

FY 2020 Earnings Results

February 26, 2020



codere

Table of Contents

Financial and Operating Overview	3
Consolidated Income Statement	4
Revenue and Adjusted EBITDA	6
Earnings per Share	6
Revenue and Adjusted EBITDA at Constant Currency	7
Operating Expenses	8
Income Statement by Country	
Mexico	9
Argentina	10
Spain	11
Italy	12
Other Operations	13
Consolidated Cash Flow Statement	14
Capital Expenditures and Acquisitions	16
Consolidated Balance Sheet	17
Net Working Capital	18
Capitalization	19
Gaming Capacity by Venue	20
Gaming Capacity by Product	21
Recent Events.....	22
Contact Information	24

Financial and Operating Overview

Herein, figures presented above Operating Profit (other than non-recurring items and impairment charges) are shown excluding the impact of non-recurring items as well as the impact resulting from the application of IAS 29. Adjusted EBITDA refers to EBITDA¹ excluding all non-recurring items and not considering Argentine figures according to IAS 29 standards (inflation accounting). All figures are post the application of IFRS 16.

Following the October 12, 2020, amendment to IFRS 16 *Leases: Covid 19-Related Rent Concessions* by the IASB regarding the accounting for a concession, in the form of forgiveness or deferral of lease payments, as a negative variable lease payment instead of as financial income, we have adjusted retroactively our Q2 2020 reported rental expense to reflect this new approach. As a result, we have deducted €7.4 mm from financial income in the period and accounted for it as lower rental expense, positively impacting EBITDA. For a detailed breakdown of this adjustment by country please see the Recent Events section at the end of this report.

- FY 2020 Operating Revenue decreased by 57.2% to €594.6 mm as a result of the COVID-19 related closings and operational restrictions. Our entire retail operation was shuttered during most of Q2, with reopenings taking place progressively during Q3 but offset again by additional closings and operational restrictions towards the end of the year.
- FY 2020 Adjusted EBITDA reached €22.5 mm, 92.9% below FY 2019, driven by a negative EBITDA of €23.7 mm in Q2 due to the abovementioned closings, already turning positive in Q3 thanks to the positive contributions from Spain, Italy, Online and Uruguay. In Q4, Adjusted EBITDA became again negative (€6.1) mm as a result of the temporary closings in some regions and countries as well as further delays in the reopening of Argentina and the State of Mexico.
- FY 2020 Adjusted EBITDA margin declined to 3.8%, 19.2 percentage points below FY 2019 due to the lack of revenues not being offset by the decline in operating expenses, despite the implementation of significant cost cutting and efficiency measures in the period. Some of these measures will help us improve our margins upon business normalization in future quarters.
- In FY 2020 we generated a net loss of €236.6 mm, compared to a loss of €61.7 mm last year, mainly as a result of the closings related to COVID-19, and, to a lesser extent, the devaluation of our operating currencies vs. the USD, partially offset by the accounting implications of the refinancing transaction closed on October 30, 2020.
- Capex in FY 2020 was €37.6 mm, 58.5% below FY 2019, and included €31.5 mm of maintenance capex and €6.1 mm for growth projects.
- As of December 31, 2020, we had €110.3 mm in cash and equivalents vs €103.1 mm as of December 31, 2019 (€145.5 mm including SSRCF availability). Our gross debt amounted to €1,020.6 mm and our net debt to €910.3 mm, or €1,228.9 mm and €1,118.6 mm, respectively, including capitalization of operating leases (as per IFRS 16).

The higher than expected cash position by year end is mainly driven by the deferral of gaming taxes (€31.8mm in PREU) by Italian authorities from December to the first half of 2021. However, the increased number of closings and operating restrictions, as well as the partial payment of some deferred expenses in January, reduced our liquidity position to €85.6 mm in January.

As explained in the Recent Events section, based on the abovementioned closings and pressure on liquidity which is expected to continue during the year, the Company has engaged financial advisors to analyze alternatives to enhance its liquidity and strengthen its capital structure.

- In terms of gaming capacity, our active number of slots by December 31, 2020, was 23,074 (around 41% of our capacity by year end 2019), deployed across all markets except Italy. In terms of venues, we had 79 gaming halls in operation, 1,049 arcades, 153 sports betting shops and 5,410 bars. These figures do not include further halls that are temporarily closed in Mexico, Panama and Colombia and the temporary closing of bars in certain regions in Spain in January.

¹ EBITDA, as defined by the Company, is operating profit (EBIT) plus depreciation and amortization, variation 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			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Operating Revenue	344.0	134.0	(61.1%)	1,389.4	594.6	(57.2%)
Gaming & Other Taxes	(123.8)	(42.4)	65.8%	(495.4)	(223.9)	54.8%
Personnel	(56.3)	(42.2)	25.1%	(239.4)	(162.5)	32.1%
Rentals	(12.2)	(0.2)	98.0%	(39.5)	0.7	n.a.
Cost of Goods Sold	(11.0)	(8.2)	25.4%	(50.7)	(27.9)	45.1%
Other	(58.9)	(47.1)	20.1%	(245.3)	(158.5)	35.4%
Operating Expenses (excl. D&A)	(262.2)	(140.1)	46.6%	(1,070.4)	(572.1)	46.6%
Depreciation & Amortization	(45.6)	(38.5)	15.7%	(180.1)	(159.6)	11.4%
Variation in Provisions for Trade Transactions ⁽¹⁾	(7.0)	(5.9)	16.5%	(9.9)	(9.0)	9.0%
Gains / (Losses) on Asset Disposals ⁽²⁾	(2.0)	(0.2)	89.9%	(2.5)	(2.7)	(10.1%)
Impairment Charges	0.0	0.0	n.a.	0.0	(2.0)	n.a.
Non-Recurring Items	(13.5)	(16.2)	(20.1%)	(32.1)	(42.6)	(32.5%)
Operating Profit (Pre-Inflation Accounting)	13.7	(66.9)	n.a.	94.3	(193.4)	n.a.
Inflation Adjustment on Operating Expenses ^(3,4)	(0.7)	(1.8)	n.a.	(12.2)	(10.6)	13.3%
Operating Profit (Post-Inflation Accounting)	13.0	(68.7)	n.a.	82.1	(204.0)	n.a.
Interest Expense	(25.6)	(38.3)	(50.0%)	(110.7)	(120.5)	(8.9%)
Interest Income	3.0	60.3	n.a.	5.0	62.5	n.a.
Gains / (Losses) from Financial Investments	(2.8)	4.2	n.a.	(2.1)	5.1	n.a.
Gains / (Losses) from Exchange Rate Variations	9.9	24.2	n.a.	(10.6)	(16.4)	(55.1%)
Inflation Adjustment ⁽⁵⁾	2.8	6.9	n.a.	3.4	11.9	n.a.
Earnings before Corporate Income Taxes	0.4	(11.4)	n.a.	(32.8)	(261.5)	n.a.
Provision for Corporate Income Taxes	(0.8)	13.5	n.a.	(14.2)	13.2	n.a.
Inflation Adjustment on CIT ⁽⁶⁾	(10.3)	(4.5)	56.0%	(15.5)	(8.4)	45.4%
Minority Interests in Subsidiary (Income) / Loss	3.6	5.6	57.5%	1.0	20.3	n.a.
Equity in Affiliate Income / (Loss)	0.1	(0.1)	n.a.	(0.2)	(0.1)	13.3%
Net Income / (Loss)	(7.0)	3.2	n.a.	(61.7)	(236.6)	n.a.
EBITDA						
EBIT (Operating Profit)	13.0	(68.7)	n.a.	82.1	(204.0)	n.a.
(+) Impairment Charges	0.0	0.0	n.a.	0.0	2.0	n.a.
(+) (Gains) / Losses on Asset Disposals	2.0	0.2	(89.9%)	2.5	2.7	10.1%
(+) Variation in Provisions for Trade Transactions	7.0	5.9	(16.5%)	9.9	9.0	(9.0%)
(+) Depreciation & Amortization	45.6	38.5	(15.7%)	180.1	159.6	(11.4%)
(+) Inflation Adjustment on Other Opex ⁽⁴⁾	3.4	2.1	(37.6%)	9.9	10.0	0.6%
EBITDA	71.0	(22.0)	n.a.	284.6	(20.7)	n.a.
<i>EBITDA Margin</i>	<i>20.6%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>20.5%</i>	<i>-3.5%</i>	<i>(24.0 p.p.)</i>
Adjusted EBITDA						
EBITDA	71.0	(22.0)	n.a.	284.6	(20.7)	n.a.
(+) Non-Recurring Items	13.5	16.2	20.1%	32.1	42.6	32.5%
(+) Inflation Adjustment on EBITDA ⁽³⁾	(2.7)	(0.3)	89.5%	2.3	0.6	(73.3%)
Adjusted EBITDA	81.8	(6.1)	n.a.	319.0	22.5	(92.9%)
<i>Adjusted EBITDA Margin</i>	<i>23.8%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>23.0%</i>	<i>3.8%</i>	<i>(19.2 p.p.)</i>

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 reflects, following IAS 29, the net impact on revenues and costs above EBITDA from applying Argentinean inflation to the end of the reporting period on the accrued items and ARS/EUR exchange rate as of December 31, 2020.

⁴ Figure reflects, following IAS 29, the net impact on costs above Operating Profit from applying Argentinean inflation to the end of the period on the accrued items and ARS/EUR exchange rate as of December 31, 2020, excluding impact on items above 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 Revenue** decreased by €794.8 mm or 57.2% to €594.6 mm in FY 2020, due to the COVID-19 related closings. The most significant decreases took place in Argentina (€246.5 mm as it was the only market that remained fully closed between March and December), Mexico (€209.9 mm) and Italy (€188.6 mm).
- **Operating Expenses** (excluding depreciation and amortization) decreased by €498.3 mm or 46.6% to €572.1 mm, as a result of reductions across variable costs in all our markets and to the multiple temporary cost containment measures deployed by management, especially in Argentina (€163.2 mm), Italy (€156.1 mm), Mexico (€91.8 mm) and Spain (€43.1 mm).
- **Adjusted EBITDA** decreased by €296.5 mm to €22.5 mm in FY 2020, as a result of the decrease in revenue and the closings affecting all of our markets. The significant revenue decline in our retail operations was only partially offset by the reduction in costs, as the volatility in the openings, closings and operational restrictions made it difficult to align fixed costs to revenue generation.
- **Non-Recurring Items** in FY 2020 were €28.3 mm (€6.6 mm of which were related to the refinancing process) while marketing investments to grow our online business accounted for an additional €14.3 mm.
- **Inflation Adjustment** in FY 2020 represents a loss of €0.6 mm (impact on EBITDA). At the net income level, the impact is a net loss of €7.1 mm.
- **Impairment Charges** in FY 2020 amounted to €2.0 mm.
- **Operating Profit** (prior to considering inflation accounting for Argentina) decreased by €287.7 mm to an operating loss of €193.4 mm in FY 2020.
- **Interest Expense** (including financial expenses from capitalized operating leases) increased by €9.8 mm to €120.5 mm driven by the incremental interest on the newly issued €250 mm super senior secured notes.
- **Interest Income** increased by €57.4 mm to €62.5 mm as a result of the €60.3 mm interest income in Q4 related to the accounting treatment of the refinancing transaction, whereby the amended and restated notes are considered, for accounting purposes, as new debt, and therefore registered at fair value upon completion of the transaction (October 30, 2020).
- Gains on **Financial Investments** reached €5.1 mm in FY 2020 vs a loss of €2.1 mm in 2019.
- Losses on **Exchange Rate Variations** reached €16.4 mm in FY 2020 derived from the appreciation of the USD against our LATAM operating currencies in the beginning of the year, although the trend partially reversed since Q2 and more meaningfully in Q4.
- Provision for **Corporate Income Tax** decreased by €27.4 mm to €13.2 mm in FY 2020 driven by significant decreases in accrued corporate income taxes as a result of the reduction of profit before taxes in all of our business units (especially in Argentina), and reduced withholding taxes payments across the Group.
- **Minority Interest** represents a gain of €20.3 mm in FY 2020.
- As a result of the aforementioned results, the **Net Loss** in FY 2020 was €236.6 mm, compared to a Net Loss of €61.7 mm in FY 2019.

Revenue and Adjusted EBITDA

Figures in EUR mm, except where noted otherwise

	Quarter			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Operating Revenue						
Argentina	75.9	5.9	(92.3%)	317.2	70.7	(77.7%)
Mexico	73.3	27.2	(63.0%)	307.8	97.8	(68.2%)
Panama	20.3	8.0	(60.5%)	78.2	22.7	(71.0%)
Uruguay	18.8	11.8	(36.9%)	74.2	52.3	(29.6%)
Colombia	4.7	3.5	(24.6%)	19.0	8.7	(54.1%)
Sub-Total - Latin America	193.0	56.4	(70.8%)	796.5	252.2	(68.3%)
Italy	89.0	22.6	(74.7%)	343.3	154.7	(54.9%)
Spain	47.6	32.2	(32.3%)	189.8	116.4	(38.7%)
Sub-Total - Europe	136.7	54.8	(59.9%)	533.0	271.0	(49.1%)
Online	14.3	22.8	58.7%	59.8	71.3	19.3%
Total	344.0	134.0	(61.1%)	1,389.3	594.6	(57.2%)
Adjusted EBITDA						
Argentina	19.9	(5.8)	n.a.	77.8	(5.5)	n.a.
Mexico	25.0	(1.1)	n.a.	117.0	(1.1)	n.a.
Panama	3.5	(1.4)	n.a.	18.5	(0.9)	n.a.
Uruguay	6.4	2.6	(59.6%)	22.0	18.8	(14.3%)
Colombia	1.6	0.8	(45.9%)	6.6	(0.5)	n.a.
Sub-Total - Latin America	56.4	(4.8)	n.a.	242.0	10.8	(95.5%)
Italy	9.2	(3.4)	n.a.	28.6	(3.9)	n.a.
Spain	13.7	2.9	(78.7%)	47.5	17.2	(63.8%)
Sub-Total - Europe	22.9	(0.5)	n.a.	76.1	13.3	(82.6%)
Corporate	(1.5)	(4.2)	n.a.	(8.9)	(11.5)	(28.3%)
Online	4.0	3.4	(14.9%)	9.9	9.9	(0.4%)
Total	81.8	(6.1)	n.a.	319.0	22.5	(92.9%)

Earnings per Share

Figures in EUR mm, except where noted otherwise

	Quarter			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Earnings per Share						
Net Income / (Loss) (EUR mm)	(7.0)	3.2	n.a.	(61.7)	(236.6)	n.a.
Average Shares Issued & Outstanding⁽¹⁾ (mm):						
Basic	118	118	(0%)	119	118	(0%)
Earnings per Share (EUR):						
Basic	(0.06)	0.03	n.a.	(0.52)	(2.00)	n.a.

¹ Figure excludes treasury shares.

Revenue and Adjusted EBITDA at Constant Currency

	Constant Currency					
	Quarter			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Operating Revenue						
Argentina	75.9	8.5	(88.8%)	317.2	106.8	(66.3%)
Mexico	73.3	31.2	(57.5%)	307.8	110.5	(64.1%)
Panama	20.3	8.6	(57.5%)	78.2	23.1	(70.5%)
Uruguay	18.8	14.5	(22.8%)	74.2	63.4	(14.7%)
Colombia	4.7	4.1	(12.9%)	19.0	10.0	(47.5%)
Sub-Total - Latin America	193.0	66.9	(65.3%)	796.5	313.8	(60.6%)
Italy	89.0	22.6	(74.7%)	343.3	154.7	(54.9%)
Spain	47.6	32.2	(32.3%)	189.8	116.4	(38.7%)
Sub-Total - Europe	136.7	54.8	(59.9%)	533.0	271.0	(49.1%)
Online	14.3	22.8	58.7%	59.8	71.3	19.3%
Total	344.0	144.4	(58.0%)	1,389.3	656.2	(52.8%)
Adjusted EBITDA						
Argentina	19.9	(8.4)	n.a.	77.8	(8.3)	n.a.
Mexico	25.0	(1.2)	n.a.	117.0	(1.3)	n.a.
Panama	3.5	(1.5)	n.a.	18.5	(0.9)	n.a.
Uruguay	6.4	3.2	(50.6%)	22.0	22.8	3.9%
Colombia	1.6	1.0	(37.5%)	6.6	(0.6)	n.a.
Sub-Total - Latin America	56.4	(7.0)	n.a.	242.0	11.8	(95.1%)
Italy	9.2	(3.4)	n.a.	28.6	(3.9)	n.a.
Spain	13.7	2.9	(78.7%)	47.5	17.2	(63.8%)
Sub-Total - Europe	22.9	(0.5)	n.a.	76.1	13.3	(82.6%)
Corporate	(1.5)	(4.2)	n.a.	(8.9)	(11.5)	(28.3%)
Online	4.0	3.4	(14.9%)	9.9	9.9	(0.4%)
Total	81.8	(8.3)	n.a.	319.0	23.5	(92.6%)

Figures in EUR mm, except where noted otherwise

Operating Expenses¹

Figures in EUR mm, except where noted otherwise

	Quarter			Full Year		
	Q4 2019	Q4 2020	Var.	2019	2020	Var.
Operating Revenue	344.0	134.0	(61.1%)	1,389.4	594.6	(57.2%)
Gaming & Other Taxes	(123.8)	(42.4)	65.8%	(495.4)	(223.9)	54.8%
Personnel	(56.3)	(42.2)	25.1%	(239.4)	(162.5)	32.1%
Rentals	(12.2)	(0.2)	98.0%	(39.5)	0.7	n.a.
Cost of Goods Sold	(11.0)	(8.2)	25.4%	(50.7)	(27.9)	45.1%
Other	(58.9)	(47.1)	20.1%	(245.3)	(158.5)	35.4%
Operating Expenses (excl. D&A)	(262.2)	(140.1)	46.6%	(1,070.4)	(572.1)	46.6%
Gaming & Other Taxes						
Gaming Taxes	(103.4)	(32.1)	68.9%	(413.3)	(182.5)	55.8%
Other Taxes	(20.4)	(10.2)	49.9%	(82.2)	(41.4)	49.6%
Total	(123.8)	(42.4)	65.8%	(495.4)	(223.9)	54.8%
Rentals						
Gaming Venues & Other	(2.2)	(0.0)	98.0%	(7.7)	0.1	n.a.
Slots	(10.0)	(0.2)	98.0%	(31.9)	0.6	n.a.
Total	(12.2)	(0.2)	98.0%	(39.5)	0.7	n.a.
Other						
Professional Fees ⁽²⁾	(4.3)	(4.0)	7.4%	(14.9)	(12.2)	17.7%
Advertising and Marketing	(11.0)	(6.4)	41.7%	(35.6)	(19.4)	45.6%
Utilities	(12.7)	(6.6)	47.9%	(37.0)	(22.7)	38.6%
Repairs & Maintenance ⁽³⁾	(5.0)	(2.8)	44.0%	(17.3)	(8.9)	48.7%
Insurance ⁽⁴⁾	(0.8)	(1.1)	(46.6%)	(3.0)	(3.1)	(3.5%)
Travel	(1.2)	(0.8)	34.9%	(3.3)	(1.9)	41.2%
Transportation ⁽⁵⁾	(0.7)	(0.4)	35.9%	(2.1)	(1.2)	42.3%
Other Expenses	(23.2)	(24.9)	(7.3%)	(132.0)	(89.0)	32.6%
Total	(58.9)	(47.1)	20.1%	(245.3)	(158.5)	35.4%
As % of Operating Revenue (Var. in p.p.)						
Operating Revenue	100.0%	100.0%	-	100.0%	100.0%	-
Gaming & Other Taxes	36.0%	31.6%	(4.3)	35.7%	37.7%	2.0
Personnel	16.4%	31.5%	15.1	17.2%	27.3%	10.1
Rentals	3.5%	0.2%	(3.4)	2.8%	-0.1%	(3.0)
Cost of Goods Sold	3.2%	6.1%	2.9	3.7%	4.7%	1.0
Other	17.1%	35.2%	18.0	17.7%	26.7%	9.0
Operating Expenses (excl. D&A)	76.2%	104.6%	28.3	77.0%	96.2%	19.2
Gaming & Other Taxes						
Gaming Taxes	30.0%	24.0%	(6.0)	29.7%	30.7%	0.9
Other Taxes	5.9%	7.6%	1.7	5.9%	7.0%	1.1
Total	36.0%	31.6%	(4.3)	35.7%	37.7%	2.0
Rentals						
Gaming Venues & Other	0.6%	0.0%	(0.6)	0.6%	0.0%	(0.6)
Slots	2.9%	0.2%	(2.8)	2.3%	-0.1%	(2.4)
Total	3.5%	0.2%	(3.4)	2.8%	-0.1%	(3.0)
Other						
Professional Fees ⁽²⁾	1.3%	3.0%	1.7	1.1%	2.1%	1.0
Advertising and Marketing	3.2%	4.8%	1.6	2.6%	3.3%	0.7
Utilities	3.7%	4.9%	1.2	2.7%	3.8%	1.2
Repairs & Maintenance ⁽³⁾	1.5%	2.1%	0.6	1.2%	1.5%	0.2
Insurance ⁽⁴⁾	0.2%	0.9%	0.6	0.2%	0.5%	0.3
Travel	0.4%	0.6%	0.2	0.2%	0.3%	0.1
Transportation ⁽⁵⁾	0.2%	0.3%	0.1	0.2%	0.2%	0.1
Other Expenses	6.7%	18.5%	11.8	9.5%	15.0%	5.5
Total	17.1%	35.2%	18.0	17.7%	26.7%	9.0

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			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Operating Revenue	73.3	27.2	(63.0%)	307.8	97.8	(68.2%)
Gaming & Other Taxes	(10.5)	(5.5)	48.2%	(36.7)	(22.0)	40.2%
Personnel ⁽¹⁾	(12.5)	(11.3)	9.0%	(52.2)	(42.7)	18.1%
Rentals	(6.1)	0.5	n.a.	(23.2)	1.7	n.a.
Cost of Goods Sold	(4.6)	(2.2)	53.3%	(18.6)	(5.2)	71.8%
Other	(14.6)	(9.7)	33.4%	(60.2)	(30.8)	48.9%
Operating Expenses (excl. D&A)	(48.3)	(28.2)	41.6%	(190.8)	(98.9)	48.1%
Depreciation & Amortization	(18.9)	(15.4)	18.5%	(75.7)	(65.2)	13.9%
Variation in Provisions for Trade Transactions	(0.0)	(0.0)	76.0%	(0.0)	(0.0)	(29.3%)
Gains / (Losses) on Asset Disposals ⁽²⁾	(0.2)	(0.3)	(76.9%)	(0.2)	(1.3)	n.a.
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	0.9	(2.2)	n.a.	(3.3)	(6.6)	(99.7%)
Operating Profit	6.8	(19.0)	n.a.	37.7	(74.3)	n.a.
EBITDA	25.9	(3.3)	n.a.	113.7	(7.8)	n.a.
EBITDA Margin	35.3%	n.a.	n.a.	36.9%	n.a.	n.a.
Adjusted EBITDA	25.0	(1.1)	n.a.	117.0	(1.1)	n.a.
Adjusted EBITDA Margin	34.1%	n.a.	n.a.	38.0%	n.a.	n.a.
Economic Indicators						
Average Exchange Rate - EUR/MXN	21.32	24.49	14.9%	21.56	24.51	13.7%
Average Inflation (YoY)	2.9%	3.5%	0.6 p.p.	3.6%	3.4%	(0.2 p.p.)
Key Performance Indicators						
Avg. Installed Capacity (Slots)	22,033	7,460	(66.1%)	21,871	7,650	(65.0%)
Gross Win per Slot per Day:						
EUR	31.1	27.0	(13.1%)	32.1	36.9	15.0%
Local Currency	662	661	(0.2%)	693	838	20.9%

- **Operating Revenue** in FY 2020 decreased by €209.9 mm (68.2%) compared to FY 2019 due to the closing of all of our gaming halls in the country during the second quarter and only partial reopening during the third and fourth one (39 halls opened as of December 31).
- **Operating Expenses (excluding D&A)** decreased by €91.8 mm (48.1%) in FY 2020 mainly as a result of our significant efforts to reduce and defer personnel expenses, rentals and other fixed costs. Given the absence of government support programs for furloughed employees we provided partial compensation to our employees during the closings, resulting in modest savings in personnel costs relative to the revenue decline.
- **Adjusted EBITDA** decreased by €118.1 mm to negative €1.1 mm as a result of the significant decline in revenues due to the closings which resulted in positive EBITDA generation only in Q1.
- As of December 31, the number of halls in operation had decreased to 39 from 61 in September (after the closing, among others, of those in Mexico City). Still, most of our halls are operating under different capacity, opening hours and/or age restrictions as defined in each specific state. As of February 24, we have 44 halls in operation.

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			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Operating Revenue	75.9	5.9	(92.3%)	317.2	70.7	(77.7%)
Gaming & Other Taxes	(33.8)	(3.5)	89.6%	(142.7)	(35.2)	75.3%
Personnel	(12.8)	(5.8)	54.7%	(54.9)	(27.7)	49.4%
Rentals	(1.1)	(0.3)	75.9%	(4.1)	(1.3)	66.9%
Cost of Goods Sold	(1.4)	(0.0)	99.2%	(6.9)	(1.2)	82.8%
Other	(6.9)	(2.1)	69.8%	(31.0)	(10.7)	65.3%
Operating Expenses (excl. D&A)	(56.0)	(11.7)	79.1%	(239.4)	(76.2)	68.2%
Depreciation & Amortization	(2.1)	(1.5)	26.4%	(8.9)	(7.1)	20.0%
Variation in Provisions for Trade Transactions	0.0	0.0	n.a.	0.0	0.0	n.a.
Gains / (Losses) on Asset Disposals ⁽¹⁾	(0.2)	0.0	n.a.	(0.0)	0.0	n.a.
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	(1.0)	(0.1)	87.3%	(3.1)	(0.3)	90.3%
Operating Profit (Pre-Inflation Accounting)	16.6	(7.5)	n.a.	65.9	(12.9)	n.a.
Inflation Adjustment on Operating Expenses ⁽²⁾	(0.7)	(1.8)	n.a.	(12.2)	(10.6)	13.3%
Operating Profit (Post-Inflation Accounting)	15.9	(9.3)	n.a.	53.6	(23.5)	n.a.
EBITDA	21.6	(5.7)	n.a.	72.4	(6.4)	n.a.
<i>EBITDA Margin</i>	<i>28.4%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>22.8%</i>	<i>n.a.</i>	<i>n.a.</i>
Adjusted EBITDA						
EBITDA	21.6	(5.7)	n.a.	72.4	(6.4)	n.a.
(+) Non-Recurring Items	1.0	0.1	(87.3%)	3.1	0.3	(90.3%)
(+) Inflation Adjustment on EBITDA ⁽²⁾	(2.7)	(0.3)	89.5%	2.3	0.6	(73.3%)
Adjusted EBITDA	19.9	(5.8)	n.a.	77.8	(5.5)	n.a.
<i>Adjusted EBITDA Margin</i>	<i>26.2%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>24.5%</i>	<i>n.a.</i>	<i>n.a.</i>
Economic Indicators						
Average Exchange Rate - EUR/ARS	65.76	95.55	45.3%	53.92	80.91	50.1%
Average Inflation (YoY)	52.4%	36.2%	(16.2 p.p.)	53.7%	42.0%	(11.7 p.p.)
Key Performance Indicators						
Avg. Installed Capacity (Slots)	6,861	858	(87.5%)	6,860	1,847	(73.1%)
Gross Win per Slot per Day:						
EUR	113.6	94.3	(17.0%)	120.0	116.3	(3.0%)
Local Currency	7,474	9,490	27.0%	6,426	8,170	27.1%

- **Operating Revenue** in FY 2020 decreased by €246.5 mm or 77.7% compared to FY 2019, due to the bingo hall closings between March 16 and December 14, as well as to the significant devaluation of the Peso (50.1%) against the euro.
- **Operating Expenses (excluding D&A)** decreased by 68.2% driven by a reduction in gaming taxes, which are variable, and across all fixed operating expenses such as personnel and rentals.
- **Adjusted EBITDA** decreased by €83.3 mm to negative €5.5 mm, compared to €77.8 mm in FY 2019 as a result of the absence of revenues in Q2, Q3 and Q4 (except for the last 2 weeks).

¹ Figures reflect primarily the disposal of gaming machines.

² Figure reflects, following IAS 29, the net impact on revenues and costs from applying Argentinean inflation to the end of the period on the accrued items and ARS/EUR exchange rate as of December 31, 2020.

Spain

Figures in EUR mm, except where noted otherwise

	Quarter			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Operating Revenue	47.6	32.2	(32.3%)	189.8	116.4	(38.7%)
Gaming & Other Taxes	(14.9)	(12.8)	14.0%	(61.0)	(43.6)	28.5%
Personnel	(10.1)	(7.9)	21.4%	(41.1)	(27.7)	32.6%
Rentals	(0.4)	(0.5)	(45.5%)	(1.7)	(0.2)	89.2%
Cost of Goods Sold	(1.4)	(0.9)	36.0%	(5.9)	(2.7)	54.2%
Other	(7.2)	(7.2)	0.6%	(32.5)	(25.0)	23.3%
Operating Expenses (excl. D&A)	(34.0)	(29.3)	13.6%	(142.3)	(99.2)	30.3%
Depreciation & Amortization	(8.7)	(7.9)	8.7%	(35.4)	(30.9)	12.8%
Variation in Provisions for Trade Transactions ⁽¹⁾	(0.1)	(2.1)	n.a.	(1.0)	(3.7)	n.a.
Gains / (Losses) on Asset Disposals ⁽²⁾	(0.4)	(0.2)	45.7%	(0.7)	(1.1)	(60.6%)
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	(1.1)	(0.3)	72.8%	(2.0)	(0.4)	81.4%
Operating Profit	3.3	(7.6)	n.a.	8.4	(18.9)	n.a.
EBITDA	12.6	2.6	(79.3%)	45.5	16.8	(63.1%)
EBITDA Margin	26.4%	8.1%	(18.3 p.p.)	24.0%	14.5%	(9.5 p.p.)
Adjusted EBITDA	13.7	2.9	(78.7%)	47.5	17.2	(63.8%)
Adjusted EBITDA Margin	28.7%	9.0%	(19.7 p.p.)	25.0%	14.8%	(10.2 p.p.)
Key Performance Indicators						
Avg. Installed Capacity (Slots)	10,097	8,160	(19.2%)	10,197	6,999	(31.4%)
Avg. Installed Capacity (Sports Betting Terminals)	7,241	6,041	(16.6%)	7,141	4,980	(30.3%)
Gross Win per Slot per Day:						
Slots	49.1	43.9	(10.7%)	49.2	44.1	(10.3%)

- **Operating Revenue** in FY 2020 declined by €73.4 mm (38.7%) to €116.4 mm compared to FY 2019, driven by closings of bars, restaurants, arcades and bingo halls between March 14 and mid-June, followed by additional temporary closings in certain regions, as well as the capacity, opening hour restrictions and curfews upon reopening, especially towards year end.
- **Operating Expenses (excluding D&A)** decreased by 30.3% to €99.2 mm in FY 2020, as a result of our significant cost containment efforts on all items, notably personnel, where we achieved a 32.6% reduction in costs thanks to the temporary reductions of employment (ERTEs), and gaming taxes, which we reduced by nearly 29% despite the fact they are fixed in Spain.
- **Adjusted EBITDA** declined 63.8% to €17.2 mm. Adjusted EBITDA margin decreased by 10.2 percentage points to 14.8% versus last year driven by the significant disruption on our revenue generation.

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			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Operating Revenue	89.0	22.6	(74.7%)	343.3	154.7	(54.9%)
Gaming & Other Taxes	(58.9)	(15.0)	74.5%	(232.0)	(106.9)	53.9%
Personnel	(8.6)	(5.4)	37.0%	(33.4)	(21.5)	35.5%
Rentals	(1.3)	0.0	n.a.	(5.1)	(2.8)	44.3%
Cost of Goods Sold	(0.4)	(0.1)	80.0%	(1.6)	(0.7)	57.8%
Other	(10.5)	(5.5)	47.5%	(42.6)	(26.6)	37.5%
Operating Expenses (excl. D&A)	(79.8)	(26.0)	67.4%	(314.7)	(158.6)	49.6%
Depreciation & Amortization	(5.1)	(4.6)	9.7%	(20.3)	(19.1)	5.6%
Variation in Provisions for Trade Transactions ⁽¹⁾	(1.7)	(1.6)	5.7%	(2.8)	(2.7)	3.3%
Gains / (Losses) on Asset Disposals ⁽²⁾	0.0	0.0	(18.9%)	(0.1)	(0.6)	n.a.
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	(0.1)	(2.6)	n.a.	(0.2)	(2.7)	n.a.
Operating Profit	2.4	(12.1)	n.a.	5.3	(29.0)	n.a.
EBITDA	9.1	(6.0)	n.a.	28.4	(6.6)	n.a.
<i>EBITDA Margin</i>	<i>10.2%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>8.3%</i>	<i>n.a.</i>	<i>n.a.</i>
Adjusted EBITDA	9.2	(3.4)	n.a.	28.6	(3.9)	n.a.
<i>Adjusted EBITDA Margin</i>	<i>10.4%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>8.3%</i>	<i>n.a.</i>	<i>n.a.</i>
Key Performance Indicators						
Avg. Installed Capacity (AWPs)	7,694	3,173	(58.8%)	7,525	4,236	(43.7%)
Avg. Installed Capacity (VLTs)	1,518	278	(81.7%)	1,504	653	(56.6%)
Gross Win per Slot per Day:						
AWPs	85.0	73.2	(13.8%)	87.1	76.6	(12.0%)
VLTs	213	187	(12.2%)	201	169	(15.8%)

- **Operating Revenue** in FY 2020 decreased by €188.6 mm or 54.9% compared to FY 2019 as a result of the mandatory closings that took place in the country, initially between March 8 and mid-June, but also since late October through year end, as well as from the permanent closing of 2 of our bingo halls.
- **Operating Expenses (excluding D&A)** decreased by 49.6% in FY 2020 to €158.6 mm compared to FY 2019, as a result of significant decreases across all cost items, especially gaming taxes.
- **Adjusted EBITDA** was negative €3.9 mm in FY 2020, due to the nearly 6 months of complete closing of our operations between mid-March and mid-June and since late October through year end.
- In addition, in mid-September we closed our bingo hall in Lecce in order to relocate it. We expect to reopen it in Q2 2021. The full closing of our operations continued into 2021 and, as of the date of this report, our expectation as per the latest government decree is that we will be able to reopen by March 5.

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

Figures in EUR mm, except where noted otherwise

	Quarter			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Operating Revenue						
Panama	20.3	8.0	(60.5%)	78.2	22.7	(71.0%)
Uruguay	18.8	11.8	(36.9%)	74.2	52.3	(29.6%)
Colombia	4.7	3.5	(24.6%)	19.0	8.7	(54.1%)
Online	14.3	22.8	58.7%	59.8	71.3	19.3%
Operating Revenue	58.0	46.1	(20.5%)	231.3	155.0	(33.0%)
Adjusted EBITDA						
Panama	3.5	(1.4)	n.a.	18.5	(0.9)	n.a.
Uruguay	6.4	2.6	(59.6%)	22.0	18.8	(14.3%)
Colombia	1.6	0.8	(45.9%)	6.6	(0.5)	n.a.
Online	4.0	3.4	(14.9%)	9.9	9.9	(0.4%)
Adjusted EBITDA	15.5	5.5	(64.8%)	57.1	27.4	(52.1%)
<i>Adjusted EBITDA Margin</i>	<i>26.7%</i>	<i>11.8%</i>	<i>(14.9 p.p.)</i>	<i>24.7%</i>	<i>17.6%</i>	<i>(7.1 p.p.)</i>
EBITDA						
Adjusted EBITDA	15.5	5.5	(64.8%)	57.1	27.4	(52.1%)
(-) Non-Recurring Items	(3.0)	(0.7)	77.4%	(5.0)	(3.2)	36.1%
(-) Online Growth Investment	(5.7)	(4.4)	21.3%	(15.1)	(14.3)	4.9%
EBITDA	6.8	0.3	(95.3%)	37.0	9.9	(73.3%)
<i>EBITDA Margin</i>	<i>11.7%</i>	<i>0.7%</i>	<i>(11.0 p.p.)</i>	<i>16.0%</i>	<i>6.4%</i>	<i>(9.6 p.p.)</i>
Average Exchange Rates						
EUR/USD	1.11	1.19	7.7%	1.12	1.14	1.9%
EUR/UYU	41.53	50.81	22.4%	39.45	47.96	21.6%
USD/UYU	37.51	42.60	13.6%	35.25	42.00	19.1%
EUR/COP	3,776	4,367	15.6%	3,673	4,215	14.8%
Average Inflation (YoY)						
Panama	-0.4%	0.0%	0.4 p.p.	-0.4%	-1.4%	(1.1 p.p.)
Uruguay	8.5%	9.6%	1.1 p.p.	7.9%	9.8%	1.9 p.p.
Colombia	3.8%	1.6%	(2.2 p.p.)	3.5%	2.5%	(1.0 p.p.)

Other Operations includes results from Panama, Uruguay, Colombia and Online, but excludes Corporate Overhead.

Operating revenue decreased by €76.3 mm (33.0%), to €155.0 mm as a result of:

- A combined decrease in **Panama and Colombia** of €65.8 mm due to the closing of operations between March and October, as well as additional regional closings in Panama in December.
- A decrease in **Uruguay** of €21.9 mm due to the closing of its operations between March and mid-May (in the case of the racetrack), and August in the case of the HRU associated gaming halls.

Please note that the revenue recognition mechanics in our gaming hall operation in Uruguay have begun to reflect the impact of the closures in this business in Q4 2020.

- An increase of €11.5 mm on **Online** revenues coming mostly from the second half of the year, where the very strong performance (58.7% growth in Q4) offset the weak revenue trend in the second quarter due to the cancellation or postponement of most of the major sports events.

Adjusted EBITDA decreased by €29.7 mm (52.1%), to €27.4 mm as a result of:

- A decrease in **Panama** of €19.4 mm, affected by the casino closings in Q2, Q3 and to a lesser extent Q4.
- A decrease in **Colombia** of €7.1 mm, also impacted by closings in Q2 and most of Q3.
- A decrease in **Uruguay** of €3.2 mm.

Adjusted EBITDA margin in FY 2020 was 17.6%, 7.1 percentage points below that of FY 2019.

Consolidated Cash Flow Statement

Figures in EUR mm, except where noted otherwise

	Quarter			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
EBITDA	71.0	(22.0)	n.a.	284.6	(20.7)	n.a.
Capitalized Operating Leases	(17.1)	(15.1)	11.7%	(69.9)	(61.9)	11.4%
Inflation Adjustment	(2.7)	(0.3)	89.0%	2.3	0.6	(73.3%)
Corporate Income Taxes Paid	(9.7)	(1.8)	81.4%	(40.8)	(9.1)	77.7%
Chg. in Working Capital ⁽¹⁾	13.4	14.1	5.2%	1.0	57.8	n.a.
Cash Flow from Operations	54.9	(25.1)	n.a.	177.2	(33.3)	n.a.
Maintenance Capital Expenditures ⁽²⁾	(25.1)	(10.1)	59.7%	(72.9)	(31.5)	56.7%
Growth Capital Expenditures ⁽²⁾ , of which:	(7.1)	(2.4)	66.8%	(17.9)	(6.1)	65.8%
Capacity Deployment ⁽³⁾	(2.8)	(2.3)	17.1%	(8.6)	(5.9)	31.1%
Acquisitions ⁽⁴⁾	(4.3)	(0.1)	98.5%	(9.3)	(0.2)	97.7%
Initial Cash from Acquired Companies	0.0	0.0	n.a.	0.2	0.4	n.a.
Cash Flow from Investing	(32.2)	(12.5)	61.2%	(90.6)	(37.2)	58.9%
Cash Interest Expense	(31.2)	(34.2)	(9.6%)	(68.8)	(81.8)	(18.9%)
Cash Interest Income	0.4	0.1	(75.0%)	1.2	1.2	0.0%
Chg. in Financial Debt	20.5	61.9	n.a.	33.9	182.8	n.a.
Chg. in Financial Investments	(0.3)	0.7	n.a.	(2.2)	(2.0)	9.1%
Chg. in Deferred Payments ⁽⁵⁾	7.1	0.0	n.a.	(9.8)	(6.2)	36.7%
Dividends Paid, net ⁽⁶⁾	(2.4)	0.0	n.a.	(6.5)	(3.1)	52.3%
Investment in Treasury Shares, net	(0.2)	0.0	n.a.	(0.1)	0.0	n.a.
Cash Effect from Exchange Rate Difference ⁽⁷⁾	(3.2)	0.6	n.a.	(7.6)	(1.8)	76.3%
Cash Flow from Financing	(9.3)	29.1	n.a.	(59.9)	89.1	n.a.
Exchange Rate Impact on Cash Balances	(0.8)	(1.0)	(25.0%)	(4.7)	(11.4)	n.a.
Cash Flow	12.6	(9.5)	n.a.	22.0	7.2	(67.3%)
Cash & Equivalents						
Beginning of Period	90.5	119.8	32.4%	81.1	103.1	27.1%
Cash Flow	12.6	(9.5)	n.a.	22.0	7.2	(67.3%)
End of Period	103.1	110.3	7.0%	103.1	110.3	7.0%

- **Cash flow from operations** in FY 2020 was negative €33.3 mm, a decrease of €210.5 mm versus €177.2 mm in FY 2019. This decrease is primarily attributable to the decrease of €305.3 mm in reported EBITDA partially offset by a €31.7 mm reduction in corporate income tax paid and a €56.8 mm decrease in the working capital outflow (to an inflow of €57.8 mm). 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 investing** in FY 2020 was €37.2 mm, a decline of 58.9% vs. FY 2019, and included €37.6 mm of capital expenditures partially offset by €0.4 mm of cash from acquired companies. Within capital expenditures, €31.5 mm were related to maintenance and €6.1 mm to growth initiatives.

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 opening of greenfield gaming halls, increase of capacity on existing ones, deployment and expansion of sports betting points of sale, among other projects.

⁴ Includes acquisition of gaming halls, slot operators and acquisition of product through previously operated through revenue share or operational agreements.

⁵ Includes changes in deferred payments related to capital expenditures.

⁶ Figure reflects dividends paid to minority partners net of dividends received from Group investments in unconsolidated entities.

⁷ Includes impact of FX differences on non-operational cash inflows and outflows.

- **Cash flow from financing** was €89.1 mm in FY 2020 and included:
 - €81.8 mm of cash interest expense, including €53.8 mm related to the coupon payments on our Senior Notes, €11.2 mm related to our refinancing process, €3.4 mm related to our SSRCF, €1.8 mm to the coupon payment on the newly issued €250 mm super senior notes and €11.6 mm related to OpCo debt (including capital leases);
 - €1.2 mm of cash interest income;
 - €182.8 mm increase in financial debt made up of:
 - (i) €221.1 mm net proceeds raised from the issuance of the €250.0 mm new super senior notes;
 - (ii) €45.0 mm net amortization of our SSRCF (€95.0 mm, fully repaid and canceled);
 - (iii) €1.5 mm decrease in capital leases;
 - (iv) €8.2 mm increase in OpCo financial debt (excluding capital leases) mainly due to new loans being raised in Mexico (€19.4 mm), Italy (€2.6 mm) and Panama (€0.4 mm), partially offset by the scheduled amortization of loans in Mexico (€5.6 mm), Uruguay (€4.1 mm), Panama (€2.3 mm), Spain (€1.7 mm) and Colombia (€0.5 mm).
 - Decrease in deferred payments of €6.2 mm, consisting of deferred payments with capex suppliers mainly in Mexico, Argentina, Spain and Panama that offset the increase in deferred payments in Uruguay, Italy and our Platform;
 - Dividends paid to minority partners of €3.1 mm;
 - €1.8 mm negative impact from exchange rate differences;
- The fluctuation in foreign exchange rates has resulted in a negative impact of €11.4 mm on conversion of cash balances;
- During FY 2020, there has been an increase in cash and equivalents of €7.2 mm to €110.3 mm.

Capital Expenditures and Acquisitions¹

Figures in EUR mm, except where noted otherwise

	Quarter			Full Year		
	Q4 2019	Q4 2020	Var. %	2019	2020	Var. %
Capital Expenditures and Acquisitions						
Maintenance ⁽²⁾	25.1	10.1	(59.7%)	72.9	31.5	(56.7%)
Growth ⁽³⁾	7.1	2.4	(66.8%)	17.9	6.1	(65.8%)
Sub-Total	32.2	12.5	(61.2%)	90.8	37.6	(58.5%)
IFRS 16 Capex	22.8	22.8	(0.1%)	(17.5)	23.9	n.a.
Total (Post-IFRS 16)	55.0	35.3	(35.9%)	73.3	61.5	(16.1%)
Maintenance						
Argentina	6.6	0.1	(99.2%)	13.7	0.5	(96.4%)
Mexico	4.0	0.2	(94.3%)	17.2	5.1	(70.3%)
Panama	2.7	0.0	(99.6%)	4.4	0.0	(99.4%)
Colombia	0.0	0.1	n.a.	1.7	0.1	(93.8%)
Uruguay	0.9	0.3	(69.7%)	5.1	3.6	(29.9%)
Sub-Total - Latin America	14.2	0.6	(95.6%)	42.1	9.3	(77.9%)
Italy	1.4	1.0	(30.0%)	5.6	3.5	(37.7%)
Spain	3.9	4.1	5.9%	17.4	12.0	(30.8%)
Sub-Total - Europe	5.3	5.1	(3.6%)	23.0	15.5	(32.5%)
Corporate	4.8	3.9	(18.3%)	5.6	5.2	(6.9%)
Online	0.8	0.5	(41.7%)	2.2	1.5	(32.8%)
Total	25.1	10.1	(59.7%)	72.9	31.5	(56.7%)
Growth						
Argentina	0.0	0.0	n.a.	0.0	0.0	n.a.
Mexico	4.2	0.1	(98.5%)	7.1	0.9	(86.8%)
Panama	1.7	1.0	(41.9%)	2.5	1.8	(27.8%)
Colombia	0.0	0.0	n.a.	0.0	0.1	n.a.
Uruguay	0.0	0.0	n.a.	0.0	0.0	n.a.
Sub-Total - Latin America	5.9	1.1	(81.7%)	9.6	2.8	(70.7%)
Italy	0.0	0.0	n.a.	0.2	0.0	n.a.
Spain	1.0	0.2	(82.4%)	5.8	0.6	(89.3%)
Sub-Total - Europe	1.0	0.2	(82.4%)	6.0	0.6	(89.7%)
Corporate	0.0	0.0	n.a.	0.0	0.0	n.a.
Online	0.2	1.1	n.a.	2.3	2.7	16.4%
Total, of which:	7.1	2.4	(66.8%)	17.9	6.1	(65.8%)
Capacity Deployment ⁽⁴⁾	3.4	0.8	(76.1%)	5.8	3.6	(37.8%)
Acquisitions ⁽⁵⁾	0.0	0.0	n.a.	5.0	0.1	(97.1%)
IFRS 16 Capex	22.8	22.8	(0.1%)	(17.5)	23.9	n.a.
Total Capex (Post-IFRS 16)	55.0	35.3	(35.9%)	73.3	61.5	(16.1%)

Maintenance Capex in FY 2020 reached €31.5 mm, principally driven by:

- Investment in Spain of €12.0 mm, a decrease of €5.4 mm versus last year;
- Investment in Mexico of €5.1 mm, a decrease of €12.1 mm versus last year;
- Investment in Uruguay of €3.6 mm, a decrease of €1.5 mm versus last year;
- Investment in Italy of €3.5 mm, a decrease of €2.1 mm versus last year.

Growth Capex in FY 2020 was €6.1 mm, mostly deployed in Online, Mexico and Panama, and related to the works in halls.

¹ Figures as per consolidated cash flow statements.

² Includes primarily slot product/gaming hall renovation, exclusivity payments to site owners and gaming license renewals.

³ Includes primarily slot product/gaming hall expansion and acquisition activity.

⁴ Includes opening of greenfield gaming halls, increase of capacity on existing ones, deployment and expansion of sports betting, among other projects.

⁵ Includes acquisition of gaming halls, slot operators and acquisition of product previously operated through revenue share or operational agreements.

Consolidated Balance Sheet

Figures in EUR mm, except where noted otherwise

	As at			
	Dec-19	Dec-20	Var.	Var. %
Assets				
Cash & Equivalents	103.1	110.3	7.2	7.0%
S-T Financial Investments ⁽¹⁾	32.9	38.4	5.5	16.9%
Accounts Receivable ⁽²⁾	62.4	47.3	(15.1)	(24.1%)
Taxes Receivable ⁽³⁾	91.0	41.8	(49.2)	(54.1%)
Prepaid Expenses	12.9	12.3	(0.6)	(4.7%)
Inventory	10.7	7.1	(3.6)	(33.6%)
Other Current Assets	0.0	0.0	0.0	n.a.
Current Assets	313.0	257.3	(55.7)	(17.8%)
Fixed Assets	403.3	310.2	(93.1)	(23.1%)
L-T Financial Investments	20.5	17.6	(2.9)	(14.2%)
Intangible Assets (excl. Goodwill)	374.0	309.7	(64.3)	(17.2%)
Right-of-Use Assets (IFRS 16)	254.7	191.7	(63.0)	(24.7%)
Goodwill	232.3	209.5	(22.8)	(9.8%)
Deferred Tax Assets	52.8	45.9	(6.9)	(13.1%)
Other Non-Current Assets	0.0	0.0	0.0	n.a.
Total Assets	1,650.5	1,341.9	(308.6)	(18.7%)
Liabilities & Shareholders' Equity				
Accounts Payable ⁽⁴⁾	107.5	110.8	3.3	3.1%
S-T Provisions ⁽⁵⁾	4.8	5.9	1.1	21.5%
S-T Taxes Payable ⁽⁶⁾	133.9	105.1	(28.8)	(21.5%)
S-T Financial Debt	36.6	54.6	18.0	49.1%
S-T Deferred Payments ⁽⁷⁾	51.8	44.7	(7.1)	(13.8%)
S-T Capital Leases (IFRS 16)	46.0	56.8	10.8	23.5%
Other Current Liabilities	5.3	5.3	0.0	0.6%
Current Liabilities	385.9	383.2	(2.7)	(0.7%)
L-T Provisions ⁽⁸⁾	22.0	28.9	6.9	31.3%
L-T Taxes Payable	10.8	11.9	1.1	10.5%
L-T Financial Debt	867.8	966.0	98.2	11.3%
L-T Deferred Payments ⁽⁷⁾	20.0	16.5	(3.5)	(17.5%)
L-T Capital Leases (IFRS 16)	205.1	151.4	(53.7)	(26.2%)
Deferred Tax Liabilities	95.7	65.0	(30.7)	(32.1%)
Other Non-Current Liabilities	0.1	0.1	0.0	(0.1%)
Total Liabilities	1,607.5	1,623.0	15.5	1.0%
Minority Interests	81.1	45.2	(35.9)	(44.3%)
Shareholders' Equity	(38.0)	(326.3)	(288.3)	n.a.
Total Liabilities & Shareholders' Equity	1,650.5	1,341.9	(308.6)	(18.7%)
End of Period Exchange Rates				
EUR/ARS	67.28	103.26	35.98	53.5%
EUR/MXN	21.19	24.46	3.27	15.4%
EUR/USD	1.12	1.23	0.10	9.2%
EUR/COP	3,682	4,212	530	14.4%
EUR/UYU	41.91	51.96	10.04	24.0%
USD/UYU	37.31	42.34	5.03	13.5%

¹ Includes €5.1 and €1.6 mm, respectively, in cash in transit (realized gross win in route business pending to be collected).

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% canon (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.).

Net Working Capital¹

Figures in EUR mm, except where noted otherwise

	As at			
	Dec-19	Dec-20	Var.	Var. %
Assets				
Accounts Receivable	62.4	47.3	(15.1)	(24.1%)
Taxes Receivable ⁽²⁾	64.4	36.2	(28.2)	(43.8%)
Prepaid Expenses	12.9	12.3	(0.6)	(4.7%)
Inventory	10.7	7.1	(3.6)	(33.6%)
Other Current Assets ⁽³⁾	0.0	0.0	0.0	(12.5%)
Total	150.4	103.0	(47.4)	(31.6%)
Liabilities				
Accounts Payable	107.5	110.8	(3.3)	3.1%
S-T Provisions ⁽⁴⁾	3.3	4.3	(1.0)	31.4%
Taxes Payable ⁽²⁾	120.5	117.0	3.5	(2.9%)
Deferred Payments ⁽⁵⁾	1.1	2.3	(1.2)	n.a.
Other Current Liabilities ⁽³⁾	2.6	2.9	(0.3)	12.0%
Total	235.0	237.3	(2.3)	1.0%
Net Working Capital	(84.6)	(134.3)	(49.7)	(58.9%)

Balance Sheet

- Total assets decreased by €308.6 mm in FY 2020. This decrease is principally attributable to a decrease in fixed assets, intangible assets, right of use assets (IFRS-16), taxes receivable and goodwill.
- Current Assets decreased by €55.7 mm, as a result of a €49.2 mm decrease in taxes receivable partially offset by a €7.2 mm increase in cash & equivalents.
- Financial debt, including both the short and long term portion increased by €116.2 mm as a result of the issuance of €250.0 mm new super senior notes, partially offset by the full repayment of €95.0 mm on the SSRCF.
- Minority interests decreased by €35.9 mm to €45.2 mm and shareholders' equity decreased by €288.3 mm to negative €326.3 mm due to the €236.6 mm loss in the year together with exchange rate impacts.
- Increased levels of commercial payables are reflected across several items of the balance sheet:
 - First in current tax receivables and payables (receivables are significantly reduced as a consequence of the lower activity while payables remain stable despite such reduction).
 - Second, as we are reporting an increase of accounts payable when, due to the reduced activity, such amount should have decreased.
 - Third, as deferred payments are only increasing modestly when minimal capital expenditures are being done by the company, reflecting the re-scheduling of expected payment installments in 2020 from prior years' executed investments. On the other hand, significant devaluation of local currencies against the Euro have partially offset the impact of this increase of payables in the balance sheet.

Net Working Capital

- Net working capital decreased by €49.7 mm to negative €134.3 mm, primarily due to a €24.7 mm increase in taxes payable, net⁶, a €15.1 mm decrease in accounts receivable, a € 3.6 mm decrease in inventory and a €3.3 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).

⁶ Taxes payable less taxes receivable.

Capitalization

Figures in EUR mm, except where noted otherwise

	As at			
	Dec-19	Dec-20	Var.	Var. %
Capitalization				
S-T Financial Debt ⁽¹⁾	36.6	54.6	18.0	49.1%
L-T Financial Debt ⁽¹⁾	867.8	966.0	98.2	11.3%
Total Financial Debt	904.4	1,020.6	116.2	12.8%
Minority Interests	81.1	45.2	(35.9)	(44.3%)
Shareholders' Equity	(38.0)	(326.3)	(288.3)	n.a.
Total Capitalization	947.5	739.5	(208.0)	(22.0%)
Financial Debt⁽¹⁾				
OpCo Debt (excl. Capital Leases)	81.0	83.2	2.2	2.7%
OpCo Capital Leases	7.1	4.4	(2.7)	(39.0%)
Sub-Total	88.2	87.5	(0.7)	(0.7%)
Super Senior Revolving Credit Facility	45.3	0.0	(45.3)	n.a.
Senior Notes	770.9	933.1	162.2	21.0%
Total Financial Debt	904.4	1,020.6	116.2	12.8%
Capitalization of Operating Leases ⁽²⁾	251.1	208.3	(42.8)	(17.1%)
Total Adjusted Debt	1,155.6	1,228.9	73.3	6.3%
Cash & Equivalents				
Mexico	20.0	6.1	(13.9)	(69.3%)
Argentina	16.9	8.2	(8.7)	(51.4%)
Spain	7.6	17.9	10.3	n.a.
Italy	17.3	27.4	10.1	58.4%
Other Operations	24.1	28.7	4.6	18.9%
Sub-Total	85.9	88.3	2.4	2.7%
Corporate	17.1	22.0	4.9	28.4%
Total	103.1	110.3	7.2	7.0%
Europe (incl. Corporate)	42.0	67.3	25.3	60.1%
Latam	61.1	43.1	(18.0)	(29.5%)
Total	103.1	110.3	7.2	7.0%
Credit Statistics				
LTM Adjusted EBITDA	319.0	22.5	(296.5)	(92.9%)
Proforma Interest Expense ⁽³⁾	86.8	125.7	38.9	44.8%
Leverage:				
Senior Financial Debt ⁽⁴⁾ / LTM Adjusted EBITDA	0.4x	3.9x	3.5x	n.a.
Total Adj. Net Debt / LTM Adj. EBITDA	3.3x	49.7x	46.4x	n.a.
<i>Including Inflation Accounting</i>	3.3x	60.4x	57.1x	n.a.
Coverage:				
LTM Adjusted EBITDA / Proforma Interest Expense	3.7x	0.2x	(3.5x)	(95.2%)
<i>Including Inflation Accounting</i>	3.7x	0.1x	(3.6x)	(98.6%)

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, 2019 and December 31, 2020, as applicable, financial debt outstanding and interest rates; excludes fees on unused revolver availability.

⁴ Includes structurally senior OpCo debt (including capital leases).

Gaming Capacity¹ by Venue, December 31, 2020*

Region	Gaming Venues											
	Gaming Halls ⁽²⁾		Arcades ⁽³⁾		Bars ⁽⁴⁾		Sports Betting Shops ⁽⁵⁾		Racetracks		Total	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
Latin America												
Argentina	13	13	-	-	-	-	-	-	-	-	13	13
Mexico ⁽⁶⁾	96	39	-	-	-	-	93	37	1	-	97	39
Panama ^(6, 7)	11	9	-	-	-	-	8	8	1	1	12	10
Colombia	9	9	136	125	-	-	70	37	-	-	215	171
Uruguay (CN)	1	1	-	-	-	-	-	-	-	-	1	1
Uruguay (HRU) ⁽⁸⁾	5	5	-	-	-	-	29	25	2	-	31	25
Total	135	76	136	125	-	-	200	107	4	1	369	259
Europe												
Italy	11	-	-	-	2,198	-	-	-	-	-	2,209	-
Spain ⁽⁹⁾	3	3	1,026	924	7,147	5,410	61	46	-	-	8,237	6,383
Total	14	3	1,026	924	9,345	5,410	61	46	-	-	10,446	6,383
Total Group	149	79	1,162	1,049	9,345	5,410	261	153	4	1	10,815	6,642
Operator												
Codere	149	79	176	153	-	-	191	116	4	1	414	299
Third Party	-	-	986	896	9,345	5,410	70	37	-	-	10,401	6,343
Total	149	79	1,162	1,049	9,345	5,410	261	153	4	1	10,815	6,642
Spain												
SSTs Only ⁽¹⁰⁾	-	-	986	895	1,072	732	18	17	-	-	2,076	1,644
AWPs & SSTs	3	3	40	29	339	214	43	29	-	-	425	275
Sub-Total	3	3	1,026	924	1,411	946	61	46	-	-	2,501	1,919
AWPs Only	-	-	-	-	5,736	4,464	-	-	-	-	5,736	4,464
Total	3	3	1,026	924	7,147	5,410	61	46	-	-	8,237	6,383

(*) Figures reflect venues in operation by year end, which in most countries were lower than those in operation as of the date of this report.

¹ Figures reflect venues in operation as at December 31, 2019 and 2020, 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 37 affiliated agencies (horserace betting only) in Q4 2019 and 19 in Q4 2020.

⁸ Figure for sports betting shops includes 4 sports book co-located within HRU operated gaming halls.

⁹ Sports betting shops excludes 48 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, December 31, 2020*

Region	Gaming Product (Installed Capacity)											
	Slots ⁽²⁾		Table Seats ⁽³⁾		Bingo Seats		Sports Betting ⁽⁴⁾		Network ⁽⁵⁾		Total	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
Latin America												
Argentina	6,861	3,431	-	-	11,692	-	-	-	-	-	18,553	3,431
Mexico	21,830	5,486	2,124	285	11,217	409	742	345	-	-	35,913	6,525
Panama ⁽⁶⁾	3,015	1,750	312	111	-	-	51	47	-	-	3,378	1,908
Colombia	4,430	3,156	108	12	447	-	581	499	-	-	5,566	3,667
Uruguay (CN)	423	332	150	30	-	-	-	-	-	-	573	362
Uruguay (HRU)	1,885	1,139	-	-	-	-	29	25	-	-	1,914	1,164
Total	38,444	15,294	2,694	438	23,356	409	1,403	916	-	-	65,897	17,057
Europe												
Italy ⁽⁷⁾	8,505	-	-	-	5,139	-	-	-	14,822	-	21,077	-
AWP ⁽⁸⁾	7,627	-	-	-	-	-	-	-	13,309	-	14,385	-
VLT ⁽⁹⁾	878	-	-	-	-	-	-	-	1,513	-	1,553	-
Spain ⁽¹⁰⁾	9,937	7,780	-	-	1,064	532	7,189	5,909	-	-	18,190	14,221
Total	18,442	7,780	-	-	6,203	532	7,189	5,909	14,822	-	39,267	14,221
Total Group	56,886	23,074	2,694	438	29,559	941	8,592	6,825	14,822	-	105,164	31,278
Gaming Venue												
Gaming Halls	36,269	12,984	2,694	438	29,559	941	892	504	-	-	69,414	14,867
Arcades	4,386	3,231	-	-	-	-	5,712	5,062	-	-	10,098	8,293
Bars	16,102	6,774	-	-	-	-	1,411	946	-	-	17,513	7,720
Sports Betting Shops	129	85	-	-	-	-	577	313	-	-	706	398
Network ⁽¹¹⁾	-	-	-	-	-	-	-	-	14,822	-	7,433	-
Total Group	56,886	23,074	2,694	438	29,559	941	8,592	6,825	14,822	-	105,164	31,278

(*) Figures reflect gaming products in operation by year end, which in most countries were lower than those in operation as of the date of this report.

¹ Figures gaming products in operation as at December 31, 2019 and 2020, 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 37 affiliated agencies (horserace betting only) in Q4 2019 and 19 in Q4 2020.

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

⁸ Figures for slots include 1,076 in Q4 2019 connected to 3rd party networks.

⁹ Figures for slots include 40 in Q4 2019 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).

Recent Events

- **COVID-19 business update.** Following the global outbreak of COVID-19 and the lockdowns imposed by governments across the globe, the Company closed all of its retail operations during March 2020.

As of today, we have resumed operations in all markets but the evolution of the pandemic since October has caused some additional temporary closings and increased restrictions, materially impacting the Company's revenue and cash flow generation ability. Please refer to the presentation accompanying our Q4 2020 Results where a detailed operational update by country is provided.

- **Negotiations with lenders.** The abovementioned worse than expected operational situation has had a negative impact on cash generation and the company faces a challenging transition period to recover business normality by the end of 2021 or early 2022.

In this context, the company has engaged financial advisors to assess financial alternatives to improve its liquidity and support the company to be able to meet its financial and operational obligations in 2021. As of today the company is in constructive conversations with an Ad Hoc Committee of the largest holders of its New Super Senior Notes and their financial and legal advisors to discuss, agree and implement such alternatives. The company expects to reach an agreement in the next weeks which will provide a solid foundation for the recovery of the operations in all of its markets.

- **Refinancing Transaction.** On October 30, the Company completed the refinancing transaction (described in detail in previous Earnings Releases in 2020) which included, among others, the issuance of €250 mm New Super Senior Notes, amendments to the terms of the existing notes including an extension of maturities, amendments to the debt baskets and the addition of a minimum liquidity covenant.
- **Advertising regulation in Spain.** On November 4, 2020, the Spanish Government approved a new Royal Decree introducing more restrictions on gambling advertising. The new law imposes a total ban on betting and gaming adverts online and on social media, and also bans it from airing on radio and television except between 1:00 am and 5:00 am. It also prohibits betting and gaming operators from sponsoring sporting events or teams. Advertising contracts already in place will be subject to "a moratorium" until the end of the sporting season in August 2021.
- **Change in Board composition.** The Board of Directors, in its meeting held on February 18, 2021, accepted the decision by Masampe S.L., to replace its representative in the Board, removing Mr. Pío Cabanillas Alonso and appointing Mr. Gerardo Sánchez Revenga for such position. As a result, the Board of Directors is currently composed by:
 - Mr. Norman Raúl Sorensen Valdez - Independent Chairman.
 - MASAMPE, S.L., represented by Mr. Gerardo Sánchez Revenga - Proprietary Director.
 - Mr. David Anthony Reganato - Proprietary Director.
 - Mr. Timothy Lavelle - Proprietary Director.
 - Mr. Manuel Martínez-Fidalgo Vázquez - Proprietary Director.
 - Mr. Matthew Turner - Independent Director.
- **Share capital reduction.** On July 24, 2020, the General Shareholder Meeting of Codere agreed to reduce the share capital of the Company by € 450,445,638.8 by reducing the nominal value of each share outstanding by €3.8, from €4.3 to €0.5. The reduction was registered together with the change in the Corporate Bylaws with the Commercial Registry in early October.
- **Inflation accounting in Argentina.** Inflation accounting resulted in the following impacts in FY 2020:
 - (i) Negative impact of €10.6 mm on Operating Profit, broken down as follows:
 - a. impact on EBITDA of negative €0.6 mm;
 - b. impact on Other Opex below EBITDA of negative €10.0 mm;
 - (ii) Inflation adjustment as interest income (€11.9 mm) and
 - (iii) Inflation adjustment as higher corporate income tax (€8.4 mm).
- **Adjustments to EBITDA:** In FY 2020, we incurred in €28.3 mm non-recurring expenses, broken down as follows:
 - (i) Operational and personnel restructuring and improvements: €4.7 mm
 - (ii) Litigation related to shareholders: €2.2 mm
 - (iii) Tax contingencies and related advisories: €6.9 mm
 - (iv) Refinancing process: €6.6 mm
 - (v) Others (including other litigation): €8.0 mm

In addition, we invested €14.3 mm in online growth marketing and related costs (reported as operational expense).

- **Amendment to IFRS 16 Leases: Covid 19 - Related Rent Concessions by the IASB.** As explained in the Financial and Operating Overview section, the breakdown of the €7.4 mm EBITDA impact by country is as follows:

Figures in EUR mm, except where noted otherwise

	Q2 2020 Reported	Lease Adjustment	Q2 2020 Adjusted
Adjusted EBITDA			
Argentina	(7.4)	0.5	(6.9)
Mexico	(14.1)	3.2	(10.9)
Panama	(3.4)	2.6	(0.8)
Uruguay	6.7	0.2	6.9
Colombia	(1.4)	0.4	(1.0)
Sub-total-Latin America	(19.5)	6.8	(12.7)
Italy	(5.2)	0.1	(5.1)
Spain	(5.3)	0.5	(4.8)
Sub-total- Europe	(10.5)	0.6	(9.8)
Corporate	(2.6)	0.0	(2.6)
Online	1.5	0.0	1.5
Total	(31.1)	7.4	(23.7)

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.

Codere, S.A.
Avda. de Bruselas, 26
28108 Alcobendas (Madrid), Spain

Investor Relations

+34 91 354 28 19
inversor@codere.com
www.grupocodere.com

Note on Rounding. Due to decimal rounding, numbers presented throughout this report may not add up precisely to the totals and subtotals provided, 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.grupocodere.com.

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 those with the Spanish Securities and Exchange Commission ("CNMV") and available to the public both in Codere's website (www.grupocodere.com) and in the CNMV's website (www.cnmv.es), 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.