

**CODERE, S.A.**

For the attention of: Norman Sorensen Valdez  
(Chairman of the Board of Directors)  
For the attention of Luis Argüello Álvarez  
(Secretary of the Board of Directors)  
Avenida de Bruselas, 26  
(28108) Alcobendas – Madrid

With a copy to: all the members of the Board of Directors of Codere, S.A.

Madrid, June 25, 2020

Dear Sirs,

Pursuant to article 519.3 of Legislative Royal Decree 1/2010 of July 2 passing the restated Spanish Companies Law (*Ley de Sociedades de Capital* – “LSC”), article 16 of the Articles of Association and article 9.5 of the Shareholders’ Meeting Regulation of CODERE, S.A. (the “**Company**”), shareholder MASAMPE, S.L., beneficial owner and effective holder of 16,670,072 shares in the Company representing 14.06% of the share capital, hereby submits the following alternative proposal for a resolution on matters already included on the agenda of the Annual Shareholders’ Meeting of the Company, called to be held on July 24 and 25, 2020, on first and second call, respectively.

The founded proposal for a resolution is made in respect of the following item on the aforementioned agenda contained in the notice of call for the Annual Shareholders’ Meeting of the Company:

**THREE. Reelection of directors. The following proposals shall be put to separate ballot:**

**3.1. Reelection of Norman R. Sorensen Valdez to Independent Director.**

It is also requested that, pursuant to the LSC, the submitted alternative proposal and the relevant supporting report be conveyed to the shareholders of the Company, through the procedures and channels that may have been used for the purpose for the adequate access by the shareholders to the documentation attached to the notice of call for the Shareholders’ Meeting.

For the appropriate purposes, the following documentation is attached hereto:

1. Copy of the certificate of authentication evidencing the holders of said shares and that they represent more than the required 3% of the share capital of the Company.
2. Alternative proposal for a resolution and report on its assessment, meeting the legal requirements, to make them available to the shareholders of the Company.

Yours sincerely,

[illegible signature]

MASAMPE, S.L.

(Represented by José Antonio Martínez Sampedro, Sole Director)

## **ALTERNATIVE PROPOSAL FOR A RESOLUTION ON ITEMS ON THE AGENDA THAT ARE SUBMITTED TO THE 2020 ANNUAL SHAREHOLDERS' MEETING OF CODERE, S.A.**

Exercising the right conferred by article 519 of Legislative Royal Decree 1/2010, of July 2, passing the restated Spanish Companies Law (*Ley de Sociedades de Capital* – “LSC” or “Companies Law”), article 16 of the Articles of Association and article 9.5 of the Shareholders' Meeting Regulation of CODERE, S.A. (“Codere” or the “Company”), shareholder MASAMPE, S.L., beneficial owner and effective holder of 16,670,072 shares in the Company representing 14.06% of the share capital, has submitted an alternative proposal for a resolution on items already included on the agenda of the Annual Shareholders' Meeting of the Company, called to be held on July 24 and 25, 2020 on first and second call, respectively.

For the appropriate purposes, this document contains (i) an alternative proposal for a resolution relating to the items on the agenda contemplated in the notice of call for the next Shareholders' Meeting of the Company, for it to be appropriately put to ballot separately from the proposal submitted by the Board of Directors; and (ii) the relevant grounds of the submitted alternative proposal.

### **1. PROPOSAL FOR A RESOLUTION**

The shareholder making this alternative proposal for a resolution proposes the following wording to be adopted in respect of item 3.1 on the agenda, for it to be adequately put to ballot, separately from the proposal for a resolution made by the Board of Directors:

**“THREE. Reelection of directors. The following proposals shall be put to separate ballot:**

**3.1. Reelection of Norman R. Sorensen Valdez to Independent Director.**

*Not to reelect Norman R. Sorensen Valdez to Independent Director.”*

### **2. GROUNDS**

Pursuant to article 519 of the Companies Law, which establishes in section three: *“shareholders representing at least three per cent of the share capital may, within the same term established in the above section, submit founded proposals for resolutions on matters already included or that should be included on the agenda of the shareholders' meeting called”,* the due grounds for the alternative proposal in respect of item 3.1 on the agenda of the notice of call for the Annual Shareholders' Meeting are set out below.

In this regard, it is considered that Mr. Sorensen has violated with his action, throughout the past financial year, the duties of loyalty and due diligence required pursuant to articles 225, 227 et seq. of the Companies Law, which duties apply to him in his capacity as director of the Company.

The conduct of Mr. Sorensen represents an ongoing and repeated failure in his duties of diligence and loyalty, in various actions, which founds, not only this alternative proposal for a resolution, but also that proposal thirteen contemplated in the agenda of the notice of call for said meeting, relating to the removal from office of Mr. Sorensen as director, be put to ballot at the Annual Shareholders' Meeting. Since the term in office of Mr. Sorensen as director has concluded and, accordingly, the proposal for his reelection has been submitted to the Annual Shareholders' Meeting, the Shareholders' Meeting, as the sovereign governing body, has unlimited powers to object to the proposed reelection.

Throughout financial years 2018 and 2019, Mr. Sorensen has violated the law and the internal regulations of the Company, breaching, as regards his adequate performance, both his duties as a director and those pertaining to him as Chairman of the Board.

In addition, it is considered that Norman Sorensen Valdez does not currently have independent director status, the class of director to which he was appointed, due, not only to his action failing in his aforementioned duties, but also to his failure to meet the requirements established in article 529k, section 4, of the Companies Law, since he acts on the instructions of key executives or shareholders of the Company, for which reason he has not met throughout said years the requirements of independence demanded from him in his capacity as independent director.

Also, the action of Mr. Sorensen implies the breach of the Shareholders' Agreement in effect and published, as a relevant fact, on the web page of the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

All the above is reflected in his action as Chairman of the Board of Directors and of the Audit Committee (the "**Committee**"), one of the main expressions of such conduct being his management of the accounting inconsistencies reported to the market as relevant facts on October 7 and November 13, 2019. The investigation of the purported manipulation of several items of income and expenditure and their offsetting entries on the balance sheet, to increase fictitiously the income statements of several subsidiaries in Latin America and, accordingly, the consolidated profit of Codere, was managed by the Chairman in a manner such that:

- They were not detected internally by the internal control systems until a long period of time had elapsed or, in particular, by the Audit Committee and they were not investigated in depth by independent experts on the principle of good governance.
- External advisors who had held a relationship in the recent past with nominee directors and certain shareholders and also with Mr. Sorensen himself were engaged. Such relationships conditioned their decision placing in doubt their independence and, with this, the result of the investigations and the conclusions that might be drawn to adopt the corrective measures in the best interest of the Company.
- In addition, once the party purportedly ultimately liable for the detected accounting inconsistencies had been identified, the Chairman, far from promoting the taking of all manner of actions against said executive, proceeded to negotiate and make a confidentiality and non-competition agreement with the person declared to be the material author which, according to the information published in several media, implied payment of practically one million euros causing clear and senseless damage to the Company.

Such action, failing in his duties of loyalty towards the Company, may be observed in the relevant fact of the Company published in the web page of the Spanish National Securities Market Commission on November 13, 2019, since he never acted in the best interest of the Company:

*"(...) the company engaged Kroy Abogados y Álvarez & Marsal México SC ("Álvarez & Marsal"), both of them firms independent from Codere, to conduct the relevant independent investigation to establish its quantification and conception. They were*

*also commissioned to assess potential measures and instruments to reinforce the internal controls of the Company.*

*Kroy Abogados y Álvarez & Marsal have provided the conclusions of their work today to the Board of Directors of Codere. As a result of this, the company confirms that a reduction of 9.2 and 1.2 million euros is applicable in the operating income reported in the first half of the year for Mexico and Colombia, respectively, and of 14.8, 1.3 and 0.4 million euros in the Adjusted EBITDA in Mexico, Colombia and Panama, respectively, also for the first half of the year. These values are within the range of from 13 to 18 million euros of impact on the Adjusted EBITDA for the Group as a whole reported in the Relevant Fact of October 7. Likewise, the investigation conducted has not detected inappropriate uses or exits of funds either.*

*In addition to the work performed by independent firms Kroy y Alvarez & Marsal, the company carried out a series of additional analyses which confirm that no other geographical areas or previous financial years are affected by accounting inconsistencies. These analyses were consulted with the external auditors in the context of their audits. In addition to auditing the 2019 annual financial statements, the auditors are carrying out a limited audit (ISRE 2410) of the accounts of the third quarter”.*

Likewise, the relevant fact published on November 14, 2019, on “information on profit/loss Report on profit/loss 3Q 2019” continues reporting the accounting inconsistencies detected, even stating:

*“These inconsistencies were intentional, coordinated by a small group of persons in Mexico and carried out by manipulating the income and costs in our operating and accounting systems, without knowledge of the Corporate Office in Madrid. The company has adopted measures to make organizational changes and reinforce the internal controls to strengthen the operating systems and improve the solidity of the accounting and reporting processes.”*

However, despite the fact that an intentional manipulation of the income and costs was verified, there is no public record of the fact that the Company carried out additional actions to claim liability and compensation for the damage caused to it. Quite the contrary, it paid a high amount of money to the person purportedly liable in consideration for his maintaining his confidentiality duty.

Also, as a further example of his failure in his duties as a director, the breach of his obligations under the Board Regulation of Codere (the “**Board Regulation**”) may be observed. In this regard, the action on the part of Mr. Sorensen caused him not to inform the internal committees of the Company, particularly the Appointments, Remuneration and Corporate Governance Committee, of the appointments and/or removals of the senior management, for it to be able to inform the Board of Directors adequately.

As a consequence of the above, it is considered adequate to exercise the right recognized and regulated by article 519.3 LSC, and make this proposal alternative to that made by the Board of Directors, for its discussion and ballot by the Annual Shareholders’ Meeting of the Company. Thus, exercising said right, it is proposed that Mr. Sorensen not be reelected to independent director of the Company.

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**CODERE, S.A.**

For the attention of: Norman Sorensen Valdez  
(Chairman of the Board of Directors)

For the attention of Luis Argüello Álvarez  
(Secretary of the Board of Directors)

Avenida de Bruselas, 26  
(28108) Alcobendas – Madrid

With a copy to: all the members of the Board of Directors of Codere, S.A.

Madrid, June 25, 2020

Dear Sirs,

Pursuant to article 519.3 of Legislative Royal Decree 1/2010 of July 2 passing the restated Spanish Companies Law (*Ley de Sociedades de Capital* – “**LSC**”), article 16 of the Articles of Association and article 9.5 of the Shareholders’ Meeting Regulation of CODERE, S.A. (the “**Company**”), shareholder MASAMPE, S.L., beneficial owner and effective holder of 16,670,072 shares in the Company representing 14.06% of the share capital hereby submits the following alternative proposal for a resolution on matters already included on the agenda of the Annual Shareholders’ Meeting of the Company, called to be held on July 24 and 25, 2020, on first and second call, respectively.

The founded proposal for a resolution is made in respect of the following item on the aforementioned agenda contained in the notice of call for the Annual Shareholders’ Meeting of the Company:

**THREE. Reelection of directors. The following proposals shall be put to separate ballot:**

**3.2. Reelection of Matthew Turner to Independent Director.**

It is also requested that, pursuant to the LSC, the submitted alternative proposal and the relevant supporting report be conveyed to the shareholders of the Company, through the procedures and channels that may have been used for the adequate access by the shareholders to the documentation attached to the notice of call for the Shareholders’ Meeting.

For the appropriate purposes, the following documentation is attached hereto:

3. Copy of the certificate of authentication evidencing the holders of said shares and that they represent more than the required 3% of the share capital of the Company.
4. Alternative proposal for a resolution and report on its assessment, meeting the legal requirements, to make them available to the shareholders of the Company.

Yours sincerely,

[illegible signature]

MASAMPE, S.L.

(Represented by José Antonio Martínez Sampedro, Sole Director)

## **ALTERNATIVE PROPOSAL FOR A RESOLUTION ON ITEMS ON THE AGENDA THAT ARE SUBMITTED TO THE 2020 ANNUAL SHAREHOLDERS' MEETING OF CODERE, S.A.**

Exercising the right conferred by article 519 of Legislative Royal Decree 1/2010, of July 2, passing the restated Spanish Companies Law (*Ley de Sociedades de Capital* – “LSC” or “Companies Law”), article 16 of the Articles of Association and article 9.5 of the Shareholders' Meeting Regulation of CODERE, S.A. (“Codere” or the “Company”), shareholder MASAMPE, S.L., beneficial owner and effective holder of 16,670,072 shares in the Company representing 14.06% of the share capital, has submitted an alternative proposal for a resolution on items already included on the agenda of the Annual Shareholders' Meeting of the Company, called to be held on July 24 and 25, 2020 on first and second call, respectively.

For the appropriate purposes, this document contains (i) an alternative proposal for a resolution relating to the items on the agenda contemplated in the notice of call for the next Shareholders' Meeting of the Company, for it to be appropriately put to ballot separately from the proposal submitted by the Board of Directors; and (ii) the relevant grounds of the submitted alternative proposal.

### **1. PROPOSAL FOR A RESOLUTION**

The shareholder making this alternative proposal for a resolution proposes the following wording to be adopted in respect of item 3.1 on the agenda, for its to be adequately put to ballot, separately from the proposal for a resolution made by the Board of Directors:

**“THREE. Reelection of directors. The following proposals shall be put to separate ballot:**

**3.2. Reelection of Matthew Turner to Independent Director.**

*Not to reelect Matthew Turner to Independent Director.”*

### **2. GROUNDS**

Pursuant to article 519 of the Companies Law, which establishes in section three: *“shareholders representing at least three per cent of the share capital may, within the same term established in the above section, submit founded proposals for resolutions on matters already included or that should be included on the agenda of the shareholders' meeting called”*, the due grounds for the alternative proposal in respect of item 3.2 on the agenda of the notice of call for the Annual Shareholders' Meeting are set out below.

In this regard, it is considered that Mr. Turner has violated with his action, throughout the past financial year, the duties of loyalty and due diligence required pursuant to articles 225, 227 et seq. of the Companies Law, which duties apply to him in his capacity as director of the Company which he has in an ongoing manner and repeatedly breached, in various actions, which founds, also, that proposal fourteen contemplated in the agenda of the notice of call for said meeting, relating to the removal from office of Mr. Turner as director, be put to ballot at the Annual Shareholders' Meeting. Since the term in office of Mr. Turner as director has concluded and, accordingly, the proposal for his reelection has been submitted to the Annual Shareholders' Meeting, the Shareholders' Meeting, as the sovereign governing body, has unlimited powers to object to the proposed reelection.

Throughout financial years 2018 and 2019, Mr. Turner has not complied adequately with the legal provisions or with the internal regulations of the Company, breaching his duties as independent director.

In addition, it is considered that Matthew Turner does not currently have independent director status, the class of director to which he was appointed, due to his action failing in the aforementioned duties and failing to meet the requirements established in article 529k, section 4, of the Companies Law, having shown the lack of his “not being conditioned” by key shareholders or executives of the Company, in his actions as director throughout said years.

Also, the action of Mr. Turner implies the breach of the Shareholders’ Agreement in effect and published, as a relevant fact, on the web page of the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

All the above is reflected in his action as member of the Board of Directors and of the Audit Committee (the “**Committee**”) one of the main expressions of such conduct being his management of the accounting inconsistencies reported to the market as relevant facts on October 7 and November 13, 2019. The investigation of the purported manipulation of several items of income and expenditure and their offsetting entries on the balance sheet, to increase fictitiously the income statements of several subsidiaries in Latin America and, accordingly, the consolidated profit of Codere, was managed by certain directors, inter alia Mr. Turner, supporting the Chairman in a manner such that:

- They were not detected internally by the internal control systems until a long period of time had elapsed or, in particular, by the Audit Committee and they were not investigated in depth by independent experts on the principle of good governance.
- External advisors who had held a relationship in the recent past with nominee directors and certain shareholders were engaged. Such relationships conditioned their decision placing in doubt their independence and, with this, the result of the investigations and the conclusions that might be drawn to adopt the corrective measures in the best interest of the Company.
- In addition, once the party purportedly ultimately liable for the detected accounting inconsistencies had been identified, he permitted the Chairman, far from promoting the taking of all manner of actions against said executive, to negotiate and make a confidentiality and non-competition agreement with the person declared to be the material author which, according to the information published in several media, implied payment of practically one million euros causing clear and senseless damage to the Company.

Such action, failing in his duties of loyalty towards the Company, may be observed in the relevant fact of the Company published in the web page of the Spanish National Securities Market Commission on November 13, 2019, since he never acted in the best interest of the Company:

*“(...) the company engaged Kroy Abogados y Álvarez & Marsal México SC (“Álvarez & Marsal”), both of them firms independent from Codere, to conduct the relevant independent investigation to establish its quantification and conception. They were*

*also commissioned to assess potential measures and instruments to reinforce the internal controls of the Company.*

*Kroy Abogados y Álvarez & Marsal have provided the conclusions of their work today to the Board of Directors of Codere. As a result of this, the company confirms that a reduction of 9.2 and 1.2 million euros is applicable in the operating income reported in the first half of the year for Mexico and Colombia, respectively, and of 14.8, 1.3 and 0.4 million euros in the Adjusted EBITDA in Mexico, Colombia and Panama, respectively, also for the first half of the year. These values are within the range of from 13 to 18 million euros of impact on the Adjusted EBITDA for the Group as a whole reported in the Relevant Fact of October 7. Likewise, the investigation conducted has not detected inappropriate uses or exits of funds either.*

*In addition to the work performed by independent firms Kroy y Alvarez & Marsal, the company carried out a series of additional analyses which confirm that no other geographical areas or previous financial years are affected by accounting inconsistencies. These analyses were consulted with the external auditors in the context of their audits. In addition to auditing the 2019 annual financial statements, the auditors are carrying out a limited audit (ISRE 2410) of the accounts of the third quarter”.*

Likewise, the relevant fact published on November 14, 2019, on “information on profit/loss Report on profit/loss 3Q 2019” continues reporting the accounting inconsistencies detected, even stating:

*“These inconsistencies **were intentional, coordinated** by a small group of persons in Mexico and carried out **by manipulating the income and costs** in our operating and accounting systems, without knowledge of the Corporate Office in Madrid. The company has adopted measures to make organizational changes and reinforce the internal controls to strengthen the operating systems and improve the solidity of the accounting and reporting processes.”*

However, despite the fact that an intentional manipulation of the income and costs was verified, there is no public record of the fact that the Company carried out additional actions to claim liability and compensation for the damage caused to it. Quite the contrary, it paid a high amount of money to the person purportedly liable in consideration for his maintaining his confidentiality duty.

As a consequence of the above, it is considered adequate to propose, as a proposal alternative to that made by the Board of Directors, for its discussion and ballot by the Annual Shareholders’ Meeting of the Company, that Mr. Turner not be reelected to independent director of the Company.

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**CODERE, S.A.**

For the attention of: Norman Sorensen Valdez

(Chairman of the Board of Directors)

For the attention of Luis Argüello Álvarez

(Secretary of the Board of Directors)

Avenida de Bruselas, 26

(28108) Alcobendas – Madrid

With a copy to: all the members of the Board of Directors of Codere, S.A.

Madrid, June 25, 2020

Dear Sirs,

Pursuant to article 519.3 of Legislative Royal Decree 1/2010 of July 2 passing the restated Spanish Companies Law (*Ley de Sociedades de Capital* – “LSC”), article 16 of the Articles of Association and article 9.5 of the Shareholders’ Meeting Regulation of CODERE, S.A. (the “**Company**”), shareholder MASAMPE, S.L., beneficial owner and effective holder of 16,670,072 shares in the Company representing 14.06% of the share capital hereby submits the following alternative proposal for a resolution on matters already included on the agenda of the Annual Shareholders’ Meeting of the Company, called to be held on July 24 and 25, 2020, on first and second call, respectively.

The founded proposal for a resolution is made in respect of the following item on the aforementioned agenda contained in the notice of call for the Annual Shareholders’ Meeting of the Company:

**THREE. Reelection of directors. The following proposals shall be put to separate ballot:**

**3.4. Reelection of Timothy Lavelle to Nominee Director.**

It is also requested that, pursuant to the LSC, the submitted alternative proposal and the relevant supporting report be conveyed to the shareholders of the Company, through the procedures and channels that may have been used for the adequate access by the shareholders to the documentation attached to the notice of call for the Shareholders’ Meeting.

For the appropriate purposes, the following documentation is attached hereto:

5. Copy of the certificate of authentication evidencing the holders of said shares and that they represent more than the required 3% of the share capital of the Company.
6. Alternative proposal for a resolution and report on its assessment, meeting the legal requirements, to make them available to the shareholders of the Company.

Yours sincerely,

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MASAMPE, S.L.

(Represented by José Antonio Martínez Sampedro, Sole Director)

## **ALTERNATIVE PROPOSAL FOR A RESOLUTION ON ITEMS ON THE AGENDA THAT ARE SUBMITTED TO THE 2020 ANNUAL SHAREHOLDERS' MEETING OF CODERE, S.A.**

Exercising the right conferred by article 519 of Legislative Royal Decree 1/2010, of July 2, passing the restated Spanish Companies Law (*Ley de Sociedades de Capital* – “LSC” or “Companies Law”), article 16 of the Articles of Association and article 9.5 of the Shareholders' Meeting Regulation of CODERE, S.A. (“Codere” or the “Company”), shareholder MASAMPE, S.L., beneficial owner and effective holder of 16,670,072 shares in the Company representing 14.06% of the share capital, has submitted an alternative proposal for a resolution on items already included on the agenda of the Annual Shareholders' Meeting of the Company, called to be held on July 24 and 24, on first and second call, respectively.

For the appropriate purposes, this document contains (i) an alternative proposal for a resolution relating to the items on the agenda contemplated in the notice of call for the next Shareholders' Meeting of the Company, for it to be appropriately put to ballot separately from the proposal submitted by the Board of Directors; and (ii) the relevant grounds of the submitted alternative proposal.

### **1. PROPOSAL FOR A RESOLUTION**

The shareholder making this alternative proposal for a resolution proposes the following wording to be adopted in respect of item 3.1 on the agenda, for it to be adequately put to ballot, separately from the proposal for a resolution made by the Board of Directors:

**“THREE. Reelection of directors. The following proposals shall be put to separate ballot:**

**3.4. Reelection of Timothy Lavelle to Nominee Director.**

*Not to reelect Timothy Lavelle to Nominee Director.”*

### **2. GROUNDS**

Pursuant to article 519 of the Companies Law, which establishes in section three: *“shareholders representing at least three per cent of the share capital may, within the same term established in the above section, submit founded proposals for resolutions on matters already included or that should be included on the agenda of the shareholders' meeting called”*, the due grounds for the alternative proposal in respect of item 3.4 on the agenda of the notice of call for the Annual Shareholders' Meeting are set out below.

In this regard, it is considered that Mr. Lavelle has violated with his action, throughout the past financial year, the duties of loyalty and due diligence required pursuant to articles 225, 227 et seq. of the Companies Law, which duties apply to him in his capacity as director of the Company and which he has in an ongoing manner and repeatedly breached, in various actions, which founds, also, that proposal fifteen contemplated in the agenda of the notice of call for said meeting, relating to the removal from office of Mr. Lavelle as director, be put to ballot at the Annual Shareholders' Meeting.

Throughout financial years 2018 and 2019, Mr. Lavelle has not complied adequately with the legal provisions or with the internal regulations of the Company, thus failing in his duties as nominee director.

In addition, the action of Mr. Lavelle implies the breach of the Shareholders' Agreement in force, published, as a relevant fact, in the web page of the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

All the above is reflected in his action as member of the Board of Directors and of the Audit Committee (the "**Committee**") one of the main expressions of such conduct being his management of the accounting inconsistencies reported to the market as relevant facts on October 7 and November 13, 2019. The investigation of the purported manipulation of several items of income and expenditure and their offsetting entries on the balance sheet, to increase fictitiously the income statements of several subsidiaries in Latin America and, accordingly, the consolidated profit of Codere, was managed by certain directors, *inter alia* Mr. Lavelle, supporting the Chairman, in a manner such that:

- They were not detected internally by the internal control systems until a long period of time had elapsed or, in particular, by the Audit Committee and they were not investigated in depth by independent experts on the principle of good governance.
- External advisors who had held a relationship in the recent past with nominee directors and certain shareholders, including Mr. Lavelle, were engaged. Such relationships conditioned their decision placing in doubt their independence and, with this, the result of the investigations and the conclusions that might be drawn to adopt the corrective measures in the best interest of the Company.
- In addition, once the party purportedly ultimately liable for the detected accounting inconsistencies had been identified, he permitted the Chairman, far from promoting the taking of all manner of actions against said executive, to negotiate and make a confidentiality and non-competition agreement with the person declared to be the material author which, according to the information published in several media, implied payment of practically one million euros causing clear and senseless damage to the Company.

Such action, failing in his duties of loyalty towards the Company, may be observed in the relevant fact of the Company published in the web page of the Spanish National Securities Market Commission on November 13, 2019, since he never acted in the best interest of the Company:

*"(...) the company engaged Kroy Abogados y Álvarez & Marsal México SC ("Álvarez & Marsal), both of them firms independent from Codere, to conduct the relevant independent investigation to establish its quantification and conception. They were also commissioned to assess potential measures and instruments to reinforce the internal controls of the Company.*

*Kroy Abogados y Álvarez & Marsal have provided the conclusions of their work today to the Board of Directors of Codere. As a result of this, the company confirms that a reduction of 9.2 and 1.2 million euros is applicable in the operating income reported in the first half of the year for Mexico and Colombia, respectively, and of 14.8, 1.3 and 0.4 million euros in the Adjusted EBITDA in Mexico, Colombia and Panama, respectively, also for the first half of the year. These values are within the range of from 13 to 18 million euros of impact on the Adjusted EBITDA for the Group as a whole reported in*

*the Relevant Fact of October 7. Likewise, the investigation conducted has not detected inappropriate uses or exits of funds either.*

*In addition to the work performed by independent firms Kroy y Alvarez & Marsal, the company carried out a series of additional analyses which confirm that no other geographical areas or previous financial years are affected by accounting inconsistencies. These analyses were consulted with the external auditors in the context of their audits. In addition to auditing the 2019 annual financial statements, the auditors are carrying out a limited audit (ISRE 2410) of the accounts of the third quarter”.*

Likewise, the relevant fact published on November 14, 2019, on “information on profit/loss Report on profit/loss 3Q 2019” continues reporting the accounting inconsistencies detected, even stating:

*“These inconsistencies **were intentional, coordinated** by a small group of persons in Mexico and carried out **by manipulating the income and costs** in our operating and accounting systems, without knowledge of the Corporate Office in Madrid. The company has adopted measures to make organizational changes and reinforce the internal controls to strengthen the operating systems and improve the solidity of the accounting and reporting processes.”*

However, despite the fact that an intentional manipulation of the income and costs was verified, there is no public record of the fact that the Company carried out additional actions to claim liability and compensation for the damage caused to it. Quite the contrary, it paid a high amount of money to the person purportedly liable in consideration for his maintaining his confidentiality duty.

As a consequence of the above, it is considered adequate to propose, as a proposal alternative to that made by the Board of Directors, for its discussion and ballot by the Annual Shareholders’ Meeting of the Company, that Mr. Lavelle not be reelected to director of the Company.

[illegible signature]

**CODERE, S.A.**

For the attention of: Norman Sorensen Valdez  
(Chairman of the Board of Directors)  
For the attention of Luis Argüello Álvarez  
(Secretary of the Board of Directors)  
Avenida de Bruselas, 26  
(28108) Alcobendas – Madrid

Madrid, June 25, 2020

Dear Sirs,

Pursuant to articles 172 and 519 of Legislative Royal Decree 1/2010 of July 2 passing the restated Spanish Companies Law (*Ley de Sociedades de Capital* – “**LSC**”), article 16 of the Articles of Association and article 9.5 of the Shareholders’ Meeting Regulation of CODERE, S.A. (the “**Company**”), shareholder MASAMPE, S.L., beneficial owner and effective holder of 16,670,072 shares in the Company representing 14.06% of the share capital hereby requests the publication of the following supplement to the notice of call for the next Annual Shareholders’ Meeting of the Company, called to be held on July 24 and 25, 2020, on first and second call, respectively (the “**Supplement**”).

The items that it is requested be included on the agenda of the notice of call for the Annual Shareholders’ Meeting of the Company are:

**“Sixteen. Appointment of José Antonio Martínez Sampedro to director of the Company**

Considering that MASAMPE, S.L. has legal powers to request the appointment of nominee directors pursuant to article 529k.3 of the LSC and clause 5.3.2 of the Shareholders’ Agreement made on April 15, 2016, it is proposed that José Antonio Martínez Sampedro be appointed to Nominee Director for the statutory term of 2 years.”

**“Seventeen. Appointment of Luis Javier Martínez Sampedro to director of the Company**

Considering that MASAMPE, S.L. has legal powers to request the appointment of nominee directors pursuant to article 529k.3 of the LSC and clause 5.3.2 of the Shareholders’ Agreement made on April 15, 2016, it is proposed that Luis Javier Martínez Sampedro be appointed to Nominee Director for the statutory term of 2 years.”

For the appropriate purposes, the following documentation is attached hereto:

1. Copy of the certificate of authentication evidencing the holders of said shares and that they represent more than the required 3% of the share capital of the Company.
2. Proposals for resolutions with their respective grounds, meeting the legal requirements.

Yours sincerely,

[illegible signature]

MASAMPE, S.L.

Represented by José Antonio Martínez Sampedro  
(Sole Director)

**FOUNDED PROPOSALS FOR RESOLUTIONS SUBMITTED TO THE 2020 ANNUAL  
SHAREHOLDERS' MEETING OF CODERE, S.A.**

Exercising the right conferred by articles 172 and 519 of Legislative Royal Decree 1/2010, of July 2, passing the restated Spanish Companies Law (*Ley de Sociedades de Capital* – “LSC” or the “**Companies Law**”), article 16 of the Articles of Association and article 9.5 of the Shareholders' Meeting Regulation of CODERE, S.A. (“**Codere**” or the “**Company**”), shareholder MASAMPE, S.L., beneficial owner and effective holder of 16,670,072 shares in the Company representing 14.06% of the share capital, has requested the publication of a supplement to the notice of call for the next Annual Shareholders' Meeting of the Company, called to be held on July 24 and 25, 2020, on first and second call, respectively, for it to include the following items:

**Sixteen. Appointment of José Antonio Martínez Sampedro to director of the Company**

**Seventeen. Appointment of Luis Javier Martínez Sampedro to director of the Company**

For the appropriate purposes, this document includes (i) proposals for specific resolutions relating to each of the additional items requested in the Supplement; and (ii) the relevant grounds for each of the proposals contemplated in this Supplement to the notice of call for the Annual Shareholders' Meeting.

**1. PROPOSALS FOR RESOLUTIONS**

*“Sixteen. Appointment of José Antonio Martínez Sampedro to director of the Company*

Considering that MASAMPE, S.L. has legal powers to request the appointment of nominee directors pursuant to article 529k.3 of the LSC and clause 5.3.2 of the Shareholders' Agreement made on April 15, 2016, it is proposed that José Antonio Martínez Sampedro be appointed to Nominee Director for the statutory term of 2 years.”

*“Seventeen. Appointment of Luis Javier Martínez Sampedro to director of the Company*

Considering that MASAMPE, S.L. has legal powers to request the appointment of nominee directors pursuant to article 529k.3 of the LSC and clause 5.3.2 of the Shareholders' Agreement made on April 15, 2016, it is proposed that Luis Javier Martínez Sampedro be appointed to Nominee Director for the statutory term of 2 years.”

**2. GROUNDS**

Pursuant to article 519 of the Companies Law, which establishes in section three: *“shareholders representing at least three per cent of the share capital may, within the same term established in the above section, submit founded proposals for resolutions on matters already included or that should be included on the agenda of the shareholders' meeting called”*, the due grounds for the inclusion of each of the new items on the agenda requested in this Supplement are set out below.

***Item Sixteen: Appointment of José Antonio Martínez Sampedro to director of the Company***

**Introduction**

On the basis of the right to appoint nominee directors pursuant to article 529k of the Companies Law, to fill the vacancies on the Board of Directors, we request the appointment, by the Shareholders' Meeting, of José Antonio Martínez Sampedro to director of the Company,

since said person, in view of the requirements established in the internal policies of Codere, fully meets the requirements and has the appropriate features required by the Company from Board members.

In addition, under the Shareholders' Agreement made on April 15, 2016 (the "**Agreement**")<sup>1</sup> by various shareholders of Codere, inter alia, Masampe and José Antonio Martínez Sampedro, and, in particular, pursuant to clause 5.3.2 of the Agreement, the right of such shareholders to propose to the Shareholders' Meeting the appointment of up to three Board members of Codere is exercised. Thus, through this proposal, a right recognized in the Agreement is being exercised and, if not met in the statutory manner, this could give rise to a further breach of said Agreement.

In this regard, said shareholders, in compliance with the Agreement and with article 529k LSC, proposed to the Board of Directors of the Company, through the legal channels and before the notice of call for the Annual Shareholders' Meeting, the inclusion on the agenda of the proposal for appointment of José Antonio Martínez Sampedro to nominee director; however, since there is no formal record of the notice or notification to the applicant as significant shareholder or of any resolution adopted by the responsible bodies, it is verified that such proposal for appointment has not been included in said Notice of Call. This circumstance has obliged Masampe, as significant shareholder, through its legal representative, to send this Supplement to the notice of call.

It is placed on record that the person whose appointment to nominee director is proposed meets the legal and statutory requirements and complies with the Policy for Recruitment of Directors approved by the Board of Directors.

#### Policy for recruitment of directors

The Company approved, at the Board meeting held on November 10, 2016, a Policy for Recruitment of Directors the purpose whereof is for said internal managing body of the Company to consist of a diversity of members benefitting the diversity of knowledge and experience among other issues.

In addition, under said policy, due to the different needs of the Board of Directors, Board members must have certain professional profiles meeting the following features:

- Experience and knowledge of the gaming industry, in its various forms, both on-site and on-line.
- Skill in economic and financial matters and in accounting, auditing, risk management and/or business administration.
- International experience in various geographical markets, more particularly in the key markets of the Company and its group.
- Experience in business management, leadership and strategy.

In accordance with his professional profile as described below, José Antonio Martínez Sampedro clearly meets all the requirements established in the Policy for Recruitment of Directors of Codere, which evidences the suitability of the candidate to hold office as director of the Company.

#### Professional profile

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<sup>1</sup> Last amendment of January 16, 2018



José Antonio Martínez Sampedro was the founder of Codere and was appointed to director of said company at its incorporation in 1980. He held the position of director of the Company from its foundation to 2019, having been also the CEO of Codere from 1980 to 2018. In 2002, he was appointed to Chairman of the Board of Directors, holding said office in executive capacity, until January 2018.

During the years for which José Antonio Martínez Sampedro held office as executive Chairman of Codere, he executed all the decisions adopted by the Board of Directors with the maximum diligence and loyalty to the Company. His experience in the Company permits him to know all its aspects and he is its main promoter for its development and expansion and evidences that he has (i) wide experience and knowledge of the gaming industry, in its various forms, (ii) skills in economic and financial affairs, and in risk management and business administration; (iii) wide international experience, specifically in the geographical markets in which the Company and its group conduct their business; and (iv) demonstrated experience in business management, leadership and strategy.

#### Availability

Mr. Martínez Sampero currently holds a single office in other entities, specifically as sole director of Masampe, S.L., which circumstance does not impede him from being fully available to devote the necessary time to discharge duties as nominee director of the Company.

#### Absence of incompatibilities and prohibitions

Currently, José Antonio Martínez Sampedro is not included in any event of incompatibility and/or prohibition established by law or in the articles of association and may thus hold office as director in the Company.

In addition, we must report that, to meet the proposal subject matter of this Supplement, Mr. Martínez Sampedro is not included in any event of incompatibility, prohibition, limitation, conflict of interest, permanent or provisional, impeding his appointment to nominee director.

It may thus only be concluded that José Antonio Martínez Sampedro is a suitable candidate to director of Codere since:

- he is not in conflict of interest with the Company; and
- he has not infringed, with his previous actions as director of Codere, his duties towards the Company of diligence, loyalty or any other established by law and/or the articles of association.

#### Suitability and merits

In view of the above, considering both the professional profile of José Antonio Martínez Sampedro and his availability and absence of incompatibilities and prohibitions, he is suitable to be appointed to director of Codere. Mr. Martínez's knowledge, experience and training make him a suitable candidate for the position of director, adding to the Board of Directors certain knowledge in the gaming industry and relevant matters, in addition to geographical markets where the Company and its group conduct their business, in addition to his knowledge of the Company and its group, which permit the Board to have a director profile which, with its current composition, it is lacking.

#### Class of director

The proposal for appointment of José Antonio Martínez Sampedro to nominee director of the Company is made pursuant to clause 5.3.2 of the Agreement and to article 529k of the Companies Law, since José Antonio Martínez Sampedro has shareholder status in Codere and, in addition, will represent certain shareholders (himself and Masampe) on the Board of Directors.

#### **Item Seventeen. Appointment of Luis Javier Martínez Sampedro to director of the Company**

##### **Introduction**

On the basis of the right to appoint nominee directors pursuant to article 529k of the Companies Law, to fill the vacancies on the Board of Directors, we request the appointment, by the Shareholders' Meeting, of Luis Javier Martínez Sampedro to director of the Company, since said person, in view of the requirements of the internal policies of Codere, fully meets the requirements and has the appropriate features required by the Company from Board members.

In addition, under the Shareholders' Agreement made on April 15, 2016 (the "**Agreement**")<sup>2</sup> by various shareholders of Codere, inter alia, Masampe and Luis Javier Martínez Sampedro, and, in particular, pursuant to clause 5.3.2 of the Agreement, the right of such shareholders to propose to the Shareholders' Meeting the appointment of up to three Board members of Codere is exercised. Thus, through this proposal a right recognized in the Agreement is being exercised and, if not met in the statutory manner, this could give rise to a further breach of said Agreement.

In this regard, said shareholders, in compliance with the Agreement and with article 529k LSC, proposed to the Board of Directors of the Company, through the legal channels and before the notice of call for the Annual Shareholders' Meeting, the inclusion on the agenda of the proposal for appointment of Luis Javier Martínez Sampedro to nominee director; however, since there is no formal record of the notice or notification to the applicant as significant shareholder or of any resolution adopted by the responsible bodies, it is verified that such proposal for appointment has not been included in said Notice of Call. This circumstance has obliged Masampe, as significant shareholder, through its legal representative, to send this Supplement to the notice of call.

It is placed on record that the person whose appointment to nominee director is proposed meets the legal and statutory requirements and complies with the Policy for Recruitment of Directors approved by the Board of Directors.

##### **Policy for recruitment of directors**

The Company approved, at the Board meeting held on November 10, 2016, a Policy for Recruitment of Directors the purpose whereof is for said internal managing body of the Company to consist of a diversity of members benefitting the diversity of knowledge and experience among other issues.

In addition, under said policy, due to the different needs of the Board of Directors, Board members must have certain professional profiles meeting the following features:

- Experience and knowledge of the gaming industry, in its various forms, both on-site and on-line.

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<sup>2</sup> Last amendment of January 16, 2018

- Skills in economic and financial matters and in accounting, auditing, risk management and/or business administration.
- International experience in various geographical markets, more particularly in the key markets of the Company and its group.
- Experience in business management, leadership and strategy.

In accordance with his professional profile as described below, Luis Javier Martínez Sampedro clearly meets all the requirements established in the Policy for Recruitment of Directors of Codere, which evidences the suitability of the candidate to hold office as director of the Company.

#### Professional profile

Luis Javier Martínez Sampedro joined Codere after its foundation, and was appointed to director and, subsequently, to executive Vice-Chairman of the Company.

During the years for which Luis Javier Martínez Sampedro held office as director and, subsequently, as executive Vice-Chairman of Codere, he has been in charge of providing the necessary support to the Chairman for execution of all the decisions adopted by the Board of Directors with the maximum diligence and loyalty to the Company. His experience in the Company permits him to know all its aspects and he evidences that he has (i) wide experience and knowledge of the gaming industry, in its various forms, (ii) skills in economic and financial affairs, and in risk management and business administration; (iii) wide international experience, specifically in the geographical markets in which the Company and its group conduct their business; and (iv) demonstrated experience in business management, leadership and strategy.

#### Availability

Mr. Martínez Sampedro currently holds no office in other entities and is thus fully available to devote the necessary time to discharge duties as nominee director of the Company.

#### Absence of incompatibilities and prohibitions

Currently, Luis Javier Martínez Sampedro is not included in any event of incompatibility and/or prohibition established by law or in the articles of association and may thus hold office as director in the Company.

In addition, we must report that, to meet the proposal subject matter of this Supplement, Mr. Martínez Sampedro is not included in any event of incompatibility, prohibition, limitation, conflict of interest, permanent or provisional, impeding his appointment to nominee director.

It may thus only be concluded that Luis Javier Martínez Sampedro is a suitable candidate to director of Codere since:

- he is not in conflict of interest with the Company; and
- he has not infringed, with his previous actions as director of Codere, his duties towards the Company of diligence, loyalty or any other established by law and/or the articles of association.

#### Suitability and merits

In view of the above, considering both the professional profile of Luis Javier Martínez Sampedro and his availability and absence of incompatibilities and prohibitions, he is suitable

to be appointed to director of Codere. Mr. Martínez Sampedro's knowledge, experience and training make him a suitable candidate for the position of director, adding to the Board of Directors certain knowledge in the gaming industry and relevant matters, in addition to geographical markets where the Company and its group conduct their business, in addition to his knowledge of the Company and its group, which permit the Board to have a director profile which, with its current composition, it is lacking.

*Class of director*

The proposal for appointment of Luis Javier Martínez Sampedro to nominee director of the Company is made pursuant to clause 5.3.2 of the Agreement and to article 529k of the Companies Law, since Luis Javier Martínez Sampedro has shareholder status in Codere and, in addition, will represent certain shareholders (himself and Masampe) on the Board of Directors.

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