

Q2 2022 Earnings Results

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codere

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Financial and Operating Overview

Figures for Operating Profit (other than non-recurring items and impairment charges) are shown excluding the impact of non-recurring items and the application of IAS 29. Adjusted EBITDA refers to EBITDA¹ excluding all non-recurring items and omitting Argentinian inflation accounting according to IAS 29. All figures are post the application of IFRS 16.

- Q2 2022 Operating Revenue reached EUR 317.7 mm. Retail revenue growth vs previous quarter (+8.2 %,) was driven by a strong recovery in Argentina, Colombia and Panama. The Mexican market was impacted by temporary promotional restrictions and stricter smoking ban compliance. Lower results in Spain are due to a lower take percentage in Sports Betting when Real Madrid won the Champions League in May. Online revenues compared to the previous quarter increased by 13%, driven by Mexico and a good recovery in Spain.
- Q2 2022 Adjusted EBITDA reached EUR 47.8 mm, EUR 29.7 mm more than in Q2 2021. Q2 Retail figure is aligned with the previous quarter, mainly driven by strong performance in Argentina. Online results positively impacted by revenue growth and lower marketing spend in Mexico in Q2.
- Q2 2022 Adjusted EBITDA margin reached 15%, 2.0 percentage points over Q2 2021. Retail margin recovered vs prior year in most territories while it was 1.3 percentage points lower than previous quarter due to temporary promotional restrictions and stricter smoking ban compliance in Mexico, lower sports betting performance (Champions League impact in May) and higher energy costs, and the negative impact of accounting revenues recognition in Uruguay.
- A Net loss of EUR 37.3 mm was generated in Q2 2022, compared to a loss of EUR 77.2 mm in Q2 2021.
- Capex in Q2 2022 was EUR 14.5mm, EUR 6.1 mm more than Q2 2021, and was almost entirely related to maintenance, most of it in Spain, Mexico and Uruguay.
- Operational cash flow was positive (EUR +6.3mm). Retail liquidity (EUR +81.6 mm) is in line with guidance given in Q1. Positive cash from operations (EUR +21.9 mm) with a working capital (EUR -6.4 mm). Negative cash flow in the period (EUR 9.8 mm) due to known non-current cash out (EUR 7.5 mm) mainly due to Spanish deferred gaming taxes, deferred payables catch up, accrued vs paid horse-racing prizes in Uruguay and higher repatriation costs from Argentina.
- As of June 30, 2022, our cash position was EUR 166.2 mm down EUR 20.5 mm from the previous quarter. Our gross debt amounted to EUR 960.7 mm excluding capitalization of operating leases (as per IFRS 16). If we include operating leases gross debt stands at EUR 1,140.9 mm.
- In terms of gaming capacity, our active number of slots as of June 30, 2022, was 44,223, deployed across our entire retail footprint. In terms of venues, we had 140 gaming halls in operation, 1,065 arcades, 176 sports betting shops and 8,226 bars.

¹ EBITDA, as defined by the Company, is operating profit (EBIT) plus depreciation and amortization, change in provisions for trade transactions, gains / (losses) on asset disposals, and impairment charges.

Consolidated Income Statement

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	2021.Q2	2022.Q2	Var. %	2021.Q2	2022.Q2	Var. %
Operating Revenue	139.1	317.7	128.3%	266.3	611.4	129.6%
Gaming & Other Taxes	(32.9)	(115.7)	n.a.	(71.3)	(224.2)	n.a.
Personnel	(37.4)	(63.5)	(69.7%)	(78.4)	(120.8)	(54.0%)
Rentals	(3.7)	(11.7)	n.a.	(3.7)	(21.9)	n.a.
Cost of Goods Sold	(9.9)	(14.1)	(42.8%)	(17.1)	(26.0)	(52.1%)
Other	(37.2)	(64.9)	(74.6%)	(74.2)	(122.1)	(64.5%)
Operating Expenses (excl. D&A)	(121.1)	(269.9)	(122.9%)	(244.8)	(514.9)	(110.4%)
Depreciation & Amortization	(31.9)	(34.9)	(9.2%)	(69.0)	(69.0)	0.0%
Variation in Provisions for Trade Transactions ⁽¹⁾	(0.2)	(0.1)	30.6%	0.2	(0.4)	n.a.
Gains / (Losses) on Asset Disposals ⁽²⁾	(0.2)	(0.2)	14.9%	(2.3)	(0.5)	79.5%
Impairment Charges	(16.2)	0.0	n.a.	(16.2)	0.0	n.a.
Non-Recurring Items	(9.1)	(14.2)	(56.0%)	(19.7)	(29.4)	(49.3%)
Operating Profit (Pre-Inflation Accounting)	(39.6)	(1.6)	96.0%	(85.4)	(2.8)	96.7%
Inflation Adjustment on Revenue & Expenses ^(3,4)	(3.8)	(2.5)	33.4%	(6.8)	(6.3)	7.0%
Operating Profit (Post-Inflation Accounting)	(43.3)	(4.1)	90.6%	(92.2)	(9.1)	90.1%
Interest Expense	(41.8)	(37.4)	10.4%	(79.5)	(70.8)	10.9%
Interest Income	0.4	4.0	n.a.	0.8	4.4	n.a.
Gains / (Losses) from Financial Investments	2.3	(5.6)	n.a.	(0.2)	(11.0)	n.a.
Gains / (Losses) from Exchange Rate Variations	3.7	5.5	48.0%	(7.1)	13.6	n.a.
Inflation Adjustment ⁽⁵⁾	4.4	5.6	26.7%	8.7	11.6	33.0%
Earnings before Corporate Income Taxes	(74.3)	(32.0)	57.0%	(169.4)	(61.3)	63.8%
Provision for Corporate Income Taxes	(1.7)	(2.9)	(74.1%)	0.6	(7.9)	n.a.
Inflation Adjustment on CIT ⁽⁶⁾	(2.0)	(4.0)	(102.3%)	(4.4)	(6.7)	(53.1%)
Minority Interests in Subsidiary (Income) / Loss	0.7	1.6	131.2%	4.6	6.2	35.9%
Equity in Income / (Loss) of Unconsolidated Subs	0.1	(0.0)	(163.1%)	(0.0)	(0.1)	(29.7%)
Net Income / (Loss)	(77.2)	(37.3)	51.7%	(168.7)	(69.8)	58.6%
EBIT (Operating Profit)	(43.3)	(4.1)	90.6%	(92.2)	(9.1)	90.1%
(+) Impairment Charges	16.2	0.0	n.a.	16.2	0.0	n.a.
(+) (Gains) / Losses on Asset Disposals	0.2	0.2	(14.9%)	2.3	0.5	(79.5%)
(+) Variation in Provisions for Trade Transactions	0.2	0.1	(30.6%)	(0.2)	0.4	n.a.
(+) Depreciation & Amortization	31.9	34.9	9.2%	69.0	69.0	(0.0%)
(+) Inflation Adjustment on Other Opex ⁽⁴⁾	4.1	5.0	20.1%	7.3	9.0	22.8%
EBITDA	9.3	36.0	n.a.	2.4	69.7	n.a.
EBITDA Margin	6.7%	11.3%	4.6 p.p.	0.9%	11.4%	n.a.
EBITDA	9.3	36.0	n.a.	2.4	69.7	n.a.
(+) Non-Recurring Items	9.1	14.2	56.0%	19.7	29.4	49.3%
(+) Inflation Adjustment on EBITDA ⁽³⁾	(0.3)	(2.4)	n.a.	(0.5)	(2.7)	n.a.
Adjusted EBITDA	18.1	47.8	164.5%	21.5	96.5	n.a.
Adjusted EBITDA Margin	13.0%	15.0%	2.0 p.p.	8.1%	15.8%	7.7 p.p.

¹ Figures reflect change in provisions on advances to site owners in connection with contracts to install our machines in their establishments.

² Figures primarily reflect disposal of gaming machines;

³ Figure follows IAS 29, reflecting the net impact on revenues and costs in EBITDA from applying Argentinian inflation to the end of the reporting period on the accrued items and ARS/EUR exchange rate as of the last day of the period.

⁴ Figure follows IAS 29, reflecting the net impact on costs in Operating Profit from applying Argentinian inflation to the end of the period on the accrued items and ARS/EUR exchange rate as of the last day of the period, excluding impact on items in EBITDA.

⁵ Figure includes the impact from applying end of period inflation on fixed assets.

⁶ Figure includes the impact of inflation accounting on corporate income tax in Argentina.

- **Operating Expenses** (excluding depreciation and amortization) increased by EUR 148.8 mm to EUR 269.9 mm, as during Q2 the business was operated under normal conditions.
- **Adjusted EBITDA** reached EUR 47.8 mm, EUR 29.7 mm more than in Q2 2021, not fully comparable because of gaming hall closures during 2021 vs full operation in Q2 2022.
- **Non-Recurring Items** in Q2 2022 amounted to EUR 14.2 mm, mainly due to growth marketing investments in our online business (EUR 11.8 mm). Retail non-recurring costs (EUR 2.4 mm) mainly driven by legal and other professional advice as well as some severance and operating efficiencies.
- **Interest Expense** (including financial expenses from capitalized operating leases) decreased by EUR 4.4 mm to EUR 37.4 mm. The financial restructuring carried out at the end of 2021, and the progressive reduction of the outstanding debt has allowed us to reduce expenses.
- Losses on **Financial Investments** reached EUR 5.6 mm in Q2 2022 versus gains of EUR 2.3 mm in Q2 2021, due to the cost related to an increment of repatriation of cash from Argentina.
- Gains on **Exchange Rate Variations** reached EUR 5.5 mm in Q2 2022 derived from the depreciation of the EUR versus USD that benefits our LATAM operating currencies, mainly from Mexico.
- Provision for **Corporate Income Tax** increased by EUR 1.2 mm to EUR 2.9 mm in Q2 2022, mainly because of positive performance in Argentina where there are no more tax losses carry forwards.
- As a consequence of the aforementioned, the **Net Loss** in Q2 2022 was EUR 37.3 mm, compared to a Net Loss of EUR 77.2 mm in Q2 2021.

Consolidated Income Statement - Luxco 2 – New Topco

Figures in EUR mm, except where noted otherwise

	Quarter 2022.Q2			YTD		
	LuxCo 2	Lux Holdcos	New Topco	LuxCo 2	Lux Holdcos	New Topco
Operating Revenue	317.7	0.0	317.7	611.4	0.0	611.4
Gaming & Other Taxes	(115.7)	0.0	(115.7)	(224.2)	0.0	(224.2)
Personnel	(63.5)	(0.0)	(63.5)	(120.8)	(0.0)	(120.8)
Rentals	(11.7)	0.0	(11.7)	(21.9)	0.0	(21.9)
Cost of Goods Sold	(14.1)	0.0	(14.1)	(26.0)	0.0	(26.0)
Other	(64.4)	(0.5) ¹	(64.9)	(121.2)	(0.9)	(122.1)
Operating Expenses (excl. D&A)	(269.4)	(0.5)	(269.9)	(514.0)	(0.9)	(514.9)
Depreciation & Amortization	(34.9)	0.0	(34.9)	(69.0)	0.0	(69.0)
Variation in Provisions for Trade Transactions	(0.1)	0.0	(0.1)	(0.4)	0.0	(0.4)
Gains / (Losses) on Asset Disposals	(0.2)	0.0	(0.2)	(0.5)	0.0	(0.5)
Impairment Charges	0.0	0.0	0.0	0.0	0.0	0.0
Non-Recurring Items	(14.2)	0.0	(14.2)	(29.4)	0.0	(29.4)
Operating Profit (Pre-Inflation Accounting)	(1.1)	(0.5)	(1.6)	(1.9)	(0.9)	(2.8)
Inflation Adjustment on Revenue & Expenses	(2.5)		(2.5)	(6.3)		(6.3)
Operating Profit (Post-Inflation Accounting)	(3.6)	(0.5)	(4.1)	(8.2)	(0.9)	(9.1)
Interest Expense	(31.0)	(6.4) ²	(37.4)	(58.5)	(12.4)	(70.8)
Interest Income	4.1	0.0	4.0	4.5	0.0	4.4
Gains / (Losses) from Financial Investments	(5.6)	0.0	(5.6)	(11.0)	0.0	(11.0)
Gains / (Losses) from Exchange Rate Variations	5.5	(0.0)	5.5	13.6	(0.0)	13.6
Inflation Adjustment	5.6	0.0	5.6	11.6	0.0	11.6
Earnings before Corporate Income Taxes	(25.0)	(6.9)	(32.0)	(48.0)	(13.3)	(61.3)
Provision for Corporate Income Taxes	(2.9)	0.0	(2.9)	(7.9)	(0.0)	(7.9)
Inflation Adjustment on CIT	(4.0)	0.0	(4.0)	(6.7)	0.0	(6.7)
Minority Interests in Subsidiary (Income) / Loss	1.6	0.0	1.6	6.2	0.0	6.2
Equity in Income / (Loss) of Unconsolidated Subs	(0.0)	0.0	(0.0)	(0.1)	0.0	(0.1)
Net Income / (Loss)	(30.4)	(6.9)	(37.3)	(56.5)	(13.3)	(69.8)
EBITDA						
EBIT (Operating Profit)	(3.6)	(0.5)	(4.1)	(8.2)	(0.9)	(9.1)
(+) Impairment Charges	0.0	0.0	0.0	0.0	0.0	0.0
(+) (Gains) / Losses on Asset Disposals	0.2	0.0	0.2	0.5	0.0	0.5
(+) Variation in Provisions for Trade Transactions	0.1	0.0	0.1	0.4	0.0	0.4
(+) Depreciation & Amortization	34.9	0.0	34.9	69.0	0.0	69.0
(+) Inflation Adjustment on Other Opex	5.0	0.0	5.0	9.0	0.0	9.0
EBITDA	36.6	(0.5)	36.0	70.7	(0.9)	69.7
<i>EBITDA Margin</i>	<i>11.0%</i>	<i>n.a.</i>	<i>11.0%</i>	<i>21.7%</i>	<i>n.a.</i>	<i>21.7%</i>
Adjusted EBITDA						
EBITDA	36.6	(0.5)	36.0	70.7	(0.9)	69.7
(+) Non-Recurring Items	14.2	0.0	14.2	29.4	0.0	29.4
(+) Inflation Adjustment on EBITDA	(2.4)	0.0	(2.4)	(2.7)	0.0	(2.7)
Adjusted EBITDA	48.3	(0.5)	47.8	97.4	(0.9)	96.5
<i>Adjusted EBITDA Margin</i>	<i>15.2%</i>	<i>n.a.</i>	<i>15.0%</i>	<i>30.7%</i>	<i>n.a.</i>	<i>30.4%</i>

¹ Operating expenses

² PIK interest accrued in the quarter of the Subordinated PIK Notes issued by Codere Holdco

Revenue and Adjusted EBITDA

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	2021.Q2	2022.Q2	Var. %	2021.Q2	2022.Q2	Var. %
Operating Revenue						
Argentina	3.5	85.9	n.a.	41.4	159.1	n.a.
Mexico	41.2	55.4	34.4%	63.3	105.3	66.4%
Panama	12.5	17.2	37.8%	18.4	32.8	78.4%
Uruguay	7.7	15.2	96.8%	19.0	29.1	53.3%
Colombia	3.4	5.5	61.8%	6.9	10.5	52.3%
Sub-Total - Latin America	68.3	179.2	162.3%	149.0	336.9	126.1%
Italy	12.1	69.3	n.a.	12.1	137.7	n.a.
Spain	38.6	42.0	8.9%	65.2	85.6	31.3%
Sub-Total - Europe	50.7	111.3	119.6%	77.3	223.3	188.8%
Online	20.1	27.2	34.9%	40.0	51.3	28.2%
Total	139.1	317.7	128.3%	266.3	611.4	129.6%
Adjusted EBITDA						
Argentina	(6.9)	19.6	n.a.	(0.9)	36.4	n.a.
Mexico	10.2	12.6	23.6%	11.0	27.2	148.0%
Panama	2.2	3.2	43.9%	2.8	5.9	110.6%
Uruguay	2.2	(0.5)	(122.3%)	4.0	0.6	(85.5%)
Colombia	0.9	1.5	79.4%	1.9	3.1	62.1%
Sub-Total - Latin America	8.7	36.5	n.a.	18.8	73.1	n.a.
Italy	(1.6)	5.1	n.a.	(7.3)	9.7	n.a.
Spain	13.9	9.8	(29.4%)	15.4	20.2	30.6%
Sub-Total - Europe	12.4	14.9	20.8%	8.2	29.9	n.a.
Corporate	(4.1)	(3.7)	9.9%	(7.3)	(7.5)	(2.1%)
Online	1.2	0.1	(93.3%)	1.9	0.9	(51.2%)
Total	18.1	47.8	163.9%	21.5	96.5	n.a.

Operating Expenses¹

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	2021.Q2	2022.Q2	Var. %	2021.Q2	2022.Q2	Var. %
Operating Revenue	139.1	317.7	128.3%	266.3	611.4	129.6%
Gaming & Other Taxes	(32.9)	(115.7)	n.a.	(71.3)	(224.2)	n.a.
Personnel	(37.4)	(63.5)	(69.7%)	(78.4)	(120.8)	(54.0%)
Rentals	(3.7)	(11.7)	n.a.	(3.7)	(21.9)	n.a.
Cost of Goods Sold	(9.9)	(14.1)	(42.8%)	(17.1)	(26.0)	(52.1%)
Other	(37.2)	(64.9)	(74.6%)	(74.2)	(122.1)	(64.5%)
Operating Expenses (excl. D&A)	(121.1)	(269.9)	(122.9%)	(244.8)	(514.9)	(110.4%)
Gaming & Other Taxes						
Gaming Taxes	(23.1)	(95.2)	n.a.	(50.3)	(185.4)	n.a.
Other Taxes	(9.9)	(20.5)	(107.1%)	(20.9)	(38.8)	(85.3%)
Total	(32.9)	(115.7)	n.a.	(71.3)	(224.2)	n.a.
Other						
Professional Fees ⁽²⁾	(5.6)	(8.7)	(53.9%)	(10.9)	(14.8)	(35.9%)
Advertising and Marketing	(7.8)	(11.4)	(46.4%)	(16.1)	(20.3)	(26.3%)
Utilities	(7.8)	(11.2)	(43.6%)	(14.7)	(21.5)	(46.2%)
Repairs & Maintenance ⁽³⁾	(3.0)	(4.8)	(58.2%)	(5.8)	(10.0)	(71.0%)
Insurance ⁽⁴⁾	(0.8)	(1.1)	(36.0%)	(1.7)	(1.9)	(12.4%)
Travel	(0.4)	(1.1)	n.a.	(0.6)	(2.0)	n.a.
Transportation ⁽⁵⁾	(0.4)	(0.8)	(103.9%)	(0.7)	(1.5)	(113.2%)
Other Expenses	(11.3)	(25.8)	(127.5%)	(23.7)	(50.1)	(111.7%)
Total	(37.2)	(64.9)	(74.6%)	(74.2)	(122.1)	(64.5%)
As % of Operating Revenue (Var. In p.p.)						
Operating Revenue	100.0%	100.0%	0.0	100.0%	100.0%	0.0
Gaming & Other Taxes	23.7%	36.4%	12.7	26.8%	36.7%	9.9
Personnel	26.9%	20.0%	(6.9)	29.4%	19.8%	(9.7)
Rentals	2.6%	3.7%	1.1	1.4%	3.6%	2.2
Cost of Goods Sold	7.1%	4.4%	(2.7)	6.4%	4.3%	(2.2)
Other	26.7%	20.4%	(6.3)	27.9%	20.0%	(7.9)
Operating Expenses (excl. D&A):	87.0%	85.0%	(2.1)	91.9%	84.2%	(7.7)
Gaming & Other Taxes						
Gaming Taxes	16.6%	30.0%	13.4	18.9%	30.3%	11.4
Other Taxes	7.1%	6.4%	(0.7)	7.9%	6.3%	(1.5)
Total	23.7%	36.4%	12.7	26.8%	36.7%	9.9
Other						
Professional Fees ⁽²⁾	4.0%	2.7%	(1.2)	4.1%	2.4%	(1.7)
Advertising and Marketing	5.6%	3.6%	(2.0)	6.0%	3.3%	(2.7)
Utilities	5.5%	3.5%	(2.0)	5.5%	3.5%	(2.0)
Repairs & Maintenance ⁽³⁾	2.2%	1.5%	(0.7)	2.2%	1.6%	(0.6)
Insurance ⁽⁴⁾	0.6%	0.4%	(0.2)	0.6%	0.3%	(0.3)
Travel	0.3%	0.4%	0.1	0.2%	0.3%	0.1
Transportation ⁽⁵⁾	0.3%	0.3%	(0.0)	0.3%	0.2%	(0.0)
Other Expenses	8.3%	8.1%	(0.1)	8.9%	8.2%	(0.7)
Total	26.7%	20.4%	(6.3)	27.9%	20.0%	(7.9)

¹ Figures exclude non-recurring items.

² Figures exclude payments to personnel via outsourcing agreements in Mexico which are re-classified as personnel expense.

³ Includes cleaning services and general supplies consumed.

⁴ Includes insurance (including surety bonds) premiums and letter of credit fees.

⁵ Includes armored vehicles for route collections and other transportation costs.

Mexico

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	2021.Q2	2022.Q2	Var. %	2021.Q2	2022.Q2	Var. %
Operating Revenue	41.2	55.4	34.4%	63.3	105.3	66.4%
Gaming & Other Taxes	(6.3)	(8.2)	(29.6%)	(11.1)	(16.2)	(46.4%)
Personnel ⁽¹⁾	(10.8)	(13.4)	(24.3%)	(20.3)	(25.4)	(25.1%)
Rentals	(2.2)	(5.4)	(149.4%)	(1.1)	(10.0)	n.a.
Cost of Goods Sold	(2.1)	(3.2)	(49.3%)	(3.2)	(5.2)	(63.0%)
Other	(9.6)	(12.6)	(30.9%)	(16.7)	(21.4)	(28.3%)
Operating Expenses (excl. D&A)	(31.0)	(42.7)	(37.9%)	(52.3)	(78.2)	(49.3%)
Depreciation & Amortization	(12.3)	(16.5)	(34.0%)	(28.0)	(31.4)	(12.2%)
Variation in Provisions for Trade Transactions	(0.2)	(0.0)	99.9%	(0.0)	(0.0)	96.2%
Gains / (Losses) on Asset Disposals ⁽²⁾	(0.2)	(0.1)	65.9%	(0.3)	(0.1)	75.2%
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	0.4	(1.8)	n.a.	(0.1)	(2.8)	n.a.
Operating Profit	(2.0)	(5.6)	(187.0%)	(17.4)	(7.0)	59.6%
EBITDA	10.6	10.9	2.3%	10.8	24.4	125.8%
<i>EBITDA Margin</i>	<i>25.8%</i>	<i>19.7%</i>	<i>(6.1 p.p.)</i>	<i>17.1%</i>	<i>23.2%</i>	<i>6.1 p.p.</i>
Adjusted EBITDA (Post-IFRS 16)						
EBITDA	10.6	10.9	2.3%	10.8	24.4	125.8%
(+) Non-Recurring Items	(0.4)	1.8	n.a.	0.1	2.8	n.a.
Adjusted EBITDA	10.2	12.6	23.6%	11.0	27.2	148.0%
<i>Adjusted EBITDA Margin</i>	<i>24.8%</i>	<i>22.8%</i>	<i>(2.0 p.p.)</i>	<i>17.3%</i>	<i>25.8%</i>	<i>8.5 p.p.</i>
Economic Indicators						
Average Exchange Rate - EUR/MXN	24.13	21.14	(12.4%)	24.21	21.97	(9.2%)
Average Inflation (YoY)	6.0%	7.8%	1.8 p.p.	5.0%	7.5%	2.5 p.p.
Key Performance Indicators						
Avg. Installed Capacity (Slots)	12,220	12,672	3.7%	9,267	12,715	37.2%
Gross Win per Slot per Day:						
EUR	30.9	38.4	24.3%	30.3	37.6	24.0%
Local Currency	745	820	10.1%	736	832	13.1%

- **Operating Revenue:** There is positive effect coming from FX rate vs previous year, the revenue trend still affected by promotional restrictions along this quarter. Temporary promotional restrictions and stricter smoking ban compliance negatively impacted the revenues. Despite the same level of visits as previous months, lower spend per visit and GGR per slot seat were affecting revenues during the quarter. SB business was lower due to sports event seasonality.
- **Operating Expenses (excluding D&A)** increased by EUR 11.7 mm (37.9%) to EUR 42.7 mm in Q2 2022. Higher rental cost versus previous quarter with Tlaquepaque opening in June. Increases in electricity, personnel, racetrack prizes and other fees negatively impacted the results in Mexico.

¹ Includes personnel costs related to outsourced employees.

² Figures reflect primarily disposal of gaming machines.

Argentina

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	2021.Q2	2022.Q2	Var. %	2021.Q2	2022.Q2	Var. %
Operating Revenue	3.5	85.9	n.a.	41.4	159.1	n.a.
Gaming & Other Taxes	(2.6)	(39.6)	n.a.	(20.2)	(73.2)	n.a.
Personnel	(5.7)	(15.9)	(180.6%)	(14.5)	(28.8)	(98.5%)
Rentals	(0.6)	(2.9)	n.a.	(1.8)	(5.4)	n.a.
Cost of Goods Sold	(0.0)	(1.2)	n.a.	(0.2)	(1.8)	n.a.
Other	(1.4)	(6.7)	n.a.	(5.6)	(13.4)	(141.4%)
Operating Expenses (excl. D&A)	(10.3)	(66.3)	n.a.	(42.3)	(122.7)	(190.0%)
Depreciation & Amortization	(1.2)	(1.0)	17.0%	(2.4)	(2.1)	15.0%
Variation in Provisions for Trade Transactions	0.0	0.0	n.a.	0.0	0.0	n.a.
Gains / (Losses) on Asset Disposals ⁽¹⁾	0.4	0.0	(94.2%)	0.4	0.0	(94.3%)
Impairment Charges	(16.2)	0.0	n.a.	(16.2)	0.0	n.a.
Non-Recurring Items	(0.1)	(0.0)	65.5%	(0.4)	(0.1)	74.9%
Operating Profit (Pre-Inflation Accounting)	(23.9)	18.6	177.8%	(19.5)	34.3	n.a.
Inflation Adjustment on Revenue & Expenses ^(2,3)	(3.8)	(2.5)	34.6%	(6.8)	(6.3)	7.4%
Operating Profit (Post-Inflation Accounting)	(27.7)	16.2	158.3%	(26.3)	28.0	n.a.
EBITDA						
EBIT (Operating Profit)	(27.7)	16.2	158.3%	(26.3)	28.0	n.a.
(+) Impairment Charges	16.2	0.0	n.a.	16.2	0.0	n.a.
(+) (Gains) / Losses on Asset Disposals	(0.4)	(0.0)	94.2%	(0.4)	(0.0)	94.3%
(+) Variation in Provisions for Trade Transactions	0.0	0.0	n.a.	(0.0)	0.0	n.a.
(+) Depreciation & Amortization	1.2	1.0	(17.0%)	2.4	2.1	(15.0%)
(+) Inflation Adjustment on Other Opex	4.1	5.0	20.1%	7.3	9.0	22.8%
EBITDA	(6.7)	22.0	n.a.	(0.8)	39.0	n.a.
EBITDA Margin	n.a.	25.7%	n.a.	n.a.	24.5%	n.a.
Adjusted EBITDA						
EBITDA	(6.7)	22.0	n.a.	(0.8)	39.0	n.a.
(+) Non-Recurring Items	0.1	0.0	(65.5%)	0.4	0.1	(74.9%)
(+) Inflation Adjustment on EBITDA ⁽³⁾	(0.3)	(2.5)	n.a.	(0.5)	(2.7)	n.a.
Adjusted EBITDA	(6.9)	19.6	n.a.	(0.9)	36.4	n.a.
Adjusted EBITDA Margin	n.a.	22.8%	n.a.	n.a.	22.9%	n.a.
Economic Indicators						
Average Exchange Rate - EUR/ARS	114.75	129.69	13.0%	110.50	123.62	11.9%
Average Inflation (YoY)	48.4%	61.0%	12.6 p.p.	44.5%	57.1%	12.5 p.p.
Key Performance Indicators						
Avg. Installed Capacity (Slots)	995	6,672	n.a.	2,036	6,539	n.a.
Gross Win per Slot per Day:						
EUR	88.2	136.6	54.9%	116.2	130.6	12.3%
Local Currency	9,813	17,171	75.0%	12,467	16,046	28.7%

- **Operating Revenue** in Q2 2022 increased by EUR 82.4 mm to EUR 85.9 mm compared to Q2 2021. Sustained revenue growth despite of the negative impact of the population census in May (people required to stay at home for census). In terms of main KPIs number of visits per day was increasing along Q2. Spend per visit is growing but slowly vs the number of visits. Slots price per spin is slightly higher than expectations.
- **Operating Expenses (excluding D&A)** increased by EUR 56 mm mostly driven by revenue increase. Cost containment efforts positively impacted results.

¹ Figures reflect primarily the disposal of gaming machines.

² Figure follows IAS 29, reflecting the net impact on revenues and costs from applying Argentinian inflation to the end of the period on the accrued items and ARS/EUR exchange rate as of the last day of the period.

³ Figure follows IAS 29, reflecting the net impact on revenues and costs in EBITDA from applying Argentinian inflation to the end of the reporting period on the accrued items and ARS/EUR exchange rate as of the last day of the period.

Spain

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	2021.Q2	2022.Q2	Var. %	2021.Q2	2022.Q2	Var. %
Operating Revenue	38.6	42.0	8.9%	65.2	85.6	31.3%
Gaming & Other Taxes	(9.4)	(13.7)	(44.6%)	(20.7)	(28.0)	(35.4%)
Personnel	(7.1)	(9.9)	(41.0%)	(14.3)	(19.3)	(35.5%)
Rentals	(0.3)	(0.6)	(77.2%)	(0.5)	(1.3)	(166.6%)
Cost of Goods Sold	(1.0)	(1.2)	(29.2%)	(1.4)	(2.1)	(48.8%)
Other	(6.9)	(6.8)	1.4%	(12.9)	(14.7)	(13.7%)
Operating Expenses (excl. D&A)	(24.7)	(32.2)	(30.6%)	(49.8)	(65.5)	(31.5%)
Depreciation & Amortization	(6.2)	(6.4)	(2.1%)	(13.9)	(12.6)	8.8%
Variation in Provisions for Trade Transactions ⁽¹⁾	0.1	0.0	(75.8%)	0.4	(0.2)	(142.5%)
Gains / (Losses) on Asset Disposals ⁽²⁾	(0.1)	(0.2)	(118.3%)	(0.2)	(0.7)	n.a.
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	0.0	(0.2)	n.a.	0.2	(0.2)	n.a.
Operating Profit	7.7	3.1	(59.8%)	2.0	6.4	n.a.
EBITDA						
EBIT (Operating Profit)	7.7	3.1	(59.8%)	2.0	6.4	n.a.
(+) Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
(+) (Gains) / Losses on Asset Disposals	0.1	0.2	118.3%	0.2	0.7	n.a.
(+) Variation in Provisions for Trade Transactions	(0.1)	(0.0)	75.8%	(0.4)	0.2	142.5%
(+) Depreciation & Amortization	6.2	6.4	2.1%	13.9	12.6	(8.8%)
EBITDA	13.9	9.6	(31.0%)	15.6	19.9	27.9%
EBITDA Margin	36.1%	22.9%	(13.2 p.p.)	23.9%	23.3%	(0.6 p.p.)
Adjusted EBITDA (Post-IFRS 16)						
EBITDA	13.9	9.6	(31.0%)	15.6	19.9	27.9%
(+) Non-Recurring Items	0.0	0.2	n.a.	(0.2)	0.2	n.a.
Adjusted EBITDA	13.9	9.8	(29.4%)	15.4	20.2	30.6%
Adjusted EBITDA Margin	36.1%	23.4%	(12.7 p.p.)	23.7%	23.5%	(0.2 p.p.)
Key Performance Indicators						
Avg. Installed Capacity (Slots)	9,062	9,047	(0.2%)	8,880	9,033	1.7%
Avg. Installed Capacity (Sports Betting Terminals)	6,553	6,748	3.0%	5,899	6,795	15.2%
Gross Win per Slot per Day:						
Slots	44.7	49.4	10.7%	43.4	50.4	16.0%

- **Operating Revenue:** Negatively affected in Q2 2022 by the performance of Sports Betting when Real Madrid won the Champions League in May as well as Bingo recovery trend lower than expected with slightly lower performance vs Q1. Slots showed stable performance during the quarter.
- **Operating Expenses (excluding D&A):** higher vs same period last year due to gaming taxes waivers for AWP in Q2 2021 as well as higher personnel costs in 2022 as there is no more employees under temporary reductions of employment (or ERTes).

¹ Figures reflect change in provisions on advances to site owners in connection with contracts to install our machines in their establishments.

² Figures reflect primarily disposal of gaming machines.

Italy

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	2021.Q2	2022.Q2	Var. %	2021.Q2	2022.Q2	Var. %
Operating Revenue	12.1	69.3	n.a.	12.1	137.7	n.a.
Gaming & Other Taxes	(8.5)	(46.4)	n.a.	(8.8)	(92.4)	n.a.
Personnel	(2.6)	(7.8)	n.a.	(5.2)	(15.9)	n.a.
Rentals	0.4	(1.1)	n.a.	0.6	(2.0)	n.a.
Cost of Goods Sold	(0.1)	(0.4)	n.a.	(0.1)	(0.8)	n.a.
Other	(2.9)	(8.4)	(193.6%)	(5.9)	(17.0)	(187.6%)
Operating Expenses (excl. D&A)	(13.7)	(64.2)	n.a.	(19.4)	(128.0)	n.a.
Depreciation & Amortization	(4.2)	(2.8)	32.9%	(8.2)	(7.0)	14.6%
Variation in Provisions for Trade Transactions ⁽¹⁾	(0.1)	(0.2)	n.a.	(0.0)	(0.3)	n.a.
Gains / (Losses) on Asset Disposals ⁽²⁾	0.0	0.1	37.5%	(1.9)	0.1	105.3%
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	(0.3)	(0.1)	78.1%	(0.3)	(0.1)	78.1%
Operating Profit	(6.1)	2.1	133.9%	(17.7)	2.5	114.0%
EBITDA						
EBIT (Operating Profit)	(6.1)	2.1	133.9%	(17.7)	2.5	114.0%
(+) Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
(+) (Gains) / Losses on Asset Disposals	(0.0)	(0.1)	(37.5%)	1.9	(0.1)	(105.3%)
(+) Variation in Provisions for Trade Transactions	0.1	0.2	n.a.	0.0	0.3	n.a.
(+) Depreciation & Amortization	4.2	2.8	(32.9%)	8.2	7.0	(14.6%)
EBITDA	(1.9)	5.0	n.a.	(7.6)	9.6	n.a.
<i>EBITDA Margin</i>	n.a.	7.3%	n.a.	n.a.	7.0%	n.a.
Adjusted EBITDA (Post-IFRS 16)						
EBITDA	(1.9)	5.0	n.a.	(7.6)	9.6	n.a.
(+) Non-Recurring Items	0.3	0.1	(78.1%)	0.3	0.1	(78.1%)
Adjusted EBITDA	(1.6)	5.1	n.a.	(7.3)	9.7	n.a.
<i>Adjusted EBITDA Margin</i>	n.a.	7.4%	n.a.	n.a.	7.1%	n.a.
Key Performance Indicators						
Avg. Installed Capacity (AWPs)	1,499	6,804	n.a.	857	6,743	n.a.
Avg. Installed Capacity (VLTs)	230	1,169	n.a.	131	1,148	n.a.
Gross Win per Slot per Day:						
AWPs	75.4	78.5	4.2%	75.4	79.9	6.1%
VLTs	259	198	(23.6%)	259	198	(23.6%)

- **Operating Revenue:** strong performance driven by Bingo, partially offset by slower recovery in Bars and Network.
- **Operating Expenses (excluding D&A):** reached €64.2 mm in Q2 2022.

¹ Figures reflect change in provisions on advances to site owners in connection with contracts to install our machines in their establishments.

² Figures reflect primarily disposal of gaming machines.

Other Operations – Panama, Uruguay, Colombia

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	2021.Q2	2022.Q2	Var. %	2021.Q2	2022.Q2	Var. %
Operating Revenue						
Panama	12.5	17.2	37.8%	18.4	32.8	78.4%
Uruguay	7.7	15.2	96.8%	19.0	29.1	53.3%
Colombia	3.4	5.5	61.8%	6.9	10.5	52.3%
Operating Revenue	23.6	37.9	60.5%	44.3	72.4	63.6%
Adjusted EBITDA						
Panama	2.2	3.2	43.9%	2.8	5.9	110.6%
Uruguay	2.2	(0.5)	(122.3%)	4.0	0.6	(85.5%)
Colombia	0.9	1.5	79.4%	1.9	3.1	62.1%
Adjusted EBITDA	5.3	4.2	(20.0%)	8.7	9.6	9.5%
<i>Adjusted EBITDA Margin</i>	<i>22.5%</i>	<i>11.2%</i>	<i>(11.3 p.p.)</i>	<i>19.7%</i>	<i>13.2%</i>	<i>(6.5 p.p.)</i>
EBITDA						
Adjusted EBITDA	5.3	4.2	(20.0%)	8.7	9.6	9.5%
(-) Non-Recurring Items	(0.2)	(0.4)	(112.8%)	(0.2)	(0.4)	(60.9%)
EBITDA	5.1	3.9	(24.7%)	8.5	9.2	8.1%
<i>EBITDA Margin</i>	<i>21.7%</i>	<i>10.2%</i>	<i>(11.5 p.p.)</i>	<i>19.2%</i>	<i>12.7%</i>	<i>(6.5 p.p.)</i>
Average Exchange Rates						
EUR/USD	1.20	1.06	(12.3%)	1.20	1.08	(10.0%)
EUR/UYU	52.53	42.03	(20.0%)	52.34	45.13	(13.8%)
USD/UYU	43.60	39.77	(8.8%)	43.53	41.76	(4.1%)
EUR/COP	4,449	4,144	(6.8%)	4,391	4,304	(2.0%)
Average Inflation (YoY)						
Panama	1.7%	4.4%	2.6 p.p.	0.6%	3.6%	3.0 p.p.
Uruguay	6.9%	9.3%	2.4 p.p.	7.8%	9.1%	1.3 p.p.
Colombia	3.0%	9.3%	6.4 p.p.	2.3%	8.6%	6.3 p.p.

- **Other Operations** includes results from Panama, Uruguay and Colombia, but excludes Corporate Overhead.
- **Operating revenue** increased by EUR 14.3 mm (60.5%), to EUR 37.9 mm as a result of:
 - A combined increase in **Panama, Colombia and Uruguay**, as they were closed or in the phase of reopening by Q2 2021.
 - An increase in **Uruguay** of EUR 7.5 mm. It should be noted that Carrasco Hotel opened at the end of 2021 and was therefore closed in Q2 2021.
- **Adjusted EBITDA** decreased by EUR 1.1 mm (20%), to EUR 4.2 mm as a result of accounting revenue recognition in Uruguay offset by positive variance in Colombia and Panama.

Online

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	2021.Q2	2022.Q2	Var. %	2021.Q2	2022.Q2	Var. %
Operating Revenue	20.1	27.2	35.1%	40.0	51.3	28.2%
Gaming & Other Taxes	(3.0)	(3.2)	(6.4%)	(5.6)	(5.7)	(2.2%)
Personnel	(1.5)	(2.5)	(69.8%)	(3.0)	(5.0)	(64.3%)
Rentals	(0.1)	(0.2)	(84.2%)	(0.2)	(0.3)	(55.1%)
Cost of Goods Sold	(3.3)	(3.9)	(17.4%)	(6.4)	(7.9)	(23.4%)
Other	(11.1)	(17.4)	(56.5%)	(22.9)	(31.4)	(37.3%)
Operating Expenses (excl. D&A)	(19.0)	(27.1)	(43.0%)	(38.1)	(50.3)	(32.1%)
Depreciation & Amortization	(0.2)	(0.1)	43.4%	(0.5)	(0.3)	33.2%
Variation in Provisions for Trade Transactions	0.0	0.0	n.a.	0.0	0.0	n.a.
Gains / (Losses) on Asset Disposals	(0.4)	0.0	n.a.	(0.4)	0.0	n.a.
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	(7.2)	(11.8)	(63.0%)	(13.6)	(25.8)	(89.9%)
Operating Profit	(6.7)	(11.8)	(76.3%)	(12.6)	(25.2)	(99.6%)
EBITDA	(6.1)	(11.8)	(93.9%)	(11.7)	(24.9)	(112.7%)
EBITDA Margin	n.a.	-43.2%	n.a.	n.a.	-48.6%	n.a.
(+) Non-Recurring Items	7.2	11.8	62.7%	13.6	25.8	89.8%
Adjusted EBITDA	1.2	0.1	(93.3%)	1.9	0.9	(51.2%)
Adjusted EBITDA Margin	5.9%	0.3%	(5.6 p.p.)	4.7%	1.8%	(2.9 p.p.)

- **Operating Revenue** comparing with previous quarter increased by 13%, driven by Mexico and good recovery in Spain.
- Online results positively impacted by revenue growth and lower marketing cost in Mexico in Q2, due to restrictions.

Consolidated Cash Flow Statement

Figures in EUR mm, except where noted otherwise

	Quarter			YTD			Q2 2022			YTD 2022		
	Q2 2021	Q2 2022	Var. %	2021	2022	Var. %	Retail	Online	Total Group	Retail	Online	Total Group
EBITDA	9.3	36.0	n.a.	2.4	69.7	n.a.	47.7	(11.7)	36.0	94.6	(24.9)	69.7
Capitalized Operating Leases	(14.7)	(14.6)	0.7%	(29.4)	(28.6)	2.7%	(14.6)	0.0	(14.6)	(28.6)	0.0	(28.6)
Inflation adjustment	(0.3)	(2.4)	n.a.	(0.5)	(2.7)	n.a.	(2.4)	0.0	(2.4)	(2.7)	0.0	(2.7)
Corporate Income Taxes Paid	(1.0)	(2.6)	n.a.	(2.6)	(5.5)	n.a.	(2.4)	(0.2)	(2.6)	(5.3)	(0.2)	(5.5)
Chg. in Net Working Capital ⁽¹⁾	0.8	(10.1)	n.a.	(9.4)	(18.1)	(92.6%)	(6.4)	(3.7)	(10.1)	(26.7)	8.6	(18.1)
Cash Flow from Operating Activities	(5.9)	6.3	n.a.	(39.5)	14.8	n.a.	21.9	(15.6)	6.3	31.3	(16.5)	14.8
Capital Expenditures ⁽²⁾	(8.3)	(14.5)	(74.7%)	(12.7)	(25.7)	n.a.	(14.4)	(0.1)	(14.5)	(25.6)	(0.1)	(25.7)
Proceeds from assets disposals	0.0	0.0	n.a.	0.0	0.0	n.a.	0.0	0.0	0.0	0.0	0.0	0.0
Initial Cash of Companies acquired	0.0	0.0	n.a.	0.0	0.0	n.a.	0.0	0.0	0.0	0.0	0.0	0.0
Cash Flow from Investing Activities	(8.3)	(14.5)	(74.7%)	(12.7)	(25.7)	n.a.	(14.4)	(0.1)	(14.5)	(25.6)	(0.1)	(25.7)
Interest Expense	(31.7)	(5.4)	83.0%	(33.7)	(22.3)	33.8%	(5.4)	0.0	(5.4)	(22.3)	0.0	(22.3)
Interest Income	0.1	0.0	(100.0%)	0.3	0.2	(33.3%)	0.0	0.0	0.0	0.2	0.0	0.2
Chg. in Financial Debt	84.5	(2.0)	n.a.	82.6	(9.3)	n.a.	(2.0)	0.0	(2.0)	(9.3)	0.0	(9.3)
Chg. in Financial Investments	0.4	(7.3)	n.a.	(5.3)	(11.8)	n.a.	(7.3)	0.0	(7.3)	(11.8)	0.0	(11.8)
Chg. in Deferred Payments ⁽³⁾	(3.3)	(0.3)	90.9%	(6.8)	(4.4)	35.3%	(0.3)	0.0	(0.3)	(4.4)	0.0	(4.4)
Dividends Paid, net ⁽⁴⁾	0.0	(1.6)	n.a.	(0.3)	(2.1)	n.a.	(1.6)	0.0	(1.6)	(2.1)	0.0	(2.1)
Investment in Treasury Shares, net	0.0	0.0	n.a.	0.0	0.0	n.a.	0.0	0.0	0.0	0.0	0.0	0.0
Cash Effect from Exchange Rate Difference ⁽⁵⁾	(0.7)	2.7	n.a.	(1.4)	0.9	n.a.	(2.2)	4.9	2.7	(5.4)	6.3	0.9
Cash Flow from Financing Activities	49.3	(13.9)	n.a.	35.4	(48.8)	n.a.	(18.8)	4.9	(13.9)	(55.1)	6.3	(48.8)
Exchange Rate Impact on Cash Balances	(0.4)	1.5	n.a.	(0.4)	3.1	n.a.	1.5	0.0	1.5	3.1	0.0	3.1
Cash Flow	34.7	(20.6)	n.a.	(17.2)	(56.6)	n.a.	(9.8)	(10.8)	(20.6)	(46.3)	(10.3)	(56.6)
Cash & Equivalents												
BOP	58.4	186.8	n.a.	110.3	222.8	n.a.	91.4	95.4	186.8	127.9	94.9	222.8
Cash Flow	34.7	(20.6)	n.a.	(17.2)	(56.6)	n.a.	(9.8)	(10.8)	(20.6)	(46.3)	(10.3)	(56.6)
EOP	93.1	166.2	78.5%	93.1	166.2	78.5%	81.6	84.6	166.2	81.6	84.6	166.2

- **Cash flow from operations** in 1H 2022 was positive EUR 14.8 mm, an increase of EUR 54.3 mm versus negative EUR 39.5 mm in 1H 2021. This increase is primarily attributable to a EUR 67.3 mm of positive variation in reported EBITDA partially offset by an increase in tax paid, and a EUR 8.7 mm variation in working capital.
- Inflation adjustments (IAS 29 accounting in Argentina) and Capitalized Operating Leases (IFRS 16) are excluded in the cash flow calculations, as they are non-cash items in the Income Statement.
- **Cash flow from investments** in 1H 2022 was EUR 25.7 mm of capital expenditures, an increase of 101.6% vs. 1H 2021. Within capital expenditures, EUR 22.4 mm were related to maintenance and EUR 3.3 mm to growth initiatives.
- **Cash flow from financing** was EUR 48.8 mm of funds applied in 1H 2022 and included:
 - EUR 22.3 mm of cash interest expense, including EUR 15.9 mm related to the March and April cash coupon on our Super Senior Notes, and EUR 6.4 mm related to OpCo debt (including capital leases);
 - EUR 0.2 mm of cash interest income;
 - EUR 9,3 mm of decrease in financial debt made up of:
 - (i) EUR 0.2 mm decrease in capital leases;
 - (ii) EUR 0.8 mm of outstanding costs related to the last year restructuring process

1 The difference between this figure and management reporting of net working capital corresponds mostly to non-cash FX movements in certain balance sheet items.

2 Figures reflect accrued amounts, including contingency payments (if any), and prior to any deferred payment arrangements (if applicable).

3 Includes changes in deferred payments related to capital expenditures.

4 Figure reflects dividends paid to minority partners net of dividends received from Group investments in unconsolidated entities.

5 Includes impact of FX differences on non-operational cash inflows and outflows.

- (iii) EUR 8.3 mm decrease in OpCo financial debt (excluding capital leases) due to the scheduled amortization of loans in Spain (EUR 0.7 mm), Mexico (EUR 3.0 mm), Uruguay (HRU) (EUR 1.5 mm) Uruguay - Carrasco (EUR 2.6 mm), Italia (EUR 0.4 mm), and Panama (EUR 2.0 mm) partially offset by new loans being raised in Uruguay (HRU) (EUR 1.9 mm).
- EUR 11.8 mm of net funds applied in financial investments, mainly coming from Argentinian cash repatriation.
- Decrease in deferred payments of EUR 4.4 mm, consisting of deferred payments with capex suppliers mainly in Mexico, Argentina, Colombia and Headquarters that offset the increase in Spain, Italy, Uruguay and Panama.
- Dividends paid to minority partners of EUR 2.1 mm;
- EUR 0.9 mm net positive impact from exchange rate differences;
- The fluctuation in foreign exchange rates has resulted in a positive impact, of EUR 3.1 mm on conversion of cash balances;
- During 1H 2022, there has been a decrease in cash and equivalents of EUR 56.6 mm to EUR 166.2 mm.

Capital Expenditures and Acquisitions¹

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	Q2 2021	Q2 2022	Var. %	2021	2022	Var. %
Capital Expenditures and Acquisitions						
Maintenance ⁽²⁾	7.5	11.6	54.5%	11.8	22.4	90.3%
Growth ⁽³⁾	0.7	2.9	n.a.	0.9	3.3	n.a.
Total	8.3	14.5	75.7%	12.7	25.7	n.a.
Maintenance						
Argentina	0.1	0.4	n.a.	0.2	0.6	n.a.
Mexico	0.1	1.5	n.a.	0.1	1.8	n.a.
Panama	0.3	0.2	(35.1%)	0.4	0.5	23.6%
Colombia	0.3	0.2	(18.0%)	0.3	0.3	(8.0%)
Uruguay	0.0	1.9	n.a.	0.2	2.0	n.a.
Sub-Total - Latin America	0.8	4.2	n.a.	1.2	5.0	n.a.
Italy	0.8	1.3	64.2%	1.6	2.6	62.5%
Spain	4.3	5.4	24.2%	7.0	11.4	62.2%
Sub-Total - Europe	5.2	6.7	30.5%	8.6	14.0	62.3%
Corporate	1.6	0.6	(60.6%)	2.0	3.3	64.9%
Online	0.0	0.1	n.a.	0.0	0.1	n.a.
Total	7.5	11.6	54.5%	11.8	22.4	90.3%
Growth						
Argentina	0.0	0.0	n.a.	0.0	0.0	n.a.
Mexico	0.0	(0.0)	n.a.	0.0	(0.0)	n.a.
Panama	0.7	1.7	n.a.	0.8	2.1	n.a.
Colombia	0.0	0.0	(13.5%)	0.1	0.0	(41.9%)
Uruguay	0.0	0.7	n.a.	0.0	0.7	n.a.
Sub-Total - Latin America	0.7	2.5	n.a.	0.9	2.8	n.a.
Italy	0.0	0.0	n.a.	0.0	0.0	n.a.
Spain	0.0	0.3	n.a.	0.0	0.3	n.a.
Sub-Total - Europe	0.0	0.3	n.a.	0.0	0.3	n.a.
Corporate	0.0	0.1	n.a.	0.0	0.2	n.a.
Online	0.0	0.0	n.a.	0.0	0.0	n.a.
Total	0.7	2.9	n.a.	0.9	3.3	n.a.

- **Maintenance CAPEX YTD-2022** includes:
 - Mexico: Advanced slots renewal.
 - Spain: Commercial Capex and Product investment.
 - Italy: Hall Maintenance, relocation of Parma Hall and F&B internalization in one hall.
 - HQ: Mainly IT projects.
- **Organic Growth Capex YTD** includes investment in new hall in Panama (Chorrera), Nuevocentro (Uruguay) and the acquisition of small route operator (Spain).

¹ Figures reflect consolidated income statement.

² Includes change in deferred gaming taxes (Spain) pending authorization by applicable regional government.

³ Figures reflect accrued amounts, including contingency payments (if any), and prior to any deferred payment arrangements (if applicable)

Consolidated Balance Sheet

Figures in EUR mm, except where noted otherwise

	As at				Jun-22		
	Dec-21	Jun-22	Var.	Var. %	LuxCo 2	Lux Holdcos	NewTopco
Assets							
Cash & Equivalents	222.8	166.2	(56.6)	(25.4%)	165.8	0.3	166.2
S-T Financial Investments ⁽¹⁾	37.5	40.8	3.3	8.7%	40.8	0.0	40.8
Accounts Receivable ⁽²⁾	42.3	49.6	7.3	17.3%	52.5	(2.8)	49.6
Taxes Receivable ⁽³⁾	45.0	54.9	9.8	21.8%	54.9	0.0	54.9
Prepaid Expenses	12.7	13.3	0.6	4.5%	13.3	0.0	13.3
Inventory	6.8	8.0	1.2	18.4%	8.0	0.0	8.0
Other Current Assets	0.0	0.0	0.0	12.5%	0.0	0.0	0.0
Current Assets	367.2	332.8	(34.4)	(9.4%)	335.3	(2.5)	332.8
Fixed Assets	280.1	292.5	12.4	4.4%	292.5	0.0	292.5
L-T Financial Investments	22.6	25.1	2.5	10.9%	25.1	0.0	25.1
Intangible Assets (excl. Goodwill)	293.8	312.2	18.3	6.2%	312.2	0.0	312.2
Right-of-Use Assets (IFRS 16)	168.7	161.8	(6.9)	(4.1%)	161.8	0.0	161.8
Goodwill	542.1	564.2	22.1	4.1%	227.5	336.7	564.2
Deferred Tax Assets	75.7	82.6	6.9	9.2%	82.6	0.0	82.6
Other Non-Current Assets	0.0	(0.0)	(0.0)	n.a.	(0.0)	0.0	(0.0)
Total Assets	1,750.2	1,771.1	20.9	1.2%	1,436.9	334.2	1,771.1
Liabilities & Shareholders' Equity							
Accounts Payable ⁽⁴⁾	112.6	123.2	10.7	9.5%	121.7	1.6	123.2
S-T Provisions ⁽⁵⁾	7.1	4.4	(2.7)	(38.2%)	4.4	0.0	4.4
S-T Taxes Payable ⁽⁶⁾	91.2	99.1	7.9	8.6%	99.1	0.0	99.1
S-T Financial Debt	46.0	56.5	10.5	22.9%	56.5	0.0	56.5
S-T Deferred Payments ⁽⁷⁾	39.9	28.8	(11.1)	(27.8%)	28.8	0.0	28.8
S-T Capital Leases (IFRS 16)	55.8	62.6	6.8	12.1%	62.6	0.0	62.6
Other Current Liabilities	5.6	1.6	(4.0)	(71.5%)	1.6	0.0	1.6
Current Liabilities	358.3	376.3	18.0	5.0%	374.6	1.6	376.3
L-T Provisions ⁽⁸⁾	31.4	32.6	1.3	4.0%	32.6	0.0	32.6
L-T Taxes Payable	13.7	7.8	(5.9)	(43.3%)	7.8	0.0	7.8
L-T Financial Debt	865.9	904.2	38.3	4.4%	706.5	197.7	904.2
L-T Deferred Payments ⁽⁷⁾	37.5	35.9	(1.6)	(4.3%)	14.1	21.8	35.9
L-T Capital Leases (IFRS 16)	129.7	117.6	(12.2)	(9.4%)	117.6	0.0	117.6
Deferred Tax Liabilities	64.6	75.5	10.9	16.8%	75.5	0.0	75.5
Other Non-Current Liabilities	0.1	0.1	0.0	29.9%	0.1	0.0	0.1
Total Liabilities	1,143.0	1,173.7	30.7	2.7%	1,328.8	219.5	1,550.0
Shareholders' Equity & Minority Interest	248.9	221.1	(27.8)	(11.2%)	108.1	113.1	221.1
Total Liabilities & Shareholders' Equity	1,750.2	1,771.1	20.9	1.2%	1,436.9	334.2	1,771.1
End of Period Exchange Rates							
EUR/ARS	116.34	130.08	13.74	11.8%			
EUR/MXN	23.24	20.92	(2.31)	(10.0%)			
EUR/USD	1.13	1.04	(0.09)	(8.3%)			
EUR/COP	4,509	4,287	(221.86)	(4.9%)			
EUR/UYU	50.62	41.41	(9.22)	(18.2%)			
USD/UYU	44.70	39.86	(4.83)	(10.8%)			

¹ Includes EUR 3.5 and EUR 1.6 mm, respectively, in cash in transit (realized gross win in route business pending collection).

² Includes A/R from customers, other parties and advances to employees net of insolvency provisions.

³ Includes all taxes receivable from tax authorities, including the 0.5% turnover levy (AAMS) in Italy.

⁴ Includes accounts payable to suppliers, other parties and accrued wages.

⁵ Figures include provision for trade transactions and other provisions related to treasury share activity.

⁶ Figures include gaming taxes, corporate income taxes and other taxes payable to tax authorities.

⁷ Figures include deferred payments (and other partner investments) related to capital expenditures and other deferred payments.

⁸ Figures include all other provisions related to business contingencies (personnel, tax, etc.).

Balance Sheet

- Total assets increased by EUR 20.9 mm, mainly driven by the growth in fixed and intangible assets and goodwill, due to capex during 1H 2022, exchange rate effects and hyperinflation impact in assets in Argentina that compensate for the depreciation recognized. This increase is offset by the decrease in cash & equivalents.
- Current Assets decreased by EUR 34.4 mm, as a result of a decrease in cash & equivalents of EUR 56.6 mm, partially offset by an increase principally in accounts receivable and tax receivables (which compensate for the increase in taxes payable below).
- Current liabilities increased by EUR 18.0 mm primarily due to increase of EUR 10.7 mm in accounts payable, mainly in Online and Mexico due to exchange rate, EUR 10.5 mm in S-T financial liabilities, commented below, and EUR 7.9 mm in Taxes payable, partially offset by a decrease of EUR 11.1 mm in deferred payables, due to the payment of deferred taxes in Spain and Italy.
- Financial debt increased by EUR 48.8 mm to EUR 960.7 mm driven principally by the incremental interest on the super senior secured notes of 8% cash and 3% PIK interest. Also the EUR 133 mm and USD 80 mm senior secured notes maturing 2027 had an update to 2.00% Cash / 10.750% PIK and 2.00% Cash / 11.625% PIK respectively that offset OpCo debt amortized.
- Shareholders' equity & minority interest has decreased by EUR 27.8 mm.

Net Working Capital¹

Figures in EUR mm, except where noted otherwise

	As at			
	Dec-21	Jun-22	Change NWC	Var. %
Assets				
Accounts Receivable	42.3	49.6	(7.3)	17.3%
Taxes Receivable ⁽²⁾	41.7	51.9	(10.2)	24.4%
Prepaid Expenses	12.7	13.3	(0.6)	4.5%
Inventory	6.8	8.0	(1.2)	18.4%
Other Current Assets ⁽³⁾	0.0	0.0	(0.0)	12.5%
Total	103.5	122.9	(19.3)	18.7%
Liabilities				
Accounts Payable	112.6	123.2	(10.7)	9.5%
S-T Provisions ⁽⁴⁾	5.6	2.8	2.7	(49.1%)
Taxes Payable ⁽²⁾	104.6	101.7	2.9	(2.8%)
Deferred Payments ⁽⁵⁾	7.3	6.6	0.8	(10.8%)
Other Current Liabilities ⁽³⁾	3.3	(1.0)	4.3	n.a.
Total	233.4	233.3	0.1	(0.0%)
Net Working Capital	(129.8)	(110.4)	(19.4)	14.9%

Net Working Capital

Net working capital increased by EUR 19.4 mm to negative EUR 110.4 mm, primarily due to a EUR 7.3 mm increase in accounts receivable, EUR 13.1 mm increase in tax receivables (net of tax payables), partially offset by a EUR 10.7 mm increase in accounts payable.

¹ The difference between this figure and the consolidated Cash Flow Statement corresponds mostly to non-cash FX movements in certain balance sheet items.

² Figures reflect gaming and other taxes (i.e. exclude corporate income taxes).

³ Figures exclude security deposits.

⁴ Figures reflect provisions for trade transactions.

⁵ Figures reflect other deferred payment obligations (i.e. exclude deferred payments and other partner investments related to capital expenditures).

Capitalization

Figures in EUR mm, except where noted otherwise

	As at			
	Dec-21	Jun-22	Var.	Var. %
Capitalization				
S-T Financial Debt ⁽¹⁾	46.0	56.5	10.5	22.9%
L-T Financial Debt ⁽¹⁾	865.9	904.2	38.3	4.4%
Total Financial Debt	911.9	960.7	48.8	5.4%
Shareholders' Equity & Minority Interest	177.6	145.5	(32.1)	(18.1%)
Total Capitalization	1,160.9	1,181.8	20.9	1.8%
Financial Debt⁽¹⁾				
OpCo Debt (excl. Capital Leases)	83.2	86.3	3.1	3.7%
OpCo Capital Leases	3.4	2.9	(0.5)	(15.1%)
Sub-Total	86.6	89.2	2.6	3.0%
Super Senior Secured Notes	447.4	462.7	15.3	3.4%
Senior Secured Notes	192.5	211.1	18.6	9.7%
Subordinated Pik	185.3	197.7	12.4	6.7%
Total Financial Debt	911.9	960.7	48.8	5.4%
Capitalization of Operating Leases ⁽²⁾	185.5	180.2	(5.3)	(2.9%)
Total Adjusted Debt	1,097.4	1,140.9	43.5	4.0%
Cash & Equivalents				
Mexico	8.0	3.0	(5.0)	(62.0%)
Argentina	10.1	10.8	0.7	7.6%
Spain	15.9	15.5	(0.4)	(2.3%)
Italy	12.1	11.3	(0.8)	(6.8%)
Other Operations	17.0	11.2	(5.8)	(34.0%)
Sub-Total	63.1	51.9	(11.2)	(17.7%)
Corporate	64.8	29.7	(35.1)	(54.2%)
Online	94.9	84.6	(10.3)	(10.9%)
Total	222.8	166.2	(56.6)	(25.4%)
Europe + Corporate + Online	187.7	141.1	(46.6)	(24.8%)
Latam	35.1	25.1	(10.0)	(28.5%)
Total	222.8	166.2	(56.6)	(25.4%)
Credit Statistics				
LTM Adjusted EBITDA	99.4	174.3	74.9	75.4%
Proforma Interest Expense ⁽³⁾	123.4	127.3	3.9	3.2%
Leverage:				
Financial Debt ⁴ / LTM Adjusted EBITDA	9.2x	5.5x	(3.7x)	(40.3%)
Total Adj. Net Debt / LTM Adj. EBITDA	8.8x	5.6x	(3.2x)	(36.4%)
Excluding Inflation Accounting	8.9x	5.6x	(3.3x)	(37.3%)
Coverage:				
LTM Adjusted EBITDA / Proforma Interest Expense	0.8x	1.4x	0.6x	74.5%
Excluding Inflation Accounting	0.8x	1.4x	0.6x	75.0%

¹ Figures include accrued interest and impact of deferred financing fees, which, for covenant calculation purposes, would be excluded (i.e. financial debt and leverage would be lower).

² Figures reflect short and long term capitalized operating leases following the application of IFRS 16.

³ Figures based on December 31, 2021 and June 30, 2022, as applicable, financial debt outstanding and interest rates.

Gaming Capacity¹ by Venue

Region	Gaming Venues											
	Gaming Halls ⁽²⁾		Arcades ⁽³⁾		Bars ⁽⁴⁾		Sports Betting Shops ⁽⁵⁾		Racetracks		Total	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Latin America												
Argentina	-	13	-	-	-	-	-	-	-	-	-	13
Mexico ⁽⁶⁾	85	88	-	-	-	-	61	63	1	1	86	89
Panama ^(6, 7)	10	10	-	-	-	-	8	10	1	1	11	11
Colombia	9	10	123	112	-	-	49	45	-	-	181	167
Uruguay (CN)	-	1	-	-	-	-	-	-	-	-	-	1
Uruguay (HRU) ⁽⁸⁾	-	5	-	-	-	-	19	24	2	2	21	26
Total	104	127	123	112	-	-	137	142	4	4	299	307
Europe												
Italy	10	10	-	-	1,900	1,968	-	-	-	-	1,910	1,978
Spain ⁽⁹⁾	3	3	1,016	953	6,435	6,258	44	34	-	-	7,498	7,248
Total	13	13	1,016	953	8,335	8,226	44	34	-	-	9,408	9,226
Total Group	117	140	1,139	1,065	8,335	8,226	181	176	4	4	9,707	9,533
Operator												
Codere	117	140	163	150	-	-	132	131	4	4	347	347
Third Party	-	-	976	915	8,335	8,226	49	45	-	-	9,360	9,186
Total	117	140	1,139	1,065	8,335	8,226	181	176	4	4	9,707	9,533
Spain												
SSTs Only ⁽¹⁰⁾	-	-	1,016	953	930	862	15	9	-	-	1,961	1,824
AWPs & SSTs	3	3	-	-	257	236	29	25	-	-	289	264
Sub-Total	3	3	1,016	953	1,187	1,098	44	34	-	-	2,250	2,088
AWPs Only	-	-	-	-	5,248	5,160	-	-	-	-	5,248	5,160
Total	3	3	1,016	953	6,435	6,258	44	34	-	-	7,498	7,248

¹ Figures reflect venues in operation as at June 30, 2021 and 2022, as applicable.

² Includes all gaming venues with > 50 slot machines.

³ Includes all gaming venues with between 5 and 50 (inclusive) slot machines (Codere and/or 3rd party operated).

⁴ Includes all bars, restaurants, tobacco shops and other retail locations with < 5 slot machines and/or self-service sports betting terminals.

⁵ Includes sports books co-located within Codere gaming halls and other Codere operated standalone sports betting shops.

⁶ Figure for sports betting shops reflects sports books co-located within Codere operated gaming halls.

⁷ Figure for sports betting shops excludes affiliated agencies (horserace betting only).

⁸ Figure for sports betting shops doesn't include sports book co-located within HRU operated gaming halls which were closed across 2021. In 2022 all are operating.

⁹ Sports betting shops excludes franchised locations (included in Arcades).

¹⁰ Self-service sports betting terminals; arcades and bars would, however, typically have 3rd party operated AWP's.

Gaming Capacity¹ by Product

Region	Gaming Product (Installed Capacity)											
	Slots ⁽²⁾		Table Seats ⁽³⁾		Bingo Seats		Sports Betting ⁽⁴⁾		Network ⁽⁵⁾		Total	
	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
Latin America												
Argentina	-	6,766	-	-	-	11,692	-	-	-	-	-	18,458
Mexico	12,385	13,185	474	436	625	666	564	563	-	-	14,048	14,850
Panama ⁽⁶⁾	2,046	2,172	162	363	-	-	50	74	-	-	2,258	2,609
Colombia	3,457	3,395	40	96	-	-	476	462	-	-	3,973	3,953
Uruguay (CN)	-	387	-	54	-	-	-	-	-	-	-	441
Uruguay (HRU)	-	1,742	-	-	-	-	19	24	-	-	19	1,766
Total	17,888	27,647	676	949	625	12,358	1,109	1,123	-	-	20,298	42,077
Europe												
Italy: ⁽⁷⁾	6,817	7,538	-	-	2,380	2,380	-	-	12,206	13,967	15,300	16,984
AWP ⁽⁸⁾	6,251	6,837	-	-	-	-	-	-	11,287	12,781	11,980	13,375
VLT ⁽⁹⁾	566	701	-	-	-	-	-	-	919	1,186	940	1,229
Spain ⁽¹⁰⁾	9,062	9,038	-	-	532	1,064	6,831	6,496	-	-	16,425	16,598
Total	15,879	16,576	-	-	2,912	3,444	6,831	6,496	12,206	13,967	31,725	33,582
Total Group	33,767	44,223	676	949	3,537	15,802	7,940	7,619	12,206	13,967	52,023	75,659
Gaming Venue												
Gaming Halls	16,074	26,100	676	949	3,537	15,802	693	751	-	-	20,980	43,602
Arcades	3,675	3,570	-	-	-	-	5,664	5,420	-	-	9,339	8,990
Bars	13,929	14,460	-	-	-	-	1,187	1,098	-	-	15,116	15,558
Sports Betting Shops	89	93	-	-	-	-	396	350	-	-	485	443
Network ⁽¹¹⁾	-	-	-	-	-	-	-	-	12,206	13,967	6,103	7,066
Total Group	33,767	44,223	676	949	3,537	15,802	7,940	7,619	12,206	13,967	52,023	75,659

¹ Figures gaming products in operation as at June 30, 2021 and 2022, as applicable.

² Includes all Codere operated AWP, VLTs, electronic bingo terminals and other gaming machines; excludes 3rd party operated slots.

³ Figure reflects number of total gaming positions assuming (for illustrative purposes only) 6 seats per table now subject to Covid-19 restrictions.

⁴ Figures reflect self-service terminals (SSTs); For Mexico and Panama, they will vary from prior releases which reflected points of sale.

⁵ Reflects all slots connected to Codere network (i.e. both Codere and 3rd party operated).

⁶ Figure for sports betting shops excludes affiliated agencies (horserace betting only).

⁷ Figures for slots reflect Codere operated units connected to both Codere Network (typical) and 3rd party networks.

⁸ Figures for slots include 693 units in 2021 and 594 units in 2022, connected to 3rd party networks.

⁹ Figures for slots include 21 units in 2021 and 43 units in 2022, connected to 3rd party networks.

¹⁰ Figures for slots reflect operating units (i.e. do not include authorized but not deployed units).

¹¹ Figures in total column reflect only 3rd party operated slots that are connected to Network (to avoid double counting of Codere operated units).

Closing Remarks

- In the first months of the year, COVID-19 still impacted the business, especially in January as a result of the Omicron variant impact, which reduced revenue performances.
- Cost content continued to safeguard profitability.
- In the second quarter, Revenues recovered after some COVID-19 restrictions lifted. Tight control of costs and capex to deliver key objectives.
- The company's priority continues to be to maintain liquidity in order to continue developing its business operations. The retail liquidity expected at the end of the third quarter is ~ EUR 50-60 mm after September coupon payment and first license renewal payments. Argentina Licenses renewal a little delayed but otherwise as expected and finally, participation in bidding process for on-line license in Cordoba Province, Argentina.
- By the end of 2022, despite some headwinds at the beginning of the year, the company expects to achieve the target of operational revenue recovery vs 2019 (95%-100%) that was already anticipated at the beginning of the year.
- Positive operating free cash flow is expected to meet investment and financial obligations in the fourth quarter.

Contact Information

Codere is a leading international gaming operator that operates slot machines, bingo seats and sports betting terminals in Latin America, Spain and Italy, across various gaming venues, including gaming halls, arcades, bars, sports betting shops and horse racetracks.

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Note on Rounding. Due to decimal rounding, numbers presented throughout this report may not add up precisely to the totals and subtotals, and percentages may not precisely reflect the absolute figures.

Alternative Performance Measures. This report includes certain Alternative Performance Measures in accordance with the European Securities and Markets Authority (ESMA) Directive 2015/1415. These measures, which are not defined under IFRS standards, are intended to provide more useful, comparable and reliable information in order to improve the understanding of the Company's financial performance and its reported information. For definitions, usage rationales and reconciliation of these metrics with IFRS, please visit the Presentations section within the Shareholders and Investors site of www.codere.com

Additional Information about the Business Combination and Where to Find It

Codere Online Luxembourg, S.A. ("Holdco"), Servicios de Juego Online, S.A.U. (together with its consolidated subsidiaries upon consummation of the Proposed Business Combination, "Codere Online"), DD3 Acquisition Corp. II ("DD3") and the other parties thereto have entered into a business combination agreement (the "Business Combination Agreement") that provides for DD3 and Codere Online to become wholly-owned subsidiaries of Holdco (the "Proposed Business Combination"). In connection with the Proposed Business Combination, a registration statement on Form F-4 (the "Form F-4") has been filed by Holdco with the U.S. Securities and Exchange Commission ("SEC") that includes a proxy statement relating to DD3's solicitation of proxies from DD3's stockholders in connection with the Proposed Business Combination and other matters described in the Form F-4, as well as a prospectus of Holdco relating to the offer of the securities to be issued in connection with the completion of the Proposed Business Combination. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE FORM F-4 AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN IMPORTANT INFORMATION. The definitive proxy statement/prospectus is being mailed to holders of record of DD3 common stock at the close of business on October 14, 2021, the record date established for voting on the Proposed Business Combination. Stockholders will also be able to obtain copies of such documents, without charge at the SEC's website at www.sec.gov, or by directing a request to Codere Online Luxembourg, S.A., 7 rue Robert Stümper, L-2557 Luxembourg, Grand Duchy of Luxembourg.

INVESTMENT IN ANY SECURITIES DESCRIBED HEREIN HAS NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR ANY OTHER REGULATORY AUTHORITY NOR HAS ANY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED HEREIN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Forward Looking Statements. Codere cautions that this document may contain forward looking statements with respect to the business, financial condition, results of operations, strategy, plans and objectives of the Codere Group. While these forward looking statements represent our judgment and future expectations concerning the development of our business, a certain number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, (1) general market, macroeconomic, governmental, political and regulatory trends; (2) movements in local and international securities markets, currency exchange rates and interest rates; (3) competitive pressures; (4) technical developments; (5) changes in the financial position or credit worthiness of our customers, obligors and counterparties.

These and other risk factors published in our past and future filings and reports, including available to the public in Codere's website (www.grupocodere.com), as well as other risk factors currently unknown or not foreseeable, which may be beyond Codere's control, could adversely affect our business and financial performance and cause actual results to differ materially from those implied in the forward-looking statements.

Additionally, this report includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact contained in this report, including any statements as to Holdco's, Codere Online's, DD3's or the combined company's future results of operations and financial position, planned products and services, business strategy and plans, objectives of management for future operations, market size and potential growth opportunities, competitive position, expectations and timings related to commercial launches or the consummation of the Proposed Business Combination, potential benefits of the Proposed Business Combination and PIPE investments, technological and market trends and other future conditions, are forward-looking statements. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Holdco's, Codere Online's, DD3's and the combined company's actual results may differ from their expectations, estimates and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believe," "predict," "likely," "potential," "continue," and similar expressions (or the negative versions of such words or expressions) are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, Holdco's, Codere Online's and DD3's expectations with respect to the timing of the completion of the Proposed Business Combination.

These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially, and potentially adversely, from those expressed or implied in the forward-looking statements. Most of these factors are outside Holdco's, Codere Online's and DD3's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) the occurrence of any event, change, or other circumstances that could give rise to the termination of the Business Combination Agreement; (2) the outcome of any legal proceedings that may be instituted against Holdco, Codere Online and/or DD3 following the announcement of the Business Combination Agreement and the transactions contemplated therein; (3) the inability to complete the Proposed Business Combination, including due to failure to obtain approval of DD3's stockholders, certain regulatory approvals, or satisfy other closing conditions in the Business Combination Agreement; (4) the occurrence of any other event, change, or other circumstance that could cause the Proposed Business Combination to fail to close; (5) the impact of COVID-19 on Codere Online's business and/or the ability of the parties to complete the Proposed Business Combination; (6) the inability to obtain and/or maintain the listing of Holdco's ordinary shares or warrants on NASDAQ following the Proposed Business Combination; (7) the risk that the Proposed Business Combination disrupts current plans and operations as a result of the announcement and consummation of the Proposed Business Combination; (8) the ability to recognize the anticipated benefits of the Proposed Business Combination, which may be affected by, among other things, competition, the ability of Codere Online and the combined company to grow and manage growth profitably, and retain its key employees; (9) costs related to the Proposed Business Combination; (10) changes in applicable laws or regulations; (11) the amount of redemptions by DD3's stockholders in connection with the Proposed Business Combination; and (12) the possibility that Holdco, Codere Online or DD3 may be adversely affected by other economic, business and/or competitive factors. The foregoing list of factors is not exclusive. Additional information concerning certain of these and other risk factors is contained in DD3's most recent filings with the SEC, the Form F-4 and the definitive proxy statement/prospectus that has been mailed to DD3's stockholders in connection with the Proposed Business Combination. All subsequent written and oral forward-looking statements concerning Holdco, DD3, Codere Online, the combined company, the Proposed Business Combination or other matters and attributable to Holdco, Codere Online or DD3 or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Each of Holdco, Codere Online and DD3 expressly disclaims any obligations or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in their expectations with respect thereto or any change in events, conditions or circumstances on which any statement is based, except as required by law.

No Offer or Solicitation

This report is not a proxy statement and does not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the Proposed Business Combination. This report also does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor will there be any sale of securities in any states or jurisdictions in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities will be made except by means of a prospectus meeting the requirements of section 10 of the Securities Act of 1933, as amended, or an exemption therefrom.

Participants in the Solicitation

Holdco, Codere Online and DD3 and their respective directors, executive officers and other members of their management and employees, under SEC rules, may be deemed to be participants in the solicitation of proxies of DD3's stockholders in connection with the Proposed Business Combination. Information regarding the names, affiliations and interests of DD3's directors and executive officers is set forth in the final prospectus for DD3's initial public offering filed with the SEC on December 10, 2020, as well as in other documents DD3 has filed with the SEC. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies of DD3's stockholders in connection with the Proposed Business Combination is set forth in the Form F-4. Information concerning the interests of Holdco's, Codere Online's and DD3's participants in the solicitation, which may, in some cases, be different than those of Holdco's, Codere Online's and DD3's equity holders generally, is also set forth in the Form F-4. Shareholders, potential investors and other interested persons should read carefully the Form F-4 and the definitive proxy statement/prospectus before making any voting or investment decisions. You may obtain free copies of these documents from the sources indicated above.