



INTER

Inter Media and Communication S.p.A

As the issuer of

€415,000,000 6.75% Senior Secured Notes due 2027

Financial Results of Inter Media and Communication S.p.A

For the three months ended September 30, 2024

Date: November 29, 2024

F.C. Internazionale Milano S.p.A. - Viale della Liberazione, 16/18 - 20124 Milano
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GENERAL INFORMATION

INTRODUCTION

We, Inter Media and Communication S.p.A (“MediaCo”), are the sole manager and operator of the media, broadcast and sponsorship business of our parent company F.C. Internazionale Milano S.p.A. (“TeamCo” or “FC Inter”). We were formed in 2014 in connection with the contribution to us by TeamCo (55.6% stake) and Inter Brand S.r.l. (“BrandCo”) (44,4% stake) of their business relating to media, broadcast and sponsorship rights, TeamCo’s historical media archives, the intellectual property rights relating to the TeamCo brand and certain employees.

As described in detail in our previous reports, since May 22, 2024, TeamCo is indirectly controlled – with a 99.6% stake – by Oaktree Capital Management, L.P. (“Oaktree”), while the remaining 0.4% stake belongs to other minority shareholders.

TeamCo, with a history dating back to 1908, is one of the leading European football clubs and one of the top football clubs in Italy. TeamCo is the only club to have played every season in Italy’s top football league, known as Serie A, since the league’s inception in 1929, and is the only club in Serie A that has never been relegated to a league with a lower standing. Inter has won 37 domestic trophies, including twenty Serie A championships, nine Domestic Cup titles (“Coppa Italia”), and eight domestic Super Cup titles (“Supercoppa Italiana”), three UEFA Champions League (“UCL”) titles, three UEFA Cup titles, two Intercontinental Cups and one FIFA Club World Cup. In 2010 Inter became the first Italian team to complete the “Continental Treble” by winning the titles in Serie A, Coppa Italia and UCL all in the same season. Since 2000, Inter has won the Serie A championship five consecutive times, from 2005/2006 to 2009/2010 and, more recently, in the sporting seasons 2020/2021 and 2023/2024.

CORPORATE BOARDS, MANAGEMENT AND AUDITORS

MediaCo Board of Directors

Alejandro Francisco Cano Gutierrez	President
Alessandro Antonello	Executive Director
Katherine Margaret Ralph	Non-Executive Director
Renato Meduri	Non-Executive Director
Lorenzo Mauro Banfi	Non-Executive Director (Independent Director)

MediaCo Senior Management

Giuseppe Marotta	President and Chief Executive Officer - Sport
Alessandro Antonello	Chief Executive Officer – Corporate
Javier Zanetti	Vice President
Piero Ausilio	Chief Sport Officer
Giorgio Ricci	Chief Revenue Officer
Andrea Accinelli	Chief Financial Officer

MediaCo Board of Statutory Auditors (appointed on October 28, 2024)

Lorenzo Caprio	Chairman
Cristiano Garbarini	Auditor
Paola Mignani	Auditor

MediaCo Independent Auditors

PricewaterhouseCoopers S.p.A.

MEDIACO REFINANCING TRANSACTION – SENIOR SECURED NOTES DUE 2027

Senior Secured Notes due 2027 priced in January 2022 and issued in February 2022

On January 27, 2022, MediaCo priced its offering of €415.0 million in aggregate principal amount of 6.75% Senior Secured Notes due 2027 at an issue price of 100.00%. (the “Notes”). The issuance and settlement of the Notes occurred on February 9, 2022.

The proceeds of the Notes have been used to redeem the MediaCo’s outstanding 4.875% senior secured notes due 2022 (the “Old Notes”), to repay the TeamCo’s revolving credit facility due 2022 – the “RCF” (which was fully drawn down for €50.0 million), to fund the secured accounts with respect to the Notes and to pay related fees and expenses.

Through this refinancing transaction (the “Refinancing Transaction”) we have extended the maturity profile of the TeamCo group’s debt, keeping a financing structure which enables the group to pursue its long-term strategic goals.

As already stated in detail in our previous report presenting the Financial Results of Inter Media and Communication S.p.A for the nine months ended March 31, 2024, the acquisition of the control of TeamCo by Oaktree did not cause any Default or Event of Default under the Notes and no Change of Control Triggering Event is outstanding under the Notes. No forward-looking statements are being made in this statement and all statements are made only as of the date of this report.

Buy-back for €15.0 million underwritten in June 2024 and settled by cash in July 2024

As already described in our previous report presenting the results for the fiscal year ended June 30, 2024, on 25 June 2024, exploiting favorable market conditions and making use of the services of a qualified financial intermediary, we repurchased a nominal amount of € 15.0 million of the Notes. The transaction was settled in cash by the same intermediary on July 3, 2024 involving a total payment of € 14,786 thousand, of which Euro 14,778 thousand for the repurchase of the Notes at the market price below par of 0.9852 and Euro 8 thousand relating to accrued interest accrued from the start date of coupon accrual (July 1, 2024) to the date on which the closing of the transaction was carried out (July 3, 2024).

FINANCIAL INFORMATION

INTRODUCTION

The financial information presented in this section is based on the unaudited interim financial statements of MediaCo as of and for the three-month period ended September 30, 2024 (the "Interim Financial Statements").

The Interim Financial Statements have been prepared in accordance with the accounting standards of the Italian Accountants Profession Board (Consiglio Nazionale dei Dottori Commercialisti ed Esperti Contabili), revised and supplemented by the Italian Accounting Organization (Organismo Italiano di Contabilità, O.I.C.) ("Italian GAAP").

In preparing the Interim Financial Statements, however, MediaCo reclassified and renamed certain Italian GAAP line items in line with international format.

The items reported in the Interim Financial Statements are stated in accordance with the general principles of prudence and accruals and using the going concern assumption as well as considering the economic function of the assets and liabilities.

The Interim Financial Statements are shown in Euro, which is the functional currency of the TeamCo group. All amounts shown in this document are expressed in thousands of Euro, unless otherwise specified.

Please note that all percentage variances are calculated using the exact data presented in the tables and not to the numbers quoted in the narrative which have been subject to rounding.

FORWARD-LOOKING STATEMENTS

This presentation may contain forward-looking statements that are based on our current expectations, estimates and projections as well as management's beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "may," "should", "will," and variations of these words or similar expressions are intended to identify forward-looking statements. These statements speak only as of the date hereof. Such statements are based upon the information available to us now and are subject to change. We will not necessarily inform you of such changes. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results could differ materially and adversely from those expressed in any forward-looking statements as a result of various factors.

INCOME STATEMENT

The following table sets forth Income Statement data for MediaCo for the three months ended September 30, 2024, compared with the three months ended September 30, 2023.

	For the three months ended September 30	
	2023	2024
<i>(in thousands of €)</i>		
Revenue	19.643	23.306
Other Income	10	171
Total revenue	19.653	23.477
Personnel costs	886	1.165
Cost of services	2.771	4.509
Other operating costs	59	318
Write-downs of trade receivables	-	403
Depreciation and amortization	5.141	5.150
Provisions for risks and charges	-	-
Total operating costs	8.857	11.545
Operating profit	10.796	11.932
Net financial expenses	(2.863)	(2.582)
Profit/(Loss) before tax	7.933	9.350
Income taxes	(2.523)	(2.832)
Profit/(Loss) for the period	5.410	6.518

BALANCE SHEET

The following table sets forth the Balance Sheet data for the issuer as of September 30, 2024 compared with June 30, 2024.

	As at	
	June 30 2024	September 30 2024
<i>(in thousands of €)</i>		
Non-current assets		
Intangible assets	304.424	299.286
Property, plant and equipment	138	129
Financial assets	17.584	17.584
Loan to parent company	346.695	351.311
Trade receivables	50	175
Prepaid expenses	11	9
Non-current Assets	668.902	668.496
Current assets		
Financial assets	4	4
Trade receivables	21.199	24.440
Trade receivables from parent companies and their affiliated	4.418	48.228
Tax receivables	295	6
Deferred tax assets	16.623	16.616
Other receivables	14	14
Prepaid expenses	348	304
Cash at bank and on hand	32.113	41.657
Current Assets	75.014	131.269
Total Assets	743.916	799.765

	As at	
	June 30 2024	September 30 2024
<i>(in thousands of €)</i>		
Liabilities and Shareholders' equity		
Shareholders' equity		
Share capital	500	500
Reserve	187.776	187.776
Retained earnings	4.115	27.658
Profit/(Loss) for the period	23.543	6.518
Total Shareholders' equity	215.934	222.452
Non-current Liabilities		
Deferred tax liabilities	50.306	49.560
Other provisions	247	497
Provisions for employee severance indemnities	476	475
Senior Secured Notes	384.695	385.049
Bank loans	-	-
Tax Payables	-	-
Social security payables	-	-
Deferred income	9.349	9.263
Non-current Liabilities	445.072	444.843
Current Liabilities		
Senior Secured Notes	7.512	14.493
Other financial payables	15.000	-
Trade payables	4.447	4.768
Trade payables to parents companies and their affiliated	25.668	78.139
Dividends Payable	6.712	6.712
Tax Payables	370	400
Social security payables	326	151
Other payables	630	498
Accrued expenses	124	225
Deferred income	22.121	27.085
Current Liabilities	82.910	132.470
Total Liabilities and Shareholders' equity	743.916	799.765

CASH FLOW STATEMENT

The following table sets forth Cash Flow Statement data for MediaCo for the three months ended September 30, 2024, compared with the three months ended September 30, 2023.

	For the three months ended September 30	
	2023	2024
<i>(in thousands of €)</i>		
Profit for the period	5.410	6.518
Current taxes	3.102	3.571
Net Financial Expenses	2.863	2.581
Profit for the period before taxes and interest	11.375	12.670
Depreciation and amortization	5.141	5.149
Write-downs /release/uses) of trade receivables	(8)	373
Employee severance indemnities	44	49
Accrual for risks	-	250
Deferred tax assets and liabilities	(580)	(739)
Cash flow from operating activities before changes in working capital	15.973	17.752
(Increase)/Decrease in trade and other receivables	(41.026)	(2.384)
Increase/(Decrease) in trade and other payables	14.236	4.069
Other variations in net working capital	4.762	5.024
Cash flow from operating activities after changes in working capital	(6.055)	24.461
Taxes paid	-	-
Interest and other financial expenses paid	(76)	(77)
Employee severance indemnities paid	(38)	(50)
A. Cash flow from operating activities	(6.168)	24.334
Investments in Intangible Assets	(20)	(1)
Investments in Property, Plant and Equipment	(6)	(3)
Investments on Financial Assets (Debt service and reserve account)	0	-
B. Cash flow from investing activities	(26)	(4)
Senior Secured Notes - buy-back	-	(14.786)
C. Cash flow from financing activities	-	(14.786)
Increase/(Decrease) cash and cash equivalents (A ± B ± C)	(6.194)	9.544
Cash at bank and on hand at the beginning of the period	50.525	32.113
Cash at bank and on hand at the end of the period	44.330	41.657

BUSINESS UPDATE

SPONSORSHIP REVENUE

As of the date of this report, contracted sponsorship fees for the current fiscal year ending June 30, 2025, amount to approximately €97M (already €19M higher than actual figure recorded in the fiscal year ended on June 30, 2024). While we are working to finalize/renew further contracts which are currently under negotiation, we note that this figure includes:

- the new contract signed with Betsson Services Limited, as Global Main Jersey Partner, for the sporting seasons 2024/2025 to 2027/2028.
- the new contract signed with Gate Information Pte. Ltd., as Global Sleeve Partner, for the sporting seasons 2024/2025 to 2025/2026.
- the contract renewed with Nike as Technical Sponsor beginning of July 2023 for the sporting seasons 2023/2024 to 2030/2031, extending the partnership previously expiring on June 30, 2024, for a fee increased by 70%.
- the contract signed in mid-September 2023 with U-Power as Official Back Jersey Partner for the sporting seasons 2023/2024 to 2026/2027.
- the contract signed in 2022 with Konami as Global Football Videogame Partner, Youth Development Centre Partner e Training Kit Back Partner for the sporting seasons 2022/2023 to 2027/2028.
- the global partnership signed in November 2023 with Qatar Airways which, starting from the current sporting season 2024/20025 and until 2026/2027, has been subject to the upgrade to Official Training Kit front partner, replacing LeoVegas News, whose contract has been terminated one year in advance following the signing with Bettson Group (being the latter a player operating in the same commercial category)
- the global partnership signed since 2023/2024 with BPER which, starting from the current sporting season 2024/20025 and until 2025/2026, has been subject to the upgrade to Official Training Centre Naming Rights Partner (replacing the brand Suning related to previous majority shareholder) and to new Official Training Kit Sleeve Partner
- several other global and regional sponsorship partners (ca. 30 in total).

MEDIA REVENUE

Serie A

The current sporting season 2024/2025 is the first of one of the new multi-year cycle relating to the centralized domestic and international broadcasting of Serie A.

The assignment of domestic rights has already been finalized: as already reported in our previous reports, on October 23, 2023, Serie A league has assigned domestic rights to DAZN and Sky (the same broadcasters of the previous cycle) for five sporting seasons (24/25 to 28/29) for an average annual value of €900 million. This represents a 2.9% decrease compared to the average amount of €927 million of the current cycle, nevertheless the new assignment gives a long-term stability to the league and, also, includes a revenue share mechanism over a turnover threshold realized by DAZN which could increase the fixed amount.

The process for international rights assignment is not terminated yet (for certain regions negotiations are still under finalization).

Overall, the current expectation is to close with final net distributable revenues available for the clubs by ca. 10% less than prior cycle. Based on this expectation, we estimate for MediaCo annual revenues in the range of €80 to €86 million (excluding any VAT assigned from TeamCo to MediaCo with the assignment of the related receivable) if the team finishes the league in the top four positions (with low volatility in case of worse performance). We also highlight additional revenue (for the portion assigned to MediaCo) depending on the performance of the team in Coppa Italia and Supercoppa Italiana.

UEFA

The current sporting season (2024/2025) is the first one of new UEFA three years-cycle (involving a new format for UCL and other competitions), for which total net distributable revenues for participating clubs have increased by approx. 22% compared to prior cycle.

Based on resources available at UEFA level and the distribution model in place, we expect for MediaCo secured revenue in the region of €70 million just for playing the initial league phase. This amount can increase depending on the further progression of the team in the competition.

Regarding UEFA revenue, we finally highlight that, based on group consolidated results for fiscal year ended June 30, 2024, we expect to have met again the financial target set by Settlement Agreement. Therefore, we do not expect any financial contribution to be withheld from prize money due in the 24/25 sporting season.

Other Media Revenue

Other Media Revenue mainly relate to revenues arising from distribution of Inter TV and licensing of Inter's archive content rights, at both domestic and international level. As of the date of this report, we expect related contracted fees for the fiscal year ending June 30, 2025, in the range of € 10 to 11.0 million.

RATING UPDATE

On November 20, 2024, Fitch issued an update where they affirmed the "B+" rating and the "stable" outlook.

MANAGEMENT'S DISCUSSION AND ANALYSIS

KEY PERFORMANCE INDICATORS

As described in the Offering Memorandum, in assessing the performance of our business, the key financial measures we use are 'Adjusted Revenue' and 'Cash Available for Debt Service'.

Adjusted Revenue

The following table details Adjusted Revenue for the three months ended September 30, 2024, compared with the three months ended September 30, 2023.

	For the three months ended September 30	
	2023	2024
<i>(in thousands of €)</i>		
A. Direct Media Revenue	2.432	612
B. Other Income	10	171
C. Sponsorship Revenue	17.211	22.694
D. Total Revenue (A+B+C)	19.653	23.477
E. Serie A and similar Indirect Media Revenue *	47.100	28.116
F. UEFA Indirect Media Revenue *	40.766	44.875
G. Adjusted Media Revenue (A+E+F)	90.298	73.602
B. Other Income	10	171
C. Sponsorship Revenue	17.211	22.694
Adjusted Revenue (G+B+C)	107.519	96.468

**Represented based on actual cash value (incl. VAT where applicable) of Media Revenue assigned from TeamCo to MediaCo during the three months ended September 30*

Our Adjusted Revenue decreased by €11.1 million or 10.3%, to 96.5 million for the three months ended September 30, 2024, from €107.5 million for the three months ended September 30, 2023.

Main driver of the decrease is the reduction of Serie A and Direct Media Revenues partially offset by the increase in UEFA and Sponsorship Revenue. More in details:

- Serie A and similar Indirect Media Revenue decreased by €19.0 million (or 40.3%) mainly due to (i) instalments for €13.3 million pertaining to 2024/2025 new Serie A cycle invoiced in advance in June 2024 (and then recognized in prior fiscal year at the time of assignment of the receivable from TeamCo to MediaCo) as per the agreement

between Serie A league and domestic broadcasters and (ii) lower distributable revenue available with the new cycle started in current fiscal year. In addition, because of a distribution model where annual instalments due by domestic broadcasters follow a growing pattern, current fiscal year (first year of the cycle) is penalized compared to the previous one (last year of the cycle)

- Direct Media Revenue decreased by €1.8 million (or 74.8%) mainly due to a delay in the finalization of the contacts relating to the new cycle effective July 1, 2024
- UEFA Indirect Media Revenue increased by €4.1 million (+10.1%) mainly due to higher distributable revenue available with the new cycle started in current fiscal year
- Sponsorship Revenue increased by €5.5 million (+31.9%) driven by growth in Shirt Sponsorship Revenue as shown by the table below:

	For the three months ended September 30	
	2023	2024
<i>(in thousands of €)</i>		
Shirt	3.731	9.261
Technical	5.313	5.313
EU/Global	7.369	8.120
Regional and naming rights	799	-
Sponsorship Revenue	17.211	22.694

The increase in Sponsorship Revenue is a result of the signing of the new contracts with Betsson Services Limited as Global Main Jersey Partner) and Gate Information Pte. Ltd (as Global Sleeve Partner)

Cash Available for Debt Service

The following table sets forth Cash Available for Debt Service for the three months ended September 30, 2024 compared with the three months ended September 30, 2023.

	For the three months ended September 30	
	2023	2024
<i>(in thousands of €)</i>		
Sponsorship Revenue		
- Shirt	3.731	9.261
- Technical	5.313	5.313
- EU/Global	7.369	8.120
- Regional and naming rights	799	-
Direct Media Revenue	2.432	612
Other Income	10	171
Total revenue	19.653	23.477
Indirect Media Revenue		
- Serie A and similar Indirect Media Revenue *	47.100	28.116
- UEFA Indirect Media Revenue *	40.766	44.875
Adjusted Revenue	107.519	96.468
Change in Current/Non current operating assets **	(36.339)	(42.702)
Cash Inflows	71.180	53.766
Personnel costs	(886)	(1.165)
Cost of services	(2.771)	(4.509)
Other costs	(59)	(318)
Adjusted Tax Expenses	(581)	(645)
Change in Current/Non-current operating liabilities **	(789)	820
Adjusted Services Agreement Fees	1.257	1.321
Cash Outflows	(3.829)	(4.496)
Cash Available for Debt Service	67.351	49.270

*Represented based on actual cash value (incl. VAT where applicable) of Media Revenue assigned from TeamCo to MediaCo for the three months ended September 30

** excluding change relating to Write-down of trade receivables and other Non-cash items

*** excluding change relating to accruals to/releases of risk provisions, deposits received from clients (the latter reclassified under Inflows) and other Non-cash items

Cash Available for Debt Service decreased by €18.1 million (or 26.8%) to €49.3 million for the three months ended September 30, 2024, from €67.4 million for the three months ended September 30, 2023. With cash outflows relatively stable and limited in size (reflecting the nature of the MediaCo business), such reduction has been driven by a €17.4 million decrease in Cash Inflows (-24.5% from €71.2 million to €53.8 million).

The reduction in cash inflows has been driven by the combined impact of:

- €11.1 million decrease in Adjusted Revenue described on previous pages
- €6.4 million higher negative impact from the dynamics of Working Capital, mainly related to (i) anticipated collection in June 2024 of certain sponsorship fees relating to the fiscal year 2024/2025 and (ii) size, and related collection timing, of a portion of Serie A and UEFA Media revenue invoiced by TeamCo in Q1 (and hence booked by MediaCo upon assignment of receivables) and then collected in Q2 according to Serie A and UEFA scheduling.

RESULTS OF OPERATIONS

The following table sets forth Income Statement data for MediaCo for the three months ended September 30, 2024 compared with the three months ended September 30, 2023.

	For the three months ended September 30	
	2023	2024
<i>(in thousands of €)</i>		
Revenue	19.643	23.306
Other Income	10	171
Total revenue	19.653	23.477
Personnel costs	886	1.165
Cost of services	2.771	4.509
Other operating costs	59	318
Write-downs of trade receivables	-	403
Depreciation and amortization	5.141	5.150
Provisions for risks and charges	-	-
Total operating costs	8.857	11.545
Operating profit	10.796	11.932
Net financial expenses	(2.863)	(2.582)
Profit/(Loss) before tax	7.933	9.350
Income taxes	(2.523)	(2.832)
Profit/(Loss) for the period	5.410	6.518

Revenue. Revenues for the three months ended September 30, 2024, increased by €3.8 million (or 18.6%) to €23.5 million from €19.7 million for the three months ended September 30, 2023, driven by the combined opposite impact of the growth in Sponsorship Revenue (+€5.5 million) and the decrease in Direct Media Revenue (- €1.8 million) described in the section "Adjusted Revenues".

Operating costs. The sum of **Personnel Costs**, **Cost of services** and **Other Operating costs** for the three months ended September 30, 2024, increased by €2.3 million (or +61.3%) to €6.0 million from €3.7 million for the three months ended September 30, 2023, mainly as a result of the strengthening of the sales department and more agency fees and other direct fulfillment costs related to increased Sponsorship Revenue.

Write-downs of trade receivables. Write-downs of trade receivables for the three months ended September 30, 2024, increased by €0.4 million to €0.4 million from €0 million for the three months ended September 30, 2023, mainly due the decision to accrue a provision for certain receivables which became overdue in the current quarter.

Depreciation and amortization. Depreciation and amortization for the three months ended September 30, 2024, are in line with the three months ended September 30, 2023, at €5.1 million. They mainly refer to the amortization of the brand, of the goodwill and of the historical archive.

Net Financial expenses. Net Financial expenses for the three months ended September 30, 2024, are in line with the three months ended September 30, 2023, at €2.6 million (with a slight decrease compared to Q1 of prior fiscal year because of the €15 million bond-buy back made beginning of July 2024). They mainly refer to the net interest expense of the Notes (€7.4 million) net of interest income accrued on intercompany loans to TeamCo (€4.6 million).

Income taxes. Income taxes for the three months ended September 30, 2024, increased by €0.3 million to €2.8 million from €2.5 million for the three months ended September 30, 2023, drive by the increase in Profit Before Tax.

Profit for the period. For the reasons described above, driven by the growth in Sponsorship Revenue, Profit for the three months ended September 30, 2024, increased by €1.1 million (or + 20.5%) million to €6.5 million from €5.4 million for the three months ended September 30, 2023.

CASH FLOW

The following table sets forth Cash Flow Statement data for MediaCo for the three months ended September 30, 2024, compared with the three months ended September 30, 2023.

	For the three months ended September 30	
	2023	2024
<i>(in thousands of €)</i>		
Profit for the period	5.410	6.518
Current taxes	3.102	3.571
Net Financial Expenses	2.863	2.581
Profit for the period before taxes and interest	11.375	12.670
Depreciation and amortization	5.141	5.149
Write-downs /release/uses) of trade receivables	(8)	373
Employee severance indemnities	44	49
Accrual for risks	-	250
Deferred tax assets and liabilities	(580)	(739)
Cash flow from operating activities before changes in working capital	15.973	17.752
(Increase)/Decrease in trade and other receivables	(41.026)	(2.384)
Increase/(Decrease) in trade and other payables	14.236	4.069
Other variations in net working capital	4.762	5.024
Cash flow from operating activities after changes in working capital	(6.055)	24.461
Taxes paid	-	-
Interest and other financial expenses paid	(76)	(77)
Employee severance indemnities paid	(38)	(50)
A. Cash flow from operating activities	(6.168)	24.334
Investments in Intangible Assets	(20)	(1)
Investments in Property, Plant and Equipment	(6)	(3)
Investments on Financial Assets (Debt service and reserve account)	0	-
B. Cash flow from investing activities	(26)	(4)
Senior Secured Notes - buy-back	-	(14.786)
C. Cash flow from financing activities	-	(14.786)
Increase/(Decrease) cash and cash equivalents (A ± B ± C)	(6.194)	9.544
Cash at bank and on hand at the beginning of the period	50.525	32.113
Cash at bank and on hand at the end of the period	44.330	41.657

Cash flow from operating activities. Cash flow from operating activities for the three months ended September 30, 2024, increased by €30.5 million to positive €24.3 million from negative €6.2 million for the three months ended September 30, 2023. The increase is mostly

related to the opposite dynamic of working capital affected by timing of trade receivables and of cash “up-streams” to TeamCo according to the payment waterfall mechanism set out by the bond indenture.

Cash flow from investing activities. Capital investments in intangible and tangible assets remained immaterial in respect of our business (€4 thousands versus €26 thousands).

Cash flow from financing activities. Cash flow from financing activities for the three months ended September 30, 2024, amounted to negative €14.8 million fully related to the repurchase of the Notes described on previous pages (versus no outflow in the three months ended September 30, 2023).

Net change in cash and cash equivalent. Net change in cash and cash equivalent for the three months ended September 30, 2024, increased by €15.7 million to positive €9.5 million from negative €6.2 million for the three months ended September 30, 2023 as a consequence of what above described.

BALANCE SHEET

The following table sets forth the Balance Sheet data for the issuer as of September 30, 2024, compared with June 30, 2024.

Assets:

	As at	
	June 30 2024	September 30 2024
<i>(in thousands of €)</i>		
Non-current assets		
Intangible assets	304.424	299.286
Property, plant and equipment	138	129
Financial assets	17.584	17.584
Loan to parent company	346.695	351.311
Trade receivables	50	175
Prepaid expenses	11	9
Non-current Assets	668.902	668.496
Current assets		
Financial assets	4	4
Trade receivables	21.199	24.440
Trade receivables from parent companies and their affiliated	4.418	48.228
Tax receivables	295	6
Deferred tax assets	16.623	16.616
Other receivables	14	14
Prepaid expenses	348	304
Cash at bank and on hand	32.113	41.657
Current Assets	75.014	131.269
Total Assets	743.916	799.765

Non-current assets. Non-current assets decreased by €0.4 million from €668.9 million on June 30, 2024 to €668.5 million on September 30, 2024, mainly as a consequence of the combined opposite impact of:

- the €5.1 million reduction in Intangible Assets related to amortization of the period.
- the € 4.6 million increase in Loans to parent company (TeamCo) related to accrual of interest income of the period.

Current assets. Current assets increased by €56.3 million from €75.0 million on June 30, 2024, to € 131.3 million on September 30, 2024, mainly because of:

- €47.1 million net increase in Total Trade receivables
- €9.5 million increase in Cash at bank and on hand (for the reasons described in the previous section "Cash Flow Statement")

The €47.1 million increase in Trade Receivables is summarized in the table below:

	As at June 30 2024	As at September 30 2024	Var.
<i>(in thousands of €)</i>			
Other International/Regional Sponsorship Agreements- Receivables from Agencies (Provision for doubtful accounts - international/Regional Agencies)	29.492 (22.955)	29.492 (22.955)	- -
Provision for doubtful accounts (Discount of long term receivables)	(6.537)	(6.537)	-
Trade Receivables from International/Regional Agencies	-	-	-
Trade Receivables- Digitalbits- O/s receivable 21/22 (performance bonuses)	1.600	1.600	-
Trade Receivables- Digitalbits- O/s receivable 22/23 (1st installment) (Provision for doubtful accounts -Digitalbits)	29.750 (31.350)	29.750 (31.350)	- -
Trade Receivables from Digitalbits	-	-	-
Receivables relating to UEFA Indirect Media Revenue (from Teamco)	-	44.875	44.875
Receivables relating to Serie A Indirect Media Revenue	13.335	18.768	5.433
Other trade receivables (Provision for doubtful accounts - other trade receivables)	21.454 (9.122)	18.695 (9.494)	(2.759) (372)
Other Trade Receivables - Net	25.667	72.843	47.177
Total Trade receivables (incl. from parent companies and affiliated) - Net	25.667	72.843	47.177
Breakdown in the Balance Sheet			
Trade receivables (Non-current Assets) [A]	50	175	125
Trade receivables (Current Assets)	21.199	24.440	3.241
Trade receivables from parent companies and their affiliated	4.418	48.228	43.810
Total Trade receivables (Current Assets) [B]	25.616	72.668	47.052
Total Trade receivables (incl. from parent companies and affiliated) - Net [A] + [B]	25.667	72.843	47.177

- UEFA Indirect Media Revenue (receivables from TeamCo): €44.9 million receivable relates to UEFA Indirect Media Revenue booked in Q1 24/25. This amount, in line with UEFA annual payment schedule, has been collected end of September 2024 from TeamCo on the UEFA dedicated account (with related receivable simultaneously assigned to MediaCo) and paid down to MediaCo beginning of October 2024 (in line with the rules of the indenture).
- Receivables relating to Serie A Indirect Media Revenue: the amount of €18.8 million relates to the portion of Serie A Indirect Media Revenue booked in Q1 24/25 upon assignment from TeamCo of the receivable generated from the invoices of the first 24/25 instalments issued until September 2024 according to the schedule defined by Lega Serie A. This amount, in line with payment schedule agreed by Lega Serie A with broadcasters, has been collected in Q2 24/25.

Liabilities:

	As at	
	June 30 2024	September 30 2024
<i>(in thousands of €)</i>		
Liabilities and Shareholders' equity		
Shareholders' equity		
Share capital	500	500
Reserve	187.776	187.776
Retained earnings	4.115	27.658
Profit/(Loss) for the period	23.543	6.518
Total Shareholders' equity	215.934	222.452
Non-current Liabilities		
Deferred tax liabilities	50.306	49.560
Other provisions	247	497
Provisions for employee severance indemnities	476	475
Senior Secured Notes	384.695	385.049
Deferred income	9.349	9.263
Non-current Liabilities	445.072	444.843
Current Liabilities		
Senior Secured Notes	7.512	14.493
Other financial payables	15.000	-
Trade payables	4.447	4.768
Trade payables to parents companies and their affiliated	25.668	78.139
Dividends Payable	6.712	6.712
Tax Payables	370	400
Social security payables	326	151
Other payables	630	498
Accrued expenses	124	225
Deferred income	22.121	27.085
Current Liabilities	82.910	132.470
Total Liabilities and Shareholders' equity	743.916	799.765

Shareholders' equity. Shareholders' equity increased by €6.5 million from €215.9 million on June 30, 2024, to €222.4 million on June 30, 2024, as a consequence of the Net Profit of the period

Non-current liabilities. Non-current liabilities on September 30, 2024, amounted to €444.8 million, overall in line with the balance on June 30, 2024 (€445.1 million), with no relevant movements to be highlighted in the period.

Current liabilities. Current liabilities increased by €49.6 million from €82.9 million on June 30, 2024, to €132.5 million on September 30, 2024, mainly due to the combined opposite impact of:

- (increase) - €52.5 million increase in trade payables to parent companies and their affiliated primarily relating to the increase in payables due to TeamCo in respect of assignment of media rights receivables not yet repaid ("up streamed") at the balance sheet date through the payment waterfall mechanism set out by the indenture
- (increase) - €7.0 million increase in the current element of the Notes which relates to the portion of interest accrued in the three months ended September 30, 2024, and to be paid in December 2024.
- (increase) - €5.0 million increase in Deferred Income which mainly relates to sponsorship installments already invoiced as of September 30, 2024, according to contractual terms but whose revenues pertain and, accordingly, will be recognized, in the remaining part of the fiscal year ending June 30, 2025.
- (decrease) - €15.0 million decrease in Other financial payables fully as a consequence of the settlement by cash in July 2024 of the buy-back deal of the Notes underwritten in June 2024

CAPITAL EXPENDITURES

The level of capital expenditure in intangible and tangible assets (€ 4 thousands) was not considered material for the period under review.

NET FINANCIAL POSITION

Net Financial position decreased by €17.2 million from €357.5 million on June 30, 2024, to €340.3 million on September 30, 2024.

	As at	
	June 30 2024	September 30 2024
<i>(in thousands of €)</i>		
Cash at bank and on hand	32.113	41.657
Current financial assets (Debt Service Account)	4	4
Current financial receivables	4	4
Senior Secured Notes 2027 - current portion (face value)	(7.512)	(7.512)
Seniore Secrued Notes 2027 - Accrued interest charges and other financial expense:	-	(6.981)
Other financial payables (Notes buy-back)	(15.000)	-
Current financial liabilities	(22.512)	(14.493)
Net current financial assets/(liabilities)	9.605	27.168
Senior Secured Notes 2027 - long term portion (face value)	(388.914)	(388.914)
Senior Secured Notes 2027 - unamortized transaction fees	4.219	3.865
Financial Assets (Debt Reserve Account)	17.584	17.584
Non-current financial liabilities	(367.111)	(367.465)
Net financial position	(357.506)	(340.297)

As shown by the table above, the decrease was a result of the combined impact of:

- (increase) - €9.5 million increase in Cash at bank and on hand due to positive net cash flow generated in the period (as previously explained in the paragraph "Cash Flow Statement").
- (increase) - €15.0 million decrease in Other financial payables due to settlement by cash in July 2024 of the buy-back deal of the Notes underwritten in June 2024
- (decrease) The €7.0 million increase in Current Financial Liabilities due to the Q1 24/25 pro-rata accrual of the €13.9 million interest on the Notes to be paid in December 2024.

RISK FACTORS

We confirm that the risk factors described in the Offering Memorandum, and not updated herein, remain applicable to the group.

TEAMCO UPDATE

After the most recent matches of 2024/2025 sporting season played as of the date of this report, the team is currently:

- sharing the 2nd position in the Serie A table (after 13 matches), one point behind the team in 1st position
- in the second position of the League phase of the new UCL format (after 5 matches), two points behind the team in first position (we remind that the first eight positions give direct access to Ro16, the positions from 9th to 24th involve a play-off to achieve Ro16, while the positions from 25th to 36th mean direct elimination from the competition)

In December 2024 the team will start to play the domestic Cup ("Coppa Italia") from the Round of 16 versus Udinese

In January 2025 the team will play the semi-final of Supercoppa Italiana vs. Atalanta in Saudi Arabia.

MATCHDAY

In the ten home matches of the 2024/2025 sporting season played to the date of this report (seven Serie A and three UCL), the average attendance has been over 70,000 thousand (among the top clubs in Europe, consistently with prior sporting seasons).

TRANSFER MARKET SUMMARY

The main players signed in the transfer market windows affecting the current fiscal year ending June 30, 2025, are:

Summer 2024 – Incoming Players:

- Zielinski (free transfer)
- Taremi (free transfer)
- Josep Martinez (acquired from Genoa)
- Palacios (acquired from Independiente Rivadavia)
- Correa (returning from loan to Marseille)

The main players who left TeamCo in the transfer market windows affecting the current fiscal year ending June 30, 2025, are:

Summer 2024 – Outgoing Players

- Oristanio (sold to Venezia)
- Carboni (in the past season on loan to Monza and now on loan to Marseille)
- Satriano (in the past season on loan to Brest and now on loan to Lens with conditioned obligation to buy)
- Agoume (sold to Seville)
- Sanchez (contract termination)
- Sensi (contract termination)
- Cuadrado (contract termination)
- Klaassen (contract termination)
- Audero (loan termination)

SHAREHOLDER LOANS AND RECAPITALISATIONS

As already described in our previous report, in Q1 24/25, Grand Tower made a TeamCo recapitalization of €47.0 million through:

- Waiver of the last €3.0 million shareholder loans outstanding principal and conversion into equity reserve
- cash injection to equity reserve for €44.0 million.

After the €3M waiver, the outstanding liability in the TeamCo balance sheet only relates to accrued interest (non-waived to date) for an amount of €31.4 million.

FURTHER EXPLANATORY NOTES AND BASIS OF PREPARATION

BASIS OF PRESENTATION

The Interim Financial Statements as of and for the three-months period ended September 30, 2024 have been prepared for the purposes of the preparation of the three-months consolidated accounts of the TeamCo group as at September 30, 2024.

The Interim Financial Statements include the balance sheet, the income statement and the cash flow statement and are unaudited. These Interim Financial Statements have been prepared in accordance with the accounting standards of the Italian Accountants Profession Board (Consiglio Nazionale dei Dottori Commercialisti ed Esperti Contabili), revised and supplemented by the Italian Accounting Organization (Organismo Italiano di Contabilità, O.I.C.) ("**Italian GAAP**").

Italian GAAP has recently been modified in order to take into account changes introduced in the Italian law governing Financial Statements by Decree No. 139 of August 18, 2015, which implemented Directive 34/2013/UE of the European Parliament and of the European Council on annual Financial Statements, consolidated Financial Statements and related reports of certain types of undertakings.

In preparing these Financial Statements, however, MediaCo reclassified and renamed certain Italian GAAP line items in a format of presentation more similar to international format.

The items reported in these Financial Statements are stated in accordance with the general principles of prudence and accruals and using the going concern assumption as well as considering the economic function of the assets and liabilities.

These Financial Statements are shown in Euro, which is the functional currency of the Group. All amounts shown in this document are expressed in thousands of Euro, unless otherwise specified.

SIGNIFICANT ACCOUNTING POLICIES

The Interim Financial Statements have been prepared in accordance with the OIC 30 Interim Financial Statements; therefore the Interim Financial Statements do not include all the information required in the annual Financial Statements.

The Interim Financial Statements have been prepared on a going concern basis.

The accounting policies adopted in preparing the Interim Financial Statements are the same as for the previous fiscal years and therefore reference should be made to the Financial Statements for the fiscal year ended June 30, 2024, for further considerations.

OTHER INFORMATION

Use of estimates

For Financial Statements preparation, it is necessary that the Management make estimates and assumptions which have effects on the values of assets and liabilities accounted for the Balance Sheet and even on potential assets and liabilities at the Financial Statements date. The estimates and assumptions used are based on experience and on other relevant factors. For this reason, the final results could therefore differ from these estimates. The estimates and assumptions are reviewed periodically and the effects of each of their variation are reflected on the income statement in the year when the estimate is revised (if this review has effects only in the current year), or also in subsequent years (if the review has effects on both the current and future years). The Balance Sheet items that are affected by these assumptions, are the bad debt reserve, the provisions for risks and charges and the evaluation of the recoverable value of property, plant and equipment and intangible assets (impairment test). The impairment test is generally carried out only when the audited Financial Statements for the fiscal year are prepared, unless there are indicators which require updates to estimates. No impairment test has been performed as of September 30, 2024, since no impairment indicators were brought to Directors' attention.

For more information about the main accounting estimates, please refer to the annual Financial Statements.

GUARANTEES, COMMITMENTS AND CONTINGENT LIABILITIES

MediaCo, throughout the periods, does not have any additional guarantees, commitments or liabilities other than which have already been disclosed in the financial information presented.

SUBSEQUENT EVENTS OCCURRED AFTER SEPTEMBER 30, 2024

The Shareholders' Meeting of MediaCo held on October 28, 2024, has approved the Annual Financial Statements of the fiscal year ended June 30, 2024 and the distribution in kind as a dividend of the €23.5 million net profit to its immediate shareholders (TeamCo and BrandCo).

In addition to this and to what is already described in this document, and in particular in the sections "Business Update" and "TeamCo Update", there are no further matters to be highlighted occurring between October 1st, 2024, and the current date.