

Madrid, 24 de julio de 2020

En cumplimiento de lo establecido en el artículo 226 del Texto Refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, Codere, S.A. (la "**Sociedad**") comunica la siguiente

INFORMACIÓN PRIVILEGIADA

Operación de Refinanciación

Que mediante comunicación de información privilegiada (con número de registro 340) de fecha 21 de julio de 2020 (la "**Comunicación**"), Codere, S.A. (junto con sus filiales, "**Codere**") informó al mercado que, a los efectos de facilitar la implementación de una propuesta de refinanciación (la "**Operación**") de las actuales emisiones de bonos emitidas por Codere Finance 2 (Luxembourg) S.A. (los "**Bonos Existentes**" y sus tenedores, los "**Bonistas Existentes**") había suscrito un acuerdo (denominado en inglés "*Revised Lock-Up Agreement*") con parte de los Bonistas Existentes (el "**Acuerdo de Lock-Up**"), que reemplazaba a otro acuerdo de *lock-up* de fecha 13 de julio de 2020. Una copia del Acuerdo de *Lock-Up* fue anexo a dicha Comunicación.

Tablas de Distribución de Deuda (*Baskets Table*)

Codere se complace en anunciar, que a la presente, las Tablas de Distribución de Deuda (*Baskets Table*, tal y como se define en el Acuerdo de *Lock-Up*) se encuentran en Forma Acordada (*Agreed Form*, tal y como se define en el Acuerdo de *Lock-Up*). Las Tablas de Distribución de Deuda (*Baskets Table*) recogen los niveles de endeudamiento y algunas otras obligaciones en relación con:

- Los Bonos Existentes (tal y como sean modificados de conformidad con la Operación); y
- los nuevos bonos súper sénior que se emitirán de conformidad con la Operación, incluyendo la emisión por importe de 85.000.000, que a modo de actualización, con respecto a anteriores comunicaciones, Codere espera que tenga lugar el 29 de julio de 2020. La Fecha de Fondo Inicial (*Interim Funding Date*, tal y como se define en el Acuerdo de *Lock-Up*) ha sido pospuesta al 29 de julio de 2020.

Las Tablas de Distribución de Deuda (*Baskets Table*) se adjuntan a esta comunicación.

Ángel Corzo Uceda
Director Financiero

CODERE FINANCE 2 (LUXEMBOURG) S.A.

SUMMARY OF KEY TERMS

The following list summarizes certain key terms of (i) amendments intended to be implemented in the Company's U.S.\$300 million aggregate principal amount of 7.625% Senior Secured Notes due 2021 and the €500 million 6.750% Senior Secured Notes due 2021 (the "Existing Senior Secured Notes") and (ii) Super Senior Secured Notes the Issuer proposes to issue and sell in a private placement to certain purchasers the "Super Senior Secured Notes"). This list is not intended to cover every point in the Indentures, but rather to highlight the key items.¹

	<u>Item</u>	<u>Agreed Provision</u>
1.	Indebtedness	
1.1.	<i>Fixed Charge Coverage Ratio</i>	Fixed Charge Coverage Ratio > 2.25 to 1.00.
1.2.	<i>Credit Facility Basket</i>	Credit facility debt basket for: <ol style="list-style-type: none"> 1. Debt represented by the Super Senior Secured Notes issued on the Issue Date and Debt incurred pursuant to the Revolving Credit Facility, provided that upon the refinancing of the Revolving Credit Facility, the Issuer and any Guarantor may incur Debt in the form of Additional Super Senior Secured Notes issued to holders of the Existing Senior Secured Notes that, together with the Interim Super Senior Secured Notes, will not exceed €250.0 million (and will not exceed €350.0 million under the Existing Senior Secured Notes provided the Super Senior Secured Notes are outstanding). 2. Super senior debt under the Surety Bond Facilities and obligations in respect of letters of credit not to exceed €75.0 million. 3. Existing Senior Secured Notes.
1.3.	<i>Existing Local Debt Basket</i>	Parent Guarantor or Restricted Group Members may incur local Debt, in an aggregate principal amount at any time outstanding not to exceed €95.0 million; <i>provided</i> that the aggregate amount of Debt that may be incurred by Restricted Group Members that are not the Issuer or a Guarantor shall not exceed €75.0 million at any one time outstanding.
1.4.	<i>Capital Lease Obligations or Purchase Money Obligations</i>	Debt of Parent Guarantor or any Restricted Group Member (other than the Issuer) of Debt under Capital Lease Obligations or Purchase Money Obligations not to exceed €25.0 million.
1.5.	<i>General Debt Basket</i>	Parent Guarantor or any Restricted Group Member may incur Debt not to exceed €25.0 million.
1.6.	<i>Acquisition of Minority Interests in non-Wholly Owned Subsidiaries/General Corporate Purposes Debt Basket</i>	Basket deleted.
1.7.	<i>Guarantees of Debt of Permitted Joint Ventures</i>	Basket deleted.

¹ References to "Notes" refers to both the Existing Senior Secured Notes and the Super Senior Secured Notes.

	<u>Item</u>	<u>Agreed Provision</u>
1.8.	<i>Intercompany Debt</i>	Pledge of intercompany debt to Codere S.A. and Codere Luxembourg 1 S.à r.l.
1.9.	<i>Reclassification of Debt</i>	Permitted for all baskets, provided Debt incurred under the Revolving Credit Facility or the Super Senior Notes Indenture will be deemed to have been incurred under the credit facility basket and Debt incurred under the Revolving Credit Facility or the Super Senior Notes Indenture or any other debt incurred under the credit facility basket may not be reclassified
1.10.	<i>Definition of Permitted Refinancing Indebtedness</i>	Permitted Refinancing Indebtedness shall not include, among other things, refinancing of Issuer or Guarantor Debt with non-Guarantor Debt.
2.	Negative Pledge/Permitted Liens	
2.1.	<i>Permitted Liens</i>	General basket: €25.0 million. No separate permitted liens for credit facility basket other than the Super Senior Secured Notes incurred thereunder, hedging obligations, Capitalized Lease Obligations and Purchase Money Obligations other than to the extent that lien relates to assets acquired, debt of an Unrestricted Group Member or for a person that is not a subsidiary of the group or general debt basket.
2.2.	<i>Permitted Collateral Liens</i>	Debt under the Super Senior Secured Notes, the Surety Bond Facilities and obligations in respect of letters of credit (on a super senior basis); and Hedging Obligations (to the extent relating to hedging interest rate or currency exposure in relation to debt incurred under the credit facility basket) (on a super senior basis).
3.	Restricted Payments*	
	<i>*Includes without limitation an absolute restriction on any dividends, payments or other value transfers to any direct or indirect shareholder, whether direct or indirect, including, for the avoidance of doubt, through an Unrestricted Group Member.</i>	
3.1.	<i>Consolidated Net Income Build-up Basket</i>	50% of Consolidated Net Income (minus 100% of deficit) from 1 January 2021
3.2.	<i>Leverage Basket</i>	If Consolidated Net Leverage Ratio < 2.00x.
3.3.	<i>General Restricted Payments Basket</i>	Aggregate amount of Restricted Payments not to exceed the greater of (x) €50.0 million and (y) 3.25% of Consolidated Cash Flow of the Parent Guarantor
3.4.	<i>Dividends on common stock following an IPO or any public offering</i>	Delete basket.
3.5.	<i>Repurchases/Loans to Repurchase Equity Interests from Directors, Officers, etc.</i>	Permitted up to €10.0 million per year, to satisfy the Company's obligations under its existing management incentive plan. No carry-over.
3.6.	<i>General Investment Basket</i>	Up to €75.0 million plus 100% of the dividends or distributions received by the Parent Guarantor or a Restricted Group Member from a Permitted Joint Venture
3.7.	<i>Permitted Joint Ventures Basket</i>	Deleted basket.
3.8.	<i>Permitted Business Basket</i>	Not to exceed €25.0 million
3.9.	<i>Additional Limitation</i>	Includes the following additional limitations: Neither the Parent Guarantor nor any Restricted Group Member will transfer the ownership of any intellectual property or other assets that the Parent Guarantor determines in good faith is material to the Parent Guarantor and its Restricted Group Members, taken as a whole, to an Unrestricted Group Member (provided that such intellectual property or other assets may not be encumbered for the express purpose of depreciating the value of such assets) except to the extent such intellectual property

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		or assets is related to the anticipated business activities to be conducted by such Unrestricted Group Member (as determined by the Parent Guarantor in good faith) and not for the primary purpose of such Unrestricted Group Member incurring indebtedness. Furthermore, neither the Parent Guarantor nor any Restricted Group Member will designate any Restricted Group Member as an Unrestricted Group Member for the purpose of incurring or exchanging Debt. However, such Unrestricted Group Member may incur Debt up to 20.0% of the cash received from such Unrestricted Group Member by a third-party in exchange for Equity Interests in such Unrestricted Group Member.
4.	Asset Sales	
4.1.	<i>Cash and Cash Equivalents</i>	Excludes long-term assets, including Capital Stock of a Person engaged in a Permitted Business, that are used or useful in the business of the Parent Guarantor.
4.2.	<i>Application of Proceeds</i>	<p>Net Proceeds from Asset Sale may be applied:</p> <p><u>Existing Senior Secured Notes:</u></p> <p>Redeem (i) debt outstanding under the Super Senior Secured Notes at Optional Redemption Price or (ii) debt outstanding under other Credit Facilities that rank <i>pari passu</i> with or senior to the Senior Secured Notes at no more than par plus accrued interest with a pro rata redemption offer to the Senior Secured Notes at par plus accrued interest where such debt ranks <i>pari passu</i> with the Existing Senior Secured Notes (or is a secured by a lien ranking <i>pari passu</i> with such notes).</p> <p><u>Super Senior Secured Notes:</u></p> <p>Redeem debt outstanding under the Super Senior Secured Notes at the Optional Redemption Price.</p> <p>In each case, to also:</p> <ol style="list-style-type: none"> 1. to acquire other long-term assets that are used or useful in the business of the Parent Guarantor; <i>provided</i> that Liens are granted over such assets such that they form part of the Collateral; 2. to make a capital expenditure; and 3. to invest in or commit to invest in Additional Assets (including by means of an investment in Additional Assets by a Restricted Group Member with Net Proceeds received by the Parent Guarantor or another Restricted Group Member); or any combination of the foregoing
4.3.	<i>Trigger for Excess Proceeds Offer</i>	€15.0 million
5.	Affiliate Transactions	
5.1.	<i>Definition of "Affiliate"</i>	Beneficial Ownership of 10% or more of the Voting Stock of a Person will be deemed control.
6.	Maintenance of Double Luxco Structure Covenant	
6.1.	<i>COMI</i>	<p>Codere Luxembourg 1 S.á r.l ("Luxco 1") and Codere Luxembourg 2 S.á r.l ("Luxco") must maintain COMI in Luxembourg.</p> <p>Addition of representations and covenants regarding maintaining the location of COMI, share register and at least half of board of directors of each of Luxco 1 and Luxco 2 in Luxembourg.</p>

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6.2.	<i>Limitation on Merger</i>	Luxco 1 and Luxco 2 may not: (1) consolidate or merge with or into another person; or (2) dispose of all or substantially all of their respective assets, in one or more related transactions, to another person; unless: <ul style="list-style-type: none"> i. the person formed by/surviving/to which such disposition has been made: (i) is incorporated in Luxembourg and (ii) assumes all obligations of the Luxco 1 or Luxco 2, as applicable, under the Indentures, the Notes, Intercreditor Agreement and the Security Documents. ii. No default/Event of Default shall have occurred and is continuing.
6.3.	<i>Double Luxco Structure</i>	Luxco 1 must always own 100% of Luxco 2 and Luxco 2 must always directly or indirectly own 100% of Codere Newco S.A.U.
6.4.	<u>Financial Definitions</u>	
6.5.	<i>Debt</i>	Pre-IFRS 16 operating leases carved out of definition. Any interest in respect of any such excluded leases not to be added back to Consolidated Cash Flow.
6.6.	<i>Ratios (Fixed Charge Coverage Ratio, Consolidated Net Leverage Ratio, Consolidated Secured Debt Leverage Ratio)</i>	<ul style="list-style-type: none"> • Leverage calculations to apply to all types of Debt. • Pro forma effect to anticipated or realized expense and cost reductions, cost savings, efficiencies, or synergies in connection with an acquisition of assets, expected to be realized within 12 months, subject to a cap of 15%.
7.	<u>Guarantees/Security</u>	
7.1.	<i>Guarantor Coverage Test</i>	To include a bi-annual test, for periods ending after June 30, 2021, requiring that Guarantors collectively account for not less than 65% of the Consolidated Cash Flow of the Restricted Group Members.
7.2.	<i>Springing Guarantees</i>	Any Restricted Subsidiary that guarantees any debt of the Issuer or any Guarantor, other than debt permitted to be incurred under the Debt covenant with a principal amount less than €20 million, must simultaneously guarantee the Notes.
7.3.	<i>Release of Guarantees</i>	<ul style="list-style-type: none"> • In connection with sale of substantially all the assets of such Subsidiary; Guarantor to a non-Restricted Group Member, provided not in violation of asset sale covenant and compliant with merger covenant; • Sale of capital stock of such Subsidiary Guarantor such that it is no longer a Restricted Group Member, provided not in violation of the asset sale covenant and compliant with merger covenant; • If designated as an Unrestricted Subsidiary; • Upon a Defeasance of the Notes; • If granted upon springing guarantee, upon the release of guarantee/security that gave rise to the obligation to guarantee the Notes; • With the consent of holders of 90% of outstanding Notes; • In connection with a solvent liquidation or dissolution of such Subsidiary Guarantor; and • In connection with a Permitted Reorganization.
7.4.	<i>Release of Security</i>	<ul style="list-style-type: none"> • Upon payment in full; • Upon release of a Guarantee, with respect to Liens securing such Guarantee;

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		<ul style="list-style-type: none"> • In connection with disposition of Collateral that is not prohibited by the Indenture or if to a Parent Guarantor or a Restricted Subsidiary, the Collateral remains subject to a lien; • If designated as an Unrestricted Subsidiary; • Pursuant to the Intercreditor Agreement; • Pursuant to the security impairment covenant; • In order to effectuate a merger pursuant to the merger covenant, provided equivalent Liens are provided for the benefit of the Existing Senior Secured Notes and the Super Senior Secured Notes by the surviving entity; and • In connection with a Permitted Reorganization.
8.	<u>Change of Control</u>	
8.1.	<i>Change of Control Triggers</i>	<p>To allow transfers of all or substantially all of the assets of the Parent Guarantor and those of Restricted Group Members to Persons that are Permitted Holders.</p> <p>Includes trigger for failure by Codere Newco, S.A.U. to own 100% of the Capital Stock of the Issuer.</p>
9.	<u>Amendments and Waivers</u>	
9.1.	<i>Security</i>	Release of security upon 90% bondholder consent.
10.	<u>Events of Default</u>	
10.1.	<i>Guarantee Default</i>	To include (in addition to Guarantees of the Parent Guarantor or a Subsidiary Guarantor that is a Significant Subsidiary) any group of Subsidiary Guarantors that, taken together, would constitute a Significant Subsidiary.