



Parques Reunidos Servicios Centrales, S.A. (“**Parques Reunidos**” or the “**Company**”), in compliance with the reporting requirements set out in article 226 of the consolidated text of the Securities Market Act approved by Royal Legislative Decree 4/2015 of 23 October, hereby informs of the following

MATERIAL FACT

In accordance with the provisions of article 134 of the consolidated text of the Securities Market Act and article 24 of Royal Decree 1066/2007 of 27 July on the regime of public tender offers for securities, the report approved today by the Board of Directors of Parques Reunidos in relation with the public tender offer for the shares of the Company launched by Piolin BidCo, S.A.U. and authorised by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) on 24 July 2019 is attached hereto.

Madrid, 31 July 2019

Parques Reunidos Servicios Centrales, S.A.



REPORT OF THE BOARD OF DIRECTORS OF PARQUES REUNIDOS SERVICIOS CENTRALES, S.A. IN RELATION TO THE VOLUNTARY TENDER OFFER BY PIOLIN BIDCO, S.A.U.

At its meeting held on 31 July 2019, the Board of Directors of Parques Reunidos Servicios Centrales, S.A. (the “**Board of Directors**” and the “**Target**” or “**Parques Reunidos**”, respectively) has drawn up and unanimously approved this report in relation to the voluntary tender offer made by Piolin BidCo, S.A.U. (the “**Offeror**”) for the shares representing the share capital of Parques Reunidos (the “**Offer**”).

The Offer was authorised by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*, or “**CNMV**”) on 24 July 2019. Said authorisation was announced by means of disclosure of significant event (*hecho relevante*) on that same date (register number 280,533). The terms of the Offer are described in detail in the corresponding explanatory prospectus drawn up by the Offeror and examined by the CNMV (the “**Prospectus**”). The Prospectus is available to the public in hard copy at the offices of the CNMV and the Spanish Stock Exchanges and at the registered offices of the Offeror and Parques Reunidos and in digital form on the websites of the CNMV (www.cnmv.es) and of the Target (www.parquesreunidos.com).

This report is issued in compliance with the provisions of article 134.4 of the restated text of the Spanish Securities Market Law (*Ley del Mercado de Valores*) approved by Royal Legislative Decree 4/2015, of 23 October (the “**Securities Market Law**”) and article 24 of Royal Decree 1066/2007, of 27 July, on rules applicable to tender offers for securities (“**Royal Decree 1066/2007**”).

The Board of Directors notes the mandatory but non-binding nature of this report and of the opinions stated herein. The opinions stated in this report have been issued in good faith and on the sole basis of the circumstances known at the date of issuance thereof, and it has not been possible to take into account circumstances or events, whether foreseeable or otherwise, occurring after said date.

This report does not constitute a recommendation or advice to invest or divest and it is for each shareholder of the Target to decide whether or not to accept the Offer, taking into account their particular circumstances, interests and category, based on the information set forth in the Prospectus, in this report and in the attached fairness opinion regarding the cash consideration in the Offer from a financial perspective, which should be read in full. The aforementioned opinion is an essential and inseparable part of this report and should be read in conjunction herewith.

1. MAIN FEATURES OF THE OFFER

The features of the Offer are described in chapters I to III of the Prospectus, which should be read in full. Without prejudice to the foregoing, some of the main features thereof are summarised below.

1.1 THE OFFEROR

The Offeror is Piolin BidCo, S.A.U., a Spanish public limited company (*sociedad anónima*) with registered office at c/ Príncipe de Vergara, 112 - 4, Madrid, registered in the Commercial Registry of Madrid at volume 39.007, folio 50, section 8, sheet M-693.128, with Spanish tax identification number (NIF) A-38.350.269 and with LEI code 959800TK7BddNB10UP50.

The Offeror is a company wholly owned by Piolin II S.à r.l., a Luxembourg limited liability company (*société à responsabilité limitée*) with registered office at 26A, Boulevard Royal, L-2449, Luxembourg, the Grand Duchy of Luxembourg, and registered in the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) with number B-233-349 ("**Piolin II**").

In turn, the ownership of Piolin II is as follows:

- (i) 50.02% is held by Piolin I S.à r.l. ("**Piolin I**"), a company wholly and indirectly owned by a group of entities without legal personality incorporated in Luxembourg, comprising an investment fund called EQT Infrastructure IV Fund and managed by EQT Fund Management S.à r.l. ("**EQT Fund Management**"), which in turn is a subsidiary wholly owned by the Swedish company EQT AB, parent company of the EQT group, which is not controlled by any entity or individual and whose shares are not listed on any stock exchange;
- (ii) 26.02% is held by Alba Europe S.à r.l. ("**Alba Europe**"), a company wholly and directly owned by Corporación Financiera Alba, S.A. ("**CFA**"); CFA is not controlled by any entity or individual and its shares are listed on the Spanish Stock Exchanges; and
- (iii) 23.96% is held by Miles Capital S.à r.l. ("**Miles Capital**" and, together with Piolin I and Alba Europe, the "**Investors**"), a company wholly and indirectly owned by Groupe Bruxelles Lambert S.A., a Belgian company whose shares are listed on Euronext Brussels ("**GBL**"); 50% of GBL is owned by Pargesa Netherlands B.V., 55.5% of which is in turn owned by Parjointco N.V., which is controlled jointly and in equal parts by Desmarais Family Residuary Trust and the heirs of Albert Frère.

As a result and as stated in the Prospectus, EQT Fund Management exercises control over the Offeror.

The Offeror represents that EQT AB is a global firm that manages companies investments worldwide, with more than 61,000 million euros of capital committed by its investors across 29 funds and approximately 40,000 million euros in assets under management.

As a subsidiary of EQT AB, EQT Fund Management manages investment funds for investors who are generally institutional investors and large, recognised family offices, none of whom own more than 10% of the total participation of the relevant fund. It also manages alternative investment funds created in conformity with Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers. EQT Fund Management's specific investment and divestment decisions are not subject to approval by EQT AB, without prejudice to EQT AB's Board of Directors adopting common policies and processes for the EQT AB group and supervising its general activities.

As stated in the Prospectus, the shares of Piolin II were divided among the Investors as described so that (i) Piolin I would maintain control over Piolin II and (ii) Alba Europe and Miles Capital would distribute the remaining 49.98% on a pro rata basis according to the proportion of Parques Reunidos shares owned by each of them (23.02% and 21.19%, respectively).

Notwithstanding this, the shareholding structure of Piolin II is expected to change before the settlement of the Offer:

- (i) First, it is planned to increase the share capital of Piolin II by means of compensation of the loans granted by the sole shareholder of Piolin I to the Offeror to finance the acquisitions of shares of Parques Reunidos referred to below.

After the share capital increase, the shareholding composition of Piolin II will be as follows: (i) 99.26% of the share capital will be owned by Piolin I; (ii) 0.38% will be owned by Alba Europe; and (iii) 0.35% will be owned by Miles Europe.

- (ii) Second, once the outcome of the Offer has been published and before its settlement, Alba Europe and Miles Capital will contribute their shares of Parques Reunidos to Piolin II via non-cash share capital increase on the terms described in section 3.5.2 below.
- (iii) Piolin I will also make a cash contribution to Piolin II in an amount that, together with the funds obtained from bank financing, will enable the Offeror to pay the Offer Price (see section 1.7 below).

The final shareholding structure of Piolin II will depend on the number of shares that the Offeror acquires in the Offer. However, the Investors have agreed that Alba Europe and Miles Capital will assign certain political rights that they own to Piolin I, if necessary in order for the latter to hold the majority of political rights of Piolin II and thereby control the Offeror and the Target. The agreements are described in more detail in section 3.5.3 below.

The Offeror is also the holder of 11,024,423 shares representing 13.65% of the share capital of Parques Reunidos. According to publicly available information, said shares have been acquired since the initial announcement of the Offer in accordance with the following breakdown: (i) on 5 July 2019, 4,771,931 shares at a price of 14 euros per share; (ii) on 10 July 2019, 631,786 shares at a price of 14 euros per share; (iii) on 12 July 2019, 1,745,000 shares at a price of 13.753 euros per share (equivalent to a price of 14 euros per share adjusted by the gross amount of 0.2477 euros per share of dividend distributed by Parques Reunidos on 17 July 2019, prior to the settlement of the share purchase transaction); (iv) on 25 July 2019, 3,396,942 shares at a price of 13.753 euros per share and 18,006 shares at a price of 13.74 euros per share; and (v) on 26 July 2019, 460,758 shares at a price of 13.753 euros per share. Similarly, Alba Europe is the holder of 18,583,994 shares representing 23.02% of the share capital of Parques Reunidos, and Miles Capital is the holder of 17,111,268 shares representing 21.19% thereof.

In total, the Offeror and its indirect shareholders are holders of 46,719,685 shares representing 57.86% of the share capital of Parques Reunidos.

Moreover, the Offeror has stated in the Prospectus that it intends to acquire shares of the Target outside the scope of the Offer, at the Offer Price and in a quantity that will not exceed 21.14% of the share capital of Parques Reunidos, although it declares that there is no agreement, undertaking or negotiation with respect thereto as at the date of the Prospectus.

1.2 SECURITIES SUBJECT TO THE OFFER

The Offer is targeted at the entire share capital of Parques Reunidos, represented by 80,742,044 shares each with a nominal value of 0.50 euros, of a single class and series, excluding the 46,719,685 shares representing 57.86% of the share capital of Parques Reunidos that are held by the Offeror, Alba Europe and Miles Capital as stated in section 1.1 above and which have been locked up until the completion of the Offer. As a result, the Offer is effectively targeted at the other 34,022,359 shares of Parques Reunidos, representing 42.14% of its share capital.

Without prejudice to the foregoing, according to the interpretative criteria of the CNMV as set forth in the Prospectus, the Offer will be interpreted as targeted at all the shares of the Target except for the shares that are held by the Offeror (that is, targeted at the 69,717,621 shares representing 86.35% of the share capital of Parques Reunidos) for purposes of: (i) exercise of the rights of squeeze-out and sell-out established in article 47 of RD 1066/2007; and (ii) the Offeror's obligation to launch a mandatory bid if it acquires control of Parques Reunidos via the Offer, as established in article 8.f) of the same legal text.

This interpretation by the CNMV means that: (i) the Offeror cannot exercise its squeeze-out right over the shares of the Company and the shareholders cannot exercise their corresponding sell-out right over said shares; and (ii) the Offeror must launch a mandatory bid after the Offer upon acquiring control of Parques Reunidos, unless the Offer has been made at an equitable price or has been accepted by holders of securities representing at least 50% of the voting rights at which it has been targeted; that is, it has been accepted by at least 34,858,811 shares representing 43.17% of the share capital. Such threshold is equivalent to 50% of all the shares of Parques Reunidos except for those held by the Offeror.

Additionally, there are no securities of the Target other than the shares subject to the Offer at which it is targeted, as Parques Reunidos has not issued any preferential subscription rights, non-voting shares, bonds that are convertible into or exchangeable for shares, warrants or any other similar instruments that may provide a direct or indirect right to acquire or subscribe shares of Parques Reunidos.

The Offer is made exclusively in the Spanish market, although it is targeted at all the shareholders of the Target regardless of their nationality or place of residence, and it cannot be interpreted as made in any jurisdiction where making the Offer may require the distribution or registration of documentation in addition to the Prospectus or compliance with the applicable law in said jurisdiction. In particular, the Prospectus provides that the Offer is not made directly or indirectly in the United States.

The terms of the Offer are identical for all of the shares of Parques Reunidos to which it applies.

1.3 TYPE OF OFFER

The Offer is voluntary in conformity with the provisions of article 137 of the Securities Market Law and article 13 of Royal Decree 1066/2007.

1.4 CONSIDERATION OF THE OFFER

The Offeror offers a consideration of 13.753 euros per share of the Target, payable in cash (the “Offer Price”).

The Offer Price initially amounted to 14.00 euros per share. However, the Offeror declared in the prior announcement of the Offer that the price would be adjusted in the gross amount of 0.2477 euros per share in the event of distribution of the dividend approved by the shareholders acting at the General Meeting of Parques Reunidos held on 28 March 2019. The dividend was distributed on 17 July 2019 and the Offer Price has been adjusted to 13.753 euros per share as a result, rounded up to the third decimal place.

The Offer Price will also be adjusted if the Target makes any other distribution of dividends or reserves or distributions of any kind to its shareholders before the settlement of the Offer (including if the ex-dividend date for said distribution coincides with or precedes the settlement of the Offer).

Although the Offer is voluntary, as indicated in the Prospectus, the Offer Price has been set in accordance with the equitable price rules established in article 9 of Royal Decree 1066/2007. In this regard, the Offeror states in the Prospectus that:

- (i) The Offer Price is (a) higher than the highest price that has been paid or agreed for shares of the Target by Alba Europe, any company or entity belonging to its group, any person who might be deemed to be acting in concert with any of the foregoing or any of their respective directors or administrators and (b) equal to the highest price paid or agreed for shares of the Target by the Offeror, the companies of the group to which EQT Fund Management belongs, the funds or entities managed or advised by EQT Fund Management or their respective directors or administrators, adjusted by the dividend distributed on 17 July 2019, in both cases during the twelve months prior to the date of publication of the prior announcement of the Offer and until the date of the Prospectus.

In this regard, according to the publicly available information, during the aforementioned period the Offeror has acquired 7,148,717 shares of Parques Reunidos (in accordance with the breakdown provided in section 1.1 above) at a maximum price of 14.00 euros per share. In turn, Alba Europe has acquired a total of 2,427,472 shares of the Target at a maximum price of 10.55 euros per share through a total of 18 transactions. Following the date of the Prospectus, the Offeror has acquired more shares as described in section 1.1 above at a maximum price equivalent to the Offer Price.

- (ii) The Offer Price corresponds with the valuation at which Alba Europe and Miles Capital have undertaken to contribute their shares of Parques Reunidos to Piolin II, with no compensation in favour thereof due to their participation in the Offeror's group.
- (iii) None of the circumstances provided for in article 9.4 of Royal Decree 1066/2007 that could give rise to the amendment of the equitable price have occurred.

- (iv) The Offer Price represents a premium of approximately: (a) 29.2% on the closing price of the Target's shares as at 25 April 2019, the day before publication of the prior announcement of the Offer (10.84 euros); (b) 33.4% on the average price weighted by volume of the Target's shares for the one-month period ending on 25 April 2019 (10.49 euros); (c) 34.9% on the average price weighted by volume of the Target's shares for the three-month period ending on 25 April 2019 (10.38 euros); and (d) 31.6% on the average price weighted by volume of the Target's shares for the six-month period ending on 25 April 2019 (10.64 euros). It is stated for the record that such data included in the Prospectus refer to the initial Offer Price, before being adjusted from 14.00 to 13.753 euros per share due to the dividend distributed on 17 July 2019.

Moreover, for purposes of the provisions of articles 9 and 11.d) of Royal Decree 1066/2007, the Offeror has provided a valuation report for the shares of Parques Reunidos issued by Deloitte Financial Advisory, S.L.U. ("Deloitte") on 12 July 2019. The purpose of the report is to value the shares of Parques Reunidos according to the valuation methods established in article 10 of the aforementioned legal provision, so that the Offeror may pursue the delisting of the Target's shares without the need to make a delisting offer, but rather via a continuing acquisition order at the Offer Price.

As stated in the Prospectus, the Offer Price is within the value range defined by Deloitte in its report. Said range varies between 10.64 and 14.50 euros per share and has been defined by applying the weighted average listing price and discounted cashflow methods. Specifically, the weighted average listing price produces a valuation of 10.64 euros per share and the discounted cashflow gives rise to a range of 12.00 to 14.50 euros per share. Deloitte has considered all the methods established in article 10 of Royal Decree 1066/2007, although only the aforementioned methods have been deemed relevant in view of the characteristics of Parques Reunidos and of the sector in which it operates, as well as of the purpose, context and objective of the valuation work and the fact that these are methodologies commonly accepted by the international financial community.

Deloitte's valuation analysis refers to 31 December 2018, but as stated in the Prospectus, the value conclusion is valid as at 12 July 2019.

1.5 ACCEPTANCE PERIOD

The acceptance period for the Offer is 43 calendar days as from the trading day following publication of the first announcement of the Offer by the Offeror. The period therefore started on 26 July 2019 and will end at 24:00 hours (C.E.T.) on 6 September 2019, unless it is extended in conformity with the provisions of article 23 of Royal Decree 1066/2007.

1.6 CONDITIONS TO WHICH THE OFFER IS SUBJECT

The effectiveness of the Offer is not subject to the fulfilment of any condition. Initially, the Offer was presented subject to the following conditions:

- (i) acceptance by holders of a minimum of 24,861,271 shares, representing 30.79% of the share capital of Parques Reunidos; and

- (ii) authorisation by the European Commission, the Federal Trade Commission, the United States Department of Justice Antitrust Division and the German Competition Authority of the economic concentration transaction resulting from the success of the Offer.

The minimum acceptance condition described in sub-section (i) was eliminated as a result of the Offeror's acquisition of 4,771,931 shares of Parques Reunidos representing 5.91% of its share capital, which was settled on 12 July 2019, in accordance with the provisions of article 32.3 of Royal Decree 1066/2007.

In turn, the fulfilment of condition (ii) has been verified prior to the approval of the Offer. The term for the Federal Trade Commission and the United States Department of Justice Antitrust Division to make a statement expired on 29 May 2019 with no statement having been made and their silence being affirmative, the European Commission resolved not to oppose the transaction on 19 June 2019, and the German Competition Authority authorised the Offer on 7 June 2019.

1.7 FINANCING OF THE OFFER

As described in the Prospectus, the settlement and costs of the Offer will be financed by means of a combination of own funds and external financing.

The own funds will be contributed by funds managed by EQT Fund Management to the Offeror via Piolin II, in the amount necessary, together with the external financing, for the Offeror to be able to pay the whole Offer Price. Neither Alba Europe nor Miles Capital will contribute cash in the form of own funds to finance the Offer Price.

As regards the external financing, on 25 April 2019 the Offeror and Piolin II entered into an interim financing agreement with various financial entities for a maximum aggregate amount of 1,160,000,000 euros, distributed as financing of up to 960,000,000 euros that can be granted via a short-term loan or via the issuance of long-term guarantees and a revolving credit facility of up to 200,000,000 euros. Said interim financing agreement will act as a bridging loan to a second, definitive financing agreement that is currently being negotiated, but which is expected to be signed before the settlement of the Offer. The definitive financing will also amount to a maximum aggregate sum of 1,160,000,000 euros, which would be distributed as two long-term loans in the joint amount of up to 960,000,000 euros, maturing in 2026, and a revolving credit facility of up to 200,000,000 euros, maturing in 2025/2026 (the "**External Financing**").

The External Financing will also be used to refinance the debt of the Parques Reunidos group (the "**Parques Reunidos Group**"), which would mature after the settlement of the Offer as described in section 2.2.3 below (the "**Group Debt**"). The amount of financing available to finance the payment of the Offer Price will be the difference between the maximum sum available during the term of said financing (960,000,000 euros) and the net sum of Group Debt to be refinanced.

The financing structure of the Offer is described in more detail in section 2.5.3 of the Prospectus.

2. PURPOSE OF THE OFFER AND POTENTIAL REPERCUSSIONS OF THE OFFER AND THE OFFEROR'S STRATEGIC PLANS FOR THE INTERESTS OF PARQUES REUNIDOS

A full description of the purpose of the Offer and the Offeror's strategic plans and intentions in relation to Parques Reunidos is included in chapter IV of the Prospectus and should be read in full. Without prejudice to the foregoing, certain of such issues are summarised below.

2.1 PURPOSE OF THE OFFER

The Offeror has stated in the Prospectus that it is making the Offer with the main purpose of acquiring control over the Parques Reunidos Group in order to subsequently delist the shares of the Target. It declares that its intention is to actively contribute, by means of its experience and expertise in the development and growth of EQT companies, to supporting the Parques Reunidos Group in the growth and development of its opportunities as an international operator of amusement parks. The Offeror considers that Parques Reunidos represents an attractive investment alternative for reasons such as its potential long-term structural growth, the barriers to entry created by its fixed assets, the fragmentation of the industry and its global presence.

The Offeror believes that its investment will strengthen the Target and declares that it has set the following strategic aims:

- (i) optimisation of current range of parks in order to improve their profitability using various initiatives such as strengthening of commercial capacity, optimisation of technology and of information and data management systems, improved efficiency, reinforcement of central functions and optimisation of incentive programmes;
- (ii) expansion of existing parks via extraordinary investments in fixed assets in terms of adjacent secondary parks;
- (iii) potential rationalisation of current portfolio to focus management and balance climate exposure; and
- (iv) potential inorganic growth.

The Offeror also considers delisting beneficial in order to be able to focus on implementing the aforementioned initiatives with a long-term approach and without the distractions created by fluctuations in the prices of listed shares.

2.2 STRATEGIC PLANS AND INTENTIONS OF THE OFFEROR AND POTENTIAL REPERCUSSIONS FOR PARQUES REUNIDOS' INTERESTS AS A WHOLE

2.2.1 Future activities, location of centres of activity and use or disposal of assets

As reported in the Prospectus, after the settlement of the Offer the Offeror will participate in the production of a new strategic plan for Parques Reunidos, aimed among other things at achieving the strategic aims described in the above section. The Offeror has declared that it does not intend to substantially change the nature of the Parques Reunidos Group's current activities.

The Offeror has also expressed its intention to maintain the location of the Parques Reunidos Group's centres of activity in the future.

In relation to the use of assets, the Offeror intends to continue to use them in accordance with the current activities. It also intends to evaluate the current asset portfolio and it might consider, on a selective basis, potential divestments in line with the identified strategic aims, although it declares that it does not have any specific divestment plans or intentions.

2.2.2 Employment and incentive plans

The Offeror states in the Prospectus that it does not plan to make changes to the employment conditions of the Target's employees and officers and that in general it expects to maintain the existing job positions for the next twelve months, without prejudice to potential variations arising from the evolution of the business. As set forth in the Prospectus, it also plans to perform actions such as the optimisation of incentive programmes, the reinforcement of central functions and the implementation of professional development programmes.

The Offeror also represents that it intends for the CEO and the people appointed by simple majority at the respective meeting of the Board of Directors to form part of the management team and that it plans to include a provision in this regard in the Shareholders' Agreement (as described in section 3.5.3 below).

In relation to the incentive plans, the Offeror and the Investors have agreed to implement a new officer incentive plan, although its content has yet to be negotiated.

Moreover, the shareholders acting at the General Meeting of Parques Reunidos held on 28 March 2019 approved a long-term incentive plan in favour of the CEO consisting in the allocation of options on shares of Parques Reunidos. Pursuant to the resolution adopted at the General Meeting, the Company's Board of Directors awarded Mr Díaz 378,996 share options within the framework of the aforementioned plan. Each option confers the right to receive the value increase of an equivalent number of shares, taking as a reference the market price at the time of exercising the options, limited to a maximum value increase of 4 euros per share (that is, limited to a market price of 15.50 euros per share). In ordinary circumstances, the options would be settled in Target shares. However, completion of the Offer would imply the early accrual in full of the plan and its settlement in cash rather than in shares. The total amount payable to the plan's beneficiaries as a result of its early accrual is 1,675,795 euros, 853,878 euros of which would be payable to the CEO.

2.2.3 Net indebtedness. Early maturity and refinancing of the Group Debt. Execution of guarantees and assumption of undertakings

In the event of change of control of Parques Reunidos after the settlement of the Offer, the following will mature early: (i) all the outstanding debt under the financing agreement entered into on 1 April 2016 by Parques Reunidos and its US subsidiary Festival Fun Parks LLC with various financial entities, the principal of which amounts to 934,938,436 euros; (ii) the outstanding sums under the credit agreement entered into on 27 March 2015 by Parque Biológico de Madrid, S.A.U. as borrower and Parques Reunidos as guarantor, which amounts to 4,724,369 euros; (iii) the outstanding debt under a loan agreement

entered into by Marineland Resort SAS, which amounted to 6,660,433 euros as at 31 March 2019; and (iv) the outstanding debt under a credit agreement entered into on 12 May 2015 by Event Park GmH & Co. KG, which amounted to 1,750,000 euros as at 31 March 2019 (together, the “**Group Debt**”).

As stated in section 1.7 above, the Offeror and Piolin II have obtained External Financing from various financial entities that can be used to finance the Offer Price and to refinance the Group Debt. The borrowers under the financing will be the Offeror, Festival Fun Parks LLC and any other group entity that is considered necessary.

After the settlement of the Offer, the Offeror would repay the Group Debt with discharging effects on behalf of the debtor companies and charged to the External Financing and to cash and other equivalent instruments of the Parques Reunidos Group. As a result, intra-group debts would be created in favour of the Offeror, payment of which would be allocated to repaying the External Financing. The Offeror has represented in the Prospectus that in the short term after the settlement of the Offer, it does not plan to resolve to distribute dividends of Parques Reunidos to repay the External Financing.

To guarantee compliance with the payment obligations assumed under the External Financing, the entities of the Parques Reunidos Group that individually represent 5% of EBITDA and those required to jointly represent 80% of the group's EBITDA must adhere to the External Financing as guarantors and execute guarantees over material intra-group credits, over their shares, or over material bank accounts, or floating or general guarantees when permitted under applicable law. Similarly, after the settlement of the Offer the shares of Parques Reunidos held by the Offeror and the intra-group credits of Parques Reunidos vis-à-vis the Offeror will be pledged.

The External Financing agreement will contain a financial undertaking consisting of a leverage ratio of secured senior debt over consolidated EBITDA, measurable upon the fulfilment of certain conditions relating to the proportion of revolving debt drawn down. Obligations will also be included that may restrict the capacity of the Target, its group and the Offeror to carry out certain operations, such as the ability to contract additional indebtedness or to remunerate shareholders. The margin of the External Financing can be adjusted depending on the aforementioned leverage ratio and it is planned that a percentage of excess cash flow of the Parques Reunidos Group, calculated after taking into account investment and liquidity needs, will be applied to prepayment of the External Financing as from 2021, all subject to applicable law.

Beyond the scope of the External Financing, the Offeror has declared in the Prospectus that it plans to maintain the local debt of the Parques Reunidos Group and that it does not intend to increase the group's net indebtedness.

2.2.4 Issuance of securities, corporate restructuring, changes to the administration body and the internal regulations of the Target

The Offeror has represented in the Prospectus that it does not intend to issue securities of Parques Reunidos or the companies of its group.

It also intends to consider any possible corporate restructuring in order to achieve its strategic aims, although none has been identified as at the date of the Prospectus.

As regards the Target's Board of Directors, as stated in the Prospectus, no changes are planned until the delisting of the shares. Parques Reunidos will then become managed by a sole director and the current committees of the Board of Directors will be eliminated.

Along the same lines, no amendments are planned to the internal regulations of the Company until its shares have been delisted. Thereafter, the Company's internal regulations will be in line with the status of an unlisted company and with the Shareholders' Agreement that is described in section 3.5.3 below.

2.2.5 Dividend policy and shareholder remuneration

In relation to shareholder remuneration, the Offeror has announced that the dividend policy might change and that it will not propose and will vote against any distribution of dividends of Parques Reunidos before its delisting. Without prejudice to the foregoing, the Offeror plans for Parques Reunidos to continue distributing dividends to meet part of the payment of the External Financing, although it does not plan to resolve to distribute any dividends in the short term for the prepayment thereof.

2.2.6 Stock exchange initiatives

The Offeror intends to pursue the delisting of the shares of Parques Reunidos in accordance with the provisions of article 11.d) of Royal Decree 1066/2007; that is, via a continuing acquisition order at the Offer Price maintained for at least one month during the half-year following the settlement of the Offer.

The Offeror cannot exercise the right of squeeze-out – and the minority shareholders cannot exercise their corresponding right of sell-out – insofar as the Offer must be accepted by holders of at least 90% of the shares at which the Offer is targeted and, according to the CNMV's interpretative criteria, the shares of Alba Europe and Miles Capital will be calculated as such (that is, as shares at which the Offer is targeted). This criteria of the CNMV means that it would be necessary that the Offer was accepted by at least 66,233,995 shares of Parques Reunidos, which renders it de facto impossible to exercise said rights given the Offer is only effectively addressed, excluding the shares owned by Alba Europe and Miles Capital which are not going to accept the Offer, to 34,022,359 shares.

3. AGREEMENTS BETWEEN THE TARGET AND THE OFFEROR, ITS DIRECTORS OR SHAREHOLDERS OR BETWEEN ANY OF THE FOREGOING AND THE DIRECTORS OF THE TARGET

3.1 AGREEMENTS BETWEEN THE TARGET AND THE OFFEROR

At the present date there are no agreements between the Target and the Offeror in relation to the Offer.

3.2 AGREEMENTS BETWEEN THE TARGET AND THE DIRECTORS OF THE OFFEROR

At the present date there are no agreements between the Target and the directors of the Offeror in relation to the Offer.

3.3 AGREEMENTS BETWEEN THE TARGET AND THE SHAREHOLDERS OF THE OFFEROR

On 15 March 2019, the Target received a letter from EQT Fund Management acting in its capacity as manager of the EQT Infrastructure IV EUR SCSp and EQT Infrastructure IV USD SCSp funds, in which it stated its interest in making the Offer subject to the performance of a confirmatory due diligence process.

On 21 March 2019, the Board of Directors of Parques Reunidos authorised the aforementioned due diligence process subject to the signing of a confidentiality agreement. Parques Reunidos and EQT Fund Management, as manager of the aforementioned funds, executed said agreement on 22 March 2019.

In the confidentiality agreement, the Target undertook not to solicit other offers during the three-week period initially established for the performance of the confirmatory due diligence process (that is, from 25 March 2019 to 14 April 2019). This undertaking not to solicit other offers was subsequently extended to 29 April 2019.

Apart from the foregoing, at the present date there are no agreements in relation to the Offer between the Target and the sole shareholder of the Offeror (that is, Piolin II), its direct shareholders (Piolin I, Miles Capital and Alba Europe) or its indirect shareholders.

3.4 AGREEMENTS BETWEEN THE DIRECTORS OF THE TARGET AND THE OFFEROR, ITS DIRECTORS OR ITS SHAREHOLDERS

Without prejudice to the provisions of section 3.5 below, at the present date there are no agreements between the directors of Parques Reunidos and the Offeror, its directors or its direct and indirect shareholders in relation to the Offer.

3.5 AGREEMENTS BETWEEN THE SHAREHOLDERS OF THE TARGET AND THE OFFEROR, ITS DIRECTORS OR ITS SHAREHOLDERS

Other than as stated below, the Target's Board of Directors is not aware of any agreements in existence at the present date relating to the Offer between the shareholders of Parques Reunidos and the Offeror, its directors or its shareholders.

As stated in the Prospectus, on 26 April 2019, the Offeror, Piolin II, Piolin I, Alba Europe and Miles Capital entered into an investment agreement (the "**Bid Agreement**") and undertook to enter into a shareholders' agreement in the event of a positive outcome of the Offer and after the publication of said outcome, at the same time as making the contributions mentioned below (the "**Shareholders' Agreement**"). Alba Europe and Miles Capital also entered into various undertakings with Piolin II and the Offeror to contribute their Parques Reunidos shares to Piolin II (the "**Contribution Undertakings**"). The essential terms of said agreements are described in section 1.5.1 of the Prospectus and should be read in full. Without prejudice thereto, their main terms are summarised in the following sections.

Finally, prior to the date of the Prospectus, the Offeror entered into four sale and purchase agreements for shares of Parques Reunidos dated 5, 10 and 12 July 2019 to acquire shares of the Target on the terms described in section 1.1 above. Subsequently, the Offeror acquired additional shares on the stock exchanges as described in said section 1.1.

3.5.1 Bid Agreement

The Bid Agreement will be in effect until the publication of the outcome of the Offer and the consummation of the Contribution Undertakings, or until the Offeror abandons or withdraws the Offer. Said agreement governs the following matters, among others:

- (i) the terms and conditions of the Offer;
- (ii) an undertaking from the parties to refrain from and procure that the entities of their group or persons acting in concert therewith refrain from directly or indirectly acquiring or transferring, by themselves or together with other persons, or from inducing any other person to acquire or transfer, shares or any interest in shares or debt instruments of the Target;
- (iii) the governance of the Offeror until the publication of the outcome of the Offer, whose decisions will be adopted with the favourable vote of its sole shareholder, Piolin II; in turn, the decisions of Piolin II will be adopted by simple majority; and
- (iv) an undertaking from the parties to collaborate and adopt any reasonable agreements that are relevant for the successful outcome of the Offer.

3.5.2 Contribution Undertakings

The Contribution Undertakings govern the obligation of Alba Europe and Miles Capital to lock up their shares of Parques Reunidos, together representing 44.21% of its share capital, and their irrevocable undertaking to contribute them, after publication of the outcome of the Offer and immediately before settlement thereof, to Piolin II by means of a non-cash share capital increase (or, if applicable, by means of a direct contribution or transfer in exchange for shares of Piolin II). The shares will be contributed at the Offer Price (13.753 euros per share).

Alba Europe and Miles Capital also undertake to exercise their voting rights in Parques Reunidos in order to permit the implementation of the Offer and to procure that their representatives on the Board of Directors vote in favour of issuing a favourable report on the Offer, to the extent permitted by law and subject to compliance with their fiduciary duties.

3.5.3 Shareholders' Agreement

The Offeror, Piolin II, Piolin I, Alba Europe and Miles Capital have undertaken to enter into a Shareholders' Agreement after publication of the outcome of the Offer and simultaneously with the consummation of the Contribution Undertakings. The Shareholders' Agreement governs relationships between the shareholders of Piolin II and, indirectly, the Offeror and the Parques Reunidos Group. In particular, the following has been established:

- (i) The General Meeting of Piolin II will be quorate upon the attendance on first call of Piolin I, Alba Europe and Miles Capital and, on second call, of 50.01% of the share capital.

It has been agreed that Alba Europe and Miles Capital will assign political rights under their ownership to Piolin I if necessary in order for the latter to hold the majority of the political rights of Piolin II and thereby to control the Offeror and the Target.

Resolutions will be adopted by simple majority except for:

- (a) certain ordinary reserved matters, including but not limited to substantial changes to the strategy of Parques Reunidos, capex investments for expansions and the acquisition, combination, sale, encumbrance or other form of purchase, disposal or transfer of any business, security or asset that exceeds a certain size, or the approval, amendment or termination of any officer incentive plan, which will require the favourable vote of Piolin I and of Alba Europe or Miles Capital; and
 - (b) certain absolute reserved matters, including but not limited to amendment of the corporate object of Piolin II, the Offeror or any company of the Parques Reunidos Group, share capital increases thereof except in specific circumstances, the acquisition, combination, sale, encumbrance or other form of purchase, disposal or transfer of any business, security or asset that exceeds a certain size, the assumption of additional performance financial indebtedness entailing a certain increase in the ratio of permanent net financial indebtedness over EBITDA, or the performance of related party transactions, which will require the favourable vote of Piolin I, Alba Europe and Miles Capital.
- (ii) The following is established as regards the Boards of Directors of Piolin II, the Offeror and Parques Reunidos:
- (a) The Offeror's Board of Directors will be responsible for the operating and financial strategy of the Offeror and Parques Reunidos and for defining and supervising the corresponding policies. It is also provided that decisions on carrying out any corporate transaction in order to expand, broaden or improve the Parques Reunidos Group's existing operations or growth prospects that exceed 3 million euros are submitted to the Board of the Offeror.

The Offeror states in the Prospectus that until 31 December 2020, this body will be made up of nine members, five of whom will be appointed at the proposal of Piolin I, one appointed at the proposal of Alba Europe, another at the proposal of Miles Capital, and the current Chair and CEO of Parques Reunidos. The Offeror has informed of this intention to the Chair and CEO of Parques Reunidos but no agreement in this regards exists on the date hereof. As from 1 January 2021, Piolin I will only be entitled to appoint four members.

Resolutions will be adopted with the favourable vote of more than half of the director, except for ordinary reserved matters, which will require the approval of at least two directors appointed by Piolin I and one of the directors appointed by Alba Europe or Miles Capital, and absolute reserved matters, which will require the approval of at least two directors appointed by Piolin I, one director appointed by Alba Europe and another director appointed by Miles Capital.

- (b) The Board of Directors of Piolin II will be governed *mutatis mutandi* by the same regulations, although it will be made up of four members, two appointed at the proposal of Piolin I, one appointed at the proposal of Alba Europe and another at the proposal of Miles Capital.
 - (c) The Board of Directors of Parques Reunidos will not change until the delisting of the shares; it shall subsequently be replaced by a sole director.
- (iii) In relation to the management team, the Offeror intends for the CEO of Parques Reunidos and the people appointed by simple majority of the corresponding Board of Directors to form part of the management team; they must be recognised professionals with appropriate training and experience.
- (iv) As regards the transfer of shares of Piolin II, its shareholders Piolin I, Alba Europe and Miles Capital will undertake not to directly or indirectly transfer their shares to persons outside their respective groups for a three-year period as from the execution of the Shareholders' Agreement, although Piolin I may transfer them to third parties when the proposed transfer reaches a specified threshold of return. Additionally, a right of first offer is established in favour of Piolin I, Alba Europe and Miles Capital, a drag-along right in favour of Piolin I and a tag-along right in favour of Alba Europe and Miles Capital.

4. SECURITIES OF THE OFFEROR HELD DIRECTLY OR INDIRECTLY BY PARQUES REUNIDOS, PERSONS WITH WHOM IT IS ACTING IN CONCERT OR ITS DIRECTORS

4.1 SECURITIES OF THE OFFEROR HELD BY PARQUES REUNIDOS OR PERSONS WITH WHOM IT IS ACTING IN CONCERT

As at the date of this report, Parques Reunidos does not hold, directly or indirectly or in concert with third parties, securities of the Offeror or of its direct or indirect shareholders, or securities or instruments conferring the right to acquire or subscribe said securities.

4.2 SECURITIES OF THE OFFEROR HELD BY THE DIRECTORS OF PARQUES REUNIDOS

As at the date of this report, the directors of Parques Reunidos do not hold, directly or indirectly or in concert with third parties, securities of the Offeror or of its direct or indirect shareholders, or securities or instruments conferring the right to acquire or subscribe said securities, except for the following: Mr Javier Fernández Alonso holds 1,333 shares representing 0.002% of the share capital of CFA.

5. SECURITIES OF THE TARGET DIRECTLY OR INDIRECTLY HELD OR REPRESENTED BY ITS DIRECTORS

As at the date of this report, the following directors of Parques Reunidos directly or indirectly hold shares of the Target:

- (i) Mr Richard Golding holds 580,094 ordinary shares, representing 0.718% of the share capital of Parques Reunidos;

- (ii) Mr José Díaz Gómez holds 547,232 ordinary shares, representing 0.678% of the share capital of Parques Reunidos;
- (iii) Mr Johan Svanstrom holds 32,258 ordinary shares, representing 0.040% of the share capital of Parques Reunidos;
- (iv) Mr Nicolás Villén Jiménez holds 22,217 ordinary shares, representing 0.028% of the share capital of Parques Reunidos; and
- (v) Mr Javier Fernández Alonso holds 1,000 ordinary shares, representing 0.001% of the share capital of Parques Reunidos.

It is also expected that before the expiry of the term for acceptance of the Offer, the Target will deliver 13,064 shares to Mr Johan Svanstrom as a result of the accrual of a single and exceptional incentive linked to the acceptance of his position as director, which Parques Reunidos granted to him within the context of the admission to listing of its shares. The same incentive was granted to Mr Nicolás Villén, who received 6,088 shares of Parques Reunidos on 28 June 2019. Said shares are already calculated as part of the total figure stated in sub-section (iv) above.

The other directors of the Target do not directly or indirectly hold shares of the Target.

6. CONFLICTS OF INTEREST OF THE DIRECTORS OF PARQUES REUNIDOS AND EXPLANATION OF THEIR NATURE

On 21 March 2019, at the meeting of the Board of Directors at which the Offer letter was noted and the performance of the confirmatory due diligence process was authorised, Mr Johan Svanstrom, an independent director of the Target, informed the Board of Directors that he was in a situation of potential conflict of interest in relation to the Offer as he is contracted to provide advisory services to an entity of the EQT group of the venture capital business line in its private equity division, although concerning matters not related to the Offer or to the entities of the EQT group involved therein, as is stated for the record in section 1.5.2 of the Prospectus.

Furthermore, on 8 May 2019 at the first meeting held after the publication of prior announcement of the Offer, the four proprietary directors of the Target, Mr Mario Armero Montes, Mr Jonathan Rubinstein, Mr Javier Fernández Alonso and Mr Carlos Ortega Arias-Paz, notified the Board of Directors that they were in a situation of conflict of interest due to their represented shareholders being indirect offerors in the Offer.

It is also stated for the record that Alba Europe and Miles Capital, as current shareholders of Parques Reunidos with representation on the Board of Directors, have undertaken vis-à-vis the Offeror, Piolin II and Piolin I, to the extent permitted by law and subject to compliance with fiduciary duties, to procure that the proprietary directors designated by each one of them would vote for this report to be in favour of the Offer.

In order to fully comply with their duty of loyalty and the rules of good governance, all the conflicted directors have refrained from participating in the deliberations and voting on matters relating to the Offer since their respective notifications of conflicts of interest.

Without prejudice to the foregoing, the conflicted directors have participated in the deliberation and voting on this report, as the other directors of the Target are fully aware of their situations, which have been disseminated via the Prospectus and this report.

The other directors of Parques Reunidos have stated that they are not in a situation of conflict of interest with respect to the Offer, without prejudice to their intention to accept it or otherwise.

7. ACTIONS BY PARQUES REUNIDOS IN THE CONTEXT OF THE OFFER

7.1 ACTIONS BEFORE THE PRIOR ANNOUNCEMENT OF THE OFFER

As described in section 3.1 above, on 15 March 2019 the Target received a letter from EQT Fund Management in which it stated its interest in making the Offer subject to the performance of a confirmatory due diligence process.

As soon as the letter was received, an extraordinary meeting of the Board of Directors was called and Uría Menéndez Abogados, S.L.P. (“**Uría Menéndez**”) was engaged to prepare a report and executive summary on the rules of conduct that Parques Reunidos must observe in the context of an Offer, both during the preparation phase and, if applicable, during the implementation phase after publication of the corresponding prior announcement.

The Board of Directors met on 21 March 2019 and resolved, in order to best perform its duties and in accordance with the provisions of article 24 of the Regulations of the Board of Directors and recommendation 29 of the Good Governance Code of Listed Companies (*Código de Buen Gobierno de las Sociedades Cotizadas*), to engage Uría Menéndez as legal counsel in relation to the potential Offer and a top-tier financial entity as financial advisor to assist the Board in relation to the financial implications of the potential Offer and to prepare an opinion on the financial reasonableness of the consideration that might be offered. Citigroup Global Markets Limited (“**Citi**”) was formally engaged as financial advisor to that end on 11 April 2019.

The performance of the confirmatory due diligence process was also approved at the aforementioned meeting of the Board of Directors, subject to the signing of a confidentiality agreement and to the provisions of the market abuse regulations and of Royal Decree 1066/2007 in relation to the principle of equality of information. Parques Reunidos and EQT Fund Management executed said agreement on 22 March 2019.

In the confidentiality agreement, the Target undertook not to solicit other offers during the three-week period initially established for the performance of the confirmatory due diligence process (that is, from 25 March 2019 to 14 April 2019). This undertaking not to solicit other offers was subsequently extended to 29 April 2019.

Although all the directors were informed and took note at the aforementioned meeting of the previously mentioned report and executive summary on the rules of conduct to be observed in the context of an Offer, in accordance with the provisions of article 229.3 of the restated text of the Spanish Corporate Enterprises Law, approved by Royal Legislative Decree 1/2010, of 2 July (the “**Corporate Enterprises Law**”), the other items indicated were deliberated and voted on with the abstention of Mr Johan Svanstrom, who had already disclosed his conflict of interest as stated in section 6 above.

7.2 ACTIONS AFTER THE PRIOR ANNOUNCEMENT OF THE OFFER

Since publication of the prior announcement of the Offer on 26 April 2019, the Target’s Board of Directors and management team have diligently observed the applicable regulation as regards tender offers. In particular, the directors have at all times complied with the general duty to defend the interests of the Company and its shareholders, as well as with the action regime established in article 134 of the Securities Market Law and article 28 of Royal Decree 1066/2007.

The directors have also strictly observed their general duties of diligence and loyalty, including but not limited to their duties to act with appropriate dedication, to demand the information necessary to comply with their obligations, to obtain external advice, to uphold confidentiality and to comply with rules on conflicts of interest, as stated in section 6 above and in this section 7. The following actions carried out by the Board of Directors and the management team of Parques Reunidos are of particular note due to their importance:

- (i) As stated in section 6 above, on 8 May 2019 and pursuant to the provisions of article 229.3 of the Corporate Enterprises Law, at the first meeting of the Board of Directors held after the publication of the prior announcement of the Offer, the four proprietary directors of the Target notified the Board of Directors that they were in a situation of conflict of interest due to their represented shareholders being indirect offerors in the Offer.

All the items examined by the Board of Directors relating to the Offer since said notification have been discussed and voted on with the abstention of the conflicted directors.

- (ii) In light of the foregoing, the Board of Directors resolved by unanimous vote of its non-conflicted members to create an internal Offer Committee with responsibility for overseeing the Offer process together with the Target’s external advisors, defending the interests of all the shareholders, as well as for complying with the obligations of the Target’s management decision-making body from a perspective not subject to conflicts of interest. It was resolved that the Offer Committee would be made up of all the non-conflicted directors: Mr Richard Golding, Mr José Díaz Gómez, Ms Ana Bolado Valle, Ms Jackie Kernaghan and Mr Nicolás Villén Jiménez.

With the assistance of the Target’s legal and financial advisors, the Offer Committee has monitored the Offer process and its implications for the Target’s shareholders, employees and other stakeholders on an ongoing basis, duly recording said supervision in the minutes of its meetings. The Offer Committee has met periodically and has invited the external advisors to its meetings in order to have access to updated information on the development of the Offer and the

market's reaction thereto. The work and documents of the Offer Committee have not been shared with directors involved in a situation of conflict of interest.

The Committee has also shared with the Board of Directors its observations with respect to the Offer only for the purposes of preparing this report, and the external advice received during the process.

- (iii) At the aforementioned meeting held on 8 May 2019 and based on the legal advice received, the Board of Directors resolved to postpone the preparation and presentation of a revised strategic plan until it had visibility regarding the outcome of the Offer and the position of the Board in that respect. The market had been informed of the preparation of the strategic plan in the Company results filed on 4 October 2018, 27 November 2018 and 27 February 2019, with a view to the potential presentation thereof during the first half of 2019. The Board's decision to postpone the presentation was disclosed to the market in the results filed for the first quarter of 2019 and it has not been amended to date.
- (iv) With the relevant authorisation of its Board of Directors, Parques Reunidos has cooperated with the Offeror in good faith in relation to the necessary competition proceedings for the authorisation of the Offer by the European Commission, the Federal Trade Commission and the United States Department of Justice Antitrust Division. It has also collaborated with CFA in relation to the competition proceeding before the German competition authorities. It also took note of the communication from Banco Santander to the Target regarding its engagement to act as a bank agent in the Offer and its declaration of no conflict of interest with the services provided to the Target.
- (v) In line with the provisions of article 28.3.a) of Royal Decree 1066/2007, at its meeting held on 8 May 2019 the Board of Directors instructed Citi, in its capacity as financial advisor in relation to the Offer, to identify potential investors interested in Parques Reunidos and, subject to a review thereof by the management team, to contact the chosen candidates to evaluate their interest in a potential competing offer and the conditions relating thereto. In this context, Citi has contacted a total of 30 potential investors, but as at the date of this report no competing offer for the shares of Parques Reunidos has been launched. However, the term for presenting competing offers remains open and will expire on the fifth calendar day prior to the end of the term for acceptance of the Offer. It is expressly stated for the record that in the course of these actions, the Target has strictly observed its obligation to guarantee equality of information among offerors and good-faith potential offerors on the terms of article 46 of Royal Decree 1066/2007.
- (vi) In relation to Deloitte's valuation report referred to in section 1.4 above and to the request therefor, the management team of Parques Reunidos has held various meetings and teleconferences with Deloitte and has made the statements described in the aforementioned report.
- (vii) The Board of Directors has ensured strict compliance with the Target's obligations in relation to the publication of the Prospectus on its website, as well as with the obligations to provide information to employee representatives or, in the absence thereof, to the employees of all the

companies of the group, including sending the prior announcement of the Offer and the Prospectus thereto.

7.3 ADVICE RECEIVED BY THE BOARD OF DIRECTORS

As stated in section 7.1 above, the Board of Directors appointed Uría Menéndez as legal counsel and Citi as financial advisor in relation to the Offer. The Board of Directors also engaged Clifford Chance to prepare and submit to the US antitrust authorities the relevant forms on behalf of the Target.

Moreover and in line with common practice for this type of transaction, the Board of Directors engaged Citi to prepare a fairness opinion, exclusively addressed to the Board of Directors, regarding the fairness, from a financial perspective, as of the date of issuing the opinion, of the Offer Price for the shareholders of Parques Reunidos (other than the Offeror, Alba Europe, Miles Capital and their respective affiliates), as described with further detail in section 8.2 below.

It is stated for the record that the Board of Directors of Parques Reunidos has requested and obtained express confirmation from all its external advisors as to compliance with their respective policies and procedures to identify, evaluate and manage potential conflicts of interest and as to the absence of conflicts of interest in relation to their respective engagements.

8. OPINION AND OBSERVATIONS OF THE BOARD OF DIRECTORS REGARDING THE OFFER

8.1 GENERAL CONSIDERATIONS

All the members of the Board of Directors make a positive assessment regarding the following aspects of the Offer:

- (i) The Offer is extended to all the shares of the Target excluding those held by Offeror and its indirect shareholders, which have been locked up and will be provided to Piolin II on the terms described in section 3.5.2 above.
- (ii) The Offer Price will be fully paid in cash.
- (iii) The CNMV has confirmed that the Offer Price is justified in the Prospectus in accordance with the equitable price rules and valuation criteria established in articles 9 and 10 of Royal Decree 1066/2007.
- (iv) The Offer is not subject to any condition.

8.2 CONSIDERATIONS IN RELATION TO THE OFFER PRICE

As stated in section 7.3 above, the Board of Directors of Parques Reunidos engaged Citi to provide a fairness opinion regarding the fairness, from a financial perspective, as of the date of issuing the opinion, of the Offer Price for the shareholders of Parques Reunidos (other than the Offeror, Alba Europe, Miles Capital and their respective affiliates). In this regard, on 31 July 2019 Citi issued an opinion exclusively addressed to the Target's Board of Directors, in which it concludes that at the date of issuance thereof and based on and subject to the assumptions, limitations and disclosures set forth therein and which must be read in full, the Offer Price of 13.753 euros per share (equivalent to a price of 14.00 euros per share

adjusted in the gross amount of 0.2477 euros per share of the dividend distributed by Parques Reunidos on 17 July 2019) payable in cash is, from a financial perspective, fair for the shareholders of Parques Reunidos (other than the Offeror, Alba Europe, Miles Capital and their respective affiliates). Citi's opinion, dated 31 July 2019, is exclusively addressed to the Board of Directors of the Target and has been issued in English language. In the event of discrepancy between the English version of the opinion and any translation thereof, the English version shall prevail. The English version of the opinion and a sworn translation into Spanish language are attached as **Annex** to this report and are an essential and integral part hereof.

The opinion should be read in full to assess the scope, assumptions and limitations, the information and experience upon which it has been based, the procedures applied, the issues considered, the limitations of the review performed, the services rendered to participants and third parties and the conclusions expressed therein.

It is also stated for the record that the CNMV has confirmed that the Offer Price is justified in the Prospectus in accordance with the equitable price rules and valuation criteria established in articles 9 and 10 of Royal Decree 1066/2007.

Moreover, as stated in the Prospectus, the Offer Price is within the value range resulting from the valuation report issued by Deloitte in application of the valuation methods set forth in article 10 of the same legal text.

Similarly, before being adjusted from 14.00 to 13.753 euros per share by the dividend distributed on 17 July 2019, the initial Offer Price represented a premium of approximately (a) 29.2% over the closing price of the shares of the Target on 25 April 2019, the day before the publication of the prior announcement of the Offer (10.84 euros); (b) 33.4% over the average price weighted by volume of the shares of the Target for the one-month period ended 25 April 2019 (10.49 euros); (c) 34.9% over the average price weighted by volume of the shares of the Target for the three-month period ended on 25 April 2019 (10.38 euros); and (d) 31.6% over the average price weighted by volume of the shares of the Target for the six-month period ended on 25 April 2019 (10.64 euros).

However, the Board of Directors makes the following observations:

- (i) Subsequently to the publication of the prior announcement of the Offer, the Target has received written communications from a significant shareholder of the Company who has stated that the Offer Price does not fully reflect the future potential of the business of Parques Reunidos.
- (ii) At the trading sessions of 15, 16, 22, 24 and 25 July 2019, after the shares of the Target began to be traded without the right to receive the dividend distributed on 17 July 2019 (the ex-dividend date was set at 15 July 2019) and the Offer Price was therefore adjusted from 14.00 to 13.753 euros per share, the shares of Parques Reunidos were traded at a maximum price of 13.760 euros per share; that is, above the adjusted Offer Price. Similarly, at the trading sessions of 18, 19 and 26 July 2019, the maximum trading price reached 13.800 euros per share.

8.3 STRATEGIC AND INDUSTRIAL CONSIDERATIONS

According to the information provided in the Prospectus, the Board of Directors of Parques Reunidos makes a positive assessment of the following aspects or intentions stated by the Offeror:

- (i) The intention not to substantially change the nature of the Parques Reunidos Group's current activities, the location of its centres of activity or the use of its corporate assets.
- (ii) The expectation that changes will not be made to the employment conditions of the Target's employees and officers and that the existing job positions will generally be maintained for the next twelve months, although the Offeror does not exclude the possibility of making changes based on the evolution of the business, as well as the intention to retain the CEO on the management team.
- (iii) The extension of the terms for maturity of the Group Debt that its refinancing entails, as well as the Offeror's intention not to increase the net indebtedness of Parques Reunidos.

On the other hand, the Board of Directors wishes to highlight the following aspects:

- (i) The Offeror has expressed the possibility of altering the dividend policy in existence to date, without providing guidance as to the form of the possible variations. It has also cautioned that it will not propose and will vote against the distribution of any dividend before the delisting of the shares of Parques Reunidos.
- (ii) According to the CNMV's interpretative criteria, the Offeror may not exercise its right to squeeze-out and the shareholders may not exercise their corresponding right to sell-out if the Offeror acquires at least 90% of the share capital of Parques Reunidos as a result of the Offer.

8.4 OPINION OF THE BOARD OF DIRECTORS

Based on the considerations and opinions included in this report as well as on the information included in the Prospectus, and taking into account the terms and features of the Offer and its impact on the interest of Parques Reunidos, the Board of Directors issues a favourable opinion regarding the Offer.

In any event, it is for each shareholder of Parques Reunidos to decide whether or not it accepts the Offer in view of its particular circumstances, interests and class.

8.5 INDIVIDUAL OPINION OF THE DIRECTORS

This report has been unanimously approved by the directors of Parques Reunidos, and no member of the Board of Directors has made any individual statement other than that collectively adopted by the Board of Directors as a whole and described in this report.

9. INTENTION OF THE DIRECTORS OF PARQUES REUNIDOS TO ACCEPT THE OFFER. OWN SHARES

The directors of Parques Reunidos who directly or indirectly hold shares of the Target at the present date are those indicated in section 5 above.

Directors Mr Richard Golding, Mr José Díaz Gómez, Mr Johan Svanstrom and Mr Javier Fernández Alonso have stated that their current intention is to accept the Offer for all their shares and Mr Nicolás Villén Jiménez has stated that his current intention is not to accept the Offer for his shares, although they reserve the power to revise their intention based on prevailing circumstances and particularly on any assessment they may make of the terms and conditions of other competing offers or improvements that may be authorised by the CNMV.

Moreover, on the date of this report, Parques Reunidos holds 13,064 own shares. Said shares were acquired to be delivered to Mr Johan Svanstrom as payment of the single and exceptional incentive linked to the acceptance of his position as director, which Parques Reunidos granted to him within the context of the admission to listing of its shares, as stated in section 5 above. Accordingly, the Target will not tender such shares in the Offer.

10. INFORMATION TO EMPLOYEES

As described in section 7.2 above, it is stated for the record that Parques Reunidos has complied with its obligations to provide information to employees as established in article 25 of Royal Decree 1066/2007. In particular, on 26 April 2019 the employee representatives or, in their absence, the employees of all companies of the Target's group were informed of the announcement of the Offer and were sent the prior announcement published by the Offeror. On 24 July 2019, the Prospectus was also made available to all of them.

At the present date, no opinion has been received from the employee representatives with regard to the repercussions of the Offer for employment. If any opinion is received, pursuant to the provisions of article 24.2 of Royal Decree 1066/2007, the aforementioned opinion will be published as a supplement to this report and via the same means.

In Madrid, on 31 July 2019

* * *



July 31, 2019

The Board of Directors
Parques Reunidos Servicios Centrales, S.A.
Paseo de la Castellana 216, 16th floor
28046 Madrid
Spain

Members of the Board:

You have requested our opinion as to the fairness, from a financial point of view, to the holders of shares, with a nominal value of fifty euro cents (€0.50) each (the “Parques Reunidos Shares”), of Parques Reunidos Servicios Centrales, S.A. (“Parques Reunidos”) of the Offer Consideration (as defined below) to be paid by Piolin BidCo S.A.U. (“Piolin BidCo”), a company controlled by EQT Fund Management S.à.r.l. (“EQT” and, together with its affiliates, the “EQT group”), pursuant to the terms of the offer set forth in the tender offer document (*Folleto Explicativo de la Oferta Pública Voluntaria de Adquisición de Acciones de Parques Reunidos Servicios Centrales, S.A. Formulada por Piolin BidCo S.A.U.*) dated July 22, 2019 and authorized by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores* or “CNMV”) on July 24, 2019 (the “Tender Offer Document”) (the “Offer”). The Tender Offer Document provides for a voluntary tender offer for all of the Parques Reunidos Shares (other than the Parques Reunidos Shares held by Piolin BidCo, Miles Capital S.à.r.l. (“Miles Capital”) and Alba Europe S.à.r.l. (“Alba Europe”), as more fully described in the Tender Offer Document). As of the date of the Tender Offer Document, the Offer was effectively addressed to 37,898,065 Parques Reunidos Shares, representing 46.94% of Parques Reunidos’s share capital. Following Piolin BidCo’s acquisition of 3,414,948 and 460,758 Parques Reunidos Shares on July 25 and July 26, 2019, respectively, the Offer is effectively addressed to 34,022,359 Parques Reunidos Shares, representing 42.14% of Parques Reunidos’s share capital (the “Offer Shares”). As more fully described in the Tender Offer Document, Piolin BidCo is offering pursuant to the Offer €13.753 in cash for each outstanding Offer Share (the “Offer Consideration”). The Offer Consideration reflects an adjustment to the initial offer consideration offered by Piolin BidCo to reflect the payment by Parques Reunidos of a gross dividend of €0.2477 per Parques Reunidos Share on July 17, 2019. According to the Tender Offer Document, the Offer is not subject to any conditions. We note that the Tender Offer Document provides that, following consummation of the Offer, Piolin BidCo intends to delist the Parques Reunidos Shares from the Madrid, Barcelona, Valencia and Bilbao stock exchanges as more fully described in the Tender Offer Document (the “Delisting”).

In arriving at our opinion, we reviewed the Tender Offer Document and examined certain publicly available business and financial information relating to Parques Reunidos which were provided to or discussed with us by the management of Parques Reunidos. We also reviewed (i) certain pro forma information relating to the business and operations of Parques Reunidos for the year 2018 considering the effect of certain acquisitions announced in 2018 and closed in 2018 and 2019 prepared by the management of Parques Reunidos under current circumstances, (ii) certain budget estimates for 2019 relating to Parques Reunidos prepared by the management of Parques Reunidos under current circumstances and approved by the board of directors of Parques Reunidos on February 26, 2019 and (iii) certain financial and operating internal



estimates relating to the business, operations and prospects of Parques Reunidos for the years 2020 to 2024 prepared by the management of Parques Reunidos under current circumstances in June 2019 and discussed with the takeover committee of the board of directors of Parques Reunidos (together, the "Estimates"). We held discussions with certain senior officers, directors and other representatives and advisors of Parques Reunidos concerning the business, operations and prospects of Parques Reunidos (including the Estimates) and the respective business, operations and prospects of other companies whose operations we considered relevant in evaluating those of Parques Reunidos. We reviewed the financial terms of the Offer as set forth in the Tender Offer Document in relation to, among other things: current and historical market prices and trading volumes of Parques Reunidos Shares; the historical and projected earnings and other operating data of Parques Reunidos; and the capitalization and financial condition of Parques Reunidos. We considered, to the extent publicly available, the financial terms of certain other transactions which we considered relevant in evaluating the Offer, analyzed certain financial, stock market and other publicly available information relating to the businesses of other companies whose operations we considered relevant in evaluating those of Parques Reunidos and considered, to the extent publicly available, certain brokers' reports relating to Parques Reunidos. In connection with our engagement and at the direction of Parques Reunidos, we were requested to approach, and we held certain discussions with, third parties to solicit indications of interest in the possible acquisition of Parques Reunidos. In addition to the foregoing, we conducted such other analyses and examinations and considered such other information and financial, economic and market criteria as we deemed appropriate in arriving at our opinion. The issuance of our opinion has been authorized by our fairness opinion committee.

In rendering our opinion, we have assumed and relied, without independent verification, upon the accuracy and completeness of all financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with us and upon the assurances of the management of Parques Reunidos that they are not aware of any relevant information that has been omitted or that remains undisclosed to us. We have been directed by the management of Parques Reunidos to use the Estimates and other information and data relating to Parques Reunidos provided to or otherwise discussed with us as a basis for our analyses for purposes of our opinion. With respect to the Estimates, we have been advised by the management of Parques Reunidos that the Estimates were reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of Parques Reunidos as to the future business and financial performance of Parques Reunidos under current circumstances, and the other matters covered thereby, and we have assumed that the financial results reflected in the Estimates will be realized in the amounts and at the times projected. We express no view as to, and our opinion does not address, the reasonableness (financial or otherwise) of the Estimates. We note that the Estimates have been prepared on the basis of the various geographical regions that comprise the business of Parques Reunidos.

We have assumed, with your consent, that the Offer and its terms are legal under applicable law, that the Offer will be consummated in accordance with the terms set forth in the Tender Offer Document without modification or amendment of any material term or agreement and that, in the course of obtaining any necessary regulatory or third party approvals, consents and releases for the Offer, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on Parques Reunidos or the Offer. We have not made or been provided with an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Parques Reunidos nor have we made any physical inspection of the properties or assets of Parques Reunidos. Our opinion does not address the underlying business decision of Parques Reunidos regarding the Offer, the relative merits of the Offer as compared to any alternative



business strategies that might exist for Parques Reunidos, the effect of any other transaction in which Parques Reunidos might engage or that may be proposed to the Parques Reunidos shareholders or any legal, regulatory, tax or accounting matters. We express no view as to, and our opinion does not address, the reasonableness (financial or otherwise) of the Delisting or any other transaction or process in connection with the Offer. We also express no view as to, and our opinion does not address, the fairness (financial or otherwise) of the amount or nature or any other aspect of any compensation to any officers, directors or employees of any parties to the Offer, or any class of such persons, relative to the Offer Consideration. Our opinion is necessarily based upon information available to us, and financial, stock market and other conditions and circumstances existing, as of the date hereof.

Citigroup Global Markets Limited has acted as financial advisor to Parques Reunidos in connection with the proposed Offer and will receive a fee for such services contingent upon the consummation of the Offer. We also will receive a fee in connection with the delivery of this opinion. We and our affiliates in the past have provided, or currently provide, as applicable, certain mergers and acquisition advisory services, capital markets services, credit arrangements, including corporate, acquisition financing and other lending and related services, unrelated to the proposed Offer, to Groupe Bruxelles Lambert S.A. (Miles Capital's parent company) ("GBL"), Corporación Financiera Alba, S.A. (Alba Europe's parent company) ("CFA") and certain of their respective portfolio companies and investment vehicles, for which services we and our affiliates have received or expect to receive compensation. In addition, we and our affiliates in the past have discussed with GBL and CFA their respective indirect shareholding in, and portfolio management strategy in respect of, Parques Reunidos. Furthermore, we and our affiliates in the past have provided, or currently provide, as applicable, certain services to the EQT group and certain of its portfolio companies, unrelated to the proposed Offer, for which services we and our affiliates have received and expect to receive compensation, including, without limitation, certain mergers and acquisition advisory services, capital markets services, credit arrangements, including corporate, acquisition financing and other lending services, and related services. In the ordinary course of our business, we and our affiliates may actively trade or hold the securities of Parques Reunidos, GBL, CFA, the EQT group and their respective affiliates, portfolio companies and investment vehicles for our own account or for the account of our customers and, accordingly, may at any time hold a long or short position in such securities. In addition, we and our affiliates (including Citigroup Inc. and its affiliates) may maintain relationships or enter into other transactions with Parques Reunidos, Piolin BidCo, GBL, CFA, the EQT group and their respective affiliates and shareholders and other interested parties.

Our advisory services and the opinion expressed herein are provided for the information of the board of directors of Parques Reunidos in its evaluation of the proposed Offer and may not be used by the board of directors or any member thereof for any other purpose or relied upon by any third party. Our opinion is not intended to be and does not constitute a recommendation to any Parques Reunidos shareholder as to how such Parques Reunidos shareholder should vote or act on any matters relating to the proposed Offer, including whether any Parques Reunidos shareholder should tender his or her Parques Reunidos Shares pursuant to the Offer.

This opinion has been issued in English. In case of any inconsistency between the English-language version of this opinion and any translation thereof, the English-language version shall prevail.

Based upon and subject to the foregoing, our experience as investment bankers, our work as described above and other factors we deemed relevant, we are of the opinion that, as of the date



Based upon and subject to the foregoing, our experience as investment bankers, our work as described above and other factors we deemed relevant, we are of the opinion that, as of the date hereof, the Offer Consideration is fair, from a financial point of view, to the holders of Parques Reunidos Shares (other than Piolin BidCo, Miles Capital, Alba Europe and their respective affiliates).

Very truly yours,

A handwritten signature in blue ink, appearing to read "Gruel", with a long horizontal flourish extending to the right.

CITIGROUP GLOBAL MARKETS LIMITED