

Madrid, February 28, 2020

In accordance with article 227 of the consolidated text of the Spanish Stock Market Act approved by the Legislative Royal Decree 4/2015 of 23 October, Codere S.A. hereby informs of the following:

OTHER RELEVANT INFORMATION

The Board of Directors of the Company, in its meeting held yesterday and after the favorable report of the Appointments, Remuneration and Corporate Governance Committee, has decided to amend the Long Term Incentive Plan (“**LTIP**”), which substitutes certain provisions of the one approved by the Board of Directors in its meeting held on June 29, 2017, which involves the potential payment of certain monetary amounts and, as a new feature, the delivery of a certain number of shares of the Company to certain members from the management team and other personnel from the Codere Group, as long as certain conditions are met.

The main terms and conditions of said LTIP are detailed below.

Kind regards

Luis Argüello Álvarez
Secretary of the Board of Directors

SUMMARY OF THE MAIN TERMS AND CONDITIONS OF THE LTIP

1) Purpose and description of the LTIP:

The main purpose of the LTIP is to align the interests of its Beneficiaries with those of the shareholders of the Company, while providing an incentive to the retention and permanence of talent in the Company and its Group.

The long-term incentives system is a variable, extraordinary, multi-annual and mixed remuneration plan which will have, depending on the terms established for each participant in the system, one or two of the following components:

- Retention factor: one payment in shares (the “Shares”), depending on the permanence of each Beneficiary during the LTIP measurement period;
- Variable factor: one payment in cash (the “Variable Amount”), depending on the creation of value generated for the shareholders over a certain period, to be measured according to Total Shareholder Return (“TSR”).

Both, jointly, the “Incentive”.

2) Beneficiaries of the LTIP (“Beneficiaries”):

The Beneficiaries of the LTIP after its amendment will be the same members of the executive and management team and other personnel of the Company and controlled companies which are currently beneficiaries of the LTIP in force, including the General Manager, as well as those other members of the executive and management team and other personnel of the Group that, after the approval of this agreement, may be included in the LTIP by the General Manager. The Beneficiary condition, under the terms and conditions approved by the Board on February 27, 2020, shall only be acquired by the voluntary accession of the abovementioned managers and employees. The General Manager has been empowered to decide which of the current and future Beneficiaries shall be entitled to receive Shares.

3) Term of the LTIP: The LTIP was approved on June 29, 2017, for an initial term until April 30, 2021.

This resolution extends its term until December 31, 2021 (Final Date). Said Final Date could be brought forward under certain circumstances of change of control of the Company defined in section 7.

4) Requirements and conditions for payment of the Incentive:

The requirements and conditions for payment of the Incentive will differ depending on whether it consists of Shares or of a Variable Amount, as set out below:

- 4.1. Shares: The Shares that the Company may deliver to the Beneficiaries may be restricted and subject therefore to the Shareholders’ Agreement of April 6, 2016 (“SHA”), in which case the Beneficiaries will be obliged to meet the requirements established by said Agreement for the transfer of the Shares.

The right of the Beneficiaries over the Shares will be subject to the Beneficiaries maintaining in effect at the Final Date an employment or services relationship with the Company or with any company in the Codere Group. If before said date, the employment or services relationship with the Beneficiary is terminated unilaterally or without cause by Codere, S.A. (or, as applicable, by the corresponding Codere Group company) the Beneficiary shall receive at the time of such termination 100% of the Shares and the Variable Amount to which he/she may be entitled pursuant to section 4.2, proportionally to the time elapsed between the Beneficiary’s inclusion in the LTIP until his/her exit for said reasons.

If the Beneficiary has the right to receive Shares as described above, each Beneficiary will receive Shares for a value equal to one third of the maximum incentive which he/she may reach.

The number of Shares to be received by each Beneficiary will be established by dividing the value of that third by the Weighted Average Price at which the Company may have acquired the Shares after the date of this resolution.

In the cases in which the Beneficiary earns the right to receive a Variable Amount pursuant to section 4.2.) below, the value of the Shares delivered shall be subtracted from the payment in cash he would be entitled to for said Variable Amount.

The maximum number of Shares that the LTIP establishes may be delivered is 2 million (representing approximately 1.7% of the share capital at the date of adoption of this resolution) with an estimated cost of 5.1 million euros.

The coverage of the Plan will be provided either through current treasury shares, share repurchase programs that the Board of Directors may approve for that purpose and/or block or especial trades, purpose for which the proposal to the next Shareholders' Meeting of the Company to adopt of a new resolution authorizing the derivative acquisition of treasury shares to replace the resolution in force adopted by the Shareholders' Meeting held on June 27, 2018 is expected. If on the date of delivery of the Shares to the Beneficiaries as provided below, the Company does not have sufficient treasury shares available to deliver all the Shares, the Company will reserve the right to replace the delivery of the Shares that it may be unable to cover with the existing treasury shares by the payment of their value in cash.

- 4.2. Variable Amount: The right of the Beneficiaries over the Variable Amount will be subject to reaching a certain TSR, calculated as the quotient of the Final Price of the share (FP) plus the Dividends, divided by the Initial Price (IP) of the share.

$$TSR = \frac{FP + Dividends}{IP}$$

Once the TSR has been calculated according to the formula above, the following percentages of Maximum Incentive receivable by the Beneficiary are established:

TSR	Percentage of Maximum Incentive to be received by the Beneficiary
< 1	0%
> 1 < 2.47	> 0% < 70%
> 2.47 < 3.10	> 70% < 100%
> 3.10	100%

With respect to the Variable Amount, the LTIP contemplates a maximum cost or payment of 17.5 million euros in the event of 100% of the considered targets are achieved.

The Final price will be calculated at the Final Date based on a formula which takes into account EBITDA, net debt and other financial figures at December 31, 2021, divided by number of shares of the company and comparing said result (added to dividends paid where appropriate) to 3.23 euros (initial price approved by the Board of Directors in 2017).

The Final Price of the Share in those cases specified in section 7) would be made in this case on the basis of a new formula which would take into account the fair market price of the consideration paid or to be paid to the selling shareholders divided by the number of shares of the company and comparing this result (plus any dividends paid, if any) with 3.23 euros (initial price approved by the Board of Directors in 2017).

5) Beneficiaries who do not perform their functions in the corporate area but instead at local or regional business units:

All the terms and conditions of this resolution will apply to the Beneficiaries of the Plan who do not perform their functions in the corporate area but instead at local or regional business units, with certain differences such as part of their Variable Amount shall be linked to the creation of value in the scope of action of each Beneficiary. Additionally, scenarios of early accrual are foreseen, in case the subsidiary company in which they render their services exits the Group.

6) Development and implementation of the LTIP:

The General Manager of Codere, S.A. and the People Manager of said company are empowered jointly and severally, for each and either one of them, acting individually, to be able to perform and sign any acts and documents required for the implementation of the LTIP (including the preparation and approval, as the case may be, of an execution regulation), and to develop and execute it, establishing as many supplementary, clarifying and interpretation conditions as necessary for such purposes.

7) Especial events:

The generation of the right and payment of the Incentive will be anticipated in the event of the special situations, including the occurrence of a change of control in the Company, which includes 4 different situations. In these cases, the Company would also be obliged to buy the Shares it had delivered to the Beneficiary immediately, although it reserves the right to settle this obligation in cash, to avoid having to deliver the Shares and then repurchase them.

8) Redemption clause:

The Variable Amount of the Incentive already paid to the Beneficiaries may be redeemed in part or in full by CODERE, in certain cases in which its calculation was made based on false or inaccurate information.

9) Miscellaneous:

This LTIP is of an extraordinary and exceptional nature and does not constitute a consideration for the services provided by the Beneficiaries, and therefore does not form part of the ordinary or average remuneration of the Beneficiaries, and therefore does not compute for calculation of any severance payment, for any other reason of termination of the employment contract or for any other payment or concept related to retribution of the Beneficiaries.