

THE PROPOSED WAIVERS AND AMENDMENTS

Background and Reason for the Proposed Waivers and Amendments

Codere has explored a range of business opportunities and is proposing to enter into the Online Transaction (as defined below) in order to pursue growth opportunities for its online business activities in core markets and expand into other countries and territories with the aim of consolidating its position as a leading online gaming and sports betting operator in Latin America. The Online Transaction is separate from the proposed restructuring transaction (the “**Proposed Restructuring**”) previously announced by the Parent Guarantor on April 22, 2021 and the terms of such restructuring and the related lock-up agreement remain in effect and are expected to be implemented regardless of whether the Online Transaction is completed.

The Parent Guarantor is considering a business combination of its online business with a special purpose acquisition company, DD3 Acquisition Corp, II. (“**SPAC**”), as described in a business combination agreement (the “**Business Combination Agreement**”) dated on or around the date of this Consent Solicitation Statement and the related agreements, the terms of which were publicly announced on the date of this Consent Solicitation Statement. “**Online Transaction**” shall mean the business combination of Codere Online with the SPAC and the related transactions pursuant to the Business Combination Agreement and related transaction agreements. In connection with the Online Transaction, the following corporate and other actions have or are proposed to be taken:

(i) Creation of an Online Business Perimeter

In November 2020, the Parent Guarantor designated the following seven subsidiaries as Unrestricted Subsidiaries (as defined in the Indenture) (the “**November Designation**” and the companies so designated, the “**November Designees**”):

- Servicios de Juego Online S.A.U. (*Spain*);
- Codere Online Management Services Ltd (*Malta*);
- Codere Israel Marketing Support Services Ltd (*Israel*);
- Codere (Gibraltar) Marketing Services Ltd (*Gibraltar*);
- Codere Online Operator Ltd (*Malta*);
- Codere Online S.A.U. (license holder) (*Spain*); and
- Codere Scommesse S.R.L (license holder) (*Italy*).

Following the November Designation, the Parent Guarantor incorporated Codere Online Panama, S.A., a new entity in Panama, as an Unrestricted Subsidiary. The Parent Guarantor is proposing to incorporate new entities in Argentina, Colombia and Mexico as well as a Delaware subsidiary, Codere Online U.S. Corp. (“**MergerSub**”) as Unrestricted Subsidiaries (MergerSub and the new entities in Argentina, Colombia and Mexico collectively being the “**New Designees**”).

Codere Newco S.A.U. (“**Newco**”) is a guarantor under the Indenture (and will remain a guarantor following the Online Transaction) and is the sole shareholder of a newly-incorporated Luxembourg holding company, Codere Online Luxembourg, S.A. (“**Lux Holdco**”). Lux Holdco, an Unrestricted Subsidiary, will be the holding company of Codere Online. Upon consummation of the Online Transaction, Newco will be the majority owner of Lux Holdco. Lux Holdco, in turn, is the sole shareholder of MergerSub. In order to form the Online Business Perimeter, Newco and Lux Holdco will execute a share exchange pursuant to which Newco will contribute shares in Online Topco to Lux Holdco and, in exchange, Lux Holdco will issue additional shares of Lux Holdco to Newco. Lux Holdco, together with Servicios de Juego Online S.A.U. (the “**Online Topco**”), the November Designees and the New Designees are collectively the “**Online Group Members**” and constitute the “**Online Business Perimeter**”).

Subject to the Proposed Waivers and Amendments, the Parent Guarantor plans to segregate its existing Codere Online business by transferring relevant entities, service/supplier agreements, employees, and assets including, but not limited to, gaming licenses and other regulatory permits and/or authorizations, online customer databases, online customer deposit, applicable use rights, software licenses and other intellectual property, certain pre-paid expense and fixed assets, and certain tax and other accounts receivable (for example, those related to payment processing solutions) in each case, to the extent needed to operate an online gaming business (together, the “**Online Assets**”) to the Online Business Perimeter.

(ii) Business Combination of Codere Online with the SPAC

As part of the Online Transaction, the SPAC will merge with MergerSub pursuant to the Business Combination Agreement, with the SPAC as the surviving corporation (the “**Merger**”). The SPAC sponsor is DD3 Capital Partners (through DD3 Sponsor Group, LLC), a Mexico City based investment banking and asset management company. Other institutional investors in the SPAC are New York-based Baron Capital (“**Baron**”), Chile-based Larrain Vial (“**Larrain Vial**”) and Mexico-based MG Capital (“**MG**”). The SPAC was capitalized through public investment by SPAC shareholders, as well as private financing commitments from the sponsor and related parties, raising approximately \$125 million for placement in the SPAC’s trust account. Shareholders of the SPAC, subject to certain exceptions, have a right to redeem their shares at a price of \$10.00 per share plus any accrued interest thereon. Four institutional investors (Baron, MG, Larrain Vial and DD3 Capital Partners) have committed to a private investment of \$67 million pursuant to certain forward purchase agreements, as amended, and PIPE subscription agreements that will close immediately prior to the Online Transaction, and Baron has committed to roll-over \$10 million of shares in the SPAC, resulting in minimum transaction proceeds of \$77 million (the “**Committed Financing**”).

Following the Merger, the SPAC will become a wholly-owned subsidiary of Lux Holdco. In consideration for the Merger, the shareholders of the SPAC (other than those who have previously exercised their right to redeem their shares) will receive Lux Holdco shares expected to be listed on the Nasdaq Stock Market and will receive certain warrants for Lux Holdco shares. The first \$125 million of cash from the SPAC trust fund (net of redemptions) and proceeds of the consummation of the sales of SPAC shares pursuant to the forward purchase agreements and PIPE subscription agreements referred to above, will be retained in the Online Business Perimeter to fund growth. If the gross proceeds of the transactions exceed \$125 million, Newco shall have the option to withdraw up to the first \$30 million of such excess on a dollar-for-dollar basis, but there is no guarantee that any such amount will be available to be paid. At closing of the transaction, Lux Holdco will be owned by Newco and the former SPAC shareholders (and the SPAC warrant-holders if and when warrants are exercised). Newco will retain a majority of at least 54% of Lux Holdco when the Merger is consummated, with the former SPAC shareholders constituting a minority.

(iii) Other related transactions

In connection with the proposed business combination, the parties to the Online Transaction will enter into a number of related transactions and agreements to ensure that the required steps are taken to deliver the Online Business Perimeter on a cash-free, debt-free basis, through a combination of the capitalization and forgiveness of certain outstanding debt, and to ensure it and its shareholders have the appropriate equity and support arrangements in place. These transactions and agreements include, among others:

- registration rights and lock-up agreement whereby the parties thereto agree to customary demand and piggyback registration rights, and pursuant to which certain parties will agree to not transfer securities;
- a nomination agreement pursuant to which certain parties will have rights to nominate directors of Lux Holdco as described in more detail in the agreement;
- an indemnification letter pursuant to which Newco will indemnify Lux Holdco, Online Topco and their respective subsidiaries from certain potential losses and other liabilities with a maximum liability of \$10 million;
- an assignment, assumption and amendment agreement (warrant amendment) pursuant to which the parties thereto will agree to various rights with respect to converting outstanding warrants granting the right to acquire shares of the SPAC into warrants granting the right to acquire shares of Lux Holdco and the assignment to Lux Holdco of rights under an existing warrant agreement of the SPAC and for Lux Holdco to assume, and agree to pay, perform, satisfy and discharge in full, all liabilities and obligations under such existing warrant agreement;
- a support agreement entered into between the SPAC and Baron pursuant to which Baron committed to not exercise certain rights related to redemption of shares of the SPAC that it owns; and
- an exchange agreement pursuant to which Newco has agreed to implement certain aspects of the transaction by contributing all of the issued and outstanding ordinary shares of Online Topco to Lux Holdco in exchange for additional shares of Lux Holdco.

The Business Combination Agreement, the above described agreements and certain other agreements have been filed as exhibits to the Online Transaction Form 8-K (as defined below).

(iv) Information incorporated by reference

Further details on and descriptions of the Online Transaction have been or will be publicly filed, including an announcement of the Online Transaction and certain other information, by the Company at <https://www.grupocodere.com/en/shareholders-investors/> (the “**Online Transaction Announcement**”) and by DD3 Acquisition Corp, II in an 8-K filing (the “**Online Transaction Form 8-K**”) and certain other filings to be made on or about the date hereof with the U.S. Securities and Exchange Commission which are publicly available at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and such details, descriptions and information is incorporated herein by reference. This Consent Solicitation Statement shall be read and construed on the basis that the Online Transaction Announcement and the Online Transaction Form 8-K (and the exhibits thereto) are incorporated and form part of this Consent Solicitation Statement.

The Proposed Waivers and Amendments

If adopted, the Proposed Waivers and Proposed Amendments will modify the terms of the Indenture and the Notes to allow for the proposed creation of the Online Business Perimeter, the business combination and the other transactions contemplated in connection with the Online Transaction. The Proposed Waivers, however, only apply to the Online Transaction and are not and shall not be construed as waivers to any other terms of the Indenture except as set forth herein or a waiver of any other transaction or any future transaction.

Set forth below is a summary of the Proposed Waivers and Proposed Amendments. As described in “*The Consent Solicitation—Terms of the Consent Solicitation*,” the effectiveness of the Proposed Waivers and Proposed Amendments will be subject to the conditions of this Consent Solicitation Statement, unless such conditions are otherwise waived by the Issuer.

The Proposed Waivers and Proposed Amendments will become effective only if the Requisite Consents have been received and accepted pursuant to the terms of this Consent Solicitation Statement, the other conditions and limitations described in this Consent Solicitation Statement have been either satisfied or waived by us (in our sole discretion) and the Supplemental Indenture is executed. The Proposed Waivers and Proposed Amendments constitute a single proposal, and a consenting Holder of Notes must Consent to the Proposed Waivers and Proposed Amendments with respect to such Note and may not consent selectively.

The Issuers reserve the right in their sole discretion to reject any and all Consents if the Requisite Consents are not obtained.

The Proposed Waivers

If the Supplemental Indenture is executed and the Proposed Waivers become effective, the provisions of the Indenture described below that would prohibit the Online Transaction will be waived to permit the Codere Group to carry out the Online Transaction.

The Proposed Waivers are to (and, for the avoidance of doubt, the Proposed Waivers are one-time only and granted solely in connection with the Online Transaction):

- (a) Waive any provisions of Section 4.07 (*Limitation on Restricted Payments*) under the Indenture with respect to the making of an Investment or Restricted Payment (as defined therein) that would prohibit the designation of any of the New Designees as an Unrestricted Subsidiary in connection with the Online Transaction (or the contribution of any Online Group Member and the Online Assets to the Online Business Perimeter in connection with the Online Transaction or the termination or forgiveness of any indebtedness of an Online Group Member to any member of the Restricted Group); *provided* that it is agreed that to the extent that the Online Transaction would have utilized any basket capacity under either clauses 4.07(b) or 4.07(c) thereof in the absence of the Proposed Waivers, that such capacity shall be deemed to have been used and shall no longer be available notwithstanding the Proposed Waivers.

- (b) Waive any provisions of Section 4.09 (*Limitation on Transaction with Affiliates*) under the Indenture with respect to or that would otherwise prohibit the Online Transaction, including but not limited to the entering into certain related party agreements related to, among other things, licenses, the sale and transfer of entities, rights and assets and the capitalization or forgiveness of debt between any Online Group Member and the Group (but for the avoidance of doubt, no such waiver shall apply to future transactions between any Online Group Member and the Group following the completion of the Online Transaction).
- (c) Waive any provisions of Section 4.11 (*Limitation on Sale of Certain Assets*) under the Indenture that would prohibit the issuance, transfer or exchange of Lux Holdco shares in connection with the Online Transaction and the contribution of any Online Group Member or the Online Assets to the Online Business Perimeter in connection with the Online Transaction (but for the avoidance of doubt, no such waiver shall apply to future transactions between any Online Group Member and the Group following the completion of the Online Transaction); provided that any such contribution of any Online Group Member of the Online Assets to the Online Business Perimeter in connection with the Online Transaction or the termination or forgiveness of any indebtedness of an Online Group Member to any member of the Restricted Group will constitute a Restricted Payment and, to the extent that the Online Transaction would have utilized any basket capacity under either clauses 4.07(b) or 4.07(c) thereof that in the absence of the Proposed Waivers, that any basket capacity under Section 4.07 (*Limitation on Restricted Payments*) shall be deemed to have been used and shall not longer be available notwithstanding the Proposed Waivers.

The defined terms used in the Proposed Waivers are as per those in “*The Proposed Amendments*” below.

The Proposed Amendments

The following description includes the text of the relevant provisions of the Supplemental Indenture as they would appear if the Proposed Amendments were adopted upon receipt of the Requisite Consents. New or moved text is indicated by an underline, whereas deleted text is indicated by a ~~striketrough~~:

Section 1.1 *Amendment of Section 1.01*. Section 1.01 (*Definitions*) of the Indenture is hereby amended by adding the following definitions in the corresponding alphabetical order:

- i. “Business Combination Agreement” shall mean the business combination agreement of the Codere Online Group with a special purpose acquisition company, DD3 Acquisition Corp, II.
- ii. “Codere Online Group ” shall mean Codere's online gaming operations.
- iii. “Committed Financing” shall mean the private investment of four institutional investors (Baron, MG, and DD3 Capital Partners) of \$67 million pursuant to certain forward purchase agreements, as amended, and PIPE subscription agreements that will close immediately prior to the Online Transaction. Baron has committed to roll-over \$10 million of shares in the SPAC (as defined in the Consent Solicitation Statement), resulting in minimum transaction proceeds of \$77 million.
- iv. “Online Assets” shall mean such relevant entities, service/supplier agreements, employees, and assets including,

but not limited to, gaming licenses and other regulatory permits and/or authorizations, online customer databases, online customer deposit, applicable use rights, software licenses and other intellectual property, certain pre-paid expense and fixed assets, and certain tax and other accounts receivable (for example, those related to payment processing solutions) in each case, to the extent needed to operate an online gaming business.

- v. “Online Transaction” shall mean the business combination of Codere Online with a special purpose acquisition company, DD3 Acquisition Corp, II., and related transactions pursuant to a business combination agreement dated June 22, 2021 and related transaction agreements, each in the form in effect on the date of the Supplemental Indenture and as described in the Consent Solicitation Statement dated June 22, 2021.
- vi. “Online Transaction Document” shall mean any document which documents or implements any part of the Online Transaction including, without limitation, the Business Combination Agreement and the documents listed in part (iii) of “The Proposed Waivers” in the Consent Solicitation Statement.
- vii. “Proposed Waivers” shall mean the proposed waivers described in clauses (a) through (g) under the heading “The Proposed Waivers and Amendments– Proposed Waivers” in the Consent Solicitation Statement dated June 22, 2021.

Section 1.2 *Amendment of Section 4.12*. Section 4.12 ([Reserved]) of the Indenture is hereby amended and restated in its entirety as follows:

- i. “Any material amendments to or material waiver of the terms of the Business Combination Agreement in respect of the Online Transaction or other material change to the Online Transaction shall require the consent of the Holders of a majority in aggregate principal amount of the Notes; it being acknowledged that any reduction in the amount of the Committed Financing in connection with the Online Transaction or any extension by more than ten (10) business days to the original long stop date applicable under any Online Transaction documentation in its form in effect at the date of the Supplemental Indenture shall be deemed to be material amendment or waivers.
- ii. In the event that the Online Transaction is not consummated by the long stop date specified in the Business Combination Agreement or the Business Combination Agreement is terminated or terminates, any designation of a subsidiary as an Unrestricted Subsidiary shall be reversed.
- iii. The Parent Guarantor shall, or shall procure that Codere Newco, S.A.U. shall, use commercially reasonable endeavors to investigate the steps required to enable the shares of Codere Online Luxembourg, S.A. to be listed on a recognized exchange in a European Union member state if the Online Transaction is consummated.”