

**Madrid, October 9, 2019.** - Codere, a leading international company in the private gaming sector, published, through a significant event issued on October 7, 2019, that its internal control procedures have detected certain inconsistencies in the reporting of 2019 accounting results in three of its Latin American subsidiaries (Mexico, Panama and Colombia).

The preliminary analysis of these inconsistencies quantifies its maximum impact at 13-18 million euros on the results published for the first half of the year, and would reduce the company's Adjusted EBITDA expectation for the entire year by approximately 20 million euros. The investigations carried out so far, have not detected any additional impact to the Company's liquidity situation, nor any inappropriate cash outflows, leading the company to believe that it is an isolated incident that only affects the results of those subsidiaries this year.

As a result of Codere's firm commitment to compliance with all enforceable measures and applicable regulations, the Group relies on Internal Control, Audit and Compliance systems and procedures, which have been critical to detect such incidents.

Once these inconsistencies were identified and confirmed, a Board of Directors meetings was held, after which the corresponding significant event was issued to inform the competent authorities, complying with the criteria of maximum transparency and best corporate governance practices of Codere.

In addition, the Company's Board of Directors has commissioned a forensic analysis from an independent external consultant of recognized prestige. Once the results of this process are known, which will determine the origin of the inconsistencies and the source of the internal responsibilities or errors, the company will take the pertinent measures to correct the detected mismatches and ensure that they do not occur again.

Codere maintains its commitment to transparent communication and reporting, focusing its efforts on the prevention, monitoring and control of all its processes.

In the meantime, the Company's management team remains fully committed to the Group's objectives and is already working on an action plan to mitigate the impact of this situation on the results of the year.

On the other hand, on October 7, Director Mr. Alberto Manzanares Secades resigned from his position in the Board for "strictly personal reasons, mainly due to the difficulty of reconciling the dedication required by my position as proprietary Director of CODERE S.A. with my remaining professional obligations". This fact is not related to the situation described above, since his resignation occurred prior to being aware of it, and Mr. Alberto Manzanares did not attend the Board meeting held on October 7.

#### **About Codere**

Codere is an internationally renowned operator of the game sector, with presence in eight European countries - Spain and Italy - and Latin America - Argentina, Mexico, Panama, Colombia, Uruguay, which operates more than 57,000 machines and has more than 29,537 bingo stations and more than 7,700 sports betting terminals in 148 gaming halls, 1,119 salons, 10,000 bars, 602 sports betting shops and 4 racetracks. The Company also develops online gaming. More information: [www.grupocodere.com](http://www.grupocodere.com)

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