



Avda. de Bruselas, 26  
28108 Alcobendas  
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Madrid, September 7<sup>th</sup> 2017

In accordance with article 228 of the Royal Legislative Decree 4/2015, from October 23<sup>rd</sup>, which approves the consolidated Spanish Stock Market Act, Codere S.A. hereby informs the Comisión Nacional del Mercado de Valores (Spanish stock market regulator) about the following:

### **SIGNIFICANT EVENT**

The Board of Directors of “CODERE S.A.” has resolved to convene the Extraordinary General Shareholders’ Meeting to be held at the Company’s head office located at Avda. de Bruselas 26, (28108 Alcobendas, Madrid), at 13:00 on October 16th 2017, on first call and at the same time and place on October 17th 2017, on second call.

Attached you will find the call and agenda for the Meeting, which shall be published in the coming days pursuant to the legal and statutory requirements, as well as the full text including the proposals of agreements which the Board of Directors submits in connection with the various points of the aforementioned agenda.

These documents, together with the additional information, shall be available to shareholders at the Company’s registered office so that they can exercise their right of information. Additionally, these documents will also be accessible on-line via the Company’s website [www.codere.com](http://www.codere.com).

Kind Regards

Luis Argüello Álvarez  
Secretary of the Board.

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## **CODERE, S.A.** **Extraordinary General Shareholders' Meeting**

The Company's Board of Directors has resolved to convene an Extraordinary General Shareholders' Meeting, to be held in Alcobendas, at the registered offices located at Avda. De Bruselas nº 26 (28108 Madrid) on October 16<sup>th</sup> 2017 at 13:00 in first call, and on October 17<sup>th</sup> 2017 at 13:00 in second call, in accordance with the following

### **AGENDA**

**FIRST.- Consolidation and cancellation of the Company's shares, to be exchanged for newly issued shares, whereby every forty-three existing shares will be exchanged for two new shares, increasing their par value from 0.20 euros to 4.30 euros, without affecting the Company's share capital.**

**SECOND.- Delegation of faculties to formalise, interpret, rectify and execute the resolutions adopted by the General Meeting.**

**REASONED PROPOSALS FOR RESOLUTIONS.** In accordance with article 519.3 of the Spanish Corporations Law, shareholders who represent at least three percent of the share capital may file substantiated proposed resolutions regarding topics included or which may be included on the Agenda for the General Meeting. This right may be exercised by attestable notice which must be received at the Company's registered offices, Avda. Bruselas 26, Alcobendas 28108 Madrid, to the attention of the Secretary of the Board of Directors (Mr. Luis Argüello Álvarez), within five days following publication of this official meeting notice indicating: i) identity of the shareholder exercising the right; ii) number of shares held; iii) an original certificate issued by the corresponding deposit entities, proving the ownership of the shares at the date of this call; iv) whole text of each substantiated proposed resolutions regarding topics included or which may be included on the Agenda and v) any other relevant documents.

The Company will publish these proposed resolutions and the documentation attached including them into its website.

**RIGHT TO ATTEND AND VOTING:** In accordance with article 11 of the bylaws, with one hundred shares or more, who have their shares recorded in the pertinent book-entry ledger five days in advance of the meeting being held. They shall hold the relevant attendance card or similar document to prove they are shareholders. Shareholders who do not hold sufficient shares to attend the General Shareholders Meeting may group them

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together with those of other shareholders who do not have the right to attend until they reach the required minimum, appointing a representative.

Each share shall give the right to one vote, although in no case may a single shareholder, companies belonging to the same group or persons acting in a concerted manner in conjunction with the foregoing, cast a number of votes at a General Meeting in excess of those corresponding to shares which represent 44% of the share capital, even if the number of shares owned exceeds the aforementioned percentage of the share capital, without prejudice to the provision made in article 527 of the Companies Act.

This restriction does not affect those votes pertaining to the shares for which a shareholder holds a proxy as a consequence of the provision made in article 13 below, although, the restriction established above shall also apply in relation to the number of votes pertaining to the shares of each shareholder represented.

In accordance with legislation and the provisions, where applicable, laid down in the Articles of Association, shareholders may exercise their right to vote in relation to the proposals on the matters on the agenda by post, electronic or any other remote means of communication, as long as the identity of the shareholder exercising the right to vote is duly guaranteed. To exercise the vote by post, the shareholders wishing to do so shall send the Company, directly or through the deposit entities, the attendance card duly completed and signed which must be received five days in advance of the meeting being held in first call.

**REPRESENTATION:** All shareholders with the right to attend may be represented at the General Meeting by another person, even though said person is not a shareholder, using the delegation formula. One shareholder may not be represented by more than one representative at the same General Shareholders Meeting.

Representation shall be granted specifically for each General Shareholders Meeting in writing. Representation shall be revocable under all circumstances, where it shall be understood as revoked by the personal attendance at the meeting of the represented party.

**RIGHT TO INFORMATION:** Shareholders may request from the Board of Directors, until the fifth day prior to the scheduled date of the General Meeting, or verbally during the meeting, the information or explanations they consider necessary or submit any written questions they deem appropriate on the matters contained in the agenda or on publicly available information that has been provided by the Company to the National Securities Exchange Commission since the conclusion of the last General Meeting.

Shareholders have the right to check at the registered office (Monday through Friday, from 08:00am to 03:00 pm) all the documents related with the agenda including:

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- a) The full text of the notice calling the shareholders' meeting.
- b) The full text of all the resolutions proposed by the Board, and the reports of the Board in the required issues;
- c) Report issued by the Board of Directors, explaining the proposed consolidation and cancellation of shares comprising share capital.
- d) The total number of shares and voting rights on the date of the call to meeting.
- e) Specimen of the attendance card and delegation and indication of the means and procedures for obtaining said card.
- f) Indication of the means and procedures for appointing a proxy for the General Shareholders Meeting.
- g) Indication of the means and procedures for remote communication

All texts and documents may be consulted and obtained on the company's website [www.codere.com](http://www.codere.com). The shareholders have also the right to ask for the free delivery of the copies of each document.

**PRESENCE OF A NOTARY:** The Board of Directors has resolved to request the presence of a Notary to take the minutes of the Extraordinary General Meeting, pursuant to the provisions of section 203 of the Spanish Companies Act, in connection with section 101 and 103 of the Companies Register's Regulations.

**PERSONAL DATA PROTECTION:** In accordance with the provisions of Ley Orgánica 15/1999 of December 13th, the personal details of shareholders and where appropriate, of their proxy holders, provided to the Company by said shareholders, their proxyholders or the entities where the former would have their shares deposited, through the entity lawfully authorized to keep the book-entries, shall be included on a file, of which CODERE S.A. shall be the controller, for the purposes of managing the development, fulfillment and control of the relationship existing with its shareholders. Those personal details shall be provided to the Notary, or to those who have the information right or if the data are publicly known. The shareholders meeting may be recorded and published on the website. By attending the meeting, shareholders give their consent to record audiovisually and broadcast internally within the Company. The rights of access, correction, and challenge may be exercised by letter addressed to CODERE S.A. Alcobendas (Madrid) Avda. Bruselas 26, under the subject "LPD".

**ELECTRONIC SHAREHOLDERS' FORUM.-** Pursuant to the provisions of section 539.2 of the Companies Act, on the occasion of the call to meeting and until the General Shareholders' Meeting is held, Codere SA has enabled an Electronic Shareholders' Forum on the Company's corporate website ([www.codere.com](http://www.codere.com)) which shall be accessible, with appropriate safeguards, by both individual shareholders and any shareholder associations they may create to facilitate communications between them

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before the Meeting is held. Through it, once registered, it shall be possible to post initiatives to reach the sufficient percentage to exercise a minority right, offers and requests for voluntary proxies, and others.

Instructions for Access to and use of the Forum may be found on the Company's corporate website.

Madrid September 7th 2017.- Chairman of the Board of Directors, José Antonio Martínez Sampedro.

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**PROPOSED RESOLUTIONS SUBMITTED BY THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR DECISION AT THE EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING TO BE HELD ON OCTOBER 16<sup>TH</sup> 2017 AT FIRST CALL, OR OCTOBER 17<sup>TH</sup> 2017 ON SECOND CALL.**

**ONE.- Consolidation and cancellation of the Company's shares, to be exchanged for newly issued shares, whereby every forty-three existing shares will be exchanged for two new shares, increasing their par value from 0.20 euros to 4.30 euros, without affecting the Company's share capital.**

To consolidate the number of the Company's shares in issue through the transformation of every forty-three existing shares with a nominal value of 0.20 euros into two shares with a nominal value of 4.30 euros each. The number of shares resulting from the consolidation will be 118,538,326 shares, without changing the amount of the Company's share capital.

The new shares issued will be ordinary shares, represented by book entries, whose posting in the accounts will be attributed to Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) and to its participating entities. The new shares will be of the same series and class and will have the same economic and voting rights as the current shares, in proportion to their nominal value.

According to articles 26.1.b) and 41.1 a) of Royal Decree 1310/2005, of 4 November, partially developing the Securities Market Act, in terms of the admission to trading of securities on official secondary markets, of initial public offerings or subscription and of the prospectus required for such purposes, the obligation of publishing a public offering prospectus is not applicable, since the new shares are issued in replacement of the shares of the same class already issued and the issue does not involve any increase whatsoever of the share capital.

**I. Date of effect and exchange procedure**

The exchange of the shares will become effective on the date determined by the Board of Directors once the consolidation resolution and the consequent amendment of the Articles of Association have been registered on the Company's page in the Commercial Registry on a preliminary basis. The exchange will take place as from the date indicated in the notices which will be published in the Official Gazette of the Commercial Registry and on the Company's website and, if mandatory, in a daily newspaper distributed nationwide and in the Listing Bulletins of the Spanish stock exchanges. Likewise, this date will be notified through the publication of the relevant significant event.

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Those shareholders who are included in the Share Register at the close of the markets on the trading date prior to the date of effect determined by the Board of Directors, according to the accounting records of Iberclear and of its participating entities, will have the right to receive two new shares for every forty-three old shares, and such exchange will take place automatically.

The exchange of shares will be effected in accordance with the procedures established for the securities represented by means of book entries, through the participating entities, according to the instructions issued in this regard by Iberclear and by the entity designated as agent, if any.

## **II. Treatment of the fractions**

Those shareholders who, following the application of the exchange ratio for the consolidation, own a number of shares that is not a multiple of forty-three, will be able to purchase or transfer the shares necessary for completing a number that would be a multiple of the number established in the exchange ratio.

If, at closing of the trading session on the day prior to the date on which the exchange of the shares is to become effective, as described above, there are shareholders who still own a number of shares that is not a multiple of forty-three, the remainder shares will be purchased by the Company itself.

The purchase price will be the listed price of the share at the end of trading on that date, without involving any cost whatsoever for the shareholders owning such remainder shares, except for the expenses and brokerage fees as may be charged to them by their respective securities depositories.

The amount necessary for the purchase of the remainder shares will be paid by the Company to the entities participating in Iberclear for subsequent payment into the accounts of the shareholders who have their Company shares deposited in such entities. Such payment will take place between the date on which the exchange of shares becomes effective and the second business day following that date. The Board of Directors may designate an entity as its agent, if deemed necessary, granting such agent a power of attorney to enable it to purchase the remainder shares on behalf of the Company.

## **III. Application for admission to official trading**

It has been agreed that, once the deed formalising the consolidation of the shares currently in issue into the shares of the new issue with the change in the nominal value of the shares, an application will be made to have the old shares simultaneously excluded from trading

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and the new shares admitted to trading on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia, where the share is listed, through the Stock Exchange Interconnection System (Continuous Market), and the formalities and steps necessary will be carried out and the documents required will be submitted to the competent bodies for the admission to trading of the new shares issued as a consequence of the resolution passed, expressly stating the Company's adherence to the rules that exist or may be put into place in the context of the Stock Exchange and, particularly, with respect to contracting, continuing presence and exclusion from official trading.

It is expressly stated that, in the event of a subsequent request for the exclusion from trading of the Company's shares, such exclusion will be adopted with the same formalities as applicable and, in such an event, the interests of those shareholders who may oppose the exclusion resolution or who do not vote on it will be guaranteed, by complying with the requirements contained in the Companies Act and concordant provisions, in accordance with the revised text of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, and the provisions pursuant to such Act in force at all times.

#### IV. Amendment of article 5 of the Articles of Association

Following implementation of the share consolidation, article 5 of the Articles of Association in relation to the share capital will be amended. This amendment will be made as follows:

ARTICLE 5.- The share capital totals FIVE HUNDRED AND NINE MILLION SEVEN HUNDRED AND FOURTEEN THOUSAND EIGHT HUNDRED AND ONE EUROS AND EIGHTY CENTS (509,714,801.80 €), fully subscribed and paid up, and is represented by ONE HUNDRED AND EIGHTEEN MILLION FIVE HUNDRED AND THIRTY-EIGHT THOUSAND THREE HUNDRED AND TWENTY-SIX SHARES (**118,538,326**) shares, with a nominal value of FOUR EUROS AND THIRTY CENTS (4.30 €) each, represented by book entries.

#### V. Delegation of powers to the Board of Directors

It is agreed to delegate the implementation of the consolidation transaction to the Board of Directors, on a basis as broad as appropriate under the Law, with powers to sub-delegate to the Chairman, the Deputy Chairman and to the Secretary and Deputy Secretary, including but not limited to:

(i) The power to implement the consolidation resolution. The date of the exchange of shares will be notified in due course by means of a notice in the Official Gazette of the Commercial Registry and on the Company's website and, if mandatory, in a daily

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newspaper distributed nationwide and in the Listing Bulletins of the Spanish stock exchanges. Likewise, this date will be notified through the publication of the relevant significant event.

(ii) The power to draw up, notify and manage any documents, publications or certificates as may be required in relation to the share consolidation process.

(iii) The power to determine the date of effect of the consolidation and the date on which the share consolidation is declared to have been completed.

(iv) The power to reword article 5 de the Company's Articles of Association, with respect to its share capital, to adapt it to the result of the implementation of the share consolidation.

(v) The power to carry out all of the formalities necessary for recording the new shares in the accounting records of Iberclear in accordance with the legally established procedures.

(vi) The power to process, at the time deemed advisable, the application to the CNMV, the Stock Exchange Councils of the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges, the Central Securities Depository, Iberclear and any other body, entity, or public or private, national or foreign registry, for the admission to trading of all of the shares comprising the share capital of the Company on the Stock Exchanges of Madrid, Barcelona, Valencia and Bilbao, as well as the contracting thereof through the Stock Exchange Interconnection System (Continuous Market) and the simultaneous exclusion of the old shares which are cancelled, as well as any and all formalities, steps, declarations or representations as may be necessary or advisable for the purpose of obtaining, *inter alia*, the approval, verification and admission to trading of the shares, and for drafting and publishing whatever notices as may be necessary or advisable for this purpose.

(vii) The power to take whatever steps necessary or advisable for implementing and formalising the share consolidation with respect to any public or private, Spanish or foreign entities and bodies whatsoever, including declaratory actions, supplementary actions or the remedy of any defects or omissions that could put obstacles in the way of the full effectiveness of the preceding resolutions.

(viii) The power to determine, as appropriate, the entities which are to take part in the process for coordinating the transaction (in particular, the designation of an entity to act as agent and the granting of powers of attorney to such agent in the terms stated previously) and, in general, all of the criteria to be followed in the process.

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(ix) The power to draw up and sign commitments, agreements, contracts or documents of any other kind, in the terms they deem appropriate, with any entity connected in any way whatsoever with the transaction.

(x) The power to execute whatever public and private documents as may be advisable for the full or partial implementation of the share consolidation and the power to take all steps as appropriate in relation to the preceding resolutions for the registration of such resolutions in the Commercial Registry and in any other registries, including, in particular, and among other powers, that of appearing before a notary public to execute the deeds and notarial certificates necessary or advisable for such purpose, to remedy, rectify, ratify, interpret or supplement what has been agreed and to formalise any other public or private document as necessary or advisable up to the point where the resolutions passed by the General Meeting are fully registered, without the need for a new resolution.

(xi) And, in general, the power to take whatever steps and to sign whatever public or private documents as necessary or advisable in the opinion of the Board of Directors, the Chairman and the Secretary or Deputy Secretary, or of whoever has been delegated by them, for the full effectiveness and fulfilment of the preceding resolutions



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**TWO.- Delegation of powers to formalize, interpret, amend and enforce the resolutions adopted by the Extraordinary General Shareholders' Meeting.**

To authorize on a several basis, all and each Director, Secretary and Vice Secretary of the Board of Directors, such that, any of them may formalize and implement the foregoing resolutions, with the power for such purpose to publish any announcement it may be necessary, to attend a public notary to execute public documents, and correct any mistakes that could be made on these documents as the Trade Register may request, and to get the registration with the Trade Register, of the approved decisions if necessary.