notes of EUR 370 nominal value each, which will constitute a single series, with provision for incomplete subscription. The issue rate (issue price) of the Convertible Notes will be at par, i.e. at 100% of their nominal value (EUR 370). Therefore, the definitive total amount of the Issuance will be established by the amount effectively subscribed and disbursed

after the subscription periods of the Offering. The possibility of incomplete subscription of the Issue is expressly provided for.

- **Interest rate on the Convertible Notes:** The nominal interest rate on the Convertible Notes will be a fixed 1.00% per annum. The accrued interest will not be capitalized and will be payable in cash to the holders of the Convertible Notes upon conversion of their respective Convertible Notes.
- **Ranking:** the interests of the Convertible Notes constitute direct, unconditional and subordinated obligations, and will not be secured by collateral or personal guarantees, neither from other companies of the PRISA's group nor from third parties. In this regard, for the purposes of insolvency law, the nature of the amount of such accrued and unpaid interests means that their payment is positioned, in an insolvency context, after the Company's privileged and ordinary credits, as well as after the subordinated credits that may have preference according to the provisions of mandatory and generally applicable laws. In addition, the Convertible Notes will be subject to the terms of the intercreditor agreement entered into on April 8, 2022 as part of the refinancing of PRISA's syndicated debt carried out in 2022 and implies assuming certain additional obligations and commitments that could affect the holders of the Convertible Notes.
- **Maturity date and conversion of the Convertible Notes:** the maturity date of the Issuance will take place on the 5th anniversary of the date of issuance of the Convertible Notes. On such maturity date, the Convertible Notes will be mandatorily converted into New Shares of the Company. However, the holders of the Convertible Notes will have the right to request the early conversion of the number of Convertible Notes they deem appropriate into New Shares of the Company, at their sole discretion, in the conversion periods to be determined in the Securities Note. In addition, the Convertible Notes may be converted into New Shares, on a mandatory and early basis, upon the occurrence of certain events or at the Company's option if, as a result of the exercise of the conversion right by the holders of the Convertible Notes, at any moment, less than 5% of the issued Convertible Notes remain outstanding.
- **Conversion price of the Convertible Notes into New Shares:** the conversion price of the Convertible Notes has been set at EUR 0.37 per New Share. This is a fixed conversion price until the maturity date of the Convertible Notes, which will be subject to adjustments to be described in the Securities Note to ensure that, in the event that certain corporate transactions are carried out or certain agreements are adopted that may result in the dilution of the value of the Company's shares, the conversion price is adjusted so that such transactions or agreements affect the Company's shareholders and the holders of the Convertible Notes equally. Taking into account the established conversion price (EUR 0.37) and assuming that none of the adjustments referred to above are made, the conversion of each Convertible Note of EUR 370 nominal value will result in the delivery of 1,000 New Shares of the Company.
- **Maximum number of New Shares to be issued under the Issuance:** insofar as a fixed conversion price of EUR 0.37 per New Share has been established for the Convertible Notes, without prejudice to the usual adjustment mechanisms in this type of transactions, the maximum number of New Shares to be issued upon the voluntary or mandatory conversion of the Convertible Notes considering such conversion price, is 351,350,000 New Shares, which represent 47.44% of the current share capital of the Company and 32.17% of the share capital of the Company after the conversion of the Convertible Notes into New Shares.
- **Procedure for subscription and disbursement of the Convertible Notes:** In general terms, the procedure for subscription and disbursement of the Convertible Notes will be set forth in the Securities Note and will be determined, in any event, by the final dates of verification and registration thereof by the CNMV and the publication of the announcement relating to the Issuance in the Official Gazette of the Commercial Registry (BORME). In this regard, PRISA's shareholders and the eventual purchasers of preferential subscription rights may exercise, during the preferential subscription period, which will last for 14 calendar days, the right to subscribe a number of Convertible Notes proportional to the nominal value of the shares they hold. In the event that, at the end of the preferential subscription period, there remain unsubscribed Convertible Notes, a period of allotment of Convertible Notes will be opened in which such Convertible Notes will be allotted among the shareholders and investors who applied during the preferential subscription period and exercised all of their preferential subscription rights, which will end on the 4th trading day following the date of the end of the preferential subscription period. In the event that the subscription of the Convertible Notes is not fully covered, a discretionary allocation period will be opened exclusively for qualified investors, which is expected to end no later than at 17:30

hours (CET) on the 4th stock exchange business day following the end of the preferential subscription period.

2. PURPOSE OF THE ISSUANCE

The Issuance is configured as an instrument to reduce PRISA's syndicated financial debt, which is linked to variable interest rates and was refinanced in April 2022. In this regard, the Issuance will mainly allow the Company to obtain the necessary funds to, in accordance with the financing agreements entered into, cancel, partially and early, the tranche of PRISA's syndicated financial debt that constitutes its largest interest financial expense, i.e. the junior debt tranche, which at October 31, 2022, amounted to 190,060 thousand Euros and is benchmarked to a variable interest rate equal to Euribor+8%.

3. ADDRESSEES OF THE ISSUANCE

The Convertible Notes are offered with preference to the Company's shareholders, who may exercise their preferential and proportional subscription rights with respect to all of the Convertible Notes. Each currently outstanding share of the Company will be entitled to 1 preferential subscription right on the Convertible Notes. For each 2,104 preferential subscription rights held, 1 Convertible Notes may be subscribed.

The Issuance is not secured. However it is hereby stated that the Company has obtained firm and irrevocable investment commitments from certain shareholders (Amber Capital UK LLP and Vivendi, S.E.) for an amount equal to 45.01% of the total maximum nominal amount of the Issuance.

As will be detailed in the Securities Note, JB Capital Markets, S.V., S.A.U. and Société Générale, acting as joint global coordinators and bookrunners of the Issuance and will carry out the placement of the Convertible Notes pursuant to the placement agreement entered into today with the Company.

It is also noted that Houlihan Lokey (Europe) GmbH and Barclays Bank Ireland PLC are acting as financial advisors to PRISA in connection with the Issuance.

4. ADMISSION TO TRADING OF SECURITIES

The Company will apply for admission to trading of the Convertible Notes on the Spanish regulated market AIAF Mercado de Renta Fija. The preferential subscription rights on the Convertible Notes will be automatically admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, and it is expected that they will be tradable during the preferential subscription period of the Offering.

Likewise, in the event that the early conversion of the Convertible Notes is requested or exercised and, in any case, after the maturity date of the Issuance, the admission to trading of the New Shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges will be requested.

5. SUSPENSION OF THE COMPANY'S LIQUIDITY AGREEMENT

The Company also informs of the temporary suspension of the liquidity agreement currently entered into with JB Capital Markets, S.V., S.A.U. in order to favor the liquidity and regularity of PRISA's share price.

The suspension of the aforementioned liquidity agreement, effective January 9, 2023, is part of the context of the Issuance in order not to alter, through variations in treasury stock, the calculation of the preferential subscription rights required to subscribe Convertible Notes. It is expected to be resumed as from the first day of the preferential subscription period of the Offering (including), which will be announced to the market through the publication of the corresponding communication of "other relevant information" on the CNMV's website and on the Company's website.

In Madrid, January 9, 2023

Pablo Jiménez de Parga Maseda
Secretary of the Board of Directors

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INVESTORS MUST NOT ACCEPT THE OFFERING, NOR ACQUIRE PREFERENTIAL SUBSCRIPTION RIGHTS ON THE CONVERTIBLE NOTES OR CONVERTIBLE NOTES, UNLESS THEY DO SO ON THE BASIS OF THE INFORMATION CONTAINED IN THE PROSPECTUS RELATING TO THE OFFERING DRAWN UP IN ACCORDANCE WITH THE PROSPECTUS REGULATIONS THAT IS EXPECTED TO BE REGISTERED IN THE OFFICIAL REGISTRIES OF THE CNMV, AND SUBJECT TO THE LIMITS AND RESTRICTIONS ESTABLISHED THEREIN. THE PROSPECTUS RELATING TO THE OFFERING WILL BE MADE AVAILABLE TO SHAREHOLDERS AND INVESTORS THROUGH THE CNMV'S WEBSITE ([WWW.CNMV.ES](http://www.cnmv.es)) AND THE COMPANY'S WEBSITE ([WWW.PRISA.COM](http://www.prisa.com)).

THE OFFERING IS DIRECTED TO, AND THE ISSUANCE IS THEREFORE PRIMARILY INTENDED FOR, THE SHAREHOLDERS OF PRISA. HOWEVER, AS WILL BE DETAILED IN THE CORRESPONDING PROSPECTUS, IN THE EVENT THAT NOT ALL OF THE CONVERTIBLE NOTES HAVE BEEN SUBSCRIBED IN THE FIRST SUBSCRIPTION PERIODS, THE OFFERING WILL BE DIRECTED TO QUALIFIED DOMESTIC AND/OR FOREIGN INVESTORS WHO, IN ACCORDANCE WITH THE REGULATIONS APPLICABLE IN EACH COUNTRY, JURISDICTION OR TERRITORY WHERE IT IS DIRECTED, DO NOT REQUIRE ANY APPROVAL FROM THEIR REGULATORY BODIES, AND WITHOUT PREJUDICE TO THE FACT THAT IN SPAIN THE OFFERING CONSTITUTES A PUBLIC OFFERING THAT REQUIRES THE PUBLICATION OF A PROSPECTUS IN ACCORDANCE WITH THE PROVISIONS OF THE PROSPECTUS REGULATIONS AND, THEREFORE, REQUIRES THE AUTHORIZATION OF THE CNMV. IN PARTICULAR, THE CONVERTIBLE NOTES WILL BE DIRECTED EXCLUSIVELY TO INVESTORS WHO ARE CONSIDERED QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE PROSPECTUS REGULATION.

SOLELY FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS UNDER THE MiFID II REGULATIONS (MAINLY DIRECTIVE 2014/65/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 15 MAY 2014 AND COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 OF 7 APRIL 2016) (THE "**MIFID II PRODUCT GOVERNANCE REQUIREMENTS**"), THE CONVERTIBLE NOTES HAVE BEEN SUBJECT TO A PRODUCT APPROVAL PROCESS, TAKING INTO ACCOUNT POINT 18 OF THE PRODUCT GOVERNANCE REQUIREMENTS GUIDELINES UNDER MiFID II ISSUED BY THE EUROPEAN SECURITIES AND MARKETS AUTHORITY ON FEBRUARY 5, 2018, AND FOLLOWING THE ASSESSMENT OF THE TARGET MARKET FOR THE CONVERTIBLE NOTES, IT HAS BEEN CONCLUDED THAT (I) THE TARGET MARKET FOR THE CONVERTIBLE NOTES IS CONSISTENT WITH "RETAIL CLIENTS", "PROFESSIONAL CLIENTS" AND "ELIGIBLE COUNTERPARTIES", AS DEFINED FOR EACH OF THOSE TERMS IN THE PRODUCT GOVERNANCE REQUIREMENTS UNDER MiFID II; AND (II) ALL CHANNELS OF DISTRIBUTION OF THE CONVERTIBLE NOTES TO SUCH RETAIL CLIENTS, PROFESSIONAL CLIENTS AND ELIGIBLE COUNTERPARTIES ARE APPROPRIATE, IN ACCORDANCE WITH THE MiFID II REGULATIONS (THE "**TARGET MARKET ANALYSIS**"). NOTWITHSTANDING THE FOREGOING, DISTRIBUTORS SHOULD NOTE THAT THE PRICE OF THE CONVERTIBLE NOTES MAY FALL AND INVESTORS MAY LOSE ALL OR PART OF THE INVESTMENT MADE; THAT THE CONVERTIBLE NOTES DO NOT GUARANTEE ANY INCOME AND DO NOT OFFER ANY GUARANTEE ON THE CAPITAL INVESTED; AND THAT AN INVESTMENT IN THE CONVERTIBLE NOTES IS COMPATIBLE ONLY WITH INVESTORS WHO DO NOT REQUIRE A GUARANTEED INCOME OR ANY PROTECTION ON THE CAPITAL INVESTED AND WHO, INDIVIDUALLY OR WITH THE ASSISTANCE OF A FINANCIAL ADVISOR, ARE CAPABLE OF ASSESSING THE RISKS AND BENEFITS OF SUCH INVESTMENT AND WHO HAVE SUFFICIENT RESOURCES TO BEAR ANY LOSSES THAT MAY ARISE AS A RESULT OF SUCH INVESTMENT.

EACH DISTRIBUTOR SUBJECT TO MiFID II MUST CARRY OUT ITS OWN ASSESSMENT OF THE TARGET MARKET WITH RESPECT TO THE CONVERTIBLE NOTES AND DETERMINE THE APPROPRIATE DISTRIBUTION CHANNELS AT ITS OWN RISK. IT IS EXPRESSLY STATED THAT THE TARGET MARKET ANALYSIS DOES NOT CONSTITUTE (I) AN ANALYSIS OF THE SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MiFID II; NOR (II) A RECOMMENDATION TO INVEST IN, PURCHASE OR OTHERWISE DEAL IN THE CONVERTIBLE NOTES.

ON THE OTHER HAND, THE CONVERTIBLE NOTES ARE A "PACKAGED RETAIL INVESTMENT PRODUCT" IN ACCORDANCE WITH THE PROVISIONS OF REGULATION (EU) 1286/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 26 NOVEMBER 2014. ACCORDINGLY, THE COMPANY, IN ITS CAPACITY AS PRODUCER OF THE CONVERTIBLE NOTES INTENDS TO PREPARE THE RELEVANT KEY INFORMATION DOCUMENT TO RETAIL INVESTORS ("**KID**") REGULATED IN REGULATION (EU) 1286/2014, WHICH WILL BE AVAILABLE ON THE COMPANY'S WEBSITE ([WWW.PRISA.COM](http://www.prisa.com)). ANY PERSON ADVISING ON THE CONVERTIBLE NOTES OR SELLING THEM TO A RETAIL INVESTOR WILL PROVIDE HIM WITH THE KID DOCUMENT IN ACCORDANCE WITH THE PROVISIONS OF THE AFOREMENTIONED REGULATION.