



# **PROMOTORA DE INFORMACIONES, S.A.**

## **EXTRAORDINARY SHAREHOLDERS MEETING**

**OCTOBER 30, 2017**

### **PROPOSED RESOLUTIONS**

*The Board of Directors of PROMOTORA DE INFORMACIONES, S.A. has resolved to submit the following PROPOSED RESOLUTIONS at the EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING to be held on first call, on October 30, 2017.*

*(Free translation from the original in Spanish language)*

## ONE

### **Ratification of the appointment by co-option of Mr. Manuel Mirat Santiago as Company director.**

Following a report from the Appointments and Remuneration Committee, the Board of Directors proposes the ratification of the appointment by co-option of Mr Manuel Mirat Santiago as executive director, issued by the Board of Directors' meeting of 30 June 2017, to fill the vacancy generated on the Board following the resignation of the director Ms. Blanca Hernández Rodríguez, who had been appointed by the General Shareholders' Meeting held on 1 April 2016 for a period of four (4) years.

It is resolved to ratify the appointment by co-option of Mr. Manuel Mirat Santiago as executive director, made by the Board of Directors meeting of 30 June 2017.

*(Free translation from the original in Spanish language)*

## TWO

### **Approval of the disposal of Vertix SGPS, S.A., for the purposes of section 160.f) of the Spanish Companies Act.**

On July 13, 2017, Promotora de Informaciones, S.A. (as Seller) entered into a share purchase agreement with MEO – Serviços de Comunicações e Multimedia, S.A. (as Purchaser) for 100% of the shares into which Vertix, SGPS, S.A.'s capital is divided, which entails the indirect transfer of 94.69% of the share capital of Grupo Media Capital, SGPS, S.A., a company listed on the regulated market of Euronext Lisbon – Sociedade Gestora de Mercados Regulamentados, S.A. Such share purchase agreement is subject to the fulfilment of certain conditions precedent, including its approval by the General Shareholders' Meeting of Promotora de Informaciones, S.A.

The main terms and conditions of the transaction have been detailed in the report issued by the Board of Directors on September 29, 2017, which has been made available to the shareholders as from the date of publication of the call notice for the General Shareholders' Meeting.

To the effects of art. 160.f) of the Capital Companies Act, as well as to comply with the mentioned condition precedent and make the share purchase agreement effective once the fulfilment of other conditions precedent are verified, the sale by Promotora de Informaciones, S.A. of 100% of the share capital of Vertix, SGPS, S.A. to MEO – Serviços de Comunicações e Multimedia, S.A. is hereby approved, delegating to the Board of Directors all those authorities required or expedient for the execution of the transaction.

*(Free translation from the original in Spanish language)*

### **THREE**

#### **Review and, as the case may be, approval of the audited balance sheet as at 31 August 2017.**

Within the context of the share capital and reserves reductions aimed at restoring Company's equity structure, which has been submitted for approval by the General Meeting under the following fourth item of the agenda, the General Shareholders Meeting resolves to approve Company's balance sheet as at 31 August 2017, which has been prepared by the Board of Directors and verified by the Company's statutory auditor, namely, Deloitte, S.L., pursuant to Section 323.1 of the Spanish Companies Act.

*(Free translation from the original in Spanish language)*

## FOUR

### Share capital and reserves reductions aimed at adapting Company's equity structure.

#### 4.1. Offset of losses against the voluntary reserves in an amount of EUR 1,578,746,088.64 and the legal reserves in an amount of EUR 5,335,316.94. Delegation of powers.

- I. Application of “share premium”, “statutory reserves”, “other updating reserves”, “voluntary reserves”, “corporation taxes reserves”, “redeemed capital reserves”, “first application of the general accounting plan reserves” and “legal reserve” to offset losses

In view of Company's individual balance sheet as at 31 August 2017, approved under the Third item of the agenda, the Company has, among others, the following reserves amounting to EUR 1,584,081,405.58:

- (i) “share premium” in the amount of EUR 1,371,298,760.21;
- (ii) “statutory reserves”, in the amount of EUR 11,884,980.65;
- (iii) “other updating reserves”, in the amount of EUR 13,939,053.92;
- (iv) “voluntary reserves”, in the amount of EUR 173,203,255.42;
- (v) “corporate tax reserves”, in the amount of EUR 51,690.50;
- (vi) “redeemed capital reserves”, in the amount of EUR de 1,495,458.40;
- (vii) “first application of the general accounting plan reserves” EUR 6,872,889.54; and
- (viii) “legal reserve” in the amount of EUR 5,335,316.94;

According to the referred balance sheet the “negative results of prior periods” amounts to EUR -2,201,523,638.56. Company's total reserves (including those which are not available), without prejudice to the Company's results application to be approved by the next ordinary shareholders meeting, amount to EUR 1,499,246,331.02.

The General Meeting resolves to apply:

- (i) the entirety of the aforesaid “share premium” in the amount of EUR 1,371,298,760.21;
  - (ii) the entirety of the aforesaid “statutory reserves”, in the amount of EUR 11,884,980.65;
  - (iii) the entirety of the aforesaid “other updating reserves”, in the amount of EUR 13,939,053.92;
  - (iv) the entirety of the aforesaid “voluntary reserves”, in the amount of EUR
- (Free translation from the original in Spanish language)*

173,203,255.42;

- (v) the entirety of the aforesaid “corporate tax reserves”, in the amount of EUR 51,690.50;
- (vi) the entirety of the aforesaid “redeemed capital reserves”, in the amount of EUR de 1,495,458.40;
- (vii) the entirety of the aforesaid “first application of the general accounting plan reserves” EUR 6,872,889.54; and
- (viii) the entirety of the aforesaid “legal reserve” in the amount of EUR 5,335,316.94;

to partially offset the “negative results of prior periods” of the Company. It is stated for the record that once the former accounts have been applied to offset losses, (i) the “negative results of prior periods” account shall amount to EUR –617,442,232.98; and (ii) according to article 322.2 of the Spanish Companies Act, the Company will not have any voluntary reserves and the legal reserve, once the capital reductions proposed under items 4.2 and 4.3 of the agenda are carried out, if approved, do not exceed 10% of the share capital.

## II. Delegation of powers

Notwithstanding the specific delegations of powers comprised in separate items of the agenda (which are to be understood to have been granted with express powers to in turn delegate said powers to the bodies and persons specified herein), it is resolved to empower the Board of Directors, as broadly as required by law, with express powers to be substituted by the Chairman, the Chief Executive Officer, one or more directors, and the Secretary, so that any of them interchangeably may implement this resolution and, in particular, without limitation, being empowered as follows:

- (i) To expand and develop this resolution.
- (ii) To carry out all actions necessary in order to comply with the requirements set forth in the Spanish Companies Act and other applicable rules, including the offset of other voluntary reserves, if applicable, which are not envisaged in this resolution.
- (iii) To carry out all actions and take all the steps necessary to obtain the consents and approvals required for this resolution to become fully effective, including, as the case may be, the consent of Company’s bondholders’ syndicates’ approval in conformity with the article 411 of the Spanish Companies Act.
- (iv) To carry out on behalf of the Company any action, make any statement or take any step that may be required before the Spanish National Securities Market Commission (the “CNMV”), Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR), the Governing Bodies of the Stock Markets, the Securities Clearing and Settlement Service and any other agency or entity or public or private Registry, Spanish or foreign, related to this resolution
- (v) To execute on behalf of the Company such public or private documents as may be necessary or appropriate and, in general, to carry out such actions as may be

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necessary for this resolution to become fully effective.

- (vi) To correct, clarify, interpret, specify or supplement the resolutions adopted by the General Shareholders Meeting, or those appearing in such public deeds or documents as may be executed in implementation thereof and, in particular, such defects, omissions or errors, either substantive or formal, the may prevent the resolutions and the consequences thereof from registering with the Commercial Registry, the Official Registries of the CNMV, or any others.
- (vii) In general, to carry out such actions as may be necessary or appropriate for this resolution to become fully effective.

**4.2. Share capital reduction by an amount of EUR 154,321,837.26 to offset losses, by decreasing the par value of shares by EUR 1.97, to EUR 1.03 per share, based on Company's balance sheet as at 31 August 2017. Amendment of article 6.1 of the Articles of Association. Delegation of powers.**

**I. Company's share capital reduction to offset losses**

Following the offset of losses to be carried out in accordance with item 4.1 above, and after having applied all of the voluntary reserves and legal reserves to offset losses, the General Meeting resolves to reduce the share capital in the amount of EUR 154,321,837.26, that is, from the current amount of EUR 235,007,874 to EUR 80,686,036.74, through the reduction of the par value of each of the 78,335,958 ordinary voting shares currently comprising Company's share capital, from the current amount of three euros per share to EUR 1.03 per share.

The purpose of the share capital reduction is to restore the balance between Company's share capital and equity, which has decreased as a consequence of the accumulation of losses from prior periods. The total amount of the share capital reduction shall thereby be applied to offset the negative reserves registered in the "negative results of prior periods" account in an amount of EUR 154,321,837.26. After the proposed share capital reduction, Company's "negative results of prior periods" account shall be reduced to EUR -463,120,395.72.

The adoption of this resolution shall equally affect all of the Company's shares comprising its share capital.

In accordance with the provisions set forth in article 323 of the Spanish Companies Act, this share capital reduction is based on Company's individual balance sheet as at 31 August 2017, approved by the General Meeting under the First item of the agenda, and submitted to verification of the Company's statutory auditor, namely, Deloitte, S.L., as reflected in the audit report. The aforesaid balance sheet and audit report will be attached to the public deed of share capital decrease.

By virtue of article 335.a) of the Spanish Companies Act the creditors have no right of opposition to this reduction of capital. As a result, the reduction will be immediately effective by simple decision of the General Meeting, without prejudice to the provisions stated below regarding the condition precedent to which the resolution is subject.

As a result of the reduction of the par value of the shares no excess of assets or liabilities will

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be generated that should be allocated to the legal reserve.

II. Amendment of article 6.1 of the Articles of Association related to the share capital

To amend article 6.1 of the Articles of Association, that will hereinafter read as follows:

*“Article 6.- Share Capital.*

*1. The Share Capital amounts to EUR EIGHTY MILLION, SIX HUNDRED EIGHTY-SIX THOUSAND THIRTY-SIX WITH SEVENTY FOUR CENTS (€80,686,036.74) and it is represented by: seventy-eight million, three hundred thirty-five thousand, nine hundred fifty-eight (78.335.958) ordinary shares of the same class and series, with a face value of EUR ONE WITH THREE CENTS (€1.03) each and correlatively numbered from 1 to 78.335.958.”*

III. Delegation of powers

Notwithstanding the specific delegations of powers comprised in separate items of the agenda (which are to be understood to have been granted with express powers to in turn delegate said powers to the bodies and persons specified herein), it is resolved to empower the Board of Directors, as broadly as required by law, with express powers to be substituted by the Chairman, the Chief Executive Officer, one or more directors, and the Secretary, so that any of them interchangeably may implement this resolution and, in particular, without limitation, being empowered as follows:

- (i) To expand and develop this resolution by setting the terms and conditions of the share capital reduction in respect of all matters not covered herein.
- (ii) To carry out all actions necessary in order to comply with the requirements set forth in the Spanish Companies Act and other applicable rules, the consolidated text of the Spanish Securities Market Act, the Royal Decree 878/2015, of October 2, on clearing, settlement and registration of securities represented in book-entry form, on the legal framework of central depositaries and central counterparties, and on the transparency requirements for securities admitted to trading on a secondary market (Real Decreto 878/2015, de 2 de octubre, sobre compensación, liquidación y registro de valores negociables representados mediante anotaciones en cuenta, sobre el régimen jurídico de los depositarios centrales de valores y de las entidades de contrapartida central y sobre requisitos de transparencia de los emisores de valores admitidos a negociación en un mercado secundario oficial) and other applicable rules, including the publication of any mandatory notices.
- (iii) To carry out all actions and take all the steps necessary to obtain the consents and approvals required for this resolution to become fully effective, including, as the case may be, the consent of Company’s bondholders’ syndicates’ approval in conformity with the article 411 of the Spanish Companies Act.
- (iv) To carry out on behalf of the Company any action, make any statement or take any step that may be required before the National Securities Market Commission (the “CNMV”), Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR), the Governing Bodies of the Stock

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Markets, the Securities Clearing and Settlement Service and any other agency or entity or public or private Registry, either Spanish or foreign, in connection with the share capital reduction covered by this resolution and, in particular, effective from the beginning of the trading session determined by the latter, and after the public deed of share capital reduction has been executed and registered with the Commercial Registry, in order for the 78.335.958 shares of the Company with a par value of three euros each currently outstanding to be excluded from trading, and the same number of shares with a par value of EUR 1.03 to be subsequently admitted to listing in the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges for trading through the Automated Quotation System (*Sistema de Interconexión Bursátil (Mercado Continuo)*).

- (v) To amend the article of the Articles of Association corresponding to the share capital, so as to adapt it to the new share capital figure.
- (vi) To draft and publish such notices as may be necessary or appropriate in connection with this share capital reduction.
- (vii) To execute on behalf of the Company such public or private documents as may be necessary or appropriate to carry out the share capital reduction and, in general, to carry out such actions as may be necessary for the this resolution to become fully effective.
- (viii) To correct, clarify, interpret, specify or supplement the resolutions adopted by the General Shareholders Meeting, or those appearing in such deeds or documents as may be executed in implementation thereof and, in particular, such defects, omissions or errors, either substantive or formal, that may prevent the resolutions and the consequences thereof from registering with the Commercial Registry, the Official Registries of the CNMV, or any others.
- (viii) In general, to carry out such actions as may be necessary or appropriate in order for the share capital reduction to become fully effective.

#### IV. Condition Precedent

The effectiveness of this resolution is subject to the resolution 4.1 above being approved.

**4.3. Reduction of the share capital by an amount of EUR 7,050,236.22 to increase the legal reserves account, by decreasing the par value of the shares by EUR 0.09, to EUR 0.94 per share, based on Company's balance sheet as at 31 August 2017. Amendment of article 6.1 of the Articles of Association. Delegation of powers.**

#### I. Share capital reduction

Following (i) the offset of losses carried out in accordance with item 4.1 above under which all of the voluntary reserves and the legal reserve have been applied to offset losses, as well as (ii) the share capital reduction to offset losses carried out in accordance with item 4.2 above, the General Meeting resolves to reduce the share capital in the amount of EUR 7,050,236.22, that is, from the current amount of EUR 80,686,036.74 to EUR 73,635,800.52, through the reduction of the par value of each of the 78,335,958 ordinary voting shares

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comprising Company's outstanding share capital in the amount of EUR 0.09, from the current amount of one EUR 1.03 per share to EUR 0.94 per share.

The purpose of the share capital reduction is to increase Company's legal reserves, without prejudice to the provisions set forth below regarding the unavailability of the amount by which the share capital has been reduced to increase the legal reserve.

The share capital reduction is carried out through the reduction of the par value of all of the outstanding shares of the Company representing its share capital, currently amounting to EUR 1.03, to EUR 0.94 per share. Therefore, the par value of each share is reduced by EUR 0.09, while the total amount of the share capital reduction reaches EUR 7,050,236.22.

The adoption of this resolution shall equally affect all of the Company's shares comprising its share capital.

In accordance with the provisions set forth in article 323 of the Spanish Companies Act, this share capital reduction is based upon Company's individual balance sheet as at 31 August 2017, approved by the General Meeting under the First item of the agenda, and submitted to verification of the Company's statutory auditor, namely, Deloitte, S.L., as reflected in the audit report. The aforesaid balance sheet and audit report are to be attached to the public deed of share capital decrease.

By virtue of article 335.a) of the Spanish Companies Act the creditors have no right of opposition to this reduction of capital. As a result, the reduction will be immediately effective by simple decision of the General Meeting, without prejudice to the provisions stated below regarding the condition precedent to which the resolution is subject.

The resulting amount of the legal reserve does not exceed the 10% of the Company's share capital.

## II. Amendment of article 6.1 of the Articles of Association related to the share capital

To amend article 6.1 of the Articles of Association, that will hereinafter read as follows:

*“Article 6.- Share Capital.*

*1. The Share Capital amounts to EUR SEVENTY-THREE MILLION, SIX HUNDRED THIRTY-FIVE, EIGHT HUNDRED WITH FIFTY-TWO CENTS (€73,635,800.52) and it is represented by: seventy-eight million, three hundred thirty-five thousand, nine hundred fifty-eight (78,335,958) ordinary shares of the same class and series, with a face value of EUR NINETY-FOUR CENTS (€0.94) each and correlatively numbered from 1 to 78.335.958.”*

## III. Delegation of powers

Notwithstanding the specific delegations of powers comprised in separate items of the agenda (which are to be understood to have been granted with express powers to in turn delegate said powers to the bodies and persons specified herein), it is resolved to empower the Board of Directors, as broadly as required by law, with express powers to be substituted by the Chairman, the Chief Executive Officer, one or more directors, and the Secretary, so that any of them interchangeably may implement this resolution and, in particular, without

*(Free translation from the original in Spanish language)*

limitation, being empowered as follows:

- (i) To expand and develop this resolution by setting the terms and conditions of the share capital reduction in respect of all matters not covered herein.
- (ii) To carry out all actions necessary in order to comply with the requirements set forth in the Spanish Companies Act and other applicable rules, the consolidated text of the Spanish Securities Market Act, the Royal Decree 878/2015, of October 2, on clearing, settlement and registration of securities represented in book-entry form, on the legal framework of central depositories and central counterparties, and on the transparency requirements for securities admitted to trading on a secondary market (Real Decreto 878/2015, de 2 de octubre, sobre compensación, liquidación y registro de valores negociables representados mediante anotaciones en cuenta, sobre el régimen jurídico de los depositarios centrales de valores y de las entidades de contrapartida central y sobre requisitos de transparencia de los emisores de valores admitidos a negociación en un mercado secundario oficial) and other applicable rules, including the publication of any mandatory notices.
- (iii) To carry out all actions and take all the steps necessary to obtain the consents and approvals required for this resolution to become fully effective, including, as the case may be, the consent of Company's bondholders' syndicates' approval in conformity with the article 411 of the Spanish Companies Act.
- (iv) To carry out on behalf of the Company any action, make any statement or take any step that may be required before the National Securities Market Commission (the "CNMV"), Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR), the Governing Bodies of the Stock Markets, the Securities Clearing and Settlement Service and any other agency or entity or public or private Registry, either Spanish or foreign, in connection with the share capital reduction covered by this resolution and, in particular, effective from the beginning of the trading session determined by the latter, and after the public deed of share capital reduction has been executed and registered with the Commercial Registry, in order for the 78.335.958 shares of the Company with a par value of EUR 1.03 each currently outstanding to be excluded from trading, and the same number of shares with a par value of EUR 0.94 to be subsequently admitted to listing in the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges for trading through the Automated Quotation System (*Sistema de Interconexión Bursátil (Mercado Continuo)*).
- (v) To amend the article of the Articles of Association corresponding to the share capital, so as to adapt it to the new share capital figure.
- (vi) To draft and publish such notices as may be necessary or appropriate in connection to this share capital reduction.
- (vii) To execute on behalf of the Company such public or private documents as may be necessary or appropriate to carry out the share capital reduction and, in general, to carry out such actions as may be necessary for this resolution to become fully effective.

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- (viii) To correct, clarify, interpret, specify or supplement the resolutions adopted by the General Shareholders Meeting, or those appearing in such deeds or documents as may be executed in implementation thereof and, in particular, such defects, omissions or errors, substantive or formal, as may prevent entry of the resolutions and the consequences thereof in the Commercial Registry, the Official Registries of the CNMV, or any others.
- (ix) In general, to carry out such actions as may be necessary or appropriate in order for the share capital reduction to become fully effective.

#### IV. Condition precedent

The effectiveness of this resolution is subject to the resolutions 4.1 and 4.2 above being approved.

## FIVE

### **Delegation of Powers**

Without prejudice to powers granted in other resolutions, it is hereby resolved to grant to the Board of Directors the broadest powers required by law to define, implement and interpret the preceding resolutions including, if necessary, powers to interpret, remedy and complete the resolutions. Likewise it is resolved to grant to the Chairman of the Board of Directors Mr Juan Luis Cebrián Echarri, the Chief Executive Officer Mr Manuel Mirat Santiago, the Secretary Mr. Xavier Pujol Tobeña joint and several powers for any of them to appear before a Notary Public to formalize and to reflect in a notarial document the resolutions adopted at the present Shareholders' Meeting, rectifying, if warranted, any material errors not requiring new resolutions that might preclude their being recorded in notarial instruments, and to issue the notarial or private documents necessary to record the adopted resolutions on the Companies Register, with powers to remedy or rectify them in view of the Registrar's written or oral comments and, in summary, to take any measures required to ensure that these resolutions are fully effective.

*(Free translation from the original in Spanish language)*