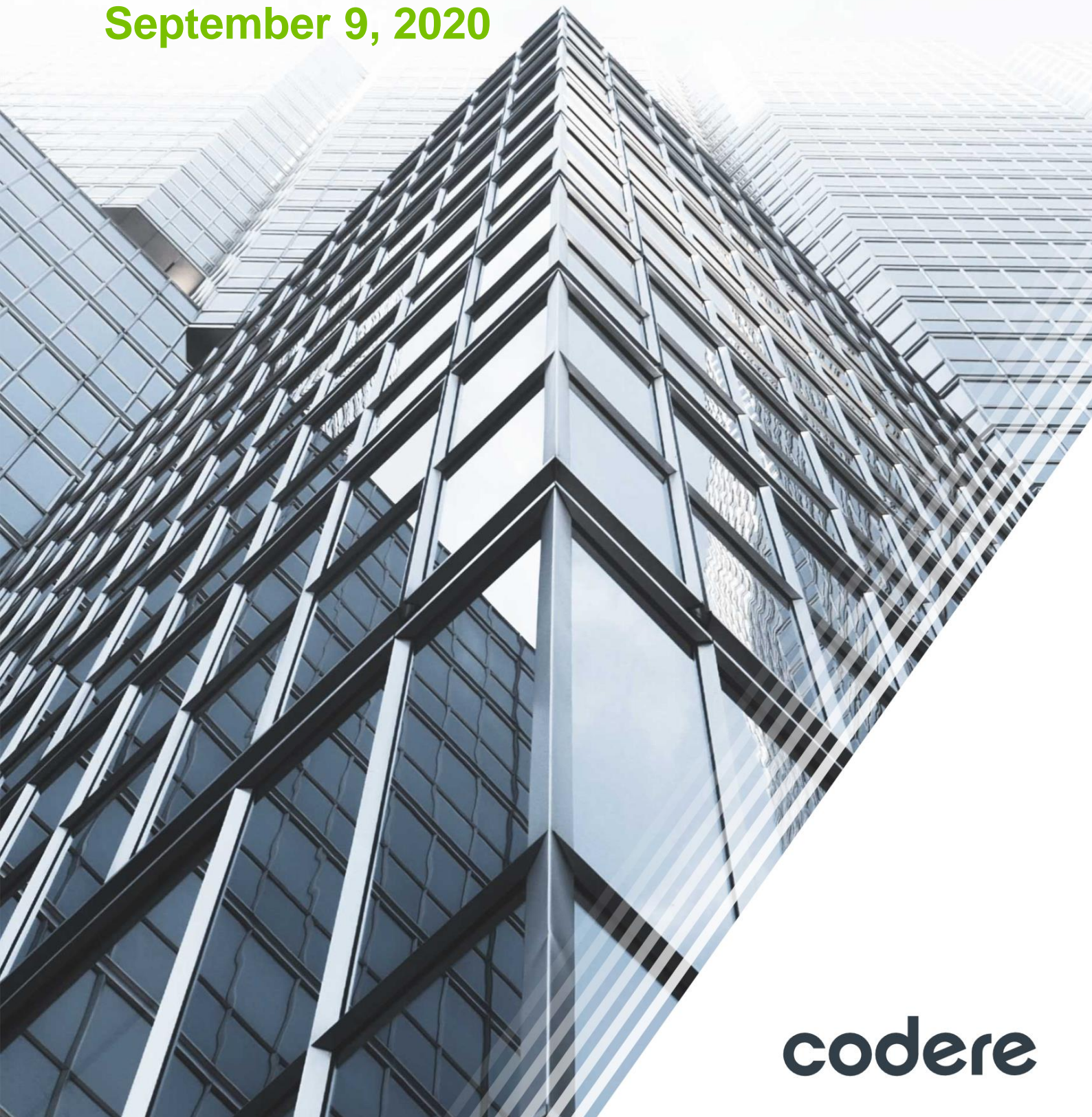


H1 2020 Earnings Results

September 9, 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. 2019 figures for Mexico, Colombia and Panama (and accordingly for the Group), will vary from last year's report as they have been adjusted to correct the accounting inconsistencies confirmed in November 2019.

- H1 2020 Operating Revenue decreased by 54.7% to €317.6 mm as a result of the mandatory temporary closings related to the COVID-19 health crisis. Our entire retail operation remained closed during most of Q2, with only a few markets reopening in May (Uruguayan racetracks) and June (Italy and Spain). Our online business remained in operation, with flat revenues vs. H1 2019 due to the lack of relevant sporting events during most of Q2.
- H1 2020 Adjusted EBITDA reached €16.6 mm, 89.5% below H1 2019, driven by a negative EBITDA of €31.1 mm in Q2 due to the abovementioned closings. Online and Uruguay were the only markets with positive EBITDA in Q2.
- H1 2020 Adjusted EBITDA margin reached 5.2%, 17.2 percentage points below H1 2019 due to the lack of revenues in Q2 not being offset by the decline in operating expenses.
- In H1 2020 we generated a net loss of €177.6 mm, compared to a loss of €23.9 mm in the same period last year, as a result of the devaluation of our operating currencies vs. the USD and of the closings related to COVID-19, which resulted in a loss of €80.5 mm just in Q2.
- Capex in H1 2020 was €21.0 mm, 44.1% below H1 2019, and included €18.1 mm of maintenance capex and €2.9 mm for growth projects.
- As of June 30, 2020, we had €73.1 mm in cash and equivalents vs €103.1 and €145.5 (including SSRCF availability) mm as of December 31, 2019. By August 31, the cash position of the company was €156.4 mm, after the €85 mm interim tranche of the new super senior notes (as explained in detail on page 22) had been received in July. Payment of current (since relaunch of operations) and schedules of deferred gaming taxes in Italy and Spain, together with resources required to maintain our closed operations will reduce that amount to c.€88.9 mm by the end of September.
- By the end of H1 2020, our gross debt amounted to €954.8 mm and our net debt to €881.7 mm, €1,164.5 mm and €1,091.4 mm including capitalization of operating leases (as per IFRS 16). This was equivalent to 3.4 times our 2019 FY Adjusted EBITDA levels and 6.1 times (4.9 Pre- IFRS 16) our LTM Q2 2020 Adjusted EBITDA.
- In terms of gaming capacity, our active number of slots by June 30, 2020, was 17,176 (around 30% of our capacity by year end 2019), mostly in Spain and Italy and to a much lesser extent in Mexico. In terms of venues, we had 13 gaming halls in operation, 68 sports betting shops and 8,847 bars.

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			YTD		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Operating Revenue	347.9	39.1	(88.8%)	701.9	317.6	(54.7%)
Gaming & Other Taxes	(123.6)	(17.3)	86.0%	(250.3)	(118.5)	52.7%
Personnel	(61.9)	(27.2)	56.1%	(122.8)	(84.0)	31.6%
Rentals	(9.3)	(1.2)	87.0%	(18.5)	(9.8)	47.1%
Cost of Goods Sold	(16.2)	(5.2)	67.9%	(29.0)	(13.8)	52.3%
Other	(60.4)	(19.3)	68.1%	(124.1)	(74.9)	39.6%
Operating Expenses (excl. D&A)	(271.5)	(70.2)	74.1%	(544.6)	(301.0)	44.7%
Depreciation & Amortization	(42.7)	(37.2)	12.8%	(83.7)	(80.7)	3.6%
Variation in Provisions for Trade Transactions ⁽¹⁾	(1.0)	(1.3)	(30.2%)	(1.3)	(1.8)	(31.7%)
Gains / (Losses) on Asset Disposals ⁽²⁾	0.1	(1.0)	n.a.	(0.3)	(2.0)	n.a.
Impairment Charges	0.0	0.0	n.a.	0.0	(2.0)	n.a.
Non-Recurring Items	(7.5)	(6.7)	11.7%	(10.6)	(14.4)	(35.5%)
Operating Profit (Pre-Inflation Accounting)	25.3	(77.2)	n.a.	61.4	(84.3)	n.a.
Inflation Adjustment on Operating Expenses ^(3,4)	(0.7)	(3.0)	n.a.	(3.9)	(6.4)	(64.5%)
Operating Profit (Post-Inflation Accounting)	24.6	(80.2)	n.a.	57.5	(90.7)	n.a.
Interest Expense	(30.1)	(29.2)	2.9%	(58.9)	(53.2)	9.8%
Interest Income ⁽⁵⁾	0.7	7.9	n.a.	1.3	8.7	n.a.
Gains / (Losses) from Financial Investments	(0.1)	1.5	n.a.	(0.2)	(1.3)	n.a.
Gains / (Losses) from Exchange Rate Variations	1.4	3.5	n.a.	(1.5)	(46.3)	n.a.
Inflation Adjustment ⁽⁶⁾	(0.9)	1.6	n.a.	(1.0)	2.8	n.a.
Earnings before Corporate Income Taxes	(4.3)	(94.9)	n.a.	(2.9)	(179.9)	n.a.
Provision for Corporate Income Taxes	(3.3)	9.0	n.a.	(11.9)	(5.1)	57.2%
Inflation Adjustment on CIT ⁽⁷⁾	(5.9)	(1.4)	75.7%	(5.6)	(2.7)	52.3%
Minority Interests in Subsidiary (Income) / Loss	(1.5)	7.0	n.a.	(3.2)	10.2	n.a.
Equity in Affiliate Income / (Loss)	(0.2)	(0.1)	47.7%	(0.3)	(0.2)	38.3%
Net Income / (Loss)	(15.3)	(80.5)	n.a.	(23.9)	(177.6)	n.a.
EBITDA						
EBIT (Operating Profit)	24.6	(80.2)	n.a.	57.5	(90.7)	n.a.
(+) Impairment Charges	0.0	0.0	n.a.	0.0	2.0	n.a.
(+) (Gains) / Losses on Asset Disposals	(0.1)	1.0	n.a.	0.3	2.0	n.a.
(+) Variation in Provisions for Trade Transactions	1.0	1.3	30.2%	1.3	1.8	31.7%
(+) Depreciation & Amortization	42.7	37.2	(12.8%)	83.7	80.7	(3.6%)
(+) Inflation Adjustment on Other Opex ⁽⁴⁾	3.4	2.6	(21.3%)	5.6	5.7	1.0%
EBITDA	71.5	(38.1)	n.a.	148.4	1.5	(99.0%)
<i>EBITDA Margin</i>	<i>20.6%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>21.1%</i>	<i>0.5%</i>	<i>(20.6 p.p.)</i>
Adjusted EBITDA						
EBITDA	71.5	(38.1)	n.a.	148.4	1.5	(99.0%)
(+) Non-Recurring Items	7.5	6.7	(11.7%)	10.6	14.4	35.5%
(+) Inflation Adjustment on EBITDA ⁽³⁾	(2.7)	0.4	n.a.	(1.7)	0.7	n.a.
Adjusted EBITDA	76.4	(31.1)	n.a.	157.3	16.6	(89.5%)
<i>Adjusted EBITDA Margin</i>	<i>22.0%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>22.4%</i>	<i>5.2%</i>	<i>(17.2 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 June 30, 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 June 30, 2020, excluding impact on items above EBITDA.

⁵ Figure includes waivers on rental expenses which, following IFRS-16 accounting standards, are treated as income (non-cash).

⁶ Figure includes the impact from applying end of period inflation on fixed assets.

⁷ Figure includes the impact of inflation accounting on corporate income tax in Argentina.

- **Operating Revenue** decreased by €384.3 mm or 54.7% to €317.6 mm in H1 2020, due to the decrease in revenues derived from the mandatory closings related to the COVID-19 pandemic. The most significant decreases took place in Italy (€104.8 mm), Mexico (€96.2 mm), Argentina (€95.9 mm) and Spain (€50.2 mm).
- **Operating Expenses** (excluding depreciation and amortization) decreased by €243.6 mm or 44.7% to €301.0 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 Italy (€87.1 mm), Argentina (€66.0 mm), Mexico (€35.7 mm) and Spain (€30.0 mm).
- **Adjusted EBITDA** decreased by €140.7 mm to €16.6 mm in H1 2020, as a result of the decrease in revenue and the temporary closings affecting all of our markets. Most of our retail operations generated nil or very limited revenues during Q2 2020.
- **Non-Recurring Items** in H1 2020 were €8.0 mm while growth online marketing investments accounted for an additional €6.4 mm.
- **Inflation Adjustment** in H1 2020 represents a loss of €0.7 mm (impact on EBITDA). At the net income level, the impact is a net loss of €6.2 mm.
- **Impairment Charges** in H1 2020 amounted to €2.0 mm.
- **Operating Profit** (prior to considering inflation accounting for Argentina) decreased by €145.7 mm to negative €84.3 mm in H1 2020.
- **Interest Expense** (including financial expenses from capitalized operating leases) decreased by €5.8 mm to €53.2 mm.
- **Interest Income** increased by €7.4 mm to €8.7 mm as a result of the accounting implications from IFRS-16, under which waivers on rental expenses are treated as income (non-cash).
- Losses on **Financial Investments** reached €1.3 mm in H1 2020.
- Losses on **Exchange Rate Variations** reached €46.3 mm in H1 2020 derived from the appreciation of the USD against our LATAM operating currencies by March 31, although the trend was partially reversed in Q2.
- Provision for **Corporate Income Tax** decreased by €6.8 mm to €5.1 mm in H1 2020 driven by a €9.0 mm decrease in Q2 2020 mostly in Argentina. This decrease was related to the reversal of provisions as a consequence of the significantly lower profit before taxes generated during the closings, and also as consequence of the registration as a deferred asset of the tax losses generated year to date.
- **Minority Interest** represents a gain of €10.2 mm in H1 2020.
- As a result of the aforementioned results, the **Net Loss** in H1 2020 was €177.6 mm, compared to a Net Loss of €23.9 mm in H1 2019.

Revenue and Adjusted EBITDA

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Operating Revenue						
Argentina	80.0	0.0	(100.0%)	160.7	64.8	(59.7%)
Mexico	78.0	1.8	(97.6%)	158.5	62.3	(60.7%)
Panama	19.2	0.0	(100.0%)	38.3	14.7	(61.7%)
Uruguay	18.4	11.3	(38.6%)	37.3	28.3	(24.0%)
Colombia	4.6	0.0	(99.3%)	9.6	4.9	(48.5%)
Sub-Total - Latin America	200.3	13.2	(93.4%)	404.3	175.0	(56.7%)
Italy	85.1	6.6	(92.3%)	171.6	66.8	(61.1%)
Spain	47.5	5.5	(88.5%)	96.1	46.0	(52.2%)
Sub-Total - Europe	132.6	12.0	(90.9%)	267.7	112.8	(57.9%)
Online	14.9	13.8	(7.3%)	29.9	29.9	0.1%
Total	347.9	39.1	(88.8%)	701.9	317.6	(54.7%)
Adjusted EBITDA						
Argentina	18.7	(7.4)	n.a.	37.0	7.0	(81.0%)
Mexico	29.7	(14.1)	n.a.	63.8	3.3	(94.8%)
Panama	5.2	(3.4)	n.a.	10.5	(1.4)	n.a.
Uruguay	5.5	6.7	21.4%	10.6	11.9	11.6%
Colombia	1.8	(1.4)	n.a.	3.5	(0.3)	n.a.
Sub-Total - Latin America	60.9	(19.5)	n.a.	125.4	20.5	(83.7%)
Italy	5.4	(5.2)	n.a.	12.1	(5.7)	n.a.
Spain	11.2	(5.3)	n.a.	22.5	2.4	(89.5%)
Sub-Total - Europe	16.7	(10.4)	n.a.	34.6	(3.3)	n.a.
Corporate	(2.3)	(2.6)	(11.7%)	(5.0)	(4.3)	13.9%
Online	1.2	1.5	27.4%	2.4	3.7	56.5%
Total	76.4	(31.1)	n.a.	157.3	16.6	(89.5%)

Earnings per Share

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Earnings per Share						
Net Income / (Loss) (EUR mm)	(15.3)	(80.5)	n.a.	(23.9)	(177.6)	n.a.
Average Shares Issued & Outstanding⁽¹⁾ (mm):						
Basic	118	118	(0%)	119	118	(0%)
Earnings per Share (EUR):						
Basic	(0.13)	(0.68)	n.a.	(0.20)	(1.50)	n.a.

¹ Figure excludes treasury shares.

Revenue and Adjusted EBITDA at Constant Currency

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Operating Revenue						
Argentina	80.0	0.0	(100.0%)	160.7	98.4	(38.8%)
Mexico	78.0	2.2	(97.2%)	158.5	67.9	(57.1%)
Panama	19.2	0.0	(100.0%)	38.3	14.3	(62.7%)
Uruguay	18.4	13.7	(25.6%)	37.3	33.6	(9.8%)
Colombia	4.6	0.0	(99.2%)	9.6	5.6	(42.1%)
Sub-Total - Latin America	200.3	16.0	(92.0%)	404.3	219.8	(45.6%)
Italy	85.1	6.6	(92.3%)	171.6	66.8	(61.1%)
Spain	47.5	5.5	(88.5%)	96.1	46.0	(52.2%)
Sub-Total - Europe	132.6	12.0	(90.9%)	267.7	112.8	(57.9%)
Online	14.9	13.8	(7.3%)	29.9	29.9	0.1%
Total	347.9	41.8	(88.0%)	701.9	362.4	(48.4%)
Adjusted EBITDA						
Argentina	18.7	(11.1)	n.a.	37.0	10.7	(71.1%)
Mexico	29.7	(16.8)	n.a.	63.8	3.6	(94.4%)
Panama	5.2	(3.3)	n.a.	10.5	(1.3)	n.a.
Uruguay	5.5	8.1	47.1%	10.6	14.1	32.5%
Colombia	1.8	(1.6)	n.a.	3.5	(0.4)	n.a.
Sub-Total - Latin America	60.9	(24.7)	n.a.	125.4	26.7	(78.7%)
Italy	5.4	(5.2)	n.a.	12.1	(5.7)	n.a.
Spain	11.2	(5.3)	n.a.	22.5	2.4	(89.5%)
Sub-Total - Europe	16.7	(10.4)	n.a.	34.6	(3.3)	n.a.
Corporate	(2.3)	(2.6)	(11.7%)	(5.0)	(4.3)	13.9%
Online	1.2	1.5	27.4%	2.4	3.7	56.5%
Total	76.4	(36.3)	n.a.	157.3	22.8	(85.5%)

Operating Expenses¹

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	Q2 2019	Q2 2020	Var.	2019	2020	Var.
Operating Revenue	347.9	39.1	(88.8%)	701.9	317.6	(54.7%)
Gaming & Other Taxes	(123.6)	(17.3)	86.0%	(250.3)	(118.5)	52.7%
Personnel	(61.9)	(27.2)	56.1%	(122.8)	(84.0)	31.6%
Rentals	(9.3)	(1.2)	87.0%	(18.5)	(9.8)	47.1%
Cost of Goods Sold	(16.2)	(5.2)	67.9%	(29.0)	(13.8)	52.3%
Other	(60.4)	(19.3)	68.1%	(124.1)	(74.9)	39.6%
Operating Expenses (excl. D&A)	(271.5)	(70.2)	74.1%	(544.6)	(301.0)	44.7%
Gaming & Other Taxes						
Gaming Taxes	(103.4)	(10.8)	89.6%	(208.8)	(93.6)	55.2%
Other Taxes	(20.2)	(6.5)	67.7%	(41.6)	(24.9)	40.1%
Total	(123.6)	(17.3)	86.0%	(250.3)	(118.5)	52.7%
Rentals						
Gaming Venues & Other	(2.7)	(0.2)	92.2%	(5.5)	(1.7)	68.2%
Slots	(6.5)	(1.0)	84.8%	(13.0)	(8.0)	38.2%
Total	(9.3)	(1.2)	87.0%	(18.5)	(9.8)	47.1%
Other						
Professional Fees ⁽²⁾	(4.9)	(3.5)	28.7%	(10.5)	(8.1)	23.0%
Advertising and Marketing	(12.9)	(3.7)	71.6%	(24.6)	(13.0)	47.4%
Utilities	(12.3)	(4.7)	61.9%	(24.3)	(16.1)	33.8%
Repairs & Maintenance ⁽³⁾	(6.1)	(1.5)	74.6%	(12.3)	(6.1)	50.7%
Insurance ⁽⁴⁾	(0.7)	(0.9)	(33.9%)	(2.2)	(2.0)	11.7%
Travel	(1.1)	(0.3)	69.2%	(2.1)	(1.1)	44.9%
Transportation ⁽⁵⁾	(0.8)	(0.2)	79.4%	(1.5)	(0.8)	45.3%
Other Expenses	(21.6)	(4.5)	79.4%	(46.5)	(27.8)	40.2%
Total	(60.4)	(19.3)	68.1%	(124.1)	(74.9)	39.6%
As % of Operating Revenue (Var. in p.p.)						
Operating Revenue	100.0%	100.0%	-	100.0%	100.0%	-
Gaming & Other Taxes	35.5%	44.3%	8.7	35.7%	37.3%	1.6
Personnel	17.8%	69.6%	51.8	17.5%	26.4%	9.0
Rentals	2.7%	3.1%	0.4	2.6%	3.1%	0.4
Cost of Goods Sold	4.7%	13.4%	8.7	4.1%	4.4%	0.2
Other	17.4%	49.3%	32.0	17.7%	23.6%	5.9
Operating Expenses (excl. D&A)	78.0%	179.6%	101.5	77.6%	94.8%	17.2
Gaming & Other Taxes						
Gaming Taxes	29.7%	27.6%	(2.1)	29.7%	29.5%	(0.3)
Other Taxes	5.8%	16.7%	10.9	5.9%	7.8%	1.9
Total	35.5%	44.3%	8.7	35.7%	37.3%	1.6
Rentals						
Gaming Venues & Other	0.8%	0.5%	(0.2)	0.8%	0.5%	(0.2)
Slots	1.9%	2.5%	0.7	1.9%	2.5%	0.7
Total	2.7%	3.1%	0.4	2.6%	3.1%	0.4
Other						
Professional Fees ⁽²⁾	1.4%	9.0%	7.6	1.5%	2.5%	1.1
Advertising and Marketing	3.7%	9.4%	5.7	3.5%	4.1%	0.6
Utilities	3.6%	12.0%	8.5	3.5%	5.1%	1.6
Repairs & Maintenance ⁽³⁾	1.8%	4.0%	2.2	1.8%	1.9%	0.2
Insurance ⁽⁴⁾	0.2%	2.3%	2.1	0.3%	0.6%	0.3
Travel	0.3%	0.8%	0.5	0.3%	0.4%	0.1
Transportation ⁽⁵⁾	0.2%	0.4%	0.2	0.2%	0.2%	0.0
Other Expenses	6.2%	11.4%	5.2	6.6%	8.8%	2.1
Total	17.4%	49.3%	32.0	17.7%	23.6%	5.9

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		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Operating Revenue	78.0	1.8	(97.6%)	158.5	62.3	(60.7%)
Gaming & Other Taxes	(8.1)	(3.9)	52.1%	(16.4)	(13.2)	19.6%
Personnel ⁽¹⁾	(13.0)	(8.5)	34.7%	(25.6)	(22.2)	13.3%
Rentals	(5.9)	0.7	n.a.	(12.0)	(4.2)	65.0%
Cost of Goods Sold	(6.4)	(0.1)	98.5%	(10.0)	(2.9)	71.4%
Other	(14.9)	(4.2)	71.8%	(30.6)	(16.5)	46.1%
Operating Expenses (excl. D&A)	(48.3)	(15.9)	67.0%	(94.7)	(59.0)	37.7%
Depreciation & Amortization	(17.1)	(14.8)	13.3%	(33.6)	(33.2)	1.2%
Variation in Provisions for Trade Transactions	0.0	0.0	n.a.	0.0	0.0	n.a.
Gains / (Losses) on Asset Disposals ⁽²⁾	(0.0)	(0.7)	n.a.	(0.0)	(1.0)	n.a.
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	(2.0)	(1.8)	9.8%	(0.8)	(3.6)	n.a.
Operating Profit	10.6	(31.5)	n.a.	29.4	(34.5)	n.a.
EBITDA	27.7	(15.9)	n.a.	63.0	(0.4)	n.a.
<i>EBITDA Margin</i>	35.5%	n.a.	n.a.	39.7%	n.a.	n.a.
Adjusted EBITDA	29.7	(14.1)	n.a.	63.8	3.3	(94.8%)
<i>Adjusted EBITDA Margin</i>	38.1%	n.a.	n.a.	40.3%	5.3%	(35.0 p.p.)
Economic Indicators						
Average Exchange Rate - EUR/MXN	21.50	25.66	19.4%	21.65	23.86	10.2%
Average Inflation (YoY)	4.2%	2.8%	(1.4 p.p.)	4.2%	3.1%	(1.1 p.p.)
Key Performance Indicators						
Avg. Installed Capacity (Slots)	21,529	138	(99.4%)	21,675	9,327	(57.0%)
Gross Win per Slot per Day:						
EUR	36.5	23.1	(36.8%)	35.2	31.7	(9.9%)
Local Currency	784	579	(26.2%)	763	683	(10.4%)

- **Operating Revenue** in H1 2020 decreased by €96.2 mm (60.7%) compared to H1 2019 due to the closing of all of our gaming halls in the country during the second quarter.
- **Operating Expenses (excluding D&A)** decreased by €35.7 mm (37.7%) in H1 2020 mainly as a result of our significant efforts to reduce and defer personnel, rentals and other fixed costs.
- **Adjusted EBITDA** decreased by 94.8% to €3.3 mm as a result of the significant decline in revenues due to the closings. Adjusted EBITDA margin decreased 35.0 percentage points to 5.3% versus 40.3% in H1 2019.

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		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Operating Revenue	80.0	0.0	(100.0%)	160.7	64.8	(59.7%)
Gaming & Other Taxes	(35.9)	(1.1)	96.9%	(72.6)	(30.7)	57.7%
Personnel	(14.7)	(4.6)	68.8%	(28.7)	(16.8)	41.6%
Rentals	(0.9)	(0.5)	47.8%	(1.8)	(1.6)	10.2%
Cost of Goods Sold	(2.0)	(0.0)	99.8%	(4.0)	(1.1)	71.5%
Other	(7.7)	(1.2)	84.7%	(16.6)	(7.5)	54.9%
Operating Expenses (excl. D&A)	(61.3)	(7.4)	88.0%	(123.8)	(57.8)	53.3%
Depreciation & Amortization	(2.2)	(1.9)	15.1%	(4.5)	(4.0)	11.6%
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.	0.2	0.0	(89.7%)
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	(0.9)	0.0	n.a.	(1.6)	(0.2)	89.6%
Operating Profit (Pre-Inflation Accounting)	15.8	(9.2)	n.a.	31.0	2.9	(90.7%)
Inflation Adjustment on Operating Expenses ⁽²⁾	(0.7)	(3.0)	n.a.	(3.9)	(6.4)	(64.5%)
Operating Profit (Post-Inflation Accounting)	15.1	(12.2)	n.a.	27.2	(3.5)	n.a.
EBITDA	20.5	(7.7)	n.a.	37.1	6.2	(83.4%)
<i>EBITDA Margin</i>	<i>25.6%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>23.1%</i>	<i>9.5%</i>	<i>(13.6 p.p.)</i>
Adjusted EBITDA						
EBITDA	20.5	(7.7)	n.a.	37.1	6.2	(83.4%)
(+) Non-Recurring Items	0.9	0.0	n.a.	1.6	0.2	(89.6%)
(+) Inflation Adjustment on EBITDA ⁽²⁾	(2.7)	0.4	n.a.	(1.7)	0.7	n.a.
Adjusted EBITDA	18.7	(7.4)	n.a.	37.0	7.0	(81.0%)
<i>Adjusted EBITDA Margin</i>	<i>23.3%</i>	<i>n.a.</i>	<i>n.a.</i>	<i>23.0%</i>	<i>10.9%</i>	<i>(12.1 p.p.)</i>
Economic Indicators						
Average Exchange Rate - EUR/ARS	49.38	74.51	50.9%	46.89	71.15	51.7%
Average Inflation (YoY)	56.4%	43.9%	(12.5 p.p.)	54.2%	47.1%	(7.1 p.p.)
Key Performance Indicators						
Avg. Installed Capacity (Slots)	6,861	-	n.a.	6,860	2,940	(57.1%)
Gross Win per Slot per Day:						
EUR	121.2	-	n.a.	122.8	119.0	(3.1%)
Local Currency	5,988	-	n.a.	5,757	8,011	39.2%

- **Operating Revenue** in H1 2020 decreased by €95.9 mm or 59.7% compared to H1 2019, due to the bingo hall closings since March 16th and throughout the entire second quarter, as well as to the significant devaluation of the Peso (51.7%) against the euro.
- **Operating Expenses (excluding D&A)** decreased by 53.3% driven by reductions across gaming taxes which are variable and all fixed operating expenses such as personnel and rentals.
- **Adjusted EBITDA** decreased by 81.0% to €7.0 mm, compared to €37.0 mm in H1 2019 as a result of the absence of revenues in Q2. The Adjusted EBITDA margin was 10.9% in H1 2020, 12.1 percentage points below that of H1 2019.

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 June 30, 2020.

Spain

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Operating Revenue	47.5	5.5	(88.5%)	96.1	46.0	(52.2%)
Gaming & Other Taxes	(15.3)	(5.0)	67.6%	(31.5)	(19.2)	39.1%
Personnel	(10.4)	(3.5)	66.3%	(21.1)	(12.6)	40.4%
Rentals	(0.4)	0.1	n.a.	(0.9)	(0.2)	73.0%
Cost of Goods Sold	(1.7)	0.0	n.a.	(2.9)	(0.9)	67.1%
Other	(8.5)	(2.4)	71.3%	(17.3)	(10.7)	38.4%
Operating Expenses (excl. D&A)	(36.3)	(10.7)	70.5%	(73.6)	(43.6)	40.8%
Depreciation & Amortization	(9.4)	(6.4)	32.3%	(17.5)	(14.8)	15.2%
Variation in Provisions for Trade Transactions ⁽¹⁾	(0.2)	(0.2)	12.7%	(0.5)	(0.6)	(12.5%)
Gains / (Losses) on Asset Disposals ⁽²⁾	0.1	(0.2)	n.a.	(0.1)	(0.7)	n.a.
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	(0.4)	(0.2)	49.1%	(0.4)	(0.5)	(21.5%)
Operating Profit	1.3	(12.2)	n.a.	4.1	(14.2)	n.a.
EBITDA	10.8	(5.5)	n.a.	22.1	1.9	(91.4%)
<i>EBITDA Margin</i>	22.8%	n.a.	n.a.	23.0%	4.1%	(18.9 p.p.)
Adjusted EBITDA	11.2	(5.3)	n.a.	22.5	2.4	(89.5%)
<i>Adjusted EBITDA Margin</i>	23.6%	n.a.	n.a.	23.4%	5.2%	(18.2 p.p.)
Key Performance Indicators						
Avg. Installed Capacity (Slots)	10,285	2,380	(76.9%)	10,254	5,608	(45.3%)
Avg. Installed Capacity (Sports Betting Terminals)	7,205	1,519	(78.9%)	7,112	3,968	(44.2%)
Gross Win per Slot per Day:						
Slots	49.9	38.7	(22.5%)	50.2	n.a.	n.a.

- **Operating Revenue** in H1 2020 declined by €50.2 mm (52.2%) to €46.0 mm compared to H1 2019, driven by closings of bars, restaurants, arcades and bingo halls between March 14 and mid-June, when the Government lifted the restrictions imposed by the state of alarm.
- **Operating Expenses (excluding D&A)** decreased by 40.8% to €43.6 mm in H1 2020, as a result of our significant cost containment efforts on all items, notably personnel where we achieved a 66% reduction in costs in Q2 thanks to the temporary reductions of employment (ERTEs) applied to c. 85% of our headcount in the country. Waived gaming taxes (which are fixed in Spain) also contributed to the 67.6% decrease in this line item.
- **Adjusted EBITDA** declined 89.5% to €2.4 mm. Adjusted EBITDA margin decreased by 18.2 percentage points to 5.2% versus last year driven by the limited revenues generated in the second quarter.

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		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Operating Revenue	85.1	6.6	(92.3%)	171.6	66.8	(61.1%)
Gaming & Other Taxes	(58.4)	(4.9)	91.6%	(117.8)	(47.6)	59.6%
Personnel	(8.5)	(2.5)	70.1%	(17.0)	(10.5)	38.2%
Rentals	(1.4)	(0.5)	60.6%	(2.5)	(1.7)	30.5%
Cost of Goods Sold	(0.5)	(0.0)	89.4%	(0.8)	(0.3)	61.2%
Other	(10.9)	(3.7)	66.2%	(21.5)	(12.4)	42.4%
Operating Expenses (excl. D&A)	(79.7)	(11.7)	85.3%	(159.5)	(72.4)	54.6%
Depreciation & Amortization	(4.9)	(4.6)	6.7%	(9.9)	(9.4)	4.3%
Variation in Provisions for Trade Transactions ⁽¹⁾	(0.8)	(0.1)	91.9%	(0.8)	(0.2)	76.2%
Gains / (Losses) on Asset Disposals ⁽²⁾	(0.1)	(0.1)	42.9%	(0.2)	(0.3)	(63.7%)
Impairment Charges	0.0	0.0	n.a.	0.0	0.0	n.a.
Non-Recurring Items	(0.1)	0.0	n.a.	(0.1)	0.0	n.a.
Operating Profit	(0.4)	(9.9)	n.a.	1.2	(15.6)	n.a.
EBITDA	5.4	(5.2)	n.a.	12.0	(5.7)	n.a.
<i>EBITDA Margin</i>	6.3%	n.a.	n.a.	7.0%	n.a.	n.a.
Adjusted EBITDA	5.4	(5.2)	n.a.	12.1	(5.7)	n.a.
<i>Adjusted EBITDA Margin</i>	6.4%	n.a.	n.a.	7.0%	n.a.	n.a.
Key Performance Indicators						
Avg. Installed Capacity (AWPs)	7,378	1,665	(77.4%)	7,380	4,132	(44.0%)
Avg. Installed Capacity (VLTs)	1,507	146	(90.3%)	1,491	731	(51.0%)
Gross Win per Slot per Day:						
AWPs	91.9	60.4	(34.3%)	91.0	80.8	(11.2%)
VLTs	191	171	(10.5%)	195	156	(20.2%)

- **Operating Revenue** in H1 2020 decreased by €104.8 mm or 61.1% compared to H1 2019 as a result of the mandatory closings that took place in the country between March 8 and mid-June.
- **Operating Expenses (excluding D&A)** decreased by 54.6% in H1 2020 to €72.4 mm compared to H1 2019, mainly as a result of significant decreases across all cost items, especially in Q2.
- **Adjusted EBITDA** was negative €5.7 mm in H1 2020, following an entire month of March of disruptions and complete closings of our operations in the country which lasted until mid-June.

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			YTD		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Operating Revenue						
Panama	19.2	0.0	(100.0%)	38.3	14.7	(61.7%)
Uruguay	18.4	11.3	(38.6%)	37.3	28.3	(24.0%)
Colombia	4.6	0.0	(99.3%)	9.6	4.9	(48.5%)
Online	14.9	13.8	(7.3%)	29.9	29.9	0.1%
Operating Revenue	57.2	25.2	(55.9%)	115.0	77.8	(32.3%)
Adjusted EBITDA						
Panama	5.2	(3.4)	n.a.	10.5	(1.4)	n.a.
Uruguay	5.5	6.7	21.4%	10.6	11.9	11.6%
Colombia	1.8	(1.4)	n.a.	3.5	(0.3)	n.a.
Online	1.2	1.5	27.4%	2.4	3.7	56.5%
Adjusted EBITDA	13.7	3.4	(75.0%)	27.0	13.9	(48.4%)
<i>Adjusted EBITDA Margin</i>	<i>23.9%</i>	<i>13.6%</i>	<i>(10.3 p.p.)</i>	<i>23.5%</i>	<i>17.9%</i>	<i>(5.6 p.p.)</i>
EBITDA						
Adjusted EBITDA	13.7	3.4	(75.0%)	27.0	13.9	(48.4%)
(-) Non-Recurring Items	(0.3)	(0.8)	n.a.	(0.7)	(1.2)	(63.6%)
(-) Online Growth Investment	(4.5)	(2.0)	56.8%	(7.2)	(6.4)	12.3%
EBITDA	8.9	0.6	(92.7%)	19.0	6.3	(66.7%)
<i>EBITDA Margin</i>	<i>15.5%</i>	<i>2.6%</i>	<i>(12.9 p.p.)</i>	<i>16.5%</i>	<i>8.1%</i>	<i>(8.4 p.p.)</i>
Average Exchange Rates						
EUR/USD	1.12	1.10	(2.1%)	1.13	1.10	(2.5%)
EUR/YUY	39.15	47.41	21.1%	38.22	45.52	19.1%
USD/YUY	34.83	43.08	23.7%	33.84	41.33	22.1%
EUR/COP	3,642	4,232	16.2%	3,601	4,065	12.9%
Average Inflation (YoY)						
Panama	-0.2%	0.0%	0.2 p.p.	-0.3%	-0.1%	0.1 p.p.
Uruguay	7.8%	10.8%	3.0 p.p.	7.7%	9.7%	2.1 p.p.
Colombia	3.3%	2.9%	(0.5 p.p.)	3.2%	3.3%	0.1 p.p.

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

Operating revenue decreased by €37.2 mm (32.3%), to €77.8 mm as a result of:

- A combined decrease in **Panama and Colombia** of €28.3 mm due to the closing of operations since March. As of today, only Colombia (except Bogota) has reopened and Panama is expected to so in October.
- A decrease in **Uruguay** of €9.0 mm due to the closing of its operations since March. The racetracks resumed their operation partially by mid-May, and the associated gaming halls (HRU) on August 6.
- Flat **Online** revenues due to the weak revenue trend in the second quarter due to the cancellation or postponement of most of the major sports events which offset the strong sports betting activity and take in January and February.

Adjusted EBITDA decreased by €13.1 mm (48.4%), to €13.9 mm as a result of:

- A decrease in **Panama** of €11.9 mm, affected by the casino closings.
- A decrease in **Colombia** of €3.8 mm.
- An increase in **Uruguay and Online** of €1.3 mm.

Adjusted EBITDA margin in H1 2020 was 8.1%, 8.4 percentage points below that of H1 2019.

Consolidated Cash Flow Statement

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
EBITDA	71.5	(38.1)	n.a.	148.4	1.5	(99.0%)
Capitalized Operating Leases	(17.7)	(7.9)	55.4%	(35.6)	(24.9)	30.1%
Inflation Adjustment	(2.7)	0.4	n.a.	(1.7)	0.7	n.a.
Corporate Income Taxes Paid	(12.7)	(1.0)	92.1%	(23.3)	(6.4)	72.5%
Chg. in Working Capital ⁽¹⁾	17.0	8.3	(51.2%)	(4.6)	18.2	n.a.
Cash Flow from Operations	55.4	(38.3)	n.a.	83.2	(10.9)	n.a.
Maintenance Capital Expenditures ⁽²⁾	(17.6)	(6.6)	62.3%	(33.2)	(18.1)	45.5%
Growth Capital Expenditures ⁽²⁾ , of which:	(3.6)	(0.6)	83.9%	(4.4)	(2.9)	33.0%
Capacity Deployment ⁽³⁾	(1.7)	(0.6)	65.1%	(2.4)	(2.8)	(16.0%)
Acquisitions ⁽⁴⁾	(1.9)	0.0	n.a.	(2.0)	(0.1)	92.6%
Initial Cash from Acquired Companies	0.2	0.0	n.a.	0.2	0.0	n.a.
Cash Flow from Investing	(21.0)	(7.2)	65.6%	(37.4)	(21.0)	43.8%
Cash Interest Expense	(31.0)	(30.3)	2.3%	(34.8)	(33.5)	3.7%
Cash Interest Income	0.1	0.1	0.0%	0.4	0.6	50.0%
Chg. in Financial Debt	3.1	(3.4)	n.a.	5.3	51.2	n.a.
Chg. in Financial Investments	(1.7)	0.6	n.a.	(2.3)	0.6	n.a.
Chg. in Deferred Payments ⁽⁵⁾	(1.8)	4.5	n.a.	(11.6)	(3.9)	66.4%
Dividends Paid, net ⁽⁶⁾	(1.0)	(0.4)	60.0%	(3.2)	(2.6)	18.8%
Investment in Treasury Shares, net	0.3	0.0	n.a.	0.0	0.0	n.a.
Cash Effect from Exchange Rate Difference ⁽⁷⁾	(1.4)	(0.9)	35.7%	(2.9)	(2.7)	6.9%
Cash Flow from Financing	(33.4)	(29.8)	10.8%	(49.1)	9.7	n.a.
Exchange Rate Impact on Cash Balances	(0.4)	(1.7)	n.a.	(1.5)	(7.8)	n.a.
Cash Flow	0.6	(77.0)	n.a.	(4.8)	(30.0)	n.a.
Cash & Equivalents						
Beginning of Period	75.7	150.1	98.3%	81.1	103.1	27.1%
Cash Flow	0.6	(77.0)	n.a.	(4.8)	(30.0)	n.a.
End of Period	76.3	73.1	(4.2%)	76.3	73.1	(4.2%)

- **Cash flow from operations** in H1 2020 was negative €10.9 mm, a decrease of €94.1 mm versus €83.2 mm in H1 2019. This decrease is primarily attributable to the decrease of €146.9 mm in reported EBITDA partially offset by a €16.9 mm reduction in corporate income tax paid and a €22.8 mm decrease in the working capital outflow (to an inflow of €18.2 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 H1 2020 was €21.0 mm of capital expenditures, a decline of 43.8% vs. H1 2019. Within capital expenditures, €18.1 mm were related to maintenance and €2.9 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 €9.7 mm in H1 2020 and included:
 - €33.5 mm of cash interest expense, including €27.1 mm related to the coupon payment on our Senior Notes, €1.2 mm to our SSRCF and €5.2 mm related to OpCo debt (including capital leases);
 - €0.6 mm of cash interest income;
 - €51.2 mm increase in financial debt made up of:
 - (i) €41.0 mm drawing on our SSRCF;
 - (ii) €0.9 mm decrease in capital leases;
 - (iii) €11.1 mm increase in OpCo financial debt (excluding capital leases) mainly due to new loans being raised in Mexico (€19.4 mm) and Panama (€0.4 mm), partially offset by the scheduled amortization of loans in Mexico (€4.5 mm), Uruguay (€2.0 mm), Panama (€0.9 mm), Spain (€0.1 mm), Colombia (€0.3 mm) and Italy (€0.4 mm).
 - Decrease in deferred payments of €3.9 mm, consisting of deferred payments with capex suppliers mainly in Mexico, Argentina, Spain, Panama and corporate headquarters that offset the increase in deferred payments in Uruguay and our Platform;
 - Dividends paid to minority partners of €2.6 mm;
 - €2.7 mm net negative impact from exchange rate differences;
- The fluctuation in foreign exchange rates has resulted in a negative impact of €7.8 mm on conversion of cash balances;
- During H1 2020, there has been a decrease in cash and equivalents of €30.0 mm to €73.1 mm.

Capital Expenditures and Acquisitions¹

Figures in EUR mm, except where noted otherwise

	Quarter			YTD		
	Q2 2019	Q2 2020	Var. %	2019	2020	Var. %
Capital Expenditures and Acquisitions						
Maintenance ⁽²⁾	17.6	6.6	(62.3%)	33.2	18.1	(45.5%)
Growth ⁽³⁾	3.6	0.6	(83.9%)	4.4	2.9	(33.0%)
Sub-Total	21.2	7.2	(65.9%)	37.6	21.0	(44.1%)
IFRS 16 Capex	(2.8)	(3.4)	n.a.	n.a.	1.1	n.a.
Total (Post-IFRS 16)	18.4	3.8	(79.1%)	37.6	22.2	(41.0%)
Maintenance						
Argentina	3.6	0.0	(99.5%)	4.4	0.4	(90.3%)
Mexico	3.3	4.3	28.9%	7.5	4.8	(35.9%)
Panama	0.9	0.0	n.a.	1.2	0.0	(98.7%)
Colombia	1.2	0.0	(98.7%)	1.3	0.0	(97.8%)
Uruguay	0.6	0.0	(97.4%)	3.5	3.0	(15.2%)
Sub-Total - Latin America	9.6	4.3	(55.2%)	17.9	8.3	(53.9%)
Italy	1.8	0.8	(56.4%)	3.2	1.5	(52.3%)
Spain	5.5	0.8	(85.6%)	10.6	6.6	(37.6%)
Sub-Total - Europe	7.3	1.6	(78.4%)	13.8	8.1	(41.0%)
Corporate	0.2	0.4	n.a.	0.5	0.9	86.2%
Online	0.5	0.3	(36.0%)	1.0	0.8	(24.5%)
Total	17.6	6.6	(62.3%)	33.2	18.1	(45.5%)
Growth						
Argentina	0.0	0.0	n.a.	0.0	0.0	n.a.
Mexico	0.0	0.0	n.a.	0.0	0.9	n.a.
Panama	0.8	0.0	n.a.	0.8	0.8	1.2%
Colombia	0.0	0.0	n.a.	0.0	0.0	n.a.
Uruguay	0.0	0.0	n.a.	0.0	0.0	n.a.
Sub-Total - Latin America	0.8	0.0	(99.9%)	0.8	1.7	n.a.
Italy	0.2	0.0	n.a.	0.2	0.0	n.a.
Spain	2.5	0.1	(97.4%)	3.2	0.3	(90.3%)
Sub-Total - Europe	2.7	0.1	(97.6%)	3.4	0.3	(90.9%)
Corporate	0.0	0.0	n.a.	0.0	0.0	n.a.
Online	0.1	0.5	n.a.	0.2	0.9	n.a.
Total, of which:	3.6	0.6	(83.9%)	4.4	2.9	(33.0%)
Capacity Deployment ⁽⁴⁾	1.7	0.6	(65.1%)	2.4	2.8	16.0%
Acquisitions ⁽⁵⁾	1.9	0.0	n.a.	2.0	0.1	(92.6%)
IFRS 16 Capex	(2.8)	(3.4)	n.a.	(9.2)	1.1	n.a.
Total Capex (Post-IFRS 16)	18.4	3.8	(79.1%)	37.6	22.2	(41.0%)

Maintenance Capex in H1 2020 reached €18.1 mm, principally driven by:

- Investment in Spain of €6.6 mm, a decrease of €4.0 mm versus last year;
- Investment in Mexico of €4.8 mm, a decrease of €2.7 mm versus last year;
- Investment in Uruguay of €3.0 mm, a decrease of €0.5 mm versus last year.

Growth Capex in H1 2020 was €2.9 mm, mostly deployed in Mexico, Online and Panama, and related to the works in two halls that should open shortly after operations are restarted in the former.

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	Jun-20	Var.	Var. %
Assets				
Cash & Equivalents	103.1	73.1	(30.0)	(29.1%)
S-T Financial Investments ⁽¹⁾	32.9	27.7	(5.2)	(15.6%)
Accounts Receivable ⁽²⁾	62.4	64.2	1.8	2.9%
Taxes Receivable ⁽³⁾	91.0	56.2	(34.8)	(38.2%)
Prepaid Expenses	12.9	15.2	2.3	17.4%
Inventory	10.7	9.3	(1.4)	(13.7%)
Other Current Assets	0.0	0.0	0.0	n.a.
Current Assets	313.0	245.7	(67.3)	(21.5%)
Fixed Assets	403.3	341.6	(61.7)	(15.3%)
L-T Financial Investments	20.5	18.7	(1.8)	(8.9%)
Intangible Assets (excl. Goodwill)	374.0	322.2	(51.8)	(13.8%)
Right-of-Use Assets (IFRS 16)	254.7	197.9	(56.8)	(22.3%)
Goodwill	232.3	198.2	(34.1)	(14.7%)
Deferred Tax Assets	52.8	55.0	2.2	4.1%
Other Non-Current Assets	0.0	1.1	1.1	n.a.
Total Assets	1,650.5	1,380.4	(270.1)	(16.4%)
Liabilities & Shareholders' Equity				
Accounts Payable ⁽⁴⁾	107.5	116.9	9.4	8.7%
S-T Provisions ⁽⁵⁾	4.8	4.6	(0.2)	(4.5%)
S-T Taxes Payable ⁽⁶⁾	133.9	106.0	(27.9)	(20.8%)
S-T Financial Debt	36.6	126.9	90.3	n.a.
S-T Deferred Payments ⁽⁷⁾	51.8	55.3	3.5	6.8%
S-T Capital Leases (IFRS 16)	46.0	41.8	(4.2)	(9.2%)
Other Current Liabilities	5.3	5.6	0.3	6.1%
Current Liabilities	385.9	457.1	71.2	18.4%
L-T Provisions ⁽⁸⁾	22.0	21.1	(0.9)	(3.9%)
L-T Taxes Payable	10.8	9.5	(1.3)	(12.4%)
L-T Financial Debt	867.8	827.9	(39.9)	(4.6%)
L-T Deferred Payments ⁽⁷⁾	20.0	14.1	(5.9)	(29.3%)
L-T Capital Leases (IFRS 16)	205.1	167.9	(37.2)	(18.1%)
Deferred Tax Liabilities	95.7	94.5	(1.2)	(1.3%)
Other Non-Current Liabilities	0.1	0.1	0.0	(8.7%)
Total Liabilities	1,607.5	1,592.2	(15.3)	(1.0%)
Minority Interests	81.1	53.9	(27.2)	(33.4%)
Shareholders' Equity	(38.0)	(265.7)	(227.7)	n.a.
Total Liabilities & Shareholders' Equity	1,650.5	1,380.4	(270.1)	(16.4%)
End of Period Exchange Rates				
EUR/ARS	67.28	78.90	11.62	17.3%
EUR/MXN	21.19	25.86	4.66	22.0%
EUR/USD	1.12	1.12	(0.00)	(0.3%)
EUR/COP	3,682	4,209	528	14.3%
EUR/JYU	41.91	47.27	5.36	12.8%
USD/JYU	37.31	42.21	4.90	13.1%

¹ Includes €5.1 and €2.6 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	Jun-20	Var.	Var. %
Assets				
Accounts Receivable	62.4	64.2	1.8	2.9%
Taxes Receivable ⁽²⁾	64.4	48.4	(16.0)	(24.9%)
Prepaid Expenses	12.9	15.2	2.3	17.4%
Inventory	10.7	9.3	(1.4)	(13.7%)
Other Current Assets ⁽³⁾	0.0	0.0	0.0	-
Total	150.4	137.0	(13.4)	(8.9%)
Liabilities				
Accounts Payable	107.5	116.9	(9.4)	8.7%
S-T Provisions ⁽⁴⁾	3.3	3.1	0.2	(6.9%)
Taxes Payable ⁽²⁾	120.5	112.4	8.1	(6.7%)
Deferred Payments ⁽⁵⁾	1.1	4.2	(3.1)	n.a.
Other Current Liabilities ⁽³⁾	2.6	3.1	(0.5)	21.6%
Total	235.0	239.6	(4.6)	2.0%
Net Working Capital	(84.6)	(102.6)	(18.0)	(21.3%)

Balance Sheet

- Total assets decreased by €270.1 mm in H1 2020. This decrease is principally attributable to a decrease in fixed assets, intangible assets, right of use assets (IFRS-16) and goodwill.
- Current Assets decreased by €67.3 mm, as a result of a €30.0 mm decrease in cash & equivalents and a €34.8 mm decrease in taxes receivable.
- Financial debt, including both the short and long term portion increased by €50.4 mm as a result of a €41.7 mm drawing on the SSRCF, the €2.2 mm increase in the USD denominated Senior Notes due to the appreciation of the USD against the Euro and the €7.9 mm increase in OpCo debt (including capital leases) following the securing of a new MXN 500 mm loan in Mexico.
- Minority interests decreased by €27.2 mm to €53.9 mm and shareholders' equity decreased by €227.7 mm to negative €265.7 mm due to the €177.6 mm loss in the period together with exchange rate impacts.

Net Working Capital

- Net working capital decreased by €18.0 mm to negative €102.6 mm.
- This change in net working capital was primarily due to a €9.4 mm increase in accounts payable and a €7.9 mm increase in taxes payable, net⁶, partially offset by a €2.3 mm increase in prepaid expenses and a €1.8 mm increase in accounts receivable.

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	Jun-20	Var.	Var. %
Capitalization				
S-T Financial Debt ⁽¹⁾	36.6	126.9	90.3	n.a.
L-T Financial Debt ⁽¹⁾	867.8	827.9	(39.9)	(4.6%)
Total Financial Debt	904.4	954.8	50.4	5.6%
Minority Interests	81.1	53.9	(27.2)	(33.4%)
Shareholders' Equity	(38.0)	(265.7)	(227.7)	n.a.
Total Capitalization	947.5	743.1	(204.4)	(21.6%)
Financial Debt⁽¹⁾				
OpCo Debt (excl. Capital Leases)	81.0	88.9	7.9	9.7%
OpCo Capital Leases	7.1	5.8	(1.3)	(18.7%)
Sub-Total	88.2	94.7	6.5	7.4%
Super Senior Revolving Credit Facility	45.3	87.0	41.7	91.9%
Senior Notes	770.9	773.1	2.2	0.3%
Total Financial Debt	904.4	954.8	50.4	5.6%
Capitalization of Operating Leases ⁽²⁾	251.1	209.7	(41.4)	(16.5%)
Total Adjusted Debt	1,155.6	1,164.5	8.9	0.8%
Cash & Equivalents				
Mexico	20.0	6.8	(13.2)	(65.9%)
Argentina	16.9	2.6	(14.3)	(84.4%)
Spain	7.6	11.5	3.9	51.2%
Italy	17.3	13.8	(3.5)	(20.4%)
Other Operations	24.1	18.4	(5.7)	(23.7%)
Sub-Total	85.9	53.1	(32.8)	(38.2%)
Corporate	17.1	20.0	2.9	16.6%
Total	103.1	73.1	(30.0)	(29.1%)
Europe (incl. Corporate)	42.0	45.2	3.2	7.7%
Latam	61.1	27.9	(33.2)	(54.4%)
Total	103.1	73.1	(30.0)	(29.1%)
Credit Statistics				
LTM Adjusted EBITDA	319.0	178.3	(140.7)	(44.1%)
Proforma Interest Expense ⁽³⁾	86.8	85.5	(1.3)	(1.5%)
Leverage:				
Senior Financial Debt ⁽⁴⁾ / LTM Adjusted EBITDA	0.4x	1.0x	0.6x	n.a.
Total Adj. Net Debt / LTM Adj. EBITDA	3.3x	6.1x	2.8x	84.9%
<i>Including Inflation Accounting</i>	3.3x	6.1x	2.8x	84.3%
Coverage:				
LTM Adjusted EBITDA / Proforma Interest Expense	3.7x	2.1x	(1.6x)	(43.5%)
<i>Including Inflation Accounting</i>	3.7x	2.1x	(1.6x)	(43.8%)

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 June 30, 2020, as applicable, financial debt outstanding and interest rates; excludes fees on unused revolver availability.

⁴ Includes structurally senior OpCo debt (including capital leases) plus drawn amounts outstanding under the €95 mm SSRFCF.

Gaming Capacity¹ by Venue

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	-
Mexico ⁽⁶⁾	95	4	-	-	-	-	91	4	1	-	96	4
Panama ^(6,7)	11	-	-	-	-	-	8	-	1	-	12	-
Colombia	9	-	140	-	-	-	130	-	-	-	279	-
Uruguay (CN)	1	-	-	-	-	-	-	-	-	-	1	-
Uruguay (HRU) ⁽⁸⁾	5	-	-	-	-	-	29	17	2	2	29	17
Brazil	-	-	-	-	-	-	-	-	-	-	-	-
Total	134	4	140	-	-	-	258	21	4	2	430	21
Europe												
Italy	11	6	-	-	2,271	2,067	-	-	-	-	2,282	2,073
Spain ⁽⁹⁾	3	3	1,036	937	7,593	6,780	66	47	-	-	8,698	7,767
Total	14	9	1,036	937	9,864	8,847	66	47	-	-	10,980	9,840
Total Group	148	13	1,176	937	9,864	8,847	324	68	4	2	11,410	9,861
Operator												
Codere	148	13	183	41	-	-	194	68	4	2	423	118
Third Party	-	-	993	896	9,864	8,847	130	-	-	-	10,987	9,743
Total	148	13	1,176	937	9,864	8,847	324	68	4	2	11,410	9,861
Spain												
SSTs Only ⁽¹⁰⁾	-	-	995	903	1,117	888	20	17	-	-	2,132	1,808
AWPs & SSTs	3	3	41	34	339	267	46	30	-	-	429	334
Sub-Total	3	3	1,036	937	1,456	1,155	66	47	-	-	2,561	2,142
AWPs Only	-	-	-	-	6,137	5,625	-	-	-	-	6,137	5,625
Total	3	3	1,036	937	7,593	6,780	66	47	-	-	8,698	7,767

¹ Figures reflect venues in operation as at June 30, 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 36 affiliated agencies (horserace betting only) in Q2 2019.

⁸ Figure for sports betting shops includes 5 sports books co-located within HRU operated gaming halls.

⁹ Sports betting shops excludes 49 and 35, respectively, franchised locations (included in Arcades).

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

Gaming Capacity¹ by Product

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	-	-	-	11,692	-	-	-	-	-	18,553	-
Mexico	21,437	551	2,196	30	11,217	-	741	37	-	-	35,591	618
Panama ⁽⁶⁾	2,945	-	300	-	-	-	42	-	-	-	3,287	-
Colombia	4,344	-	126	-	445	-	597	-	-	-	5,512	-
Uruguay (CN)	415	-	144	-	-	-	-	-	-	-	559	-
Uruguay (HRU)	1,889	-	-	-	-	-	29	17	-	-	1,918	17
Brazil	-	-	-	-	-	-	-	-	-	-	-	-
Total	37,891	551	2,766	30	23,354	-	1,409	54	-	-	65,420	635
Europe												
Italy ⁽⁷⁾	8,438	7,107	-	-	5,139	1,563	-	-	14,315	12,369	20,577	14,877
<i>AWP</i> ⁽⁸⁾	7,547	6,660	-	-	-	-	-	-	12,859	11,784	13,930	12,686
<i>VLT</i> ⁽⁹⁾	891	447	-	-	-	-	-	-	1,456	585	1,508	628
Spain ⁽¹⁰⁾	10,260	9,518	-	-	1,064	639	7,140	6,074	-	-	18,464	16,231
Total	18,698	16,625	-	-	6,203	2,202	7,140	6,074	14,315	12,369	39,041	31,108
Total Group	56,589	17,176	2,766	30	29,557	2,202	8,549	6,128	14,315	12,369	104,461	31,743
Gaming Venue												
Gaming Halls	35,654	1,334	2,766	30	29,557	2,202	882	72	-	-	68,859	3,638
Arcades	4,502	833	-	-	-	-	5,527	4,624	-	-	10,029	5,457
Bars	16,293	14,897	-	-	-	-	1,456	1,155	-	-	17,749	16,052
Sports Betting Shops	140	112	-	-	-	-	684	277	-	-	824	389
Network ⁽¹¹⁾	-	-	-	-	-	-	-	-	14,315	12,369	7,000	6,207
Total Group	56,589	17,176	2,766	30	29,557	2,202	8,549	6,128	14,315	12,369	104,461	31,743

¹ Figures gaming products in operation as at June 30, 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.

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 36 affiliated agencies (horserace betting only) in Q2 2019.

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

⁸ Figures for slots include 1,071 and 902 units, respectively, connected to 3rd party networks.

⁹ Figures for slots include 52 and 43 units, respectively, 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. Only our online business remained in operation, although impacted by the cancellation of sports competitions which drive sports betting activity.

As of today, we have resumed operations in Spain, Italy, Uruguay, Colombia (except Bogotá), and partially in Mexico. Initial performance across these markets has been generally better than our expectations in terms revenue generation, ranging between 70 and 80% of our pre-Covid levels. Based on the latest information available, we expect Argentina and Panama to resume operations in October.

For more details please refer to the presentation accompanying our Q2 2020 Results

- **Refinancing Transaction.** On July 13, the Company signed a lock-up agreement with a group of existing bondholders who collectively held c. 57.5% of its notes to implement a refinancing transaction, which included, among other things:
 - (i) The injection of €85 mm in the form of Interim New Super Senior Notes due September 2023 to solve short term liquidity needs in the company and help us maintain and restart our operations until the completion of the Scheme of Arrangement.
 - (ii) Subject to the completion of a Scheme of Arrangement procedure (for which the first hearing was held between September 3 and 7):
 - The issuance of €165 mm of additional New Super Senior Notes (to a total of €250 mm NSSNs due September 2023) to repay the existing SSRCF and provide further liquidity to the company to help us bridge to post COVID-19 business normalization.
 - Amendments to the terms of the existing notes including an extension of maturities to November 1, 2023 and increased interest rates, comprising a mandatory 4.50% cash-pay component and, at the election of the Company, a further cash-pay (5.00% on the € notes; 5.875% on the \$ notes) or PIK (6.25% on the € Notes; 7.125% on the \$ Notes) component;
 - The company expects to complete the Scheme of Arrangement around October 10, and the transaction before the end of October. The company will announce the relevant dates for Investors as required.

Additionally, a Standstill Agreement was signed with SSRCF lenders to waive the expected Q2 2020 leverage covenant breach. By that agreement, the maturity of the facility was brought forward to November 15, 2020. As a result, outstanding amounts under the SSRCF have been reclassified to short-term liabilities in our balance sheet.

- **Liquidity and upcoming cash outflows.** Following the agreement described above, the Company received proceeds from interim €85 mm tranche before the end of July, improving the Company's liquidity position to c. €156 mm as of today, up from €73 mm by the end of June. However, during September, we will face significant gaming tax outflows, including accrued and deferred ones in Italy and Spain. This, in addition to launching operations in Colombia, Argentina, Panama and the rest of Mexico, together with our commitments to start facing extended payables will reduce rapidly our liquidity position over the next 60 days.

In such context, given the cash flow expectations of the company and the new maturity of the SSRCF, it is critical that the full restructuring is executed before the end of October.

- **Inflation accounting in Argentina.** Inflation accounting resulted in the following impacts in H1 2020:
 - (i) Negative impact of €6.4 mm on Operating Profit, broken down as follows:
 - a. impact on EBITDA of negative €0.7 mm;
 - b. impact on Other Opex below EBITDA of negative €5.7 mm;
 - (ii) Inflation adjustment as interest income (€2.8 mm) and
 - (iii) Inflation adjustment as higher corporate income tax (€2.7 mm).
- **Adjustments to EBITDA:** In H1 2020, we incurred in €(8.0) mm non-recurring items, broken down as follows:
 - (i) Operational and personnel restructuring: €(2.2) mm
 - (ii) Litigation related to shareholders: €(1.4) mm
 - (iii) Tax contingencies and selected advisories: €(3.6) mm
 - (iv) Refinancing process: €(0.6) mm
 - (v) Other: €(0.2) mm

In addition, the company invested €6.4 mm in online growth marketing initiatives (reported as operational expense).

Contact Information

Codere is a leading international gaming operator with nearly 57,000 slot machines, 30,000 bingo seats and 8,500 sports betting terminals in Latin America, Spain and Italy, across various gaming venues, including 148 gaming halls, 1,200 arcades, 9,200 bars, 245 sports betting shops and 4 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.