



# **ANNUAL FINANCIAL REPORT**

**FOR THE FINANCIAL YEAR ENDED AS AT 30 JUNE 2021**

## TABLE OF CONTENTS

CONTENTS AND FORM	3
GENERAL INFORMATION	3
CORPORATE BODIES	6
REPORT ON OPERATIONS	8
SIGNIFICANT EVENTS THAT HAVE OCCURRED IN THE FINANCIAL YEAR	9
SIGNIFICANT EVENTS AFTER 30 JUNE 2021	11
ECONOMIC AND FINANCIAL PERFORMANCE	11
RELATIONS WITH RELATED PARTIES	15
INVESTMENTS IN SUBSIDIARIES, AFFILIATES AND PARENT COMPANIES	16
RELATIONSHIPS WITH THE GENERAL PARTNER BRAND MANAGEMENT S.R.L.	16
RESEARCH AND DEVELOPMENT COSTS	16
HUMAN RESOURCES	16
MAIN LEGAL PROCEEDINGS AND DISPUTES	17
MAJOR RISKS AND UNCERTAINTIES TO WHICH THE COMPANY IS EXPOSED	17
CONSOLIDATED FINANCIAL STATEMENTS	22
BUSINESS OUTLOOK AND GOING CONCERN	23
FINAL CONSIDERATIONS	27
FINANCIAL STATEMENTS AND NOTES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021	28
ACCOUNTING STATEMENTS	29
EXPLANATORY NOTES	34
LEGAL INFORMATION AND CONTACTS	71
REPORT OF THE INDEPENDENT AUDITORS	72

## CONTENTS AND FORM

This Annual Financial Report for the year ended 30 June 2021 (hereinafter also referred to as the “Annual Report” or “Report”), relates to the operating performance of Soccer S.a.s. di Brand Management S.r.l. (hereinafter, also the “Company” or “Soccer”), referring to the financial year 2020-2021 (hereinafter, the “Financial Year” or “Period”), closed on 30 June 2021.

The Company, in application of IAS/IFRS Standards, is considered a special purpose Company and, therefore, is consolidated in the AS Roma Group, including A.S. Roma S.p.A. (hereinafter “Parent Company” or “AS Roma”), ASR Media and Sponsorship S.p.A. (hereinafter “MediaCo”), Roma Studio S.r.l. (hereinafter “Roma Studio”), as well as Soccer itself. As a result of these considerations, the Company prepares its annual financial statements on the basis of international accounting standards, in line with what the Parent Company AS Roma has done.

In compliance with the reference regulations, the Company adopts the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (hereinafter “IASB”), approved by the European Commission in accordance with the procedure set out in Article 6 of Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19 July 2002, in force as at 30 June 2021. More specifically, the valuation criteria and accounting standards used comply with those adopted for the Annual Financial Report for the year ended 30 June 2020, to which reference should be made.

The amounts and the related comments contained in the financial statements included in the Report on Operations and in the Explanatory Notes are expressed in thousands of Euro, unless otherwise indicated. Amounts included in the Financial Statements are shown in Euro. The rounding up or down of amounts to the next Euro can give rise, in statements containing accounting data, to items that add up to an amount that is different from the one shown in the line recording the total of same.

Finally, it should be noted that the Report on operations and the Notes to the Financial Statements contain forward-looking statements relating to the economic and financial performance for the year 2021/2022, based on estimates and forecast data which, by their very nature, present varying degrees of uncertainty as to whether they will actually come true, since the forecasted events from which they originate may not occur or may occur to a different extent from that forecasted, while events that cannot be foreseen at the time of their preparation may occur, thus generating even significant deviations between actual and forecasted values.

## GENERAL INFORMATION

### CONSTITUTION OF THE COMPANY

Soccer was incorporated on January 15, 2007 with the transfer by AS Roma of the business unit consisting of the activities related to the commercial exploitation of the AS Roma brand and its derivatives, for merchandising, marketing and sponsorship activities (hereinafter “Business Unit”).

AS Roma, the limited partner, has contributed the Business Unit at an economic value of EUR 125,121,522.95 as determined by a sworn appraisal, net of cash and cash equivalents and cash relating to the Business Unit itself, which have not been contributed, while Brand Management, the general partner, has contributed EUR 10,000.00. In exchange for this contribution, AS Roma obtained a 99.99% stake in the capital of Soccer, which gave it a profit allocation of 97.4%, while Brand Management, with a 0.01% stake, is entitled to a profit allocation of 2.6%. AS Roma’s shareholding was subsequently reduced on 6 February 2015 to 99.98% of the Company’s share capital, following the sale of a nominal EUR 10,000 of its shareholding to ASR Soccer LP Srl, company then controlled by the parent company AS Roma SPV LLC (USA).

On 17 December 2007, on the basis of the contractual agreements, the balance of the transfer of the Business Unit was formalised, on the basis of the updated statement of financial position as at 31 December 2006, and a difference of EUR 1,699,253.08 emerged, which resulted in a corresponding reduction in the share capital of Soccer SAS.

In the 2014-2015 financial year, the Company's activities were modified by the transactions carried out in the context of the process of refinancing and reorganisation of activities related to the exploitation and management of the AS Roma brands and the management of "media" activities, which were separated from the management of the core business of AS Roma, i.e., the organisation and carrying out of football matches. In particular, to the subsidiary MediaCo was assigned all the activities relating to licensing and sponsorship, as well as the "direct media rights", whose activities are linked to the television channel "Roma TV" and the radio channel "Roma Radio", as well as other activities carried out on digital platforms (e.g., website, Facebook, Twitter, Instagram, Pinterest, Weibo, WeChat).

More specifically, on 11 February 2015, AS Roma transferred to ASR Media the "TeamCo Going Concern" Business Unit, relating to the management and commercial exploitation of "direct media rights", consisting of media rights relating to the production and broadcasting, via TV, radio or other media, of content (audiovisual and photographic material) relating to national and international matches, and in general to the activities of the AS Roma football team, other than contracts relating to indirect "media" rights, managed centrally by the Lega Nazionale Professionisti Serie A and UEFA.

On the same date, Soccer transferred to MediaCo the "Soccer Going Concern" Business Unit, relating to the management and commercial exploitation of the AS Roma brands. The scope of the transferred assets and liabilities is defined by all existing legal relationships for sponsorship, advertising and merchandising, with the only exceptions being the merchandising business relating to the retail management of Roma Store (including the management of online sales through the website [www.asromastore.it](http://www.asromastore.it)), and the portion of advertising and sponsorship agreements involving the sale of match tickets, which are not included in the scope of the transfer. More specifically, the business unit transferred by the Company to ASR Media consists of the following assets and agreements:

- ownership of "AS Roma" trademarks, which Soccer Sas was found to own, with regard to rights of commercial exploitation;
- marketing, licensing and sponsorship agreements and related receivables and deferred income;
- agreements for the supply of goods and services, and related payables and prepaid expenses;
- contractual relations with employees in relation to the assets transferred, and related payables;
- all other assets and liabilities pertaining to the Business Unit.

The share capital of MediaCo is equal to 200,000.00, 86.66% held by Soccer and 11.34% by AS Roma.

On 11 February 2015, MediaCo, as the grantor, and Soccer, as the tenant, also signed a company lease agreement concerning the lease of the business consisting of the assets transferred to the same MediaCo.

## CONSTITUTION OF ROMA STUDIO

On 19 January 2018, the new company "Roma Studio Srl" was established by AS Roma with the aim of managing the production, broadcasting and diffusion activities of the Roma Radio and Roma TV channels and all the Group's Media activities, in any manner and technology and on all platforms and applications. In fact, due to the considerable development of the media activities of the AS Roma Group in recent years, which has seen the creation of the radio channel "Roma Radio", the renewal of the television channel "Roma TV" and the growth of social media activities, AS Roma S.p.A. and Soccer have implemented a process aimed at reorganising media activities through the transfer of all media, multimedia and communication activities to Roma Studio.

The main deeds and agreements performed to achieve this reorganisation were as follows:

- the contribution in kind to Roma Studio of the AS Roma business unit concerning the concession for sound broadcasting Protocol No. 902812, the equipment and related agreements for broadcasting (formerly TVR Voxson), as well as the authorisation for satellite broadcasting of the television programme called "ROMA TV" (formerly "ROMA CHANNEL"), issued with resolution No. 35/07/CONS of 17 January 2007 and

subsequently renewed by Resolution No. 6/13/CONS of 10 January 2013 and Resolution No. 564/18CONS of 29 November 2018. The effective date of the transfer was set at 1 January 2019;

- the entering into between Soccer, as sub-grantor, and Roma Studio, as sub-tenant, of a sub-lease agreement for the business having as its subject, among other things, the management and commercial exploitation of the "Direct Media Rights", as well as Roma trademarks and agreements for the supply of goods and services instrumental to the running of the business. It should be noted that these rights and agreements were leased to Soccer by MediaCo on 11 February 2015 as part of a company lease agreement for the lease by ASR Media and Sponsorship SpA of the company consisting of the assets transferred to MediaCo from AS Roma and Soccer on the same date;
- the signing between Soccer, as the client, and Roma Studio, as the supplier, of a framework agreement for the supply of audio, video and multimedia content production services relating to AS Roma's sports activities.

#### SIGNING OF INTRA-GROUP FINANCING CONTRACTS

On 12 February 2015, as part of the refinancing of the existing debt of AS Roma and the financing of its net working capital, a senior facility agreement was signed, with variable rate and maturity in February 2020, for an amount of EUR 175 million - between, inter alia, (i) Goldman Sachs International and Unicredit S.p.A., as Mandated Lead Arranger and Bookrunner, (ii) MediaCo, as borrower, (iii) AS Roma, for the assumption of commitments and obligations and to acknowledge the provisions of the agreement, (iv) Soccer, for the assumption of commitments and obligations and to acknowledge the provisions of the agreement, (v) UniCredit Bank AG - Milan Branch as "Agent and Security Agent" (hereinafter, the "Facility Agreement"). MediaCo granted the financial resources from the Facility Agreement to Soccer which, in turn, granted them to AS Roma for the purposes of the aforementioned refinancing. This arrangement was governed by signing specific intercompany financing agreements with the companies concerned, under normal market conditions. The issuance costs and the costs of legal and financial advisors comply with market standards for similar transactions.

On 22 June 2017, an amendment agreement was signed, governed by English law, between, inter alia, (i) Unicredit S.p.A., as additional lending bank; (ii) UniCredit Bank AG - Milan Branch, as Agent and Security Agent; and (iii) MediaCo, as beneficiary (hereinafter, the "Amendment Agreement"), aimed at amending certain provisions of the Facility Agreement signed on 10 February 2015 for an amount equal to EUR 175 million, as amended by the agreement signed on 24 June 2015. In this regard, it should be noted that Unicredit S.p.A. carried out fronting activities and was not the ultimate creditor of the Facility Agreement, as amended by the Amendment Agreement. In accordance with the Amendment Agreement, the maturity date of the Facility Agreement was extended to the fifth anniversary from its effective date, i.e., to June 2022 ("Amendment Date"), and the repayment of the amounts originally provided under the Facility Agreement began from the first anniversary of the Amendment Date, i.e., 30 June 2018. In addition, under the Amendment Agreement, the credit line granted under the Facility Agreement was increased from EUR 175 million to EUR 230 million and the interest rate provided for therein has remained unchanged. MediaCo used part of the financial resources deriving from the increase in the credit line for the balance of payables to AS Roma and granted another part of these incremental financial resources to AS Roma, which used them for its own working capital purposes. This arrangement was governed by amending or signing specific intra-group financing agreements with the companies concerned, under normal market conditions. The issuance costs and the costs of legal and financial advisors comply with market standards for similar transactions.

The senior facility was fully repaid on 8 August 2019, simultaneously with the refinancing operation on the Group's debt, in which MediaCo issued a non-convertible Bond for a maximum total value of EUR 275 million, reserved for qualified investors and admitted to trading on the Vienna MTF and the Euro MTF of the Luxembourg Stock Exchange, with maturity on 1 August 2024. ASR Media granted the incremental financial resources from the Bond to AS Roma. These arrangements were regulated by amending or signing specific intercompany financing agreements with the companies concerned, regulated at normal market conditions.

The Bond was taken out as part of the consolidation and functional reorganisation process of the AS Roma Group in order to enable AS Roma, inter alia, to repay in full its existing financial debts through the resources deriving from the Bond, as well as to finance its financial needs.

## CORPORATE BODIES

At the date of this Report, the Corporate Bodies of Soccer are composed as follows:

General partner	Brand Management S.r.L
Limited partner	A.S. Roma S.p.A. ASR Soccer LP S.r.L

The Meeting of the Shareholders of Brand Management Srl, as a general partner of the Company, at the meeting held on 25 October 2017, appointed, as members of the Board of Directors for the financial years ending on 30 June 2018, 2019 and 2020, Messrs. Umberto Maria Gandini as Chairman, Mauro Baldissoni and Luca Danovaro as Directors. At a subsequent Board of Directors meeting held on 26 October 2017, the office of Chief Executive Officer was awarded to Mauro Baldissoni and the Chairman and Chief Executive Officer were granted the corresponding management powers.

At this regard it is recalled that:

- on June 12, 2018, Mr Luca Danovaro resigned from the office of Board Member; therefore, on August 27, 2018, Mr. Guido Fienga was appointed Board Member by cooptation and this appointment was ratified by the Meeting of the Shareholders of Brand Management Srl on September 26, 2018;
- on September 27, 2018, Mr. Umberto Maria Gandini resigned from the office of Chairman; therefore, on October 2, 2018, Mr. Francesco Calvo was appointed Board Member by cooptation and this appointment was ratified by the Meeting of the Shareholders of Brand Management Srl on October 25, 2018;
- on 4 October 2018, Mr. Mauro Baldissoni was appointed as Chairman and the office of Chief Executive Officer was awarded to Mr. Guido Fienga and he was granted the corresponding management powers;
- on September 28, 2020, Mr. Mauro Baldissoni resigned from the office of Chairman.

The Meeting of the Shareholders of Brand Management Srl, as a general partner of the Company, at the meeting held on 27 October 2020 appointed, as members of the Board of Directors for the financial years ending on 30 June 2021, 2022 and 2023. Guido Fienga as Chairman, Eric Felen Williamson III and Francesco Calvo as Directors. At a subsequent Board of Directors meeting held on 27 October 2020, the powers for the ordinary management of company activities have been granted on the Chairman.

On 6 October 2021, Dr. Guido Fienga has resigned from the position of Chairman of Brand Management S.r.L with immediate effect (i.e. starting from 6 October 2021). Consequently, on October 15, 2021, the Board of Directors of Brand Management S.r.L proceeded to co-opt Dr. Pietro Berardi, appointing him Chairman of Brand Management S.r.L as well as delegating to the same the powers for the ordinary management of the Company.

The Board of Statutory Auditors in office at the date of the Report was appointed by the Shareholders' Meeting of 25 October 2019 and will remain in office until the date of the Shareholders' Meeting called to approve the financial statements at 30 June 2022. It is composed of Claudia Cattani (Chairperson), Pietro Mastrapasqua (standing auditor), Massimo Gambini (standing auditor), Manuela Patrizi (alternate auditor), and Massimiliano Troiani (alternate auditor).

Finally, the Shareholders' Meeting of 25 October 2018 appointed Deloitte & Touche S.p.A. to perform the statutory audit the Company's accounts for the financial years 2019 to 2021, following the early termination by mutual consent of the statutory audit assignment given to BDO Italia S.p.A. due to the proposed changes concerning the statutory audit of the accounts of A.S. Roma S.p.A. and the AS Roma Group, as illustrated in the Explanatory Report of the Board of Directors of A.S. Roma S.p.A. prepared for the purposes of the Ordinary Shareholders' Meeting of A.S. Roma S.p.A. itself on 26 October 2018 in first call and 27 October 2018 in second call.

In order to provide a more complete overview, the Corporate Bodies of the companies involved in Soccer are listed below.

**GENERAL PARTNER - BRAND MANAGEMENT SRL**

At the date of this Report, the Corporate Bodies are composed as follows:

Board of Directors	Chairman	Pietro Berardi
	Director	Francesco Calvo Eric Felen Williamson III
	Board of Statutory Auditors	Chairman Standing Statutory Auditors Alternate Statutory Auditors
Auditing Firm		Deloitte & Touche S.p.A.

**SHAREHOLDER – AS ROMA**

At the date of this Report, the Corporate Bodies are composed as follows:

Board of Directors	Chairman	Thomas Dan Friedkin	
	Vice-Chairman	Ryan Patrick Friedkin	
	Directors	Marcus Arthur Watts	
		Eric Felen Williamson III	
		Analaura Moreira-Dunkel	
		Benedetta Navarra (*) (**)	
		Ines Gandini (*) (**)	
Mirella Pellegrini (*) (**)			
Executive Committee	Chairman	Thomas Dan Friedkin	
	Vice-Chairman	Ryan Patrick Friedkin Marcus Arthur Watts Eric Felen Williamson III	
Nominations and Remuneration Committee	Chairman	Benedetta Navarra (*) Ines Gandini (*) Mirella Pellegrini (*)	
	Internal Audit and Risk Management Committee	Chairman	Benedetta Navarra (*) Ines Gandini (*) Mirella Pellegrini (*)
		Officer in Charge of preparing the Company's financial reports	Giorgio Francia
Investor relator		Roberto Fonzo	
Auditing Firm		Deloitte & Touche S.p.A.	

(\*) Independent member pursuant to art. 148 of the TUF, of art. 3 of the Corporate Governance Code and by art. 16, paragraph 1 letter. d) and paragraph 2, of the Market Regulations adopted with Consob resolution no. 20249 of 28 December 2017.

**SHAREHOLDER - ASR SOCCER LP SRL**

At the date of this Report, the Corporate Bodies are composed as follows:

Sole Director	Pietro Berardi
---------------	----------------



## **ANNUAL FINANCIAL REPORT**

FOR THE FINANCIAL YEAR ENDED AS AT 30 JUNE 2021

# **REPORT ON OPERATIONS**



## **SIGNIFICANT EVENTS THAT HAVE OCCURRED IN THE FINANCIAL YEAR**

### **APPROVAL OF THE 2019/2020 FINANCIAL STATEMENTS**

On 27 October 2020, the Shareholders' Meeting of Soccer approved the financial statements for the year ended 30 June 2020 and resolved to carry forward the loss of EUR 14.169.361.

### **COVID-19 OUTBREAK AND CONSEQUENT MEASURES ISSUED BY PUBLIC AND SPORTING AUTHORITIES**

The national and international scenario continues to be characterized by the spread of the COVID-19, declared a "pandemic" by the World Health Organization, and by the subsequent restrictive measures for its containment issued by the public authorities of the affected areas. These extraordinary measures and provisions concern in general the limitation to the movement of people and the suspension of economic activities, while in the sports sectors they concerned the temporary suspension of all professional and amateur sporting activities starting from March to June 2020. The Serie A championship 2019/20 it was resumed and completed from 20 June to 2 August 2020, although the remaining matches were played behind closed doors, with a significant negative effect on ticketing, sponsorship and advertising revenues. All the remaining matches of the UEFA Champions League and UEFA Europa League were also played in August 2020, albeit with a different format than the original.

Furthermore, in September 2020, the Serie A 2020/21 championship began, which ended regularly in May 2021. All the matches were held behind closed doors, with the exception of some matches played between the end of September and the beginning of October 2020, for which a maximum number of admissions of one thousand people was admitted in the stands. International competitions (UEFA Champions League and UEFA Europa League) also began in October 2020 and ended without interruption in May 2021.

Moreover, in May the final of the Italian Cup 2020-21 took place in Reggio Emilia with the presence of about n. 4.000 spectators, equal to 20% of the stadium capacity, and between June and July 2021 the Euro 2020 Competition has been played with the presence of about n. 16.000 spectators at Stadio Olimpico, equal to 25% of the stadium capacity, adopting a protocol agreed with the Technical Scientific Committee for allow spectators to reach and follow the game safely in full compliance with the anti-Covid regulations

Furthermore, the Decree-Law n.105 of 23 July 2021, containing "Urgent measures to deal with the epidemiological emergency from COVID-19 and for the safe exercise of social and economic activities", defined the possibility of participation of the public at sporting events and competitions exclusively to subjects with one of the COVID-19 green certifications, and a capacity allowed, in the case of outdoor events held in the white area, up to a maximum of 50% of the maximum authorized, while in case of yellow zone, of 25% up to a maximum of 2,500 audience.

Lastly, on 7 October 2021, the Council of Ministers approved an amendment to the Decree-Law no. 52 of 22 April 2021 containing "*Urgent provisions regarding shows open to the public, sporting events and competitions and discos*" which expands the possibility of public participation in sporting events and competitions, in the case of outdoor events held the white zone, up to a maximum of 75% of the maximum authorized for each of the sectors dedicated to the presence of the public, while in the case of a yellow zone, up to a maximum of 50%.

The Company continues to face this reality with exceptional measures to protect the health of its members, employees and collaborators, including measures relating to hygiene at all its offices and the organization of remote work for in-office personnel, to ensure the continuity of non-sporting activities, as well as to protect its sources of income and its assets.

### **TERMINATION OF THE TECHNICAL SPONSORSHIP CONTRACT**

On 16 July 2020, the technical sponsorship agreement with Nike European Operations Netherlands B.V. signed on 12 March 2013, with an expiry date of 31 May 2024, for the production and supply of all match and training products, from the First Team to the youth teams, as well as leisure products for players and fans, with a basic remuneration in favour of the Club equal to EUR 4 million plus bonuses on achievement of certain sports results (including UEFA Champions League, UEFA Europa League, Serie A championship or Italian Cup), and

royalties in favour of the Club calculated on the basis of sales for each year of the agreement. The early termination of the agreement has retroactive effect between the parties starting from 1 June 2020.

On the same date, an agreement was signed with Nike valid for the 2020/2021 football season under which Nike will continue to provide all technical, match, training and casual equipment for the First Team, youth teams and women's teams on an exclusive basis.

### **SIGNING OF THE OFFICIAL FIRST TEAM SLEEVE SPONSOR CONTRACT**

In September 2020, a year partnership agreement was signed with IQONIQ Group Sarl, a fan engagement platform, which was the "Main Global Partner" and official sleeve sponsor of the First Team during the 2020/21 sport season.

### **REGISTRATION TO THE SERIES A 2020/2021 CHAMPIONSHIP**

In August 2020, the procedure for the issue of the National Licence and registration for the Serie A Championship for the 2020/21 football season was completed. The FIGC Federal Council, having verified the Company's compliance with the economic-financial and legal criteria, as well as the infrastructural, sports and organisational criteria, approved the admission of AS Roma to the Serie A Championship for the 2020/2021 football season.

### **COMPLETION OF THE ACQUISITION OF THE MAJORITY SHAREHOLDING IN A.S. ROMA S.P.A. - RESIGNATION AND APPOINTMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS**

On 17 August 2020, AS Roma SPV, LLC sold and transferred its controlling interest held directly and indirectly in the Company - and certain related assets and liabilities - to Romulus and Remus Investments LLC ("RRI"), a company incorporated under the laws of Delaware and designated by TFG for the purpose of the acquisition, of 544,468,535 ordinary shares of the Club, representing approximately 86.6% of the share capital. The control is held by a direct shareholding of 3.3% in the share capital of the Club and through an indirect shareholding of 83.3% held through the company NEEP Roma Holding S.p.A. (the "Majority Shareholding"), together with certain additional assets, as indicated in the joint press release issued by the Parties on 7 August 2020 and available at [www.asroma.com](http://www.asroma.com).

As a result of the completion of the acquisition of the Majority Shareholding and in accordance with certain provisions of the agreements made by the parties, on 17 August 2020, the Board of Directors of AS Roma:

- received the resignation of directors James J. Pallotta, Charlotte Beers (independent), Richard D'Amore, Gregory Martin, Paul Edgerly, Cameron Neely (independent) and Barry Sternlicht. These directors did not hold shares in the Company and were not beneficiaries of severance indemnities in connection with these resignations;
- appointed for co-optation the following new directors: Dan Friedkin (Chairman), Ryan Friedkin, Marc Watts, Eric Williamson, and Ana Dunkel, who do not hold shares in the Club (on the understanding that Dan Friedkin controls the RRI);
- appointed the new Executive Committee consisting of Dan Friedkin (Chairman), Ryan Friedkin, Guido Fienga, Marc Watts and Eric Williamson, and
- Guido Fienga has maintained his position as Chief Executive Officer of AS Roma and the related powers, as most recently delegated by the Board of Directors on 26 June 2020.

In addition, an AS Roma Shareholders' Meeting has been called to appoint the entire new Board of Directors in accordance with the applicable provisions of law and the Articles of Association, as illustrated in the information published by the parties in accordance with Article 122 of the Consolidated Finance Act (TUF). The Board of Statutory Auditors of the Club shall remain in office until the natural expiry of its term of office. The Shareholders' Meeting, which met on 29 September 2020, then resolved the appointment of the new Board of Directors, as described in the following section on corporate governance events.

As a result of the completion of the acquisition of the Majority Shareholding, RRI launched, in accordance with Article 106 of Legislative Decree No. 58 of 24 February 1998 (the "TUF"), a mandatory public tender offer

on the remaining ordinary shares of the Club, equal to 84,413,785 ordinary shares, representing approximately 13.4% of the Club's share capital (the "Public Tender Offer").

The MTO launched at a price per share of 0.1165, began on 9 October 2020 and concluded on 6 November 2020.

## **CORPORATE GOVERNANCE**

On September 28, 2020, the employment relationship between AS Roma and Mr Mauro Baldissoni was terminated, who at the same time resigned, with immediate effect, from the position of Director and Vice Chairman of the AS Roma, as well as from all the other positions held by him in the companies in which he held an office as well as in the other companies of the NEEP Roma Holding S.p.A. Group. It should be noted that Mauro Baldissoni was not qualified as an independent director under current laws and regulations and does not hold shares in the Company. In addition, he is not entitled to indemnities or other benefits following termination of office and was not a beneficiary of any incentive plan based on financial instruments.

## **START OF THE NATIONAL AND INTERNATIONAL COMPETITIONS OF THE 2020/21 SEASON**

On 19 September 2020, the 2020/21 Serie A championship began, with the matches initially held behind closed doors, and then with the entrance allowed to a limited number of one thousand spectators.

In the international arena, the draw for the group stage of the UEFA Europa League, in which AS Roma took part by virtue of its fifth place in the final standings of the 2019/20 football season, took place on 2 October and AS Roma was drawn as the top seed in Group A with Young Boys, Cluj and CSKA Sofia, while the first match was played on 22 October. The knockout phases will remain unchanged from the original programme, with the sixteenth finals taking place from 18 to 25 February 2021, the eighth finals from 11 to 18 March 2021 and the quarter finals, semi-finals and final in April and May 2021.

## **SIGNIFICANT EVENTS AFTER 30 JUNE 2021**

### **REGISTRATION TO 2021/2022 SERIE A AND UEFA EUROPA LEAGUE CHAMPIONSHIP**

In July 2021, the procedure for the issue of the National Licence and registration for the Serie A Championship for the 2021/22 football season was completed. The FIGC Federal Council, having verified the Company's compliance with the economic-financial and legal criteria, as well as the infrastructural, sports and organisational criteria, approved the admission of AS Roma to the Serie A Championship for the 2021/2022 football season. Moreover, on 7 May 2021, the UEFA Licensing Office approved the issuance of the UEFA license for the 2021/22 football season.

### **SIGNING OF THE OFFICIAL FIRST TEAM MAIN SPONSOR CONTRACT**

On 27 July 2021, AS Roma has signed a sponsorship and commercial agreement with Zytara Labs LLC ("Zytara"), which become the main sponsor. Zytara is a leader in the creation of digital assets such as the so-called non-fungible tokens (NFTs), available for purchase via the DigitalBits platform. This 3-years contract provide AS Roma with an income of Euro 35 million, plus additional possible increases.

## **CORPORATE GOVERNANCE**

On 6 October 2021, Dr. Guido Fienga has resigned from the position of Chairman of Brand Management S.r.L with immediate effect (i.e. starting from 6 October 2021). Consequently, on October 15, 2021, the Board of Directors of Brand Management S.r.L proceeded to co-opt Dr. Pietro Berardi, appointing him Chairman of Brand Management S.r.L as well as delegating to the same the powers for the ordinary management of the Company.

## **ECONOMIC AND FINANCIAL PERFORMANCE**

### **COMMENTS ON THE MAIN ECONOMIC DATA**

The financial year 2020-21 closed with a Loss for the year of EUR 9.4 million (EUR 14.2 million at 30 June 2020), EUR 4.8 million better than the previous year, essentially due to the increase in revenues from

advertising, commercial sales and licensing and the decrease in costs for services partially offset by lower financial income.

The following table shows the main economic data of the company:

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Revenues	41.154	36.551	4.602
Costs*	(48.370)	(53.345)	4.974
EBITDA	(7.217)	(16.793)	9.577
Depreciation, amortization and write down	(2.206)	(1.827)	(379)
Net financial income	59	4.451	(4.393)
Losses before taxes	(9.364)	(14.169)	4.805
<b>Loss for the period</b>	<b>(9.364)</b>	<b>(14.169)</b>	<b>4.805</b>

\* Do not include costs for depreciation and write-downs which are reclassified under EBITDA

Total revenues at 30 June 2021 amounted to EUR 41.2 million, compared with EUR 36.6 million at 30 June 2020. The increase of EUR 4.6 million compared with the previous year is mainly due to a rise in revenues from the sale of promotional and advertising space. In addition, following the changes introduced by the FIGC in the context of containing the effects of the spread of Covid-19, the duration of the 2019/20 football season has been defined 14 months, from 1 July 2019 to 31 August 2020, while the 2020/21 football season was 10 months, from 01 September 2020 to 30 June 2021. Therefore, certain costs and revenues related to the matches played in the 2019/20 season had their economic relevance accruing in the 2020/21 financial year.

They consist of:

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Merchandising	6.343	5.898	445
Sponsorships	1.401	6.073	(4.672)
Broadcast	8.230	7.566	664
Advertising	24.341	16.712	7.629
Other revenues	839	303	536
<b>Revenues</b>	<b>41.154</b>	<b>36.551</b>	<b>4.602</b>

More specifically, the revenues from commercial sales and licensing, amounting to 6.3 million Euro (5.9 million Euro on 30 June 2020), increased with respect to June, 30<sup>th</sup> 2020, are composed by (i) the sale of merchandising of the AS Roma Stores owned by the Group, for 3.7 million Euro (4.1 million Euro on 30 June 2020); and (ii) the exploitation and enhancement of the AS Roma Brand, through the granting of licences for the production of AS Roma branded products, which generated income of EUR 2.6 million (EUR 1.8 million at 30 June 2020).

Sponsorships, amounting to EUR 1.4 thousand (EUR 6.1 thousand at 30 June 2020), are decreased by EUR 4.7 million compared to the previous year. It should be noted that on 16 July 2020, the technical sponsorship agreement with Nike European Operations Netherlands B.V., signed on 12 March 2013, was terminated by mutual consent and, on the same date, the Company and Nike signed an agreement valid for the 2020/2021 football season under which Nike continued to provide AS Roma Group exclusively with all technical, match, training and casual equipment for the First Team, youth teams and women's teams.

Revenues from audiovisual and image rights, amounting to EUR 8.2 million (EUR 7.6 million as at 30 June 2020), are made up of revenues from the marketing of the *AS Roma Library*, the "RomaTV" and "RomaRadio" channels, and access to the TV signal.

Revenues from advertising, amounting to EUR 24.3 million (EUR 16.7 million at 30 June 2020), essentially derive from the marketing of advertising space at the Stadio Olimpico, both on the pitch and in the hospitality area, and from advertising sales through the Media. The increase of the year, equal to EUR 7.6 million is essentially due to the signing of new commercial agreements and due to the effects of the measures adopted

by the sports authorities to contain COVID-19, which entailed the accounting on an accruals basis of part of the revenues of the 2019/20 football season, the term of which has been extended until August 31, 2020.

The total costs of the year before depreciation, amortisation and write-downs amounted to EUR 48.4 million (EUR 53.3 million at 30 June 2020), down mainly due to a reduction in the cost of services. The details are shown below:

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Purchase of goods	(2.783)	(2.891)	109
Cost of services	(12.808)	(18.594)	5.786
Cost of use of third- party assets	(26.063)	(26.830)	766
Personnel costs	(6.173)	(4.869)	(1.304)
Other operating costs	(543)	(160)	(383)
<b>Operating costs</b>	<b>(48.370)</b>	<b>(53.345)</b>	<b>4.974</b>

Amortisation of EUR 1.2 million (EUR 1.2 million at 30 June 2020) related to the amortisation of intangible and the depreciation of tangible non-current assets for EUR 0.3 million (EUR 0.2 million at 30 June 2020) and the amortisation of rights of use for approximately EUR 0.9 million determined in application of IFRS 16. Finally, at 30 June 2021, trade receivables were written down by EUR 1 million (EUR 0.7 million at 30 June 2020), to adjust them to their estimated realisable value.

Net financial items were positive for EUR 0.06 million (EUR 4.5 million at 30 June 2020), relating to (i) EUR 3.9 million (EUR 7.5 million at 30 June 2020) in dividends from the investment in MediaCo; (ii) EUR 7.8 million (EUR 8.1 million at 30 June 2020) of interest income on the loan granted to AS Roma; (iii) EUR 0.03 million of other financial income; (iv) EUR 11.1 million (EUR 10.9 million at 30 June 2020) of financial charges related to the loan received from MediaCo and (v) financial charges of EUR 0.6 million resulting from the application of the IFRS 16 accounting standard.

## COMMENTS ON THE CONSOLIDATED EQUITY AND FINANCIAL STRUCTURE

The following table shows the reclassified consolidated statement of financial position in summary form, showing the structure of invested capital and sources of financing:

(€/000)	30/06/2021	30/06/2020	Differences
Net non current capital	126.514	124.915	1.599
Net Current Capital	9.702	16.940	(7.238)
<b>Net Invested Capital</b>	<b>136.215</b>	<b>141.855</b>	<b>(5.640)</b>
<i>Consisting of:</i>			
Shareholders' Equity	65.277	74.524	(9.246)
Net financial indebtedness adjusted	70.938	67.332	3.606
<b>Source of funding</b>	<b>136.215</b>	<b>141.855</b>	<b>(5.640)</b>

The **Net invested capital** at 30 June 2021, amounting to EUR 136.2 million (EUR 141.9 million at 30 June 2020), decreased by EUR 5.6 million, and consisted of Reclassified net non-current capital of EUR 126.5 million (EUR 124.9 million at 30 June 2020) and Reclassified net current capital of approximately EUR 9.7 million (EUR 17 million at 30 June 2020). The net invested capital is financed by Shareholders' Equity of EUR 65.3 million (EUR 74.5 million at 30 June 2020), and by adjusted net financial debt of EUR 70.9 million (EUR 67.3 million at 30 June 2020).

**Reclassified net non-current capital**, which does not include financial components, amount to EUR 126.5 million, up EUR 1.6 million compared with 30 June 2020. In detail:

(€/000)	30/06/2021	30/06/2020	Differences
Equity investments	127.297	127.297	-
Property, plant & equipment	1.631	1.125	505
Right of use	9.473	8.507	966
Other non current assets	368	305	63
<b>TOTAL NON CURRENT ASSETS</b>	<b>138.769</b>	<b>137.235</b>	<b>1.534</b>
Trade Payables	1.912	1.912	-
Employee benefit liabilities	1.518	1.495	23
Other liabilities	8.825	8.913	(88)
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>12.255</b>	<b>12.320</b>	<b>(65)</b>
<b>NET NON CURRENT CAPITAL</b>	<b>126.514</b>	<b>124.915</b>	<b>1.599</b>

**Reclassified net current capital**, representing working capital, which does not include financial components (including cash and cash equivalents), amounts to approximately EUR 9.7 million, down EUR 7.2 million compared with 30 June 2020.

(€/000)	30/06/2021	30/06/2020	Differences
Inventories	899	1.256	(357)
Trade receivables	32.733	23.669	9.064
Other current assets	54.338	43.849	10.489
Tax receivables	65	1.411	(1.345)
<b>TOTAL CURRENT ASSETS</b>	<b>88.035</b>	<b>70.184</b>	<b>17.852</b>
Trade payables	74.064	47.795	26.269
Tax payables	240	212	27
Social security payables	335	408	(74)
Other current liabilities	3.695	4.827	(1.133)
<b>TOTAL CURRENT LIABILITIES</b>	<b>78.334</b>	<b>53.244</b>	<b>25.090</b>
<b>NET CURRENT CAPITAL</b>	<b>9.702</b>	<b>16.940</b>	<b>(7.238)</b>

**Shareholders' Equity** at 30 June 2021 was positive for EUR 65.3 million, down by EUR 9.2 million compared with 30 June 2020 due to the recognition of the loss for the period, amounting to EUR 9.4 million;

(€/000)	30/06/2021	30/06/2020	Differences
Share capital	123.432	123.432	-
Other Reserves	(251)	(369)	118
Profit/Losses carried forward	(48.539)	(34.370)	(14.169)
Loss for the period	(9.364)	(14.169)	4.805
<b>Net shareholders' Equity</b>	<b>65.277</b>	<b>74.524</b>	<b>(9.246)</b>

The **adjusted net financial debt** is a measure of the financial structure and is calculated at the consolidated level as the sum of the items: *Current and non-current financial assets; Cash and cash equivalents; Short-term and medium/long-term loans; Financial payables for current and non-current rights of use*. It should be noted that the net financial indebtedness adjusted used by the Company and the Group also takes into account non-current financial assets and does not include trade payables and other non-current payables, unlike the net financial debt prepared in accordance with the 4 March 2021 recommendation of European Securities and Markets Authority (ESMA).

The **adjusted net financial debt** as at 30 June 2021 showed net debt of EUR 70.9 million, compared to EUR 67.3 million as at 30 June 2020. In detail, consists of cash and cash equivalents of EUR 0.9 million (EUR 0.5 million at 30 June 2020), non-current financial assets of EUR 190.5 million (EUR 182.8 million at 30 June 2020), and debt for a total of EUR 262.3 million (EUR 250.6 million at 30 June 2020):



(€/000)	30/06/2021	30/06/2020	Differences
<i>Medium and long-term receivables:</i>			
- from other related lenders	(190.463)	(182.824)	(7.639)
<i>Medium and long term borrowings:</i>			
- from other related lenders	252.154	241.979	10.176
<i>Financial payables for long-term right of use (IFRS16)</i>	9.452	8.160	1.292
<b>Long-term net financial indebtedness adjusted</b>	<b>71.143</b>	<b>67.315</b>	<b>3.828</b>
<i>Cash and short-term financial receivables:</i>			
- Cash at bank and on hand	(921)	(461)	(460)
<i>Short term debt and current portion of long term debt</i>			
<i>Financial payables for short-term right of use (IFRS16)</i>	716	478	238
<b>Short-term net financial indebtedness adjusted</b>	<b>(205)</b>	<b>17</b>	<b>(222)</b>
<b>Net financial indebtedness adjusted</b>	<b>70.938</b>	<b>67.331</b>	<b>3.607</b>

Medium/long-term adjusted net financial debt amounted to EUR 71.1 million, made up as follows:

- Non-current financial assets, amounting to EUR 190.5 million, related to the intercompany loan disbursed to AS Roma, as part of the Group's overall financing transaction in place.
- Medium/long-term loans, for a total of EUR 252.2 million, relating from 2015 to the intercompany loan disbursed by MediaCo., as part of the Group's overall financing transaction in place.
- Financial payables for long-term rights of use for EUR 9.5 million, resulting from the adoption of IFRS 16 Leases accounting standard.

Short-term adjusted net financial debt amounted to negative EUR 0.2 million and consists of the short-term portion of financial payables for rights of use, amounting to EUR 0.7 million, offset by cash and cash equivalents of EUR 0.9 million.

Finally, the table of financial flows of the 2020/21 financial year is shown below:

(€ / 000 )	30/06/2021 12M	30/06/2020 12M
A) Net cash from operating activities	3.458	(8.729)
B) Net cash from investing activities	(851)	(252)
C) Net cash from financing activities	(2.147)	6.920
<b>D)=(A+B+C) TOTAL CASH FLOW</b>	<b>460</b>	<b>(2.061)</b>

## RELATIONS WITH RELATED PARTIES

Soccer Sas has both commercial relationships as well as relationships for the provision of services of an administrative and financial nature with related parties, in particular within the AS Roma Group, meaning as such the parties defined by the international accounting standard IAS 24 - adopted according to the procedure set out in Article 6 of EC Regulation No. 1606/2002 - (hereinafter, "Related Party Transactions").

Transactions with related parties, identified in accordance with the provisions of IAS 24 and set out below, refer to transactions of a commercial and financial nature, that were carried out at arm's-length conditions, or similar to those usually applied to unrelated parties for transactions of a similar nature, amount and risk, and in compliance with current legislation.

In particular, the Company's activity is currently mainly characterised by the management of the following agreements:

- business lease with MediaCo;
- intercompany loan agreements signed as borrower with MediaCo as lender;
- intercompany loan agreements signed as lender with AS Roma as borrower;

- agreements entered into to guarantee the Bond issued by Mediaco in August 2019

In particular the Internal Committee for Control and Risk Management of AS Roma, based on the opinion issued by Prof. Tiscini on 24 July 2019, found the convenience of the Transaction represented by the possibility for the Company to: (i) meet the needs connected with its operational management in the medium - long term; (ii) stabilize the financial performance of the Company; (iii) limiting the need to resort to short-term forms of financing; (iv) facilitate the economic and financial planning of the Company and the Group. The Internal Committee for Control and Risk Management of AS Roma, on 24 July 2019, unanimously expressed a reasoned favorable opinion on the completion of the operations functional to the issue of the Bond.

In addition, a framework agreement for the supply of audio, video and multimedia content production services relating to AS Roma's sports activities in place with Roma Studio.

Finally, other related-party transactions relate to the Group VAT: since January 2017, the parent company NEEP, together with its subsidiaries AS Roma, Soccer, MediaCo, Roma Studio, Brand Management, A.S. Roma Real Estate and Stadio TDV, adhere to the NEEP Group VAT settlement procedure, settling payments with the parent company NEEP.

For further details on related-party transactions and the related statement of financial position and income statement balances, please refer to the Explanatory Notes of the following Financial Statements, and more specifically to the Accounting statements and to the explanatory note 5 "*Related-party transactions*".

## **INVESTMENTS IN SUBSIDIARIES, AFFILIATES AND PARENT COMPANIES**

As at the end of this financial year, only shareholdings in subsidiaries are recorded. Namely, the Company holds a shareholding in ASR Media and Sponsorship S.p.A., equal to EUR 127.3 million (EUR 127.3 million as at 30 June 2020), following the transfer of the business unit, made on 11 February 2015 and representing 88.66% of the share capital of the subsidiary. It should be noted that following the Bond Loan operation carried out in August 2019, a first degree pledge was registered, granted by the Company and Soccer SAS on 100% of the shares of ASR Media and Sponsorship, in favor of the Guaranteed Creditors, to guarantee the exact and unconditional fulfillment of the Covered Notes, as defined by the relative contract.

## **RELATIONSHIPS WITH THE GENERAL PARTNER BRAND MANAGEMENT S.R.L.**

Soccer Sas is subject to the direction and coordination of Brand Management Srl, in its capacity as general partner (*socio accomandatario*). It is believed, in this specific case, that the publication duties provided by Article 2497 bis, paragraphs 1 and 2, of the Italian Civil Code, are fulfilled in the light of the name of Soccer, which includes, as provided by the law, the name of the general partner. Brand Management Srl, following the purchase of 100% of its share capital by NEEP Roma Holding S.p.A., became a company with a sole shareholder, subject to direction and coordination of AS Roma SPV LLC until 17 August 2020 subsequently, until 28 May 2021 by Romulus and Remus Investments LLC ("RRI"), and currently by NEEP Roma Holding S.p.A.

It should be noted that the Board of Directors of the Company is designated by, and is an expression of, A.S. Roma S.p.A., and therefore the Company is under the control and direction of A.S. Roma S.p.A.

## **RESEARCH AND DEVELOPMENT COSTS**

As at 30 June 2021, the Company had no research and development activity; among the balance sheet items, therefore, no capitalised costs are recorded in that regard.

## **HUMAN RESOURCES**

As at 30 June 2021, management and employee personnel consisted of 79 resources, compared with a number of 83 in 2019/20. The average number of employees in 2020/21 was 79, compared with an average number of 81 in 2019/20. More detailed information about the dynamics and composition of labour costs is provided



in the section of this Report entitled "Operating Performance and Financial Position" and in explanatory note No. 8.10 "Personnel Expense".

## **MAIN LEGAL PROCEEDINGS AND DISPUTES**

Soccer SAS is a party, either as a plaintiff or defendant, in certain judicial proceedings, both ordinary and *ex parte* proceedings, as well as litigation of various kinds, the outcome of which is, at present, objectively uncertain, and which concern, more specifically, past relationships with clients. However, on the basis of the information currently available, the Company believes that it is unlikely that these proceedings and actions will result in significant negative effects.

### **LABOUR LITIGATION**

Soccer is party to some disputes and legal actions connected with the normal performance of its activities. However, on the basis of the information currently available, the Company believes that it is unlikely that these proceedings and actions will result in significant negative effects.

## **MAJOR RISKS AND UNCERTAINTIES TO WHICH THE COMPANY IS EXPOSED**

As a supplement and further specification of the information contained in this Report, the following is a concise description of the major risks and uncertainties to which the Company is exposed. For an analysis of the main financial risks (credit risk, interest rate risk, exchange rate risk, liquidity risk, derivative financial instruments, risk connected with contractual covenants) connected with the ordinary course of the Group's operations, reference should be made to the relevant section of the following Explanatory Notes No. 9.

### **RISKS RELATED TO THE FINANCIAL SITUATION OF THE COMPANY AND THE GROUP**

#### *RISKS ASSOCIATED WITH THE SPREAD OF THE COVID-19 VIRUS*

Since January 2020, the national and international scenario has been characterised by the spread of the COVID -19 virus, declared a "pandemic" by the World Health Organization, and the consequent restrictive measures for its containment issued by the public authorities of the areas concerned. National governments have adopted extraordinary measures and provisions to prevent and/or limit the spread, including restrictions on the movement of goods and persons, suspension of economic activities and all professional sporting activities, including the Serie A and UEFA competitions. The Serie A Championship was then resumed in June 2020 and was completed on 2 August 2020, while the remaining matches of the UEFA competitions were played in August 2020. In addition, the 2020/21 season's Serie A championship began on 19 September 2020, while UEFA competitions began in October 2020, with matches played behind closed doors.

Despite the measures adopted by the Company to mitigate its consequences, this emergency situation, extraordinary in nature and extent, has had and is having significant repercussions on the economic activities of the Company and the Group, resulting in a context of general uncertainty, the evolution and related effects of which are not currently foreseeable. More specifically, negative developments in the COVID-19 pandemic or possible future epidemics could once again lead to the interruption of sporting competitions and/or their cancellation, which could have a negative impact mainly on AS Roma's revenues from Television rights, Sponsorships, and in general from all the Group's commercial activities, thus generating losses and, consequently, greater financial requirements, deploying the risk of compromising the prospects of the Group as a going concern.

#### *RISKS RELATED TO FINANCIAL REQUIREMENTS*

The Company and the Group finance its financial requirements through the cash flows generated by ordinary operations including, among other things, any net operating cash flows that could be achieved through participation in UEFA competitions and any disposal of available company assets, and more specifically RSS (players' registration rights). The development of the financial situation therefore depends on many factors and, more specifically, on the achievement of the envisaged sports and economic objectives, on the general

conditions of the economy and the markets in which the Company operates and, in the case of the transfers of RSS, also on the agreement between the two clubs and the player himself, whose decision is beyond the company's control.

#### *LIQUIDITY RISK*

The ability to meet its ordinary cash requirements could be affected by the mechanism for channelling cash and cash equivalents provided for in the agreements signed under the Bond issued in 2019, which provide, more specifically, a potential constraint of use due to the mandatory mechanism for channelling cash receipts and uses of cash and cash equivalents to guarantee the exact fulfilment of the obligations undertaken, and therefore temporarily limit the use of cash and cash equivalents. Such channelling mechanism is defined through the assignment without recourse of receivables or through MediaCo being conferred mandate to collect all receivables assigned without recourse or as guarantee and therefore collect any payment made by, or on behalf of, AS Roma's and Soccer's debtors, concerning in particular the TV rights related to Serie A championship and European competitions, licensing and sponsorships activities, as well as the "direct media rights", whose activities are linked to the TV channel "Roma TV" and the radio channel "Roma Radio", as well as other activities carried out on digital platforms (e.g., website, Facebook, Twitter, WeChat, Instagram, YouTube, Pinterest, Giphy, Weibo).

Under this mechanism contractually provided for, the use of the AS Roma Group's available cash may be temporarily restricted, with negative effects on the temporary cash flow of the cash and cash equivalence necessary to meet the immediate cash flow needs, so as to prevent payment of debts at due dates, which, in the specific case of payables towards football clubs for transferred players, and salaries, including taxes and tax withholdings, accrued vis-à-vis staff registered with the Company, can negatively affect the issuance of the National License, to register for Serie A Championship, and of the UEFA License, to register for European competitions.

#### **RISKS ASSOCIATED WITH THE GROUP'S OPERATIONS AND THE SECTOR IN WHICH IT OPERATES**

##### *RISKS ASSOCIATED WITH DEPENDENCE ON THE MARKET FOR RADIO AND TELEVISION RIGHTS FOR SERIE A, COPPA ITALIA AND UEFA*

The Company's revenues depend to a significant extent on the income deriving from the centralised sale of radio and television rights related to the Serie A and Coppa Italia Championship and the related sales methods and criteria for their distribution, as well as the income generated from participation in UEFA competitions. The rules governing the ownership of the radio and television rights to the above-mentioned sports competitions, and the distribution of the income earned from their assignment, do not allow the direct management by the Company.

More specifically, a possible contraction in the rights market, as well as a change in the criteria adopted for the distribution of resources deriving from the centralised marketing of radio and television rights, both at national and European level, could lead in the future to a significant reduction in revenues with negative effects on economic results and on the Company's equity and financial position.

In this regard, it should be noted that on 30 June 2021 the three-year period 2018-21 relating to the rights that Lega Serie A assigned in 2018 for a total of EUR 1.4 billion per season ended, and that at the date of this Report the LNP Serie A has sold the rights for the three-year period 2021-24 with respect to the most significant TV rights packages, but the national rights for the Italian Cup and the international rights for the Middle East remain not yet sold. Therefore, the amount of expected revenues could be influenced by the non-assignment of these rights, or by the attribution to less favorable economic conditions than those guaranteed in the three-year period 2018-21, or also by different allocation criteria that could be approved for the future with consequent negative effects on the economic, equity and financial situation of the Company and the Group. Failure to achieve the proceeds deriving from any failure to assign audiovisual rights could also result

in the difficulty of promptly fulfilling the commitments provided for in the Bond, resulting in an event that would result in the forfeiture of the benefit of the term and the early repayment of the Bonds.

#### *RISKS ASSOCIATED WITH PARTICIPATION IN SPORTS COMPETITIONS*

The participation of the First Team in the various national and European sports competitions, more specifically the UEFA Champions League, as well as its performance in these competitions, have a significant impact on the economic and financial results of the financial year. More specifically, non-participation in the national professional championships could undermine the assumption of business continuity. In fact, such a scenario could prevent the Company from continuing its activities. Failure to participate in European competitions involves rather significant negative effects on the Group's development strategies, activities, prospects and, more generally, its economic and financial situation. The lower revenues achieved would in fact be accompanied by a lower visibility of the Company's brand and, consequently, a lower negotiating power of the Company when renewing the various contractual relationships for sponsorships, the sale of premium seats, and other marketing activities, as well as a decrease in the value of players' performance rights, where assigned.

Participation in the Serie A championship is linked, in addition to the sports title attained (placement in the top 17 positions in the Serie A championship of the previous season), to obtaining the National Licence, which envisages compliance with sporting, legal, infrastructural, organisational and economic-financial requirements set annually by the F.I.G.C. Federal Council in the framework of the approval of the regulations regarding the National Licensing System.

Participation in European competitions is linked, in addition to the sports title attained, to obtaining the so-called "UEFA Licence", for the attainment of which the Licence applicant must demonstrate that it meets the requirements of the UEFA Licensing Manual, which are of a sporting, legal, infrastructural, organisational and economic-financial nature. In addition, all clubs qualified for European competitions are automatically subject to compliance with the so-called Financial Fair Play (FFP), the set of rules and monitoring criteria imposed by UEFA, based more specifically on three pillars: business continuity, the so-called "break even rule", and no past due debts to other clubs, players or social security and tax authorities. With reference to this aspect, please also refer to what is described in the following paragraph "*RISKS RELATED TO THE FINANCIAL FAIR PLAY (FFP) REGULATION AND COMPLIANCE WITH ECONOMIC AND FINANCIAL PARAMETERS*".

#### *RISKS ASSOCIATED WITH DEPENDENCE ON SPONSORSHIP AND OTHER COMMERCIAL AGREEMENTS*

The Company's total revenues also depend to a significant extent on sponsorship agreements and, more generally, on commercial agreements, including agreements related to the management and exploitation of television and image rights that the Company holds under the provisions of the Melandri-Gentiloni Law.

This income is derived from investments made by third-party companies and could be influenced by the economic recession that has affected the economy of many Countries in recent years, including Italy. In the event that the economic crisis should continue and, consequently, should the state of uncertainty that characterises the current global economic scenario be confirmed, there is the possibility of a further reduction in investments in the sports sponsorship sector by companies as well as delayed or non-payment of fees currently contracted, with possible negative effects on the Company's economic and financial results.

The Company is also subject to the risk of counterfeiting its trademarks by third parties and for this reason has implemented a strong policy to combat counterfeit products. However, in addition to collaborating assiduously and actively with the competent authorities, in order to suppress possible injuries by third parties and to react to counterfeiting phenomena (so-called "brand protection") the Company has included specific clauses in the licensing agreements, which oblige licensees to actively cooperate with the Company in monitoring any infringement of AS Roma's trademark rights and to prosecute the infringement of its trademarks on an ongoing basis, thanks also to the constant collaboration with the Customs Agency and the Italian Tax Police, including before the judicial authorities, in both civil and criminal cases.

***RISKS RELATED TO THE OUTCOME OF POTENTIAL AND IN PROGRESS DISPUTES***

The assessments made by the Directors, regarding the proceedings and the active and passive disputes, as well as the risks of potential disputes that could arise with the various counterparties of the Company and the Group and in particular for the determination of the allocations to specific provisions for risks and bad debts, are based on their best knowledge at the date of preparation of the financial statements. The Directors therefore believe that the sums allocated are adequate in the light of the circumstances at the date of this Report and in compliance with the relevant accounting standards, according to which a provision is made when the liability is probable and reasonably quantifiable. However, especially in the event of unsuccessful disputes in which the Company and the Group are party or in the case of the initiation of new disputes, these provisions may not be sufficient to fully meet the claims for damages and / or restitution related to the pending proceedings.

For information on judicial, civil, tax or labour-related proceedings to which the Group is a party, please refer to the paragraph "*Main legal proceedings and disputes*" of the Report.

***RISKS RELATED TO ALTERNATIVE PERFORMANCE MEASURES***

The Company is exposed to the risk that the Alternative Performance Measures ("APMs") it uses may prove to be inaccurate or inefficient. In fact, these APMs, although very common in practice, are not defined or specified by the accounting standards applied for the preparation of the annual financial statements or interim reports on operations.

**RISK FACTORS RELATED TO CORPORATE AND GOVERNANCE FACTORS*****RISKS RELATED TO THE VALUE OF THE "AS ROMA" BRAND***

The Company is exposed to the risk of the loss of value of the "AS Roma" brand, of seeing the reputational stability of its brand weakened, and to the violation of its intellectual property rights by third parties. The value and success of the AS Roma brand depends, on the one hand, on the sporting performance of the First Team and, on the other, on relations with third parties. In turn, the relationships with potential and current sponsors rely on the value and success of the brand and are strongly influenced by AS Roma's popularity as a football team and, therefore, also as a brand. Any negative publicity about the sporting performance of the First Team or the behaviour of some of its players (or their families), directors, managers with strategic responsibilities, employees or fans (both on and off the pitch) may have a negative effect on the reputation of AS Roma and, therefore, on the popularity of the brand. This risk is greater in relation to the behaviour of those players who have greater visibility both in Italy and abroad.

***RISKS ASSOCIATED WITH THE REDUCTION IN THE POPULARITY OF PROFESSIONAL FOOTBALL AND NATIONAL AND INTERNATIONAL COMPETITIONS***

The revenues generated by professional football and national and international competitions are significantly dependent on the popularity and attractiveness of professional football. Its reduction due to a lack of interest in national and international competitions, competition from other sports, or a scandal linked, for example, to clashes or doping or illegal sports betting, could have significant negative effects on the Company's economic, equity and financial situation and on its activities, strategies and prospects.

**RISKS RELATED TO THE USE OF THE OLYMPIC STADIUM**

The Company does not own the Olympic Stadium in Rome, the sports facility that hosts the official matches of the First Team. On August 21, 2021, an agreement was signed with CONI, owner of the Olympic Stadium located in Rome, by virtue of which the use of the Olympic Stadium was granted for a duration of four sports seasons from the beginning of the 2021/2022 football season until the end of the 2024/2025 football season. However, it is not possible to predict with certainty a renewal of the contract beyond the 2024/2025 season and a negative event in this sense could have negative, even significant, repercussions on the business and on the equity, economic and financial situation of the Group.

Furthermore, pursuant to the concession, in the event of damage to the structure of the Olympic Stadium, C.O.N.I. has the right to intervene directly to carry out the related repairs and may exercise the right to request the Company to reimburse the costs incurred for the repairs.

Finally, it should be noted that the operational activities at the stadium could be affected by natural disasters, technical problems, or even terrorist attacks, with negative effects on the equity, economic and financial situation of the company.

#### *RISKS ARISING FROM THE COMPANY AND AS ROMA GROUP'S TRANSACTIONS WITH RELATED PARTIES*

The Company is exposed to the risk that if transactions concluded with Related Parties had been concluded between, or with, unrelated third parties, the latter would have negotiated and entered into the related agreements, or carried out the transactions themselves, at terms and conditions and with procedures that are more advantageous to the Company. However, in this regard, it should be noted that on 3 December 2010, the Company adopted a procedure for related party transactions in compliance with Consob Regulation No. 17221/2010, subsequently supplemented and updated most recently on June 26, 2021, and in the Company's opinion, related party transactions are and have been carried out at normal market conditions and in accordance with the procedure for related party transactions adopted by the Company. However, there is no certainty that if such transactions had been concluded with third parties, the same would have negotiated and entered into the relevant agreements, or carried out the same transactions, under the same conditions and in the same manner.

Moreover, the termination for any reason of one or more relationships with related parties could lead to difficulties due to the continuation of such relationships, or to the definition of the same under different and less advantageous conditions.

#### **RISKS RELATED TO THE LEGAL AND REGULATORY FRAMEWORK OF THE SECTOR IN WHICH THE GROUP OPERATES**

##### *RISKS RELATED TO THE FINANCIAL FAIR PLAY (FFP) REGULATION AND COMPLIANCE WITH ECONOMIC AND FINANCIAL PARAMETERS*

The participation of football clubs in competitions, both at national level (i.e. Serie A Championship and other competitions), and at European level (i.e. European Competitions), is bound to compliance with specific economic and financial parameters, as well as certain other requirements infrastructural and organizational. In case of violation of these regulations, the Company could suffer sanctions, including the non-admission to participate in national and international competitions, with consequent negative effects, even significant, on the business, prospects and economic, equity and financial situation of the Company and the Group.

With reference to the Italian legislation, it is recalled that the possibility of football clubs to operate without limitations in the two phases of the Transfer Campaigns of each Sporting Season is subject to compliance - on the basis of the results as at 31 March and 30 September - with the so-called liquidity index, or the adoption of the related measures to overcome any non-compliance. Furthermore, as described in the previous paragraph "INTRODUCTION OF A PROVISION FOR THE CONTAINMENT OF PERSONNEL COSTS", the total gross remuneration due to Club members must be lower than the predefined maximum amount represented by the total amount relating to the contracts filed with Lega Serie A at the date of entry into force of the provision and relating to the 2021/2022 football season, to which is added the total amount referred to in the contracts relating to the 2020/2021 season expiring on 30 June 2021. In the event that this ceiling is exceeded, during the football season 2021/22, the clubs must provide an appropriate supplementary guarantee to fully cover the reported surplus, and if a club does not fulfil this requirement, it cannot be admitted to further operations for the acquisition of players' registration rights and to any other transaction of membership until the deposit of the supplementary guarantee or coverage of the surplus through a transfer, termination or renegotiation of existing cardholder contracts. The persistence of this situation even at the end of the winter session will result in the application of a financial penalty.



With reference to the UEFA FFP, the UEFA Executive Committee, which met on 17 June 2020, approved a series of interim emergency measures to supplement the regulation on financial fair play to take into account the negative effects of COVID-19 on club finances. These emergency measures aim to provide flexibility and at the same time ensure that clubs continue to fulfil their obligations relating to player transfers, payment of salaries on time, as well as to give clubs more time to neutralize the negative impact of the pandemic. adjusting the calculation of the balanced budget for the losses in turnover recorded in 2020 and 2021, while ensuring equal treatment of the clubs in which the impact of COVID-19 could have affected with different weights, methods and timing. The key point covered by the emergency measures approved by the UEFA Executive Committee concerns the break-even rule (valid for the 2020/21 and 2021/22 seasons): (i) the evaluation of the financial year ended 30 June 2020 is postponed by one season and will be assessed at the same time as the 2021 financial year; (ii) the 2020/2021 monitoring period covers only two reporting periods (financial years ending 30 June 2018 and 30 June 2019; the 2021/2022 monitoring period is extended and covers four reporting periods (financial years ending in 2018-2019-2020 and 2021). In this case, fiscal years 2020 and 2021 are assessed as a single period and averaging the combined deficit of 2020 and 2021, as well as allowing for further specific adjustments related to COVID -19.

In this regard, given the impact of COVID-19 on the worldwide professional football industry, it should be noted that the Company recorded a deviation from the UEFA break-even requirements for the 4-year reporting period. Therefore, the Company may be subject to the sending of more economic and financial information and, subsequently, the Club Financial Control Body (CFCB), in charge of the control, may request clarifications for the opportune assessments. Since the automatic application of a sanction as a consequence of a violation is not predetermined, and even more what type of sanction, it is not possible today to predict which decision will be taken by the CFCB at the conclusion of the in-depth analysis described above.

#### *RISKS RELATED TO CHANGES IN THE TAX AND REGULATORY REGIME OF THE SECTOR*

The Company operates mainly in Italy, where it is subject to the payment of taxes and duties. The Company fulfils its tax obligations, in some cases, on the basis of the interpretation of current tax legislation and regulations, and may therefore be subject to negative effects deriving from changes in the tax legislation to which it is subject. Changes in tax legislation, or its possible interpretation, also following verifications by the Tax Authorities, could expose the Company to negative consequences on its economic, equity and financial situation.

Furthermore, professional football activity is governed by extensive, stringent and detailed national and international legislation. Any changes in the regulatory framework within which the Company operates, the adoption of new measures by the competent sports bodies (including, by way of example, the adoption of stricter parameters for registration for championships, for the admission to the acquisition of players' registration rights, or the issuance of the UEFA Licence), sudden changes in the current practice of interpreting current legislation, or errors in the interpretation and / or application of current legislation by the Company, could significantly affect the Company's activities and the participation of the First Team in competitions, entail an increase in costs related to the management of the First Team and/or a reduction in revenues, with possible negative effects on the Company's economic, equity and financial situation, as well as on its activities and prospects.

## **CONSOLIDATED FINANCIAL STATEMENTS**

The company Soccer Sas of Brand Management S.r.l is consolidated in the A.S. Roma Group in accordance with the IAS/IFRS Standards, which A.S. Roma is required to apply when drawing up its annual financial statements and interim accounting positions, according to which Soccer Sas is considered a special purpose vehicle-company and, therefore, falling under the area of consolidation of AS Roma.

Moreover, also in application of the provisions envisaged by the economic-financial criteria of the National Licensing and UEFA Licensing system, compliance with which is decisive for participation in national and

international competitions, Soccer S.a.s. is included in A.S. Roma's scope of consolidation, in consideration of a broader group definition, as understood by the aforementioned Regulations.

As a result of these considerations, the Company prepares its annual financial statements on the basis of international accounting standards, in line with what A.S. Roma has done.

## **BUSINESS OUTLOOK AND GOING CONCERN**

The going concern of the Company is closely related to the going concern of AS Roma and of AS Roma Group.

The AS Roma statutory economic result of the first nine months of fiscal year 2020-21, negative for EUR 108.3 million, resulted in a negative value of the separate shareholders' equity of EUR 42.1 million, highlighting the case provided for by art. 2447 of the Civil Code (reduction of share capital - for operating losses - by more than one third and beyond the legal limit for AS Roma type). The fourth quarter of the 2020-21 financial year resulted in a further worsening of the economic and equity situation, which resulted in a separate loss of A.S. Roma S.p.A. equal to EUR 177.7 million and a negative shareholders' equity of EUR 111.4 million.

The negative results for the year and the consequent deterioration of assets are due, among other things, to the spread of the COVID 19 virus, declared a "pandemic" by the World Health Organization, with respect to which AS Roma has, since the last sporting season, taken every useful measure to cope with the changed scenario and mitigate the economic and financial impact. However, despite the measures adopted by AS Roma to mitigate the consequences, this emergency situation, extraordinary by nature and extent, has had and is having significant repercussions on the economic activities of AS Roma and of the Group, determining a context of general uncertainty, such as to determine repercussions also negative on the proceeds of AS Roma deriving in general from all the commercial activities of the Group, and in particular from the proceeds related to the sale of ticket offices as a result of the closed-door tenders, the reduction of which is only partially offset by that of operating costs. In fact, the matches of the Serie A 2020/21 championship, which started in September 2020 and ended regularly in May 2021, were held behind closed doors, with the exception of some matches between the end of September and the beginning of October 2020, for which a maximum number of entrances of one thousand people in the stands has been foreseen. The matches of the international competitions (UEFA Champions League and UEFA Europa League), which began in October 2020 and ended without interruption in May 2021, were also played behind closed doors.

The Serie A 2021/22 championship started on 22 August 2021 and up to the date of this Report all matches were regularly played with the possibility of public participation up to a maximum capacity of 50% of that ordinarily authorized. In this regard, it should be noted that the Decree-Law n.105 of 23 July 2021, containing "Urgent measures to deal with the epidemiological emergency from COVID-19 and for the safe exercise of social and economic activities", defined the possibility of public participation in sporting events and competitions exclusively to subjects with one of the COVID-19 green certifications, and a capacity allowed, in the case of outdoor events held in the white area, up to a maximum of 50% of the maximum authorized, while in the case of the yellow zone, 25% up to a maximum of 2,500 spectators. Subsequently, on 7 October 2021, the Council of Ministers further expanded the possibility of public participation in sporting events and competitions, defining it up to a maximum of 75% in the case of outdoor events held in the white zone and 50% in case of yellow zone.

In the context of emergency corporate measures to support businesses, it should be noted that article 1, paragraph 266, of law no. 178 of 30 December 2020 (effective from 1 January 2021) modified the temporary regime previously in force and - in response to the new developments of the Covid-19 pandemic - further suspended the application of the obligation to adopt measures following the reduction of share capital due to losses (articles 2446 and 2447 of the Civil Code) upon the occurrence of certain conditions provided for by law. In particular, the legislation currently in force provides that:

1. the losses recorded in the current financial year as at 31 December 2020 - for AS Roma, therefore, the current year, which will end on 30 June 2021 - do not result in the obligation to reduce the share capital provided for by articles 2446, paragraphs 2 and 3, and 2447 of the civil code, as well as the obligation to dissolve AS Roma pursuant to article 2484, paragraph 1, number 4, of the Italian Civil Code.

2. The term within which the loss must be reduced to less than one third established by articles 2446, second paragraph, and 2482-bis, fourth paragraph, of the Italian civil code, is postponed to the fifth subsequent financial year; the shareholders' meeting that approves the financial statements for this year must reduce the capital in proportion to the ascertained losses.
3. In the cases provided for by articles 2447 or 2482-ter of the civil code, the shareholders' meeting convened without delay by the directors, as an alternative to the immediate reduction of the capital and the simultaneous increase of the capital to an amount not less than the legal minimum limit, may resolve to postpone these decisions to the end of the financial year referred to in paragraph 2. The shareholders' meeting that approves the financial statements for that financial year must proceed with the resolutions referred to in articles 2447 or 2482-ter of the civil code. The cause of dissolution of AS Roma due to reduction or loss of the share capital referred to in articles 2484, first paragraph, number 4), and 2545-duodecies of the civil code does not apply until the date of that meeting.
4. The losses referred to in paragraphs 1 to 3 must be indicated separately in the explanatory notes specifying, in specific tables, their origin as well as the changes that took place during the financial year".

In this context, the AS Roma Extraordinary Shareholders' Meeting held on July 9, 2021, received a report from the Board of Directors regarding the legal case referred to in art. 2447 of the Civil Code and approved to postpone the adoption of the decisions provided for by art. 2447 of the Civil Code, at the date of the meeting that will approve the financial statements as at 30 June 2026, pursuant to the provisions of the liquidity decree mentioned above.

At a consolidated level, the group loss for the 2020-21 financial year is equal to EUR 185.3 million, compared to the loss of EUR 204.0 million recorded in the previous year. The consolidated shareholders' equity attributable to the AS Roma Group at 30 June 2021 was negative for EUR 272.0 million, worsening by EUR 30.5 million compared to 30 June 2020, taking into account that the reduction in equity resulting from the loss of year was partially offset by the conversion to the Shareholder's reserve for capital increase of shareholder loans for a total of EUR 154.6 million, related for EUR 132.6 million to the payments made in the first part of the year by the indirect parent company Romulus and Remus Investments LLC, through the direct parent company NEEP Roma Holding SpA (hereinafter "NEEP").

Taking into account the above, the Shareholder's reserve for capital increase at 30 June 2021 amounted to EUR 243.7 million, compared to EUR 89.1 million at June 30, 2020.

It should also be noted that RRI, through its parent company NEEP, continued to support the Group's working capital needs through shareholder loans. In particular, in the last quarter of the 2020-21 financial year and up to the date of this Report, it disbursed an additional EUR 151.7 million to AS Roma, of which EUR 30.7 million received between April and June 2021, and EUR 120.9 million received after 30 June 2021. Therefore, the aforementioned sums, together with the contributions already made since the acquisition date, amount to a total of € 284.3 million. In October 2021 NEEP also assumed an irrevocable commitment to convert the entire amount of shareholder loans into the Shareholder's reserve for capital increase, equal to EUR 151.7 million, with effect from the date of the next shareholders' meeting of AS Roma S.p.A. convened for 26 November 2021 on first call and, if necessary, on 27 November 2021, on second call.

In this regard, on 9 December 2020, the AS Roma Extraordinary Shareholders' Meeting approved the proposal for a divisible share capital increase against payment for a maximum amount of EUR 210 million against which NEEP, as previously indicated, has already contributed in the "Shareholder reserve for capital increase" a total amount at 30 June 2021 of EUR 243.7 million. On 22 October 2021, the Board of Directors resolved to submit to the next Shareholders' Meeting, called for 26 November 2021 on first call and, if necessary, on 27 November 2021, on second call, the proposal to postpone and increase the amount of the share capital increase by a maximum amount of up to EUR 460 million, divisible and paid, to be carried out by 31 December 2022.

From a financial point of view, on the other hand, the AS Roma Group has an adjusted consolidated net financial debt of EUR 302 million at 30 June 2021 (EUR 299.8 million at 30 June 2020), and net of what is shown for the shareholder loans, there are no substantial changes that occurred after the end of the financial year.



On 22 October 2021, AS Roma's Board of Directors is called to approved an update of the consolidated budget data for the 2021-22 financial year and a preliminary analysis of the consolidated cash flow for the 2022-23 financial year ("Budget Data"), to take into account mainly the economic, financial and equity impact of the transactions for the transfer of players' registration rights defined during the summer session of the transfer campaign. The Budget Data provide for a further significant deterioration in the economic, financial and equity situation of AS Roma and the AS Roma Group, characterized, among other things, by a still negative income trend that could lead to a capital deficit and significant financial needs.

The AS Roma Directors have assessed that the events and circumstances described may raise doubts about AS Roma's ability to continue to operate as a functioning entity, also in consideration of the difficulty of predicting the evolution of the pandemic situation. In particular, following the containment measures of the Covid-19 pandemic, the expected revenues from the sale of tickets for the matches played without the possibility of access to the stadiums by spectators and to be played with limited access to the stadiums have ceased. Furthermore, further uncertainties remain regarding the transfer operations of players' registration rights which could, in this economic context, be partially influenced by a potential reduction in investments in the sector and possibly by the timing for carrying out such transfer operations. Any negative evolution of the previously outlined uncertainties could lead to the occurrence of further losses and, consequently, of further financial and capital needs, additional to those Budget in the Budget Data, even if their amount is difficult to Budget at the moment.

Therefore, the Budget Data requires a series of actions necessary to ensure adequate management of assets, financial and cash requirements, which make it possible to meet their needs deriving from operating activities, investments made and financial debts falling due in the next 12 months. In particular, AS Roma expects to cover its financial needs and to have sufficient capital resources available through the following actions:

- the contribution of additional capital and / or financial resources by the indirect controlling shareholder, who, as anticipated above, continued to support AS Roma even after the shareholders' meeting of 9 December 2020, making further payments as future capital increase and shareholder loans, and he has also irrevocably committed (i) to support AS Roma so that it can overcome the offense referred to in art. 2447 of the Italian Civil Code, considering - among other things - the legal provisions currently in force, and (ii) to provide the necessary financial resources so that it can operate as a going concern with reference to a time horizon of at least twelve months from the date of publication of the Financial Statements at 30 June 2021 by the Board of Directors;
- the possible sale of available corporate assets, albeit to a limited extent compared to the trend of recent years, and in particular of the players' registration rights, which would bring out values that are currently not expressed, also taking into account that the overall market value of Rights is reasonably higher than the book value and therefore represents a financial and economic resource for the future. In this regard, however, it should be noted that the transfer of the Rights is in any case conditional, in addition to the agreement between the two sports clubs, on the acceptance of the transfer by the player himself, whose decision is outside the control of AS Roma;
- the cash flows generated by ordinary activities including, inter alia, any additional net operating cash flows that could be achieved during participation in the 2021-22 UEFA Conference League.

However, any adverse developments in the COVID-19 pandemic or possible future outbreaks could affect the activities of AS Roma and other Serie A clubs, and the ability to successfully complete the aforementioned actions, as well as the smooth running of Serie A and of the other European competitions in the next seasons which are not foreseeable at the date of approval of the Annual Financial Report as at 30 June 2021. Should there be a negative evolution of these hypothetical circumstances, which represent uncertainties, further losses could arise and, consequently, of further financial requirements, additional to those reflected in the aforementioned Budget Data, even though their amount is currently difficult to determine. It should be noted that the Budget Data are based on AS Roma's assessment of events and situations that are expected to occur and the related actions that AS Roma intends to undertake. These data therefore reflect the assumptions and elements used by AS Roma at the basis of their formulation and represent the best estimate of the equity, financial situation and economic result for the period expected by AS Roma. In this regard, it should be noted that the preparation of the Budget data is based, by its very nature, on the assumption of detailed and

complex hypotheses on future events, which, considering also the aforementioned pandemic context, may not be matched, or may find a different match from what is reflected in the Budget Data, as well as in many cases outside the control of AS Roma, generally characterized by intrinsic elements of subjectivity and uncertainty, and that the uncertainties typical of a football club remain in the estimate of the Budget Data.

Consequently, even if prepared by AS Roma with accuracy and on the basis of the best available estimates, some of the basic Budget events may not occur or may occur to a different extent than expected, while unforeseeable events may occur at the time of their preparation, considering, among other things, the current context deriving from the spread of the COVID-19 virus, thus generating significant differences between actual and Budget values.

In particular, in the hypothetical circumstance in which the Football Association was forced to interrupt or cancel the current sporting season, or to increase the current containment measures and / or to adopt further ones, a negative reflection could emerge mainly on the revenues deriving from television rights. and sponsorships, as well as on proceeds from ticketing. Further uncertainties could emerge with reference to the determination of the market value of the players' registration rights, as well as the value connected to the transfer operations of part of these registration rights provided for in the Budget Data, which could be affected, in the context of reference, from a potential reduction in investments in the sector. Therefore, AS Roma will continue to monitor the evolution of the factors taken into consideration, so as to be able to adopt, where necessary, the most appropriate decisions and corrective actions, if necessary, including the additional contribution of financial and equity resources compared to the provided in the Budget Data by the indirect controlling shareholder.

It should also be noted that the participation of the First Team in the various national and European sports competitions requires compliance with certain economic and financial requirements, established by the Federal Council of the FIGC, as well as compliance with the set of rules and monitoring criteria provided for by the UEFA regulations, based in particular on three pillars: business continuity, the so-called balanced budget or Break-even rule, and the absence of overdue debts to other clubs, players or social and tax authorities. In this regard, it should be noted that the Budget Data requires a series of actions that will allow the participation of the First Team in the various national sports competitions, and that, at the date of this draft budget, the salary for the month of September has been paid to the members. 2021, current and instalment-based taxes and withholdings were duly paid and therefore there are no overdue tax payables (taking into account the provisions of art.61 of Law Decree no.18 of 17 March 2020, converted into Law no.27/2020, as subsequently amended by art. 127 of Law Decree no.34 of 19 May 2020, converted, with amendments, by Law 77/2020, and by the provisions referred to in Article 1, paragraphs 36 and 37, of Law no.178 of 30 December 2020, cited above) and there are no overdue payables to other clubs. In this regard, it should be noted that AS Roma recorded, on the basis of the final figures as at 30 June 2021, a deviation from the UEFA break-even requirements for the reporting period of 4 years. Therefore, AS Roma may be subject to the sending of more economic and financial information and, subsequently, the Club Financial Control Body (CFCB), in charge of the control, may request any contradictory clarifications for the appropriate assessments. As the automatic application of a sanction as a consequence of a violation is not predetermined, and even more so as to what type of sanction, it is not possible today to predict which decision will be taken by the CFCB at the conclusion of the in-depth analysis described above.

After having carried out the necessary checks and assessed the uncertainties described above, on the basis of the considerations previously illustrated, and in particular the expected contribution of additional financial and equity resources by the indirect controlling shareholder, through the RRI, which has already expressed its formal commitment for at least twelve months from the date of publication of these financial statements to 30 June 2021, of the evaluation of the players' registration rights, available for transfer to third parties, albeit to a limited extent compared to the amount of capital gains realized in recent years, the Directors believe that there is a reasonable expectation to finalize the aforementioned actions to the extent necessary to ensure adequate management of capital and financial resources and their ordinary cash requirements, and therefore the continuation of operating activities in the foreseeable future.



## ANNUAL FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED AS AT 30 JUNE 2021

For these reasons, the going concern assumption was applied in the preparation of the AS Roma Financial Statements at 30 June 2021 and, consequently, the going concern assumption was applied in the preparation of these Financial Statements at 30 June 2021.

### FINAL CONSIDERATIONS

Dear Shareholders,

We invite you to approve the Financial Statements for the year ended 30 June 2021, as presented to you, with the proposal to carry forward the loss made in the year ended 30 June 2021, amounting to EUR 9,364,194.67

Rome, 21 October 2021

Empowered Representative

on behalf of the Board of Directors  
of the General Partner  
Brand Management S.r.l.

---

Eric Felen Williamson III



## **ANNUAL FINANCIAL REPORT**

FOR THE FINANCIAL YEAR ENDED AS AT 30 JUNE 2021

# **FINANCIAL STATEMENTS AND NOTES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

## ACCOUNTING STATEMENTS

### STATEMENT OF FINANCIAL POSITION

ASSETS	notes	30/06/2021	30/06/2020
<b>NOT CURRENT ASSETS</b>	€		
Plants and machinery		115.277	96.851
Industrial and commercial equipment		30.296	38.134
Other tangible assets		1.485.403	950.452
Assets under construction		-	40.057
<b>Tangible assets</b>	7.1	<b>1.630.976</b>	<b>1.125.494</b>
Equity investments	7.2	127.296.719	127.296.719
Right of use	7.3	9.473.283	8.507.310
Non-current financial assets	7.4	190.463.114	182.823.769
Other non-current assets	7.7	367.880	305.246
Other non-current assets		190.830.995	183.129.015
<b>Total non-current assets</b>		<b>329.231.972</b>	<b>320.058.538</b>
<b>CURRENT ASSETS</b>			
Inventories	7.5	899.142	1.255.694
Trade receivables	7.6	32.733.152	23.668.937
Other current assets	7.7	54.337.860	43.848.581
Tax receivables	7.8	65.141	1.410.501
Cash at bank and on hand	7.9	920.921	461.001
<b>Total Current Assets</b>		<b>88.956.215</b>	<b>70.644.713</b>
<b>TOTAL ASSETS</b>		<b>418.188.187</b>	<b>390.703.252</b>

The explanatory notes are an integral part of the Financial Statements

**STATEMENT OF FINANCIAL POSITION**

<b>LIABILITIES</b>	<i>notes</i>	30/06/2021	30/06/2020
<b>EQUITY</b>			
Share capital		123.432.270	123.432.270
Actuarial loss reserve		(251.214)	(369.205)
Accumulated loss		(48.539.411)	(34.370.050)
Loss for the period		(9.364.195)	(14.169.361)
<b>Total Shareholders' Equity</b>	<i>7.10</i>	<b>65.277.450</b>	<b>74.523.654</b>
<b>NON CURRENT LIABILITIES</b>			
Non-current loans from subsidiaries	<i>7.11</i>	252.154.387	241.978.794
Non-current financial liabilities for right of use	<i>7.12</i>	9.451.609	8.159.569
Employee benefit liabilities	<i>7.13</i>	1.518.137	1.494.751
Trade payables	<i>7.14</i>	1.911.765	1.911.765
Other liabilities	<i>7.17</i>	8.825.243	8.913.420
<b>Total Non Current Liabilities</b>		<b>273.861.142</b>	<b>262.458.299</b>
<b>CURRENT LIABILITIES</b>			
Trade payables	<i>7.14</i>	74.064.214	47.795.370
Short term debt and current portion of long term debt	<i>7.11</i>	-	123
Current financial liabilities for right of use	<i>7.12</i>	716.048	477.624
Tax payables	<i>7.15</i>	239.876	212.390
Social security payables	<i>7.16</i>	334.593	408.405
Other liabilities	<i>7.17</i>	3.694.864	4.827.387
<b>Total Current Liabilities</b>		<b>79.049.595</b>	<b>53.721.299</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>418.188.187</b>	<b>390.703.252</b>

*The explanatory notes are an integral part of the Financial Statements*

**COMPREHENSIVE INCOME STATEMENT**

€	notes	12 months ended,	
		30/06/2021	30/06/2020
Merchandising	8.2	6,342,856	5,897,862
Sponsorship	8.3	1,401,102	6,072,890
Broadcast	8.4	8,229,553	7,565,772
Advertising	8.5	24,341,242	16,711,805
Other revenues	8.6	838,870	302,797
<b>Total revenues</b>	8.1	<b>41,153,623</b>	<b>36,551,125</b>
Costs of goods	8.7	(2,426,278)	(2,854,185)
Change in inventories	8.7	(356,552)	(37,192)
Cost of services	8.8	(12,808,078)	(18,594,206)
Cost of use of third- party assets	8.9	(26,063,325)	(26,829,772)
Personnel costs	8.10	(6,172,813)	(4,868,948)
Other expenses	8.11	(543,280)	(160,199)
Depreciation, amortization and write down	8.12	(2,206,099)	(1,827,407)
<b>Total operating costs</b>		<b>(50,576,425)</b>	<b>(55,171,910)</b>
Financial income		11,738,635	15,803,995
Financial expenses		(11,680,027)	(11,352,570)
<b>Net financial income</b>	8.13	<b>58,607</b>	<b>4,451,424</b>
Loss before taxes		(9,364,195)	(14,169,361)
current taxes		-	-
<b>Total taxes</b>	8.14	<b>-</b>	<b>-</b>
<b>Loss for the period</b>		<b>(9,364,195)</b>	<b>(14,169,361)</b>
Other components of the comprehensive operating loss for the financial year:	8.15		
Actuarial losses recorded in the employee benefit reserve		117,991	76,784
<b>Total loss</b>		<b>(9,246,204)</b>	<b>(14,092,577)</b>

*The explanatory notes are an integral part of the Financial Statements*

**CONSOLIDATED CASH FLOW STATEMENT**

(€ / 000 )	Notes	30/06/2021 12M	30/06/2020 12M
<b>Net loss</b>		(9.364.195)	(14.169.361)
depreciation and amortization	8.12	1.214.739	1.157.030
provisions and other write-downs		991.359	670.377
net financial income	8.13	(58.607)	(4.451.424)
changes in inventories	7.5	356.552	37.192
change in current receivables	7.6	(10.055.575)	(9.027.105)
change in current payables	7.14	26.268.844	16.377.400
change in tax receivables	7.8	1.345.360	(108.700)
change in tax payables	7.15	27.486	(29.348)
change in other current assets	7.7	(10.489.279)	(7.748.395)
change in other current liabilities	7.17	(1.206.335)	(521.033)
change in other non-current assets	7.7	3.837.858	8.163.426
change in other non-current liabilities	7.17	589.645	920.881
<b>A) Net cash from operating activities</b>		<b>3.457.852</b>	<b>(8.729.237)</b>
change in other tangible and intangible assets	7.1	(851.158)	(251.648)
<b>B) Net cash from investing activities</b>		<b>(851.158)</b>	<b>(251.648)</b>
Change in intercompany loans	7.11	(753.075)	8.188.957
Financial expense		(552.684)	(315.000)
Payments related to Rights of use		(841.016)	(954.019)
<b>C) Net cash from financing activities</b>		<b>(2.146.775)</b>	<b>6.919.938</b>
<b>D)=(A+B+C) TOTAL CASH FLOW</b>		<b>459.919</b>	<b>(2.060.947)</b>

**RECONCILIATION OF CASH AT BANK ON HAND**

	30/06/2021 12M	30/06/2020 12M
<b>Cash variation net of passive bank balance:</b>		
Cash at bank and on hand at the beginning of the period	461.001	2.521.949
Cash at bank and on hand at the end of the period	920.921	461.001
<b>Cash variation net of passive bank balance</b>	<b>459.919</b>	<b>(2.060.947)</b>



**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

<i>Euro</i>	Share capital	Reserve for actuarial losses	Losses carried forward	Result of the financial year	Net Equity
<b>Values as at 30 June 2019</b>	<b>123.432.270</b>	<b>(445.988)</b>	<b>(30.114.337)</b>	<b>(4.255.713)</b>	<b>88.616.232</b>
Resolution to carry forward the 2018/19 losses	-	-	(4.255.713)	4.255.713	-
Adjustment of the reserve for actuarial profits (losses)	-	76.784	-	-	76.784
Profit/loss at 30 June 2020	-	-	-	(14.169.361)	(14.169.361)
<b>Values as of 30 June 2020</b>	<b>123.432.270</b>	<b>(369.204)</b>	<b>(34.370.050)</b>	<b>(14.169.361)</b>	<b>74.523.654</b>
Resolution to carry forward the 2019/20 losses	-	-	(14.169.361)	14.169.361	-
Adjustment of the reserve for actuarial profits (losses)	-	117.991	-	-	117.991
Profit/loss at 30 June 2021	-	-	-	(9.364.195)	(9.364.195)
<b>Values as at 30 June 2021</b>	<b>123.432.270</b>	<b>(251.214)</b>	<b>(48.539.411)</b>	<b>(9.364.195)</b>	<b>65.277.450</b>

*The explanatory notes are an integral part of the Financial Statements*

## EXPLANATORY NOTES

### 1. GENERAL INFORMATION

This Annual Financial Report (hereinafter also referred to as the “Annual Report” or “Report”), represents the operating performance of the 2020-2021 financial year (hereinafter the “Financial Year” or “Period”), which ended on 30 June 2021 of Soccer S.a.s. di Brand Management S.r.l. (hereinafter also the “Company” or “Soccer”), a limited partnership (*Società in Accomandita Semplice*), incorporated and domiciled in Italy, with registered office at Via Emilia, 47, Rome. The Company operates in the areas of merchandising, publishing, marketing, sport sponsorships and Media (Radio and TV).

The Company, in application of the International Standards IAS/IFRS, is considered a special purpose Company and, therefore, is consolidated in the AS Roma Group, including A.S. Roma S.p.A. (“Parent Company” or “AS Roma”), ASR Media and Sponsorship S.p.A. (hereinafter “MediaCo”), Roma Studio and Soccer.

Under these considerations, the Company draws up its financial statements on the basis of International Accounting Standards, in accordance with what was done by the parent company A.S. Roma.

At this regard, on 17 August 2020 AS Roma SPV, LLC sold and transferred its controlling interest held directly and indirectly in the Company - and certain related assets and liabilities - to Romulus and Remus Investments LLC (a company specifically appointed by THE FRIEDKIN GROUP, INC., hereinafter “RRI”). More specifically, RRI controls 100% of NEEP, a joint-stock company under Italian law that owns 83.284% of the majority stake of the capital of AS Roma, and directly owns 3.518% of the voting shares of AS Roma.

RRI is a Delaware limited liability company, with registered office in Wilmington, Delaware, 1209 Orange Street and operating headquarters in Houston, Texas, 1375 Enclave Parkway, registered in the State of Delaware under No. 7868101. It is directly controlled by Romulus and Remus Holdings LLC, a Delaware limited liability company, which holds 100% of the share capital.

Romulus and Remus Holdings LLC is in turn 99% owned by Mr Thomas Dan Friedkin and 1% by Quantum Investment Holdings, Inc., a Delaware corporation. Mr Thomas Dan Friedkin owns 100% of the share capital of Quantum Holdings, Inc..

The direction and coordination activity, pursuant to articles 2497 and following of the Civil Code, exercised on AS Roma S.p.A. until 17 August 2020 by AS Roma SPV LLC and subsequently, until 28 May 2021 by Romulus and Remus Investments LLC (“RRI”), is currently exercised by NEEP Roma Holding S.p.A., which holds a total of no. 523,760,227 AS Roma ordinary shares, equal to 83.284% of the Company's share capital.

### 2. CONTENTS AND FORM OF THE FINANCIAL STATEMENTS

The Financial Statements comprise the Accounting Statements (Statement of Financial Position, Comprehensive Income Statement, Statement of Changes in Shareholders' Equity and Cash Flow Statement), accompanied by the Explanatory Notes in accordance with IAS 1 “Presentation of Financial Statements”.

More specifically, with reference to the Accounting Statements, for the Statement of Financial Position, the distinction between current/non-current has been adopted as the method of representing assets and liabilities, while for the Comprehensive Income Statement, the classification of revenues and costs is by nature; the Cash Flow Statement is prepared according to the indirect method, adjusting the Profit for the period from other non-monetary components.

The layouts of the Statement of Financial Position, Comprehensive Income Statement, Statement of Changes in Shareholders' Equity and Cash Flow Statement are the same as those used for the Financial Statements at 30 June 2020.

Amounts included in the Financial Statements are shown in Euro and amount included in the Notes are shown in thousands of Euro, unless otherwise indicated. The rounding up or down of amounts to the next Euro can give rise, in statements containing accounting data, to items that add up to an amount that is different from the one shown in the line recording the total of same.

These Financial Statements, approved by the Board of Directors at the meeting on October 21, 2021, are audited by the independent auditor Deloitte & Touche S.p.A., whose report is annexed to these Explanatory Notes.

### **3. STANDARDS AND CRITERIA APPLIED**

#### **3.1. ACCOUNTING STANDARDS AND ASSESSMENT CRITERIA**

The same accounting standards and assessment criteria have been adopted in the preparation of the financial statements as those applied in the preparation of the consolidated financial statements as at 30 June 2020, to which reference is made.

It should also be noted that in the preparation of the financial statements, tangible and intangible assets are subject to impairment tests, pursuant to IAS 36, where there are any indicators of impairment, to assess any losses or reinstatements of value (so-called impairment test), with the exception of the Library on which it is carried out regardless of the presence of any indicators of impairment.

#### *Ability to continue as a Going Concern*

The going concern of the Company is closely related to the going concern of AS Roma and of AS Roma Group.

The AS Roma statutory economic result of the first nine months of fiscal year 2020-21, negative for EUR 108.3 million, resulted in a negative value of the separate shareholders' equity of EUR 42.1 million, highlighting the case provided for by art. 2447 of the Civil Code (reduction of share capital - for operating losses - by more than one third and beyond the legal limit for AS Roma type). The fourth quarter of the 2020-21 financial year resulted in a further worsening of the economic and equity situation, which resulted in a separate loss of A.S. Roma S.p.A. equal to EUR 177.7 million and a negative shareholders' equity of EUR 111.4 million.

The negative results for the year and the consequent deterioration of assets are due, among other things, to the spread of the COVID 19 virus, declared a "pandemic" by the World Health Organization, with respect to which AS Roma has, since the last sporting season, taken every useful measure to cope with the changed scenario and mitigate the economic and financial impact. However, despite the measures adopted by AS Roma to mitigate the consequences, this emergency situation, extraordinary by nature and extent, has had and is having significant repercussions also on the economic activities of AS Roma and of the Group, determining a context of general uncertainty, such as to determine repercussions negative on the proceeds of AS Roma deriving in general from all the commercial activities of the Group, and in particular from the proceeds related to the sale of ticket offices as a result of the closed-door tenders, the reduction of which is only partially offset by that of operating costs. In fact, the matches of the Serie A 2020/21 championship, which started in September 2020 and ended regularly in May 2021, were held behind closed doors, with the exception of some matches between the end of September and the beginning of October 2020, for which a maximum number of entrances of one thousand people in the stands has been foreseen. The matches of the international competitions (UEFA Champions League and UEFA Europa League), which began in October 2020 and ended without interruption in May 2021, were also played behind closed doors.

The Serie A 2021/22 championship started on 22 August 2021 and up to the date of this Report all matches were regularly played with the possibility of public participation up to a maximum capacity of 50% of that ordinarily authorized. In this regard, it should be noted that the Decree-Law n.105 of 23 July 2021, containing "Urgent measures to deal with the epidemiological emergency from COVID-19 and for the safe exercise of social and economic activities", defined the possibility of public participation in sporting events and competitions exclusively to subjects with one of the COVID-19 green certifications, and a capacity allowed, in the case of outdoor events held in the white area, up to a maximum of 50% of the maximum authorized, while in the case of the yellow zone, 25% up to a maximum of 2,500 spectators. Subsequently, on 7 October 2021, the Council of Ministers further expanded the possibility of public participation in sporting events and competitions, defining it up to a maximum of 75% in the case of outdoor events held in the white zone and 50% in case of yellow zone.

In the context of emergency corporate measures to support businesses, it should be noted that article 1, paragraph 266, of law no. 178 of 30 December 2020 (effective from 1 January 2021) modified the temporary

regime previously in force and - in response to the new developments of the Covid-19 pandemic - further suspended the application of the obligation to adopt measures following the reduction of share capital due to losses (articles 2446 and 2447 of the Civil Code) upon the occurrence of certain conditions provided for by law. In particular, the legislation currently in force provides that:

1. the losses recorded in the current financial year as at 31 December 2020 - for AS Roma, therefore, the current year, which will end on 30 June 2021 - do not result in the obligation to reduce the share capital provided for by articles 2446, paragraphs 2 and 3, and 2447 of the civil code, as well as the obligation to dissolve AS Roma pursuant to article 2484, paragraph 1, number 4, of the Italian Civil Code.
2. The term within which the loss must be reduced to less than one third established by articles 2446, second paragraph, and 2482-bis, fourth paragraph, of the Italian civil code, is postponed to the fifth subsequent financial year; the shareholders' meeting that approves the financial statements for this year must reduce the capital in proportion to the ascertained losses.
3. In the cases provided for by articles 2447 or 2482-ter of the civil code, the shareholders' meeting convened without delay by the directors, as an alternative to the immediate reduction of the capital and the simultaneous increase of the capital to an amount not less than the legal minimum limit, may resolve to postpone these decisions to the end of the financial year referred to in paragraph 2. The shareholders' meeting that approves the financial statements for that financial year must proceed with the resolutions referred to in articles 2447 or 2482-ter of the civil code. The cause of dissolution of AS Roma due to reduction or loss of the share capital referred to in articles 2484, first paragraph, number 4), and 2545-duodecies of the civil code does not apply until the date of that meeting.
4. The losses referred to in paragraphs 1 to 3 must be indicated separately in the explanatory notes specifying, in specific tables, their origin as well as the changes that took place during the financial year".

In this context, the AS Roma Extraordinary Shareholders' Meeting held on July 9, 2021, received a report from the Board of Directors regarding the legal case referred to in art. 2447 of the Civil Code and approved to postpone the adoption of the decisions provided for by art. 2447 of the Civil Code, at the date of the meeting that will approve the financial statements as at 30 June 2026, pursuant to the provisions of the liquidity decree mentioned above.

At a consolidated level, the group loss for the 2020-21 financial year is equal to EUR 185.3 million, compared to the loss of EUR 204.0 million recorded in the previous year. The consolidated shareholders' equity attributable to the AS Roma Group at 30 June 2021 was negative for EUR 272.0 million, worsening by EUR 30.5 million compared to 30 June 2020, taking into account that the reduction in equity resulting from the loss of year was partially offset by the conversion to the Shareholder's reserve for capital increase of shareholder loans for a total of EUR 154.6 million, related for EUR 132.6 million to the payments made in the first part of the year by the indirect parent company Romulus and Remus Investments LLC, through the direct parent company NEEP Roma Holding SpA (hereinafter "NEEP").

Taking into account the above, the Shareholder's reserve for capital increase at 30 June 2021 amounted to EUR 243.7 million, compared to EUR 89.1 million at June 30, 2020.

It should also be noted that RRI, through its parent company NEEP, continued to support the Group's working capital needs through shareholder loans. In particular, in the last quarter of the 2020-21 financial year and up to the date of this Report, it disbursed an additional EUR 151.7 million to AS Roma, of which EUR 30.7 million received between April and June 2021, and EUR 120.9 million received after 30 June 2021. Therefore, the aforementioned sums, together with the contributions already made since the acquisition date, amount to a total of € 284.3 million. In October 2021 NEEP also assumed an irrevocable commitment to convert the entire amount of shareholder loans into the Shareholder's reserve for capital increase, equal to EUR 151.7 million, with effect from the date of the next shareholders' meeting of AS Roma S.p.A. convened for 26 November 2021 on first call and, if necessary, on 27 November 2021, on second call.

In this regard, on 9 December 2020, the AS Roma Extraordinary Shareholders' Meeting approved the proposal for a divisible share capital increase against payment for a maximum amount of EUR 210 million against which NEEP, as previously indicated, has already contributed in the "Shareholder reserve for capital increase" a total

amount at 30 June 2021 of EUR 243.7 million. On 22 October 2021, the Board of Directors resolved to submit to the next Shareholders' Meeting, called for 26 November 2021 on first call and, if necessary, on 27 November 2021, on second call, the proposal to postpone and increase the amount of the share capital increase by a maximum amount of up to EUR 460 million, divisible and paid, to be carried out by 31 December 2022.

From a financial point of view, on the other hand, the AS Roma Group has an adjusted consolidated net financial debt of EUR 302 million at 30 June 2021 (EUR 299.8 million at 30 June 2020), and net of what is shown for the shareholder loans, there are no substantial changes that occurred after the end of the financial year.

On 22 October 2021, AS Roma's Board of Directors is called to approved an update of the consolidated budget data for the 2021-22 financial year and a preliminary analysis of the consolidated cash flow for the 2022-23 financial year ("Budget Data"), to take into account mainly the economic, financial and equity impact of the transactions for the transfer of players' registration rights defined during the summer session of the transfer campaign. The Budget Data provide for a further significant deterioration in the economic, financial and equity situation of AS Roma and the AS Roma Group, characterized, among other things, by a still negative income trend that could lead to a capital deficit and significant financial needs.

The AS Roma Directors have assessed that the events and circumstances described may raise doubts about AS Roma's ability to continue to operate as a functioning entity, , also in consideration of the difficulty of predicting the evolution of the pandemic situation. In particular, following the containment measures of the Covid-19 pandemic, the expected revenues from the sale of tickets for the matches played without the possibility of access to the stadiums by spectators and to be played with limited access to the stadiums have ceased. Furthermore, further uncertainties remain regarding the transfer operations of players' registration rights which could, in this economic context, be partially influenced by a potential reduction in investments in the sector and possibly by the timing for carrying out such transfer operations. Any negative evolution of the previously outlined uncertainties could lead to the occurrence of further losses and, consequently, of further financial and capital needs, additional to those Budget in the Budget Data, even if their amount is difficult to Budget at the moment.

Therefore, the Budget Data requires a series of actions necessary to ensure adequate management of assets, financial and cash requirements, which make it possible to meet their needs deriving from operating activities, investments made and financial debts falling due in the next 12 months. In particular, AS Roma expects to cover its financial needs and to have sufficient capital resources available through the following actions:

- the contribution of additional capital and / or financial resources by the indirect controlling shareholder, who, as anticipated above, continued to support AS Roma even after the shareholders' meeting of 9 December 2020, making further payments as future capital increase and shareholder loans, and he has also irrevocably committed (i) to support AS Roma so that it can overcome the offense referred to in art. 2447 of the Italian Civil Code, considering - among other things - the legal provisions currently in force, and (ii) to provide the necessary financial resources so that it can operate as a going concern with reference to a time horizon of at least twelve months from the date of publication of the Financial Statements at 30 June 2021 by the Board of Directors;
- the possible sale of available corporate assets, albeit to a limited extent compared to the trend of recent years, and in particular of the players' registration rights, which would bring out values that are currently not expressed, also taking into account that the overall market value of Rights is reasonably higher than the book value and therefore represents a financial and economic resource for the future. In this regard, however, it should be noted that the transfer of the Rights is in any case conditional, in addition to the agreement between the two sports clubs, on the acceptance of the transfer by the player himself, whose decision is outside the control of AS Roma;
- the cash flows generated by ordinary activities including, inter alia, any additional net operating cash flows that could be achieved during participation in the 2021-22 UEFA Conference League.

However, any adverse developments in the COVID-19 pandemic or possible future outbreaks could affect the activities of AS Roma and other Serie A clubs, and the ability to successfully complete the aforementioned actions, as well as the smooth running of Serie A and of the other European competitions in the next seasons

which are not foreseeable at the date of approval of the Annual Financial Report as at 30 June 2021. Should there be a negative evolution of these hypothetical circumstances, which represent uncertainties, further losses could arise and, consequently, of further financial requirements, additional to those reflected in the aforementioned Budget Data, even though their amount is currently difficult to determine. It should be noted that the Budget Data are based on AS Roma's assessment of events and situations that are expected to occur and the related actions that AS Roma intends to undertake. These data therefore reflect the assumptions and elements used by AS Roma at the basis of their formulation and represent the best estimate of the equity, financial situation and economic result for the period expected by AS Roma. In this regard, it should be noted that the preparation of the Budget data is based, by its very nature, on the assumption of detailed and complex hypotheses on future events, which, considering also the aforementioned pandemic context, may not be matched, or may find a different match from what is reflected in the Budget Data, as well as in many cases outside the control of AS Roma, generally characterized by intrinsic elements of subjectivity and uncertainty, and that the uncertainties typical of a football club remain in the estimate of the Budget Data.

Consequently, even if prepared by AS Roma with accuracy and on the basis of the best available estimates, some of the basic Budget events may not occur or may occur to a different extent than expected, while unforeseeable events may occur at the time of their preparation, considering, among other things, the current context deriving from the spread of the COVID-19 virus, thus generating significant differences between actual and Budget values.

In particular, in the hypothetical circumstance in which the Football Association was forced to interrupt or cancel the current sporting season, or to increase the current containment measures and / or to adopt further ones, a negative reflection could emerge mainly on the revenues deriving from television rights, and sponsorships, as well as on proceeds from ticketing. Further uncertainties could emerge with reference to the determination of the market value of the players' registration rights, as well as the value connected to the transfer operations of part of these registration rights provided for in the Budget Data, which could be affected, in the context of reference, from a potential reduction in investments in the sector. Therefore, AS Roma will continue to monitor the evolution of the factors taken into consideration, so as to be able to adopt, where necessary, the most appropriate decisions and corrective actions, if necessary, including the additional contribution of financial and equity resources compared to the provided in the Budget Data by the indirect controlling shareholder.

It should also be noted that the participation of the First Team in the various national and European sports competitions requires compliance with certain economic and financial requirements, established by the Federal Council of the FIGC, as well as compliance with the set of rules and monitoring criteria provided for by the UEFA regulations, based in particular on three pillars: business continuity, the so-called balanced budget or Break-even rule, and the absence of overdue debts to other clubs, players or social and tax authorities. In this regard, it should be noted that the Budget Data requires a series of actions that will allow the participation of the First Team in the various national sports competitions, and that, at the date of this draft budget, the salary for the month of September has been paid to the members. 2021, current and instalment-based taxes and withholdings were duly paid and therefore there are no overdue tax payables (taking into account the provisions of art.61 of Law Decree no.18 of 17 March 2020, converted into Law no.27/2020, as subsequently amended by art. 127 of Law Decree no.34 of 19 May 2020, converted, with amendments, by Law 77/2020, and by the provisions referred to in Article 1, paragraphs 36 and 37, of Law no.178 of 30 December 2020, cited above) and there are no overdue payables to other clubs. In this regard, it should be noted that AS Roma recorded, on the basis of the final figures as at 30 June 2021, a deviation from the UEFA break-even requirements for the reporting period of 4 years. Therefore, AS Roma may be subject to the sending of more economic and financial information and, subsequently, the Club Financial Control Body (CFCB), in charge of the control, may request any contradictory clarifications for the appropriate assessments. As the automatic application of a sanction as a consequence of a violation is not predetermined, and even more so as to what type of sanction, it is not possible today to predict which decision will be taken by the CFCB at the conclusion of the in-depth analysis described above.

After having carried out the necessary checks and assessed the uncertainties described above, on the basis of the considerations previously illustrated, and in particular the expected contribution of additional financial



and equity resources by the indirect controlling shareholder, through the RRI, which has already expressed its formal commitment for at least twelve months from the date of publication of these financial statements to 30 June 2021, of the evaluation of the players' registration rights, available for transfer to third parties, albeit to a limited extent compared to the amount of capital gains realized in recent years, the Directors believe that there is a reasonable expectation to finalize the aforementioned actions to the extent necessary to ensure adequate management of capital and financial resources and their ordinary cash requirements, and therefore the continuation of operating activities in the foreseeable future.

For these reasons, the going concern assumption was applied in the preparation of the AS Roma Financial Statements at 30 June 2021 and, consequently, the going concern assumption was applied in the preparation of these Financial Statements at 30 June 2021.

#### *Intangible assets*

IAS 38 (Intangible Assets) defines intangible assets as identifiable non-monetary assets without physical substance. These assets are defined as resources and, therefore, can be recorded in financial statements in the event that, apart from fulfilling the requirement of identifiability, they are controlled by a company as a result of past events, and they are likely to generate future economic benefits for the latter.

The condition of identifiability is satisfied if the intangible asset:

- is separable, that is to say it is capable of being separated, unbundled from the entity in question and sold, transferred, licensed, leased or exchanged, either individually or jointly with the related contract, asset or liability; or
- arises from a contractual or other legal right, regardless of whether these rights are transferable or separable from the company, or from other rights and obligations.

The company controls an asset if it has the ability to take advantage of the future economic benefits arising from said resource and can also limit third parties' access to these benefits. This ability usually arises from the existence of exclusive legal rights, but is not limited to the existence thereof, since the company might be able to control future economic benefits in some other way.

A further condition is the asset's capacity to generate future economic benefits, which can either be revenues, cost reductions, or benefits accruing from the direct use thereof in the company's business activities. The asset is recorded, therefore, when there is a likelihood of future economic benefits accruing thereto, which are measured by using reasonable and sustainable assumptions representing management's best estimate of the economic conditions that will exist during its useful life. This assessment is carried out on the date on which said asset is acquired.

The Intangible Assets recorded in the Financial Statements mainly consist of:

#### Library AS Roma.

The asset refers to the archive of audiovisual products (sequences of images relating to AS Roma) and the related rights acquired by RAI in 2007 for a 99 years period. The Library is to be considered an intangible asset with a finite useful life and is valued at cost and amortized systematically on a straight-line basis with reference to its useful life.

Regardless of the presence of any indicators of impairment, the Company carries out an impairment test on the value of the Library at least annually, determining the recoverable value in the sense of "value in use" and therefore estimating the recoverable value of the Library on the basis of its ability to generate future cash flows. The evaluation process is based on assumptions concerning, among other things, the forecast of the expected cash flows of the AS Roma, the determination of an appropriate discount rate ("WACC") and long-term growth rate ("g-rate").

#### Other intangible assets

Other intangible assets are recorded according to the cost criterion, which includes any ancillary charges that are directly attributable to the company and are systematically depreciated on a straight-line basis with reference to their useful life, understood as being an estimate of the period in which the assets will be used by the company.

*Property, Plant and Equipment*

The IAS 16 Accounting Standard (*Property, Plant and Equipment*) states that Property, Plant and Equipment consist of goods that are held for use in the production or supply of goods or services, or for administrative purposes and are, therefore, neither held for sale nor for real estate investment purposes. Therefore, this item includes:

- costs paid in advance or suspended over multiple financial years the allotment of which is set to contribute to the business income and statement of financial position over several consecutive financial years;
- tangible assets and advance payments made to suppliers against purchasing said tangible assets with a multi-year economic utility.

Property, Plant and Equipment are recorded as assets when:

- it is probable that future economic benefits associated with the asset will accrue to the undertaking; and
- the cost of the asset can be measured reliably.

The requirement as to the certainty of enjoying the future economic benefits accruing to an asset is usually linked to all of the risks and benefits associated with the asset that is being transferred.

Property, Plant and Equipment are initially measured at cost, which includes, in addition to the purchase price or production cost, ancillary charges that are directly attributable thereto or that are necessary to make the assets ready for the use for which they were purchased.

After the initial recognition, the evaluation can be carried out according to the cost model or the revaluation model chosen by the company, applying the chosen policy to an entire class of Property, Plant and Equipment. Under the cost model, the item is carried at its cost, less any accumulated depreciation and any impairment losses.

Under the revaluation model, an item, the fair value of which can be measured reliably is carried at a revalued amount, which is its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses.

The company adopts the cost method and, therefore, the value of an asset recorded at cost in the financial statements is adjusted in light of the systematic depreciation thereof from the date it is available and ready for use, based on its useful life. Systematic depreciation is defined in the amortization plan on the basis of following items: (i) value to be depreciated; (ii) duration of the depreciation; (iii) criteria for distributing the value to be depreciated.

The following rates apply to the estimated useful life of the following categories of assets:

Buildings (leasehold improvements)	Depreciation on the basis of the contractual duration
Generic plants	10%
Technical equipment	15,50%
Electronic equipment	20%
Office furniture and equipment	12%
Heavy duty vehicles	20%
Motor vehicles	25%



The residual value and useful life of tangible assets are reviewed annually and updated, where necessary, at the end of each financial year. The book value of an asset is kept in the financial statements to the extent that there is evidence that this value can be recovered through the use thereof. In determining the possibility that accounting values higher than the value that can be recovered exist, each significant element of the fixed asset is evaluated separately, based on its useful life. Several items, the estimated useful life of which is similar, can, however, be grouped together.

Costs connected with extending, modernizing or improving structural elements can be capitalized solely to the extent that they meet the requirements for being classified separately as an asset, or part of another asset.

Costs incurred in conducting ordinary maintenance and repairs, and in maintaining the assets efficient so as to guarantee the useful life thereof and the originally envisaged production capacity are recorded as costs in the financial year in which they are incurred.

#### *Leased assets*

Financial and operating leasing contracts are accounted for in accordance with the new accounting standard IFRS 16 which provides a new definition of lease and introduces a criterion based on the control (right of use) of an asset to distinguish lease contracts from contracts for the supply of services, identifying as discriminating: the identification of the asset, the right to replace it, the right to obtain substantially all the economic benefits deriving from the use of the asset and, finally, the right to direct the use of the asset underlying the contract. The standard establishes a single model of recognition and evaluation of lease contracts for the lessee (leasee) which provides for the registration of the leased asset, including operational assets, with a financial debt as a counterpart.

In particular, the Group accounts, in relation to lease agreements:

- financial liability, equal to the present value of the residual future payments at the transition date, discounted using the applicable incremental borrowing rate for each contract;
- a right of use equal to the value of the financial liability at the transition date, net of any accruals and deferrals relating to the lease and recognized in the balance sheet at the closing date of this report, recognizing the amortization over the duration of the contract.

The value of the right of use is subject to verification, to detect any losses in value, if events or changes in situation indicate that the book value cannot be recovered. If there is an indication of this type and in the event that the book value exceeds the estimated realizable value, the assets are written down to reflect their realizable value. The realizable value is represented by the greater of the net sale price and the value in use. Impairment losses are recognized in the income statement under costs for depreciation and write-downs. Such losses in value are reinstated if the reasons that generated them no longer exist.

Short-term contracts and contracts for goods of low value:

The Group avails itself of the exemption from the application of IFRS 16 for short-term contracts (less than 12 months) and for contracts in which the single leased asset is of low value (less than Euro 5,000). The lease payments of these contracts are recognized on a straight-line basis as costs in the income statement, on the basis of the terms and conditions of the contract.

#### *Financial assets*

Financial assets, recognized under Current and non-current assets on the basis of their maturity and the forecast regarding the time in which they will be converted into monetary assets.

The provisions of IFRS 9 relating to the classification and valuation of financial assets provide for the following categories: (i) financial assets measured at amortized cost; (ii) financial assets measured at fair value with

imputation of the effects in other comprehensive income (hereinafter also OCI); (iii) financial assets measured at fair value with the effects recognized in the Comprehensive Income Statement.

The classification of a financial asset representative of a debt instrument depends on the characteristics of the cash flows deriving from the financial activity and the business model adopted. In particular, financial assets that generate contractual cash flows exclusively representing payments of principal and interest are valued at amortized cost if held for the purpose of collecting the contractual cash flows (so-called business model held to collect); differently, they are measured at fair value with recognition of the effects in OCI (hereinafter also FVTOCI) if the business model provides for the possibility of making sales before the expiry of the financial instrument (so-called Business model held to collect and sell).

#### *Trade receivables and other receivables*

Trade receivables and other receivables, included among current or non-current assets at the time of initial recognition, at fair value and, subsequently, at amortized cost based on the effective interest rate method based on the effective interest rate. If there is objective evidence of impairment indicators, the asset is reduced to such an extent as to be equal to the present value of the cash flows expected from it.

In particular, provisions for impairment of trade receivables or other receivables are made when there is objective evidence that the Company will not be able to collect the entire amount of the credit claimed. The amount of the provision is equal to the difference between the book value of the credit and the present value of the expected cash flows, calculated at the effective interest rate. If in subsequent periods the reasons for the previous write-downs cease to exist, the value of the assets is restored up to the value that would have resulted from the application of the amortized cost if the write-down had not been made.

#### *Inventories*

Inventories posted as Current Assets are appraised at whichever is the lower between the cost and the net disposal value thereof, in accordance with the IAS 2 Accounting Standard, so as to record any impairments (caused by damage, deterioration, obsolescence) as losses in the year in which they are expected to occur, and not in the year in which they will occur after having been sold.

The cost of inventories, calculated by using the weighted average method, includes all the costs of acquisition and the other costs incurred in bringing them to the location in which they are to be sold and making them suitable for such sale.

#### *Cash at bank and on hand*

Cash at bank and on hand, which consist of actually existing funds and which are recorded as Current assets in the balance sheet, consist of: (i) cash; (ii) instruments that can be assimilated thereto; (iii) existing bank cheques and bankers' draft held by the main cashier; (iv) deposits with banks and credit institutions in general, available for current transactions; (v) postal accounts;

#### *Provisions for risks and charges*

Provisions for risks and charges are recorded when losses occur and charges of a specific nature that certainly or probably exist are incurred, whose amount and/or date of occurrence cannot, however, be determined at the end of the financial year. Provisions are posted for accounting purposes in accordance with IAS 37, when:

- the company is bound by a current (legal or implied) obligation as a result of a past event;
- it is probable that economic resources will have to be used to satisfy this obligation;
- it is possible to reliably estimate the amount necessary to fulfil the said obligation.

The Provisions are made on the basis on the Directors' best estimates of the amounts needed to settle outstanding obligations at the reference date.

#### *Severance indemnity provision*

AS Roma Group uses only pension schemes that fall into the category of defined contribution plans. The only form of benefit that is provided to employees after the employment relationship has come to an end is the Employees' Severance Indemnity (TFR, as per Italian acronym) to which they are entitled under the law, namely Article 2120 of the Italian Civil Code.

In compliance with the IAS 19 Accounting Standard, this benefit is envisaged by the defined contribution plans, whereby the company undertakes to provide the agreed benefits to current and former employees, taking upon itself the actuarial risks connected with such plan (i.e. that the benefits are lower than those predicted), as well as the investment risks connected therewith (i.e. that the assets that have been invested are not enough to provide the benefits predicted). Therefore, the cost of this plan is not defined on the basis of the contributions due for the year, but is determined on the basis of demographic assumptions, statistics and salary trend forecasts.

In accordance with the provisions of IAS 19, the amount of the liability for future benefits recorded in the Balance Sheet is the current value of the obligation at the Consolidated Financial Statements' closing date, which is increased by any net actuarial profits that have accrued thereto after the following have been deducted: (i) any social security costs that have been incurred in connection with past services that have not yet been recorded; (ii) the fair value, as of the Consolidated Financial Statements' reference date, of the assets (if any) that will be used for the purpose of directly discharging the obligations envisaged under the plan.

Employees' Severance Indemnities are determined by applying the actuarial method. The rights accrued by the said employees during the financial year in question are recorded in the Profit and Loss Account in the Labor Costs item, whereas the figurative financial charge that the company would incur if it borrowed an amount equal to the Employees' Severance Indemnity is recorded as a Financial Charge. Actuarial gains and losses, which reflect the effects of changes in the actuarial assumptions on which the Company has based its calculations, are recorded in the Overall Profit and Loss Account, taking into account the residual average working life of employees.

For some categories of professional sportsmen and corporate executives, only the liabilities for the accrued Employees' Severance Indemnities still held by the company are recorded, for the purposes of IAS 19, since the Severance Indemnities accruing after the enactment of the Italian Budget Law No. 296 of 27 December 2006 have been conferred, in whole or in part, to a separate entity (Managers' Social Security Fund - Previndai). As a result of these payments, with reference to the said amounts that have been conferred, the company will no longer have obligations in connection with the work performed in the future by the employees in question (*Defined contribution plan*).

#### *Financial liabilities*

Financial liabilities are initially recognized at fair value, net of any directly attributable transaction charges. After initial recognition, financial liabilities are measured with the amortized cost method, using the effective interest rate method.

Commercial liabilities, whose maturity falls within the normal commercial terms or for which there are no significant financial components, are not discounted.

If there is a modification of one or more elements of an existing financial liability (also through replacement with another instrument), a qualitative and quantitative analysis is carried out in order to verify whether this modification is substantial compared to the contractual terms already in place. . In the absence of substantial changes, the difference between the current value of the flows as modified (determined using the instrument's original effective interest rate) and the book value of the instrument is recognized in the Comprehensive Income Statement, with consequent adjustment of the value of the financial liability and re-determination of the effective interest rate of the instrument; if substantial changes occur, the existing instrument is canceled and the fair value of the new instrument is recognized at the same time, with the relative difference being recognized in the comprehensive income statement.

#### *Cancellation of financial instruments*

Financial instruments are no longer shown in the financial statements when, as a result of their sale or settlement, the Group is no longer involved in their management, nor holds the risks and benefits relating to these transferred or extinguished instruments and therefore loses the right to receive / payment of cash flows associated with the financial instrument.

#### *Current and deferred taxes*

Current taxes are calculated based on the estimated taxable income for the financial year in question, and the current tax rates are accordingly applied.

Deferred taxes are calculated on all the assets and liabilities' temporary balances (i.e. the difference between the value thereof calculated for tax purposes and book value thereof recorded in the Consolidated Financial Statements). Deferred taxes are calculated using the rates that are reasonably expected to be applied when the deferred tax assets are converted into cash or the liabilities are paid. More specifically, deferred tax assets are posted in the accounts to the extent that it is forecasted that there will in all likelihood be future taxable income sufficient to offset the temporary balances when they are being written off.

#### Revenues and costs

Revenues and costs are recognized to the extent that it is probable that economic benefits will flow or flow to the Group and their amount can be reliably determined. Revenues are recognized, in accordance with IFRS 15, at the fair value of the amount received net of returns, discounts, allowances and recognized according to the accruals criterion. Costs are recognized in compliance with the principle of inherence in economic competence.

#### *Payments and balances in foreign currency*

Payments in foreign currencies are converted at the exchange rate applied on the date of payment. Exchange rate gains and losses arising from such payments and from the conversion of monetary assets and liabilities in foreign currency at the exchange rates applied at the end of the period are posted in the Profit and Loss Account.

The balances arising from the conversion of non-monetary assets or liabilities are posted in the Capital and Reserves or the Profit and Loss Account depending on whether the profits or losses connected with the evaluation of these items are posted directly in the Capital and Reserves or the Profit and Loss Account.

### **3.2. IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JULY 2020**

The following accounting standards, amendments and IFRS interpretations were, starting from 1 July 2020, applied for the first time by the Group, without significant effect on the consolidated financial statements of the Group:

#### Definition of Material (Amendments to IAS 1 and IAS 8)

On 31 October 2018, the IASB published the document "*Definition of Material (Amendments to IAS 1 and IAS 8)*". The document introduced an amendment to the definition of "material" contained in IAS 1 - *Presentation of Financial Statements* and IAS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors*. The purpose of this amendment is to make the definition of "material" more specific and to introduce the concept of "*obscured information*" alongside the concepts of omitted or misstated information already present in the two standards being amended. The amendment clarifies that information is "*obscured*" if it has been described in such a way as to produce for the primary readers of a financial statement an effect similar to that which would have occurred if the information had been omitted or misstated.

The adoption of this amendment did not have any effects on the Group's consolidated financial statements.

#### References to the Conceptual Framework in IFRS Standards

On 29 March 2018, the IASB published an amendment to the "References to the Conceptual Framework in IFRS Standards". The amendment is effective for periods beginning on or after 1 July 2020, but early application is permitted.

The Conceptual Framework defines the fundamental concepts for financial reporting and guides the Board in the development of IFRS standards. The document helps to ensure that the Standards are conceptually consistent and that similar transactions are treated in the same way so as to provide useful information to investors, lenders and other creditors.

The Conceptual Framework supports companies in developing accounting standards when no IFRS standard is applicable to a particular transaction and, more generally, helps stakeholders to understand and interpret the Standards.

The adoption of this amendment did not have any effects on the Group's consolidated financial statements.

#### *Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform*

On 26 September 2019, the IASB published an amendment called "*Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform*". The same amends IFRS 9 - *Financial Instruments* and IAS 39 - *Financial Instruments: Recognition and Measurement* as well as IFRS 7 - *Financial Instruments: Disclosures*. More specifically, the amendment changes some of the requirements for the application of hedge accounting, providing for temporary derogations to the same, in order to mitigate the impact of the uncertainty of the IBOR reform (still in progress) on future cash flows in the period prior to its completion. The amendment also requires companies to provide additional information in their financial statements on their hedging relationship which are directly affected by the uncertainties generated by the reform and to which the above derogations apply.

The adoption of this amendment did not have any effects on the Group's consolidated financial statements.

#### *Definition of a Business (Amendments to IFRS 3)*

On 22 October 2018, the IASB published the document "*Definition of a Business (Amendments to IFRS 3)*". The document provides some clarifications on the definition of a business for the correct application of IFRS 3. More specifically, the amendment clarifies that while a business usually produces an output, the presence of an output is not strictly necessary to identify a business when there is an integrated set of activities/processes and assets. However, to meet the business definition, an integrated set of activities/processes and assets must include, as a minimum, a substantial input and process that together contribute significantly to the ability to create an output. To this end, the IASB has replaced the term "ability to create outputs" with "ability to contribute to the creation of outputs" to make it clear that a business can exist even without the presence of all the necessary inputs and processes to create an output.

The amendment also introduced an optional test ("*concentration test*"), which makes it possible to exclude the presence of a business if the price paid is substantially attributable to a single asset or group of assets.

The adoption of this amendment did not have any effects on the Group's consolidated financial statements.

#### *Covid-19 Related Rent Concessions (Amendment to IFRS 16)*

On May 28, 2020, the IASB published an amendment called "*Covid-19 Related Rent Concessions (Amendment to IFRS 16)*". The document provides for the lessees the right to account for the reductions in rents connected to Covid-19 without having to assess, through the analysis of the contracts, whether the definition of lease modification of IFRS 16 is respected. Therefore, the lessees who apply this option will be able to account for the effects of the reductions in rents directly in the income statement at the effective date of the reduction.

The adoption of this amendment did not have any effects on the Group's consolidated financial statements.

#### *Leased assets*

Financial and operating leasing contracts are accounted for in accordance with the new accounting standard IFRS 16 which provides a new definition of lease and introduces a criterion based on the control (right of use) of an asset to distinguish lease contracts from contacts for the supply of services, identifying as discriminating: the identification of the asset, the right to replace it, the right to obtain substantially all the economic benefits deriving from the use of the asset and, finally, the right to direct the use of the asset underlying the contract. The standard establishes a single model of recognition and evaluation of lease

contracts for the lessee (leasee) which provides for the registration of the leased asset, including operational assets, with a financial debt as a counterpart.

In particular, the Group accounts, in relation to lease agreements:

- financial liability, equal to the present value of the residual future payments at the transition date, discounted using the applicable incremental borrowing rate for each contract;
- a right of use equal to the value of the financial liability at the transition date, net of any accruals and deferrals relating to the lease and recognized in the balance sheet at the closing date of this report, recognizing the amortization over the duration of the contract.

The value of the right of use is subject to verification, to detect any losses in value, if events or changes in situation indicate that the book value cannot be recovered. If there is an indication of this type and in the event that the book value exceeds the estimated realizable value, the assets are written down to reflect their realizable value. The realizable value is represented by the greater of the net sale price and the value in use. Impairment losses are recognized in the income statement under costs for depreciation and write-downs. Such losses in value are reinstated if the reasons that generated them no longer exist.

Short-term contracts and contracts for goods of low value:

The Group avails itself of the exemption from the application of IFRS 16 for short-term contracts (less than 12 months) and for contracts in which the single leased asset is of low value (less than Euro 5,000). The lease payments of these contracts are recognized on a straight-line basis as costs in the income statement, on the basis of the terms and conditions of the contract.

### **3.3. IFRS AND IFRIC ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPROVED BY THE EUROPEAN UNION, NOT YET MANDATORILY APPLICABLE AND NOT ADOPTED IN ADVANCE BY THE COMPANY AS AT 30 JUNE 2021.**

At the reference date of this document, the competent bodies of the European Union have not been approved new accounting standards, amendments and interpretations of IFRS and IFRIC which could have an impact on the financial statements of the Company.

### **3.4. IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPROVED BY THE EUROPEAN UNION**

#### *Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current*

On 23 January 2020, the IASB published an amendment called "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current". The document aims to clarify how to classify debts and other short or long-term liabilities. The changes come into effect from 1 July 2023; However, early application is permitted. At the moment, the directors are evaluating the possible effects of the introduction of this amendment on the financial statements of the Company.

#### *Other amendments*

On May 14, 2020, the IASB published the following amendments named:

- Amendments to IFRS 3 Business Combinations: the amendments are intended to update the reference in IFRS 3 to the Conceptual Framework in the revised version, without this entailing changes to the provisions of IFRS 3.
- Amendments to IAS 16 Property, Plant and Equipment: the amendments are intended not to allow the amount received from the sale of goods produced in the test phase of the activity to be deducted from the cost of tangible assets. These sales revenues and the related costs will therefore be recognized in the income statement.
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: the amendment clarifies that in the estimate on the possible cost of a contract, all costs directly attributable to the



contract must be considered. Consequently, the evaluation of the possible cost of a contract includes not only the incremental costs (such as, for example, the cost of the direct material used in the processing), but also all the costs that the company cannot avoid as it has entered into contract (such as, for example, the share of the cost of personnel and the depreciation of the machinery used to fulfill the contract).

- Annual Improvements 2018-2020: the changes were made to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples of IFRS 16 Leases.

All the changes will come into force on 1 July 2022. At the moment, the directors are evaluating the possible effects of the introduction of this amendment on the financial statements of the Company.

#### **4. MAIN UNCERTAINTY ELEMENTS IN PERFORMING FINANCIAL STATEMENTS' ESTIMATES**

Preparing the Annual consolidated financial report requires that the Management performs estimates and assumptions that have an impact on the assets and liabilities' value and on the disclosure concerning potential assets and liabilities as at the reference date. Estimates and assumptions used are based on experience and on other elements deemed significant. The results that will be reported may differ from such estimates. Estimates and assumptions are periodically assessed, and effects of any change are immediately reported in the Comprehensive Income Statement.

The most significant financial statement items requiring a greater degree of subjectivity are the equity investment in ASR Media and Sponsorship S.p.A., the provisions for risks and charges, revenues from sponsors and the of IFRS 16 "Lease".

##### Equity investment in ASR Media and Sponsorship S.p.A.

The equity investment in ASR Media and Sponsorship S.p.A. is recorded following the transfer of the business unit, including corporate brands, marketing, licensing and sponsorship activities to MediaCo.

The value of the equity investments was subjected to an impairment test, supported by an independent expert's report estimating their recoverable value, from which it emerged that their recoverable value was higher than their book value and, therefore, no write-down was made. The estimate of the recoverable value was based on the discounting of expected income flows, which reliably approximate the cash flows. The estimate of expected flows considered the forecast of the profit/losses for the current season and a full operation projection based on an average of recent historical profit/losses and the profit/losses for the current season, rectified where necessary to ensure that it maintained the current income capacity of the subsidiary. The pre-tax WACC discount rate considers current capital market conditions, the specific risk of the business and the average financial structure of AS Roma on the estimate's relevant date. The WACC amounted to 5.8%. A sensitivity analysis was conducted on the basis of which a 10% negative variance of WACC and standard revenues would not result in value reductions of the equity investments.

##### Provisions for risks and charges

Provisions for risks and charges are recorded in connection with specific losses and charges, established as existing or likely to exist, of which, however, at the period's closing, the amount and/or the date of occurrence cannot be determined. Provisions are recognized in the accounts in accordance with IAS 37 when: (i) the company is subject to a present obligation (by law or implied) as a result of a past event; (ii) it is probable that an outflow of economic resources will be required to settle the obligation; and (iii) the amount required to settle the obligation can be reliably estimated.

The provisions could involve, for the Company Management, the use of accounting estimates based on the Directors' knowledge of similar obligations incurred in prior financial years and the amount of the current obligation, with the support of the Group's legal counsel.

##### Revenues from sponsors

Revenues from Sponsors may involve Company management using accounting estimates based on discretionary components inherent in the assessment of certain contractual clauses. These assessments may affect the book value of revenues.

#### Lease term

The application of the accounting standard IFRS 16 regarding "Leases" led the Company Management to the use of accounting estimates related to the definition of the lease term. The Group analyse all the leases, defining for each of them the lease term, which is the "non-cancellable" period, together with the effects of any extension or early termination clauses, the enforcement of which it believes to be reasonably certain. Specifically, for agreements that provide for a renewal option at the end of the non-cancellable period, the Group has chosen, based on its business development plans, to consider the first renewal period in addition to the non-cancellable period as reasonably certain, not considering that there were facts or circumstances that would lead it to consider additional renewals as reasonably certain. This assessment was mainly used for the Real Estate Property category.

### **5. RELATIONS WITH RELATED PARTIES**

Soccer Sas has both commercial relationships as well as relationships for the provision of services of an administrative and financial nature with related parties, in particular within the AS Roma Group, meaning as such the parties defined by the international accounting standard IAS 24 - adopted according to the procedure set out in Article 6 of EC Regulation No. 1606/2002 - (hereinafter, "Related Party Transactions").

Transactions with related parties, identified in accordance with the provisions of IAS 24 and set out below, refer to transactions of a commercial and financial nature, and were carried out at arm's-length conditions, or similar to those usually applied to unrelated parties for transactions of a similar nature, amount and risk, and in compliance with current legislation.

In particular, the Company's activity is currently mainly characterised by the management of the following agreements:

- business lease with MediaCo;
- intercompany loan agreements signed as borrower with MediaCo as lender;
- intercompany loan agreements signed as lender with AS Roma as borrower;
- agreements entered into to guarantee the Bond issued on 8 August 2019

In particular the Internal Committee for Control and Risk Management of AS Roma, based on the opinion issued by Prof. Tiscini on 24 July 2019, found the convenience of the Transaction represented by the possibility for the Company to: (i) meet the needs connected with its operational management in the medium - long term; (ii) stabilize the financial performance of the Company; (iii) limiting the need to resort to short-term forms of financing; (iv) facilitate the economic and financial planning of the Company and the Group. The Internal Committee for Control and Risk Management of AS Roma, on 24 July 2019, unanimously expressed a reasoned favorable opinion on the completion of the operations functional to the issue of the Bond.

In addition, a framework agreement for the supply of audio, video and multimedia content production services relating to AS Roma's sports activities in place with Roma Studio.

Finally, other related-party transactions relate to the Group VAT; the parent company NEEP, together with its subsidiaries AS Roma, Soccer, MediaCo, Roma Studio, Brand Management, A.S. Roma Real Estate and Stadio TDV, adhere to the NEEP Group VAT settlement procedure, settling payments with the parent company NEEP.

Related party transactions relate more specifically to the following:

#### Asset transactions with related parties:



(€/000)	Non current Assets		Current Assets		TOTAL ASSETS
	Financial Assets	Financial receivables	Trade receivables	Other activities	
Assets					
Neep Roma Holding S.p.A.	-	-	-	5.631	5.631
ASR Media and Sponsorship S.p.A.	127.297	-	2.080	46.891	176.268
AS Roma S.p.A.	-	190.463	16.008	728	207.200
<b>Total assets</b>	<b>127.297</b>	<b>190.463</b>	<b>18.088</b>	<b>53.251</b>	<b>389.099</b>
<i>Total in financial statements</i>	<i>127.297</i>	<i>190.463</i>	<i>32.733</i>	<i>54.338</i>	
<i>% incidence</i>	<i>100%</i>	<i>100%</i>	<i>55%</i>	<i>98%</i>	

(€/000)	Non current Liabilities	Current Liabilities	TOTAL LIABILITIES
	Financial Liabilities	Trade payables	
Liabilities			
ASR Media and Sponsorship S.p.A.	(252.154)	-	(252.154)
TFGI Investments LLC	-	(23)	(23)
AS Roma S.p.A.	-	(65.434)	(65.434)
Roma Studio S.r.l.	-	(4.963)	(4.963)
<b>Total liabilities</b>	<b>(252.154)</b>	<b>(70.420)</b>	<b>(322.574)</b>
<i>Total in financial statements</i>	<i>(252.154)</i>	<i>(74.064)</i>	
<i>% incidence</i>	<i>100%</i>	<i>95%</i>	

More specifically:

- NEEP Roma Holding S.p.A.: among other assets EUR 5,631 thousand are recorded for the VAT positions in accordance with the Group VAT agreement.
- ASR Media and Sponsorship S.p.A.: Non-current assets include EUR 127,297 thousand relating to the controlling interest in the company, following the transfer of the business unit, which took place on 11 February 2015, and represents 88.66% of the share capital of the subsidiary; current assets include current trade receivables of EUR 2,080 thousand (EUR 173 thousand on 30 June 2020), are related to receivables from MediaCo as a result of proceeds for commercial arrangements channelled through MediaCo, to guarantee the performances undertaken in the above-mentioned financing transaction;
- A.S. Roma S.p.A.: non-current assets include financial receivables of EUR 190,463, thousand relating to the "Intercompany Loan Agreement", including interest accrued to 30 June 2021; current assets include trade receivables of EUR 16,008 thousand relating to commercial transactions with the Parent Company; current liabilities include payables of EUR 66,002 thousand relating to commercial transactions with the Parent Company;
- Roma Studio S.r.l.: current liabilities include payables for EUR 4,963 thousand relating to commercial transactions.

Economic transactions with related parties:

(€/000)	Merchandising	Broadcast and image rights	Advertising	Financial income	Service costs	Cost of use of third party assets	Financial expenses	TOTAL
ASR Media and Sponsorship S.p.A.	-	-	-	3.900	-	(22.700)	(11.099)	(29.898)
AS Roma S.p.A.	155	1.143	9.349	7.809	(100)	(2.802)	-	15.555
Romulus and Remus Investments LLC	-	-	-	-	(170)	-	-	(170)
TFGI Investments LLC	-	-	-	-	(69)	-	-	(69)
Roma Studio S.r.l.	-	-	-	-	(8.600)	-	-	(8.600)
<b>Total</b>	<b>155</b>	<b>1.143</b>	<b>9.349</b>	<b>11.710</b>	<b>(8.939)</b>	<b>(25.502)</b>	<b>(11.099)</b>	<b>(23.182)</b>
<i>Total in financial statements</i>	<i>6.343</i>	<i>8.230</i>	<i>24.341</i>	<i>11.739</i>	<i>(12.808)</i>	<i>(26.063)</i>	<i>(11.680)</i>	
<i>% incidence</i>	<i>2%</i>	<i>14%</i>	<i>38%</i>	<i>100%</i>	<i>70%</i>	<i>98%</i>	<i>95%</i>	

More specifically:

- ASR Media and Sponsorship S.p.A.: revenues include EUR 3,900 thousand relating to Dividends; lease expenses include EUR 22,700 thousand relating to the lease of the business unit; financial costs recorded include EUR 11,099 thousand in interest expense for the "Intercompany Loan Agreement" loan;
- A.S. Roma S.p.A.: revenues include EUR 155 thousand in income from sales of sportswear, goods, merchandising and consumables, made at normal market conditions; EUR 1,143 thousand in audiovisual income for the charge-back of the cost of access to the TV signal; EUR 9,349 thousand in income from sponsorship and premium area activities provided in the Hospitality Area of the Stadio Olimpico; EUR 7,809 thousand in financial income from Interest income for the "Intercompany Loan Agreement" loan. The costs include EUR 100 thousand for the purchase of tickets and season tickets for A.S. Roma's home matches, intended for the development of Sponsorship and Premium area activities; EUR 2,802 thousand relating to the use of the hospitality area, the Stadio Olimpico, the Trigoria Training Centre and the new EUR offices;
- TFGI Investments LLC: costs include EUR 69 thousand relating to commercial and IT consulting contracts.
- Roma Studio S.r.l.: costs accounted for include EUR 8,600 thousand relating to the costs for services incurred by the company under existing agreements related to the framework agreement for the supply of audio, video and multimedia content production services relating to AS Roma's sports activities.

## 6. OTHER INFORMATION

For the analysis of the economic performance of company activities, of the financial and equity aspects, and of the significant events that occurred after the end of the financial year, please refer to paragraph No. 10.

## 7. INFORMATION ON ITEMS IN THE STATEMENT OF FINANCIAL POSITION

### 7.1. TANGIBLE ASSETS

Tangible assets amount to EUR 1,631 thousand for the year ended 30 June 2021 (EUR 1,125 thousand for the year ended 30 June 2020), with an increase equal to EUR 505 thousand due to the investments made in improvements on assets leased from third parties relating to *AS Roma Stores* partially offset by depreciation for the period:

€/000	30/06/2021	30/06/2020	30/06/2019
Starting value	1.125	1.060	708
Increases	851	252	-
Decreases and reclassifications	-	-	654
Depreciation	(346)	(187)	(302)
<b>FINAL VALUE</b>	<b>1.631</b>	<b>1.125</b>	<b>1.060</b>

These consist mainly of plant and machinery, commercial equipment, computers and furnishings at the commercial premises, as well as assets in progress and advances relating to improvements not yet completed at the *AS Roma Stores* under commercial lease, in Piazza Colonna, Via Ottaviano, Porte di Roma and Via del Corso:

€/000	30/06/2021	30/06/2020	Differences
Plant and machinery	115	97	18
Industrial and commercial equipment	30	38	(8)
Other tangible assets	1.485	950	535
Assets under construction	-	40	(40)
<b>TOTAL</b>	<b>1.631</b>	<b>1.125</b>	<b>505</b>

Tangible assets are not encumbered by mortgages.

### 7.2. FINANCIAL PARTECIPATION

The equity investments, amounting to EUR 127,297 thousand (EUR 127,297 thousand at 30 June 2020), did not change from the previous year and are related to the investment in the subsidiary MediaCo, incorporated

on 2 December 2014 together with AS Roma SpA, by means of a business unit contribution that included the trademarks, marketing, licensing and sponsorship activities.

The stake, amounting to a par value of EUR 177,320, equal to 88.66% of the Share Capital, was recorded at an initial value of EUR 126,072 thousand, equal to the estimate of the carrying amount of the contributed Business Unit that resulted from the qualified external expert's specific report. Subsequently, on 11 February 2015, on the basis of contractual agreements, the effective value of the contribution was recalculated, resulting in the adjustment to the initial estimated value of EUR 1,225 thousand and a corresponding increase in the value of the stake, currently recorded at EUR 127,297 thousand. It should be noted that following the Bond issued carried out in August 2019, a first degree pledge was registered, granted by the AS Roma and Soccer SAS on 100% of the shares of ASR Media and Sponsorship, in favor of the Guaranteed Creditors, to guarantee the exact and unconditional fulfilment of the Covered Notes, as defined by the relative contract.

An impairment test was carried out on the value of the investment in MediaCo at 30 June 2021 with the support of a report on the estimate of the recoverable value prepared by an independent expert. Since the recoverable value was higher than the carrying amount, no write-downs were made in the period.

The estimate of the recoverable value was based on the actualisation of the expected income flows, which reliably approximate the financial flows. The estimate of expected flows took into account the forecast of the profit/losses for the current season and a full operation projection based on an average of recent historical profit/losses and the profit/losses for the current season, rectified where necessary to ensure that it maintained the current income capacity of the subsidiary. The WACC actualisation rate considers current capital market conditions, the specific risk of the business and the financial structure of AS Roma on the estimate's relevant date. The WACC amounted to 5.8%. A sensitivity analysis was carried out, on the basis of which an unfavourable deviation of the WACC and of revenues at full capacity of 10% would not entail any reduction in value.

A summary of the most significant accounting data of the subsidiary is shown in the table below.

€/000	% Shareholding	Share capital	Equity	Production value	Net profit (loss)	Non-current assets and fixed assets	Total Assets	Total Liabilities
ASR Media and Sponsorship S.p.A. (1)	88,66	200	130.615	22.701	3.908	457.664	480.494	349.878

(1) = Data referring to the financial statements as at 30 June 2021 - the last approved financial statements

### 7.3. RIGHTS OF USE

The value of the Rights of use, equal to 9,473 EUR thousand at 30 June 2021 (EUR 8,507 thousand for the year ended 30 June 2020), was determined by the application of the international accounting standard IFRS 16 relating to "Leases", which involved the recognition of tangible assets, with a counter-entry under financial liabilities, in relation to lease and operating lease agreements held by the Company as lessee for which the requirements for accounting in application of this standard are met, as described in note 3 "Standards and criteria" above, to which reference should be made.

Changes during the period are shown below:

	30/06/2020	Increases	Decreases and reclassifications	Depreciation	30/06/2021
AS Roma Stores	8.507	1.835	-	(869)	9.473
<b>TOTAL</b>	<b>8.507</b>	<b>1.835</b>	<b>-</b>	<b>(869)</b>	<b>9.473</b>

More specifically, the types of agreement relevant to the application of IFRS 16 include the lease agreements for the commercial premises used by AS Roma Store.

### 7.4. NON-CURRENT FINANCIAL ASSETS

Non-current financial assets, amounting to EUR 190,463 thousand (EUR 182,824 thousand as at 30 June 2020), relate to the intercompany loan disbursed to AS Roma SpA, as part of AS Roma Group's overall

financing transaction. The loan, recorded a net increase of EUR 7,639 thousand in the period under consideration and consists of: EUR 150,164 thousand (EUR 150,334 thousand on 30 June 2020) of principal and, EUR 40,299 thousand (EUR 32,490 thousand on 30 June 2020) for interest receivable accrued 30 June 2021.

#### 7.5. INVENTORIES

Amounting to EUR 899 thousand at 30 June 2021 (EUR 1,256 thousand at 30 June 2020), recorded a net decrease of EUR 357 thousand in the period. These are related to product inventories for sales made by the AS Roma Stores.

#### 7.6. TRADE RECEIVABLES

These amounted to EUR 32,733 thousand at 30 June 2021 (EUR 23,669 thousand at 30 June 2020), are expressed net of the bad debt provision, and increased by EUR 9,064 thousand in the period. The table below provides details:

€/000	30/06/2021	30/06/2020	Differences
Receivables from third parties	18.995	15.389	3.607
Receivables from parent companies	2.080	173	1.906
Receivables from other parent company	16.008	11.655	4.353
Total trade receivables	37.083	27.217	9.867
Provisions for bad debts	(4.350)	(3.548)	(802)
<b>TOTAL</b>	<b>32.733</b>	<b>23.669</b>	<b>9.064</b>

Receivables from third parties, amounting to EUR 18,995 thousand (EUR 15,389 thousand at 30 June 2020), net of the bad debt provision of EUR 4,350 thousand (EUR 3,548 thousand at 30 June 2020), increased by EUR 3,607 thousand during the year, mainly due to extensions granted to customers as part of the management of the Covid-19 emergency. The balance includes receivables relating to advertising income relating to the activities carried out during the matches of the AS Roma first team at the Olympic stadium, as well as income from audiovisual rights, and licensing and merchandising activities.

Receivables from subsidiaries, amounting to EUR 2,080 thousand (EUR 173 thousand on 30 June 2020), are related to receivables from MediaCo as a result of proceeds for commercial arrangements channelled through MediaCo, to guarantee the performances undertaken in the above-mentioned financing transaction.

Trade receivables from parent company of EUR 16,008 thousand at 30 June 2021 (EUR 11,655 thousand at 30 June 2020) are entirely due from AS Roma by virtue of the framework agreements of reference.

The bad debt provision, which refers entirely to Receivables due from third parties, amounted as at 30 June 2021 to EUR 4,350 thousand (EUR 3,548 thousand at 30 June 2020), up by EUR 802 thousand, as a result of provisions, equal to EUR 977 thousand, and uses, amounting to EUR 175 thousand made during the year:

Bad debt provision as at 30.06.2020	(3.548)
Provisions	(977)
Uses	175
<b>Bad debt provision as at 30.06.2021</b>	<b>(4.350)</b>

The Bad debt provision was determined by applying the *expected credit loss* model provided for by IFRS 9. The Company applies the simplified approach of IFRS 9 to measure the expected credit loss on all trade receivables. In order to determine the expected credit loss, trade receivables were initially grouped by counterparties, mainly football clubs and other customers, and subsequently by overdue days. The rates on the expected credit loss are based on the collection times and the corresponding historical credit losses during this period. Historical loss rates are adjusted to reflect current and future macroeconomic conditions affecting clients' ability to repay loans. The Company has identified the average default rate of Italian

companies as a relevant factor in reference to trade receivables. These factors were used to adjust the historical loss rates recorded.

The following table, furthermore, shows the schedule of trade receivables divided by maturity classes, in accordance with IFRS 7:

€ / 000	30/06/2021	30/06/2020	Differences
Unexpired trade receivables	25.522	12.522	13.000
Trade receivables up to 30 days overdue	298	3.615	(3.317)
Trade receivables overdue from 31 to 60 days	607	2.070	(1.463)
Trade receivables overdue from 61 to 90 days	1.304	815	489
Trade receivables overdue beyond 90 days	9.351	8.194	1.157
<b>Total trade receivables</b>	<b>37.083</b>	<b>27.217</b>	<b>9.867</b>
Bad debt provision	(4.350)	(3.548)	(802)
<b>TOTAL</b>	<b>32.733</b>	<b>23.669</b>	<b>9.064</b>

### 7.7. OTHER NON-CURRENT AND CURRENT ASSETS

Other non-current and current assets amounted to EUR 54,706 thousand (EUR 44,154 thousand at 30 June 2020), and recorded an increase of EUR 10,552 thousand, mainly due to the higher proportion of receivables from MediaCo for dividends, partly offset by the decrease in tax receivables. These figures concern:

€ / 000	30/06/2021			30/06/2020			Differences		
	Current	Non current	Total	Current	Non current	Total	Current	Non current	Total
Security deposits for rental shops	-	368	368	-	305	305	-	63	63
Receivables for dividends from subsidiaries	46.891	-	46.891	42.991	-	42.991	3.900	-	3.900
Other receivables from related companies	6.360	-	6.360	174	-	174	6.186	-	6.186
Other different credits	1.544	-	1.544	691	-	691	853	-	853
Prepayments	206	-	206	655	-	655	(449)	-	(449)
<b>Total different credits</b>	<b>55.001</b>	<b>368</b>	<b>55.369</b>	<b>44.511</b>	<b>305</b>	<b>44.817</b>	<b>10.489</b>	<b>63</b>	<b>10.552</b>
Provisions for bad debts	(663)	-	(663)	(663)	-	(663)	0	-	0
<b>TOTAL</b>	<b>54.338</b>	<b>368</b>	<b>54.706</b>	<b>43.848</b>	<b>305</b>	<b>44.154</b>	<b>10.489</b>	<b>63</b>	<b>10.552</b>

More specifically, it should be noted that:

- security deposits mainly relate to the AS Roma Store's commercial leases;
- receivables for dividends from subsidiaries, amounting to EUR 46,891 thousand (EUR 42,991 thousand at 30 June 2020) from MediaCo, increased by EUR 3,900 thousand, due to the recording of dividends for the 2019-2020 financial year, resolved by the Shareholders' Meeting of 27 October 2020. The balance also includes the receivables outstanding on 30 June 2019, relating to dividends for the 2014-2015 financial year amounting to EUR 3,735 thousand, for the 2015-2016 financial year amounting to EUR 11,107 thousand, for the 2016-2017 financial year amounting to EUR 11,142 thousand, for the 2017-2018 financial year amounting to EUR 9,475 thousand, and for the 2018-2019 financial year amounting to EUR 7,533 thousand
- Receivables from parent company essentially refer to receivables from the parent company NEEP Roma Holding S.p.A., referring to tax credits of the Company transferred to the parent company in accordance with the Group VAT agreement. For further details, please refer to note 5 of these Explanatory Notes relating to relations with related parties;
- other sundry receivables, amounting to EUR 1,544 thousand (EUR 691 thousand at 30 June 2020) mainly relate to advance payments to suppliers to develop promotional activities, suitably adjusted in the previous year through full allocation to the bad debt provision;
- prepaid expenses, amounting to EUR 206 thousand (EUR 655 thousand at 30 June 2020), refer to:
  - EUR 0 thousand (EUR 553 thousand at 30 June 2020), the rental fee for the Olympic Stadium, deferred due to the extension of the 2019/20 football season until 31 August 2020;
  - EUR 17 thousand (EUR 13 thousand at 30 June 2020) for insurance premiums;
  - EUR 0 thousand (EUR 10 thousand at 30 June 2020) for commercial rent for the stores;

- EUR 189 thousand (EUR 79 thousand at 30 June 2020) related to other services.

Lastly, it should be noted that the bad debt provision, equal to EUR 663 thousand at 30 June 2021, did not change during the year.

#### 7.8. TAX RECEIVABLES

Tax credits, amounting to EUR 65 thousand at 30 June 2021 (EUR 1,411 thousand at 30 June 2020) consisted of the following items:

€ / 000	30/06/2021			30/06/2020			Differences		
	Current	Non current	Total	Current	Total	Current	Non current	Total	Total
VAT	-	-	-	1.345	-	1.345	(1.345)	-	(1.345)
IRAP	64	-	64	66	-	66	(2)	-	(2)
Other tax receivables	2	-	2	0	-	0	0	-	2
<b>TOTAL</b>	<b>65</b>	<b>-</b>	<b>65</b>	<b>1.411</b>	<b>-</b>	<b>1.411</b>	<b>(1.347)</b>	<b>-</b>	<b>(1.345)</b>

These relate, for EUR 0 thousand (EUR 1,345 thousand at 30 June 2020), to the VAT credit arising from past statements, for EUR 64 thousand (EUR 66 thousand at 30 June 2020), to the IRAP credit accrued in the 2014-2015 financial year and for EUR 2 thousand to other tax receivables.

#### 7.9. CASH AT BANK AND ON HAND

Amounting to EUR 921 thousand (EUR 461 thousand on 30 June 2020), this item increased by EUR 460 thousand in the financial year as a result of the dynamics of the cash flows generated by current management, and is made up of bank deposits, amounting to EUR 910 thousand (EUR 448 thousand on 30 June 2020) and the cash balance, amounting to EUR 11 thousand (EUR 13 thousand on 30 June 2020).

There is a potential restriction on the use of these funds in respect of all bank accounts held in the name of Soccer SAS, in relation to the commitments assumed under the Bond issued by MediaCo on 8 August 2019. It should be made clear that said restriction is triggered only upon certain default events occurring and can be exercised only up to the limit of the existing funds and the outstanding amount owed. As at 30 June 2021, the default events described above had not occurred.

#### 7.10. TOTAL SHAREHOLDERS' EQUITY

The Company's Shareholders' Equity is positive for EUR 65,277 thousand (EUR 74,524 thousand at 30 June 2020), and decreased by EUR 9,246 thousand in the period due to: (i) the economic result for the year which was negative for EUR 9,364 thousand; (ii) the carry-forward of the residual loss of the separate Soccer as at 30 June 2020 equal to EUR 14,169 thousand and; (iii) the adjustment of the Reserve for future benefits to employees, equal to 118 thousand.

€ / 000	30/06/2021	30/06/2020	Differences
Share capital	123.432	123.432	-
Legal reserve	-	-	-
Reserve for actuarial gains (losses)	(251)	(369)	118
Profit (loss) carried forward	(48.539)	(34.370)	(14.169)
Profit (loss) for the year	(9.364)	(14.169)	4.805
<b>TOTAL</b>	<b>65.277</b>	<b>74.524</b>	<b>(9.246)</b>

More specifically:

- the Share Capital, amounting to EUR 123,432 thousand, unchanged during the period, is attributable, for EUR 123,412 thousand to AS Roma S.p.A, for EUR 10 thousand to Brand Management S.r.l. and, finally, for EUR 10 thousand to ASR Soccer LP S.r.l.
- the actuarial loss Reserve, negative for EUR 251 thousand at 30 June 2021, records a positive adjustment of EUR 118 thousand for the Provision for future employee benefits, determined by external, qualified professionals in compliance with the reference accounting standard;



- Losses carried forward, amounting to EUR 48,539 thousand (EUR 34,370 thousand at 30 June 2020), showed a negative change of EUR 14,169 thousand, due to the carrying forward of the amount of losses incurred in the previous financial year, which had not yet been covered;

The information required by Article 2427, No. 7-bis, of the Italian Civil Code on the availability of reserves are summarised in the schedule below:

€ / 000	30/06/2021	Possibility of use	Quote Available	Uses in the three previous years
Share capital	123.432	A		-
Reserve for discounting future employee benefits	(251)			-
Retained earnings (losses) reserve	(48.539)			-
Operating result	(9.364)			
<b>Total Net Equity</b>	<b>65.277</b>			

Legend: A, can be used to cover losses

### 7.11. SHORT AND LONG-TERM DEBT

Short and medium long-term financing, amounting to EUR 252,154 thousand (EUR 241,979 thousand at 30 June 2020) consists of a current portion, amounting to EUR 0 thousand, and non-current, amounting to EUR 252,154 thousand:

€ / 000	30/06/2021			30/06/2020			Differences		
	Current	Non current	Total	Current	Non current	Total	Current	Non current	Total
Intercompany loans vs Mediaco	-	219.766	219.766	-	208.351	208.351	-	11.415	11.415
Interest accrued on the loan from Mediaco	-	32.389	32.389	-	33.628	33.628	-	(1.239)	(1.239)
<b>TOTAL</b>	<b>-</b>	<b>252.154</b>	<b>252.154</b>	<b>0</b>	<b>241.979</b>	<b>241.979</b>	<b>(0)</b>	<b>10.176</b>	<b>10.175</b>

#### Intercompany loan from MediaCo

This item, amounting to EUR 252,154 thousand (EUR 241,979 thousand on 30 June 2020), increased by EUR 10,175 thousand in the period, concerns loans amounting to EUR 219,766 thousand (EUR 208,351 thousand on 30 June 2020) disbursed by MediaCo with maturity after the financial year, increased by EUR 11,145 thousand.

The balance includes interest accrued on the loan and not paid up to the closing date of the financial year, amounting to EUR 32,389 thousand (EUR 33,628 thousand as at 30 June 2020), decreased by EUR 1,239 thousand during the year due to interest accrued in the financial year.

### 7.12. FINANCIAL LIABILITIES FOR RIGHTS OF USE NON-CURRENT AND CURRENT

The balance of EUR 10,168 thousand, of which EUR 716 thousand is due within 12 months, (EUR 8,637 thousand on 30 June 2020 of which EUR 478 thousand is due within 12 months) relates to the application of the international accounting standard IFRS 16 "Leases", which involved the recognition of tangible assets, with a counter-entry under financial liabilities, in relation to lease and operating lease agreements held by the Company as lessee for which the requirements for accounting in application of this standard are met, as described in note 3 "Standards and criteria applied" above in the Explanatory Notes, to which reference should be made.

### 7.13. EMPLOYEE BENEFIT LIABILITIES

The Employee Severance Indemnity Fund is a liability consisting of benefits to which employees are entitled and is paid out at the same time as or after the termination of the employment relationship. This liability falls within the scope of the so-called defined contribution plans and, therefore, is determined by applying the actuarial logic method. The balance at 30 June 2021 amounting to EUR 1,518 thousand (EUR 1,495 thousand at 30 June 2020) recorded a net increase of EUR 23 thousand in the financial year as a result of the following movements:



€ / 000	30/06/2021	30/06/2020
Starting value	1.495	1.416
Use for report resolution	(178)	(67)
TFR transfer to Rome Studio srl	(25)	-
TFR advances	(43)	-
Other uses (Previndai. Substitute tax, INPS quota, other)	44	(92)
(Profit) actuarial losses	(118)	(77)
Interest for actuarial revaluation of the fund	16	13
Provision for the year	327	302
<b>Values at the end of the period</b>	<b>1.518</b>	<b>1.495</b>

It should be noted that as a result of Law No. 296 of 27 December 2006 and subsequent decrees and Regulations issued in the first months of 2007, as from 1 January 2007 the Employee Severance Indemnity (TFR) is transformed from a “defined benefit plan” into a “defined contribution plan” with the consequence that the accounting treatment varies if the TFR accrued before or after 31 December 2006.

Employee Severance Indemnities accruing after 1 January 2007 represent a “defined contribution plan.” The company periodically pays accrued TFR benefits to a separate entity (e.g., INPS and/or Fund) and with the payment discharges the obligation towards its employees. The accounting treatment is assimilated to contributions of another nature, therefore the accrued TFR is recorded as a cost for the half-year and the payable is recorded under short-term payables.

Employee severance indemnities accrued up to 31 December 2006 continue to represent a “defined benefit plan” that is fixed in terms of its existence and amount but uncertain in terms of its manifestation.

Having carried out a recurrent assessment as at 30 June 2021, the technical bases for the implicit assessment are the same as those adopted in the precise assessment as at 30 June 2020, of which a summary is given below:

It should be noted that as a result of law no. 296 of 27 December 2006 and subsequent decrees and regulations issued in the first months of 2007, as from 1 January 2007 the Severance Indemnity for employees has changed from a “defined benefit scheme” to a “defined contribution scheme”; as a consequence, the accounting process varies if the Severance Indemnity for employees matured before or after 31 December 2006.

Severance Indemnities that matured after 1 January 2007 constitutes a “defined contribution plan.” The company periodically pays matured severance indemnity quotas to a separate entity (e.g., Italian National Social security Institution [INPS] and/or Fund) and by these payments fulfil the obligation to its employees. The accounting processing is similar to that of contributions of another nature; therefore the matured severance indemnity is recorded as a cost for the period and the debt is recorded under short-term payables.

Severance indemnities for employees matured up to 31 December 2006 still constitute a “defined benefit scheme” that is determined in terms of its existence and amount, but uncertain in terms of its manifestation.

In view of the international accounting standards, and with respect to the indications provided by the International Accounting Standard Board (IASB) and the International Financial Reporting Interpretation Committee (IFRIC), the employee severance indemnity has been considered as a post-employment benefit plan, i.e., a benefit that is a defined-benefit.

More specifically, IAS 19 defines the accounting treatment, the presentation in the financial statements and the methods for determining the value, which must be calculated using actuarial methods.

The actuarial valuation of the employee severance indemnity was carried out on a closed group basis and was performed using the “accrued benefits” method using the “Projected Unit Credit” (PUC) criterion, as provided for in sections 67-69 of IAS 19. The reference actuarial model for the valuation of employee severance indemnities is based on various demographic and economic assumptions. For some of the hypotheses used, where possible, explicit reference was made to the Company’s direct experience, for the others best practice was taken into account.

The technical and economic bases used are shown below:

- Annual discount rate 0.92%
- Annual inflation rate 0.80%
- Annual rate of TFR increase 2.10%
- Annual rate of salary increase
  - Senior Executives 2,50%
  - Executives 1,00%
  - Employees 1,00%
  - Workers 1,00%

More specifically it should be noted how:

- the annual discount rate used to determine the present value of the obligation has been derived, in line with section 83 of IAS 19, from the Iboxx Corporate A index with a duration of 10+ recognised as at the valuation date. For this purpose, the performance with a duration comparable to the duration of the collective of workers under assessment was chosen;
- the annual rate of increase of the employee severance indemnity, as provided for by Article 2120 of the Italian Civil Code, is 75% of inflation plus 1.5 percentage points;

Shown below are the demographic technical bases used.

Death	RG48 mortality tables published by the State General Accounting Office
Disability	INPS tables separated by age and gender
Retirement	100% on reaching AGO [Compulsory General Insurance] requirements

Finally, the annual anticipation and turnover frequencies are derived from the historical experiences of the Group and from the frequencies arising from the experience of the company in charge of M&P on a significant number of similar companies.

Frequency Anticipations	1%
Turnover frequency	2,5%

#### 7.14. CURRENT AND NON-CURRENT TRADE PAYABLES

Trade payables, amounting to EUR 75,976 thousand (EUR 49,707 thousand at 30 June 2020), relate to payables to suppliers and payables to subsidiaries and related parties. The increase in trade payables, amounting to EUR 26,269 thousand derives mainly from the increase in payables to parent companies and more specifically to AS Roma. Below is the balance of the instalments due within and beyond twelve months:

€ / 000	30/06/2021			30/06/2020			Differences		
	Current	Non current	Total	Current	Non current	Total	Current	Non current	Total
Payables to third party suppliers	3.644	1.912	5.556	3.749	1.912	5.660	(104)	-	(104)
Payables to parent companies	65.434	-	65.434	40.561	-	40.561	24.873	-	24.873
Payables to related parties	4.986	-	4.986	3.486	-	3.486	1.500	-	1.500
<b>TOTAL</b>	<b>74.064</b>	<b>1.912</b>	<b>75.976</b>	<b>47.795</b>	<b>1.912</b>	<b>49.707</b>	<b>26.269</b>	<b>-</b>	<b>26.269</b>

#### Payables to third-party suppliers

Amounting to EUR 5,556 thousand (EUR 5,660 thousand on 30 June 2020), the trade payables recorded a decrease of EUR 104 thousand in the period and include payables for invoices to be received, amounting to EUR 1,912 thousand (EUR 1,912 thousand on 30 June 2020).

Payables to parent companies

These amount to EUR 65,434 thousand (EUR 40,561 thousand on 30 June 2020), an increase of EUR 24,873 thousand in the financial year, are payable to AS Roma and are substantially related to charges for the commercial use of the Stadio Olimpico and the Trigoria Sports Centre areas; to purchase access permits to the Stadio Olimpico and other services, under the agreements in place.

Payables to related companies

The amount due to Roma Studio, amounting to EUR 4,986 thousand (EUR 3,486 thousand at 30 June 2020), is due to the residual debt for services of a commercial nature relating to the supply of editorial content (radio and television) carried out during the year.

**7.15. TAX PAYABLES NON-CURRENT AND CURRENT**

This item amounts to EUR 240 thousand at 30 June 2021 (EUR 212 thousand at 30 June 2020), and is composed of:

€ / 000	30/06/2021			30/06/2020			Differences		
	Current	Non current	Total	Current	Non current	Total	Current	Non current	Total
IRPEF	234	-	234	193	-	193	41	-	41
Other taxes	6	-	6	19	-	19	(14)	-	(14)
<b>TOTAL</b>	<b>240</b>	<b>-</b>	<b>240</b>	<b>212</b>	<b>-</b>	<b>212</b>	<b>27</b>	<b>-</b>	<b>27</b>

The IRPEF, amounting to EUR 234 thousand (EUR 193 thousand at 30 June 2020), relating to withholdings on remunerations carried out as tax substitutes at the end of the period and paid after the financial year had closed.

Other taxes mainly relate to provisions made in the financial year, concerning, for IRAP purposes, the tax period ended 30 June 2015 and, for VAT and Withholding tax purposes, the 2014 and 2015 tax years, partly because they are the subject of definition with the Tax Authorities and partly in application of international accounting standards, which requires an analysis of uncertain tax treatments where one always assumes that the tax authorities examine the tax position in question, having full knowledge of all relevant information.

It should be noted that, at the date of publication of this Report, current and accrued taxes and withholding taxes have been duly paid and there are therefore no overdue tax payables.

**7.16. SOCIAL SECURITY PAYABLES**

Equal to EUR 335 thousand (EUR 408 thousand at 30 June 2020), down by EUR 74 thousand, essentially these relate to social security contributions and withholding taxes paid to employees and collaborators, together with the Company's share, duly paid in accordance with the law.

€ / 000	30/06/2021	30/06/2020	Differences
Inps	257	340	(83)
Others	77	68	9
<b>TOTAL</b>	<b>335</b>	<b>408</b>	<b>(74)</b>

**7.17. OTHER NON-CURRENT AND CURRENT LIABILITIES**

Other liabilities amounting to EUR 12,520 thousand (EUR 13,741 thousand at 30 June 2020), were down by EUR 1,221 thousand in the financial year, mainly due to the lower impact of deferred income:

€/000	30/06/2021			30/06/2020			Differences		
	Current	Non current	Total	Current	Non current	Total	Current	Non current	Total
Payables to employees	595	-	595	323	-	323	272	-	272
Payables to subsidiaries and related companies	-	-	-	-	-	-	-	-	-
Payables to Customers for vouchers	1,745	-	1,745	1,146	-	1,146	599	-	599
Other liabilities	916	-	916	161	-	161	755	-	755
Accrued liabilities and deferred income	439	8,825	9,264	3,197	8,913	12,111	(2,758)	(88)	(2,846)
<b>TOTAL</b>	<b>3,695</b>	<b>8,825</b>	<b>12,520</b>	<b>4,827</b>	<b>8,913</b>	<b>13,741</b>	<b>(1,133)</b>	<b>(88)</b>	<b>(1,221)</b>

Payables to employees, amounting to EUR 595 thousand, (EUR 323 thousand at 30 June 2020), related to unused holidays entitlement and other portions of deferred remuneration.

Payables to customers, amounting to EUR 1,745 thousand (EUR 1,146 thousand at 30 June 2020) relate to advances from customers and the issue of vouchers for services not provided due to the spread of the Covid-19 pandemic.

Deferred income, amounting to EUR 9,264 thousand (EUR 12,111 thousand at 30 June 2020), recorded a decrease of EUR 2,846 thousand, is composed as follows:

€/ 000	30/06/2021			30/06/2020			Differences		
	Current	Non current	Total	Current	Non current	Total	Current	Non current	Total
Royalties	86	-	86	86	-	86	-	-	-
Library AS Rome	88	8,825	8,914	88	8,913	9,002	-	(88)	(88)
Other deferred income	264	-	264	3,022	-	3,022	(2,758)	-	(2,758)
<b>TOTAL</b>	<b>439</b>	<b>8,825</b>	<b>9,264</b>	<b>3,197</b>	<b>8,913</b>	<b>12,111</b>	<b>(2,758)</b>	<b>(88)</b>	<b>(2,846)</b>

- Royalties, for EUR 86 thousand (EUR 86 thousand as at 30 June 2020) pre-invoiced to licensees under existing contractual agreements, pertaining to the 2021-2022 financial year;
- AS Roma Library, equal to EUR 8,914 thousand (EUR 9,002 thousand as at 30 June 2020), relating to the income recognised by RAI, for the non-exclusive use for a time horizon of 99 years, of the so-called AS Roma Library, in light of the agreement signed by AS Roma with the broadcaster on August 31, 2007. The proceeds from this activity, initially attributable to AS Roma, went into the business branch conferred to ASR Media and Sponsorship Srl, and from this leased to Soccer Sas. The current portion, amounting to EUR 88 thousand, and payables due beyond 12 months, amounting to EUR 8,825 thousand;
- other deferred income, mainly related to sponsorships, licensing and merchandising, for income invoiced in advance on the basis of the underlying agreements.

## 8. INFORMATION ON ITEMS IN THE CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

### 8.1. REVENUES

The Company's main sources of income are as follows:

- revenues from commercial sales and licensing, deriving from sales made by AS Roma stores managed directly by the company and other commercial revenues and royalties recognised for sales of AS Roma branded products;
- revenues from sponsorship and advertising, consisting of the economic exploitation of the name, image and trademarks of AS Roma, mainly deriving from the fees paid by the Technical Sponsor and other commercial partners of the Company;
- radio and television rights, deriving from revenues for the marketing of the AS Roma Library, the Roma TV theme channel, the company's official Radio, and other Media products made in the Media Centre.

The following table shows details of revenues for the financial year closed at 30 June 2021, with evidence of the percentage incidence of the individual items compared to the total, as well as a comparison with the financial year closed at 30 June 2020:

€/000	12 months ended,			
	30/06/2021	%	30/06/2020	%
Merchandising	6.343	15%	5.898	16%
Sponsorships	1.401	3%	6.073	17%
Broadcast	8.230	20%	7.566	21%
Advertising	24.341	59%	16.712	46%
Other revenues	839	2%	303	1%
<b>Total revenues</b>	<b>41.154</b>	<b>100%</b>	<b>36.551</b>	<b>100%</b>

## 8.2. MERCHANDISING

Equal to EUR 6,343 thousand (EUR 5,898 thousand at 30 June 2020), up by EUR 445 thousand, are mainly related to sales made by the AS Roma Stores and other points of sale managed directly by the Group, and other income generated by royalties and licensing activities for the sales of A.S. Roma branded products.

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
As Roma Stores and other point of sale	3.741	4.061	(319)
Other revenues from Royalties and Licensing	2.601	1.837	764
<b>Total</b>	<b>6.343</b>	<b>5.898</b>	<b>445</b>

## 8.3. SPONSORSHIP

EUR 1,401 thousand (EUR 6,073 thousand on 30 June 2020) are related to the proceeds from NIKE. The decrease is mainly due to the termination of the revenues generated by the ten-year technical sponsorship contract with NIKE, entered into in August 2013 commencing from 1 June 2014, terminated by mutual consent in July 2020 and replaced by an agreement for the 2020/2021 football season under which Nike continued to exclusively provide the Company with all technical, match, training and casual material for the First Team, youth teams and women's teams.

## 8.4. BROADCAST

This item amounted to EUR 8,230 thousand (EUR 7,566 thousand, as at 30 June 2020), registering an increase of EUR 664 thousand compared to the previous financial year, and is composed as follows:

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Library AS Roma	4.045	3.806	239
TV signal	1.456	938	518
AS Roma Media Center	2.716	2.822	(106)
Other minor rights	13	-	13
<b>Total</b>	<b>8.230</b>	<b>7.566</b>	<b>664</b>

Revenues from the marketing of AS Roma Library amounted to EUR 4,045 thousand (EUR 3,806 thousand at 30 June 2020), of which EUR 3,957 thousand was from SKY Italia and EUR 88 thousand from RAI, in relation to the agreements reached with the television broadcaster when the rights to the Library were acquired.

Revenues from the marketing of the TV signal, amounting to EUR 1,456 thousand (EUR 938 thousand at 30 June 2020), derived from the marketing of the TV signal and recorded an increase in the period of EUR 518 thousand, due to the longer duration of the 2019/20 season, which postponed the accrual of part of the revenues that have been earned in the 2020/21 financial year. These proceeds were obtained by AS Roma, for EUR 1,143 thousand (EUR 572 thousand as at 30 June 2020), following the charge of the relative production costs incurred by the Company. The remaining amount, equal to EUR 135 thousand (EUR 366 thousand at 30 June 2020), was obtained for supplements provided to television broadcasters during AS Roma home matches.

Revenues from AS Roma Media Centre, amounting to EUR 2,716 thousand (EUR 2,822 thousand at 30 June 2020), derive mainly from the marketing of the thematic channel "Roma TV" and radio rights of Roma Radio.

#### 8.5. ADVERTISING

This item amounts to EUR 24,341 thousand (EUR 16,712 thousand at 30 June 2020) and refers to commercial and marketing activities, more specifically for promotional and advertising activities at the Stadio Olimpico, during the first team's home matches. The increase of EUR 7,629 thousand is mainly due to the longer duration of the 2019/20 season, which postponed the accrual of part of the revenues that have been earned in the 2020/21 financial year.

In particular, it must be noted that the item includes only the quota of the services related to the sale of the "Premium Seats" package, and not the quota of the tickets.

#### 8.6. OTHER REVENUES

These amounted to EUR 839 thousand (EUR 303 thousand at 30 June 2020), a increase of EUR 536 thousand, essentially due to the presence in the period of non-recurring income components which did not occur in the previous financial year. They mainly relate to residual and ancillary revenues, often of a singularly insignificant amount.

#### 8.7. PURCHASES OF GOOD

The costs for the purchases of raw materials and consumables, net of the changes in inventories, amount to EUR 2,426 thousand (EUR 2,854 thousand at 30 June 2020), down by EUR 428 thousand compared with the previous year, are composed as follows:

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Consumables	(188)	(216)	29
Goods for resales	(2.239)	(2.638)	399
<b>Total purchases of consumables</b>	<b>(2.426)</b>	<b>(2.854)</b>	<b>428</b>

These mainly relate to products for sale in the AS Roma Store and stationery, consumable hardware components and other consumables.

Taking into account the change in inventories, negative for EUR 357 thousand, the cost of the raw materials purchased was EUR 2,595 thousand, substantially in line with the previous year:

	12 months ended,		Differences
	30/06/2021	30/06/2020	
Goods for resales	(2.239)	(2.638)	399
Change in inventories	(357)	(37)	(319)
<b>Net cost of products to be marketed</b>	<b>(2.595)</b>	<b>(2.675)</b>	<b>80</b>

#### 8.8. COSTS OF SERVICES

This item amounted to EUR 12,808 thousand (EUR 18,594 thousand at 30 June 2020), a decrease of EUR 5,786 thousand, and is composed as follows:

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Insurance costs	(60)	(63)	3
General and administrative cost	(11.235)	(11.680)	445
Advertising and promotion costs	(1.513)	(6.851)	5.338
<b>Total</b>	<b>(12.808)</b>	<b>(18.594)</b>	<b>5.786</b>

Insurance expenses amounting to EUR 60 thousand (EUR 63 thousand at 30 June 2020), decreased by EUR 3 thousand, mainly relate to insurance coverage for the points of sale.

General and administrative costs amounting to EUR 11,235 thousand (EUR 11,680 thousand at 30 June 2020), decreased by EUR 445 thousand, composed as follows:

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Performance and professional services	(1.713)	(1.261)	(452)
Production and development of Media Center activities	(8.731)	(9.070)	338
Royalties and commissions	(42)	(768)	726
Headquarters and sales points management	(100)	(99)	(1)
Canteen services and staff meal vouchers	(105)	(112)	7
Maintenance and repairs	(85)	(32)	(54)
Travel and transfers	(18)	(80)	61
Audit	(13)	(33)	19
Other expenses	(427)	(227)	(200)
<b>Total</b>	<b>(11.235)</b>	<b>(11.680)</b>	<b>445</b>

- expenses for services and professional services, amounting to EUR 1,713 thousand (EUR 1,261 thousand at 30 June 2020), up by EUR 452 thousand. These expenses include, among other things, fees to external professionals, lawyers and notaries, commercial, insurance, IT, photographic, tax and labour consultancy;
- costs for the production and development of Media Centre activities, amounting to EUR 8,731 thousand (EUR 9,070 thousand at 30 June 2020), down by EUR 338 thousand; Services provided by Roma Studio, amounting to EUR 8,600 thousand (EUR 8,976 thousand at 30 June 2020) and services provided by other broadcasters for EUR 131 thousand (EUR 94 thousand at 30 June 2020);
- royalties and commissions of EUR 42 thousand (EUR 768 thousand at 30 June 2020), down by EUR 726 thousand during the financial year, as a result of the change of the contractual relationship with NIKE;
- expenses for a share of the management of the Company's headquarters, training centre and sales outlets for EUR 100 thousand (EUR 99 thousand at 30 June 2020), essentially related to water, gas, electricity and telephone consumption, cleaning of premises, and security services;
- expenses for canteen services and meal vouchers for employees for EUR 105 thousand (EUR 112 thousand at 30 June 2020);
- maintenance and repair costs, amounting to EUR 85 thousand (EUR 32 thousand at 30 June 2020), relating more specifically to hardware and software maintenance;
- transport and travel expenses of EUR 18 thousand (EUR 80 thousand at 30 June 2020), decreased by EUR 61 thousand as a result of the spread of the pandemic Covid-19 and the consequent restrictive measures issued by the public authorities to contain it which limited these activities;
- audit expenses of EUR 13 thousand (EUR 33 thousand at 30 June 2020), relating to costs of financial statements certifications;
- other expenses, amounting to EUR 427 thousand (EUR 227 thousand at 30 June 2020), relating to costs for the collaborations of self-employed consultants, general services and other sundry administrative charges.

Finally, advertising and promotion expenses of EUR 1,513 thousand (EUR 6,851 thousand at 30 June 2020) are related to entertainment and advertising expenses, as well as expenses for the management of the hospitality area set up inside the stadium on the occasion of AS Roma home matches, down by EUR 5,338 thousand due to the matches played behind closed doors.

#### 8.9. COST OF USE OF THIRD-PARTY ASSETS

Equal to EUR 26,063 thousand (EUR 26,830 thousand at 30 June 2020), this item decreased by EUR 766 thousand in the financial year and consisted of:

- the lease of the business unit, consisting of the commercial activities of ASR Media and Sponsorship S.p.A., contributed to the subsidiary by AS Roma and Soccer when incorporating the same and leased to



Soccer since February 2015. The charge, amounting to EUR 22,700 thousand, has remained unchanged compared to 30 June 2020. The lease of the business unit does not fall within the scope of IFRS 16 because it falls within the licensing agreements pursuant to IAS 38 Intangible assets;

- charges for the lease of the commercial areas of the Stadio Olimpico, for EUR 1,346 thousand paid to AS Roma on the basis of the framework agreement in place between the parties; compared to 30 June 2020, there was a decrease of EUR 681 thousand. The reduction is mainly due to an agreement signed on January 30, 2021 which provides for the recalculation of the rent due for the current football season;
- charges for the lease of the operating areas of the Trigoria Training Centre and the new EUR headquarters, for EUR 998 thousand, up by EUR 6 thousand and paid to AS Roma on the basis of the framework agreement in place between the parties;
- rental of software licenses, led and audio systems and equipment for EUR 576 thousand (EUR 641 thousand at 30 June 2020). These costs fall within the scope of the exemption granted by: (i) section IFRS 16:5(a) in relation to short-term leases; and (ii) section IFRS 16:5(b) in relation to lease agreements for which the underlying asset is a low-value asset (i.e., the individual asset underlying the lease agreement does not exceed EUR 5,000, when new);
- other lease payments and charges, amounting to EUR 449 thousand (EUR 451 thousand at 30 June 2020) relating to the use of A.S. Roma's trademarks, photographs and multimedia content, and the First Team's image rights. The increase is due to the signing of the new framework agreement on 22 November 2019.

It should be noted that the application of IFRS 16 "Leases" has led to the recording of certain rental and operating lease agreements under non-current assets, with a counter-entry under financial liabilities, and the related costs incurred during the period being recorded under amortisation and financial charges, as described in note 3 "Standards and criteria applied", of the following Explanatory Notes, to which reference should be made.

#### 8.10. PERSONNEL COSTS

The cost of employees, amounting to EUR 6,173 thousand (EUR 4,869 thousand as of 30 June 2020) recorded a decrease of EUR 1,304 thousand which is comprised as follows:

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Wages and payrolls	(4.870)	(3.602)	(1.268)
Social charges	(962)	(942)	(20)
Employee leaving indemnity	(326)	(302)	(25)
Other costs	(15)	(23)	8
<b>Total Other employees</b>	<b>(6.173)</b>	<b>(4.869)</b>	<b>(1.304)</b>

Employed staff at the end of the financial year and placed on average within the Company is comprised of:

	12 months ended,			
	30/06/2021		30/06/2020	
	Period average	End of the period	Period average	End of the period
Senior executives	4	2	5	5
Managers	9	10	2	3
Employees	65	67	74	75
<b>Total</b>	<b>78</b>	<b>79</b>	<b>81</b>	<b>83</b>

#### 8.11. OTHER EXPENSES

This item totalled EUR 543 thousand (EUR 160 thousand as at 30 June 2020), down by EUR 383 thousand in the period. It consists of the following items:

€/000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Indirect tax charges	(155)	(55)	(100)
Other charges	(388)	(105)	(283)
<b>Total</b>	<b>(543)</b>	<b>(160)</b>	<b>(383)</b>

Indirect tax charges, amounting to EUR 155 thousand (EUR 55 thousand at 30 June 2020), relate to withholding taxes on commercial income and royalties, municipal taxes for Stadium advertising and waste disposal, government concessions, stamp duty and chamber of commerce fees, non-deductible VAT and other tax charges;

Other charges, amounting to EUR 388 thousand (EUR 105 thousand at 30 June 2020), increased by EUR 283 thousand.

#### 8.12. DEPRECIATION, AMORTISATION AND WRITE DOWN

This item amounted to EUR 2,206 thousand (EUR 1,827 thousand at 30 June 2020), an increase of EUR 379 thousand, essentially due to the increase in write-down of current receivables.

€ / 000	12 months ended,		Differences
	30/06/2021	30/06/2020	
Depreciation of other intangible assets	-	(2)	2
Depreciation of fixed assets	(346)	(187)	(159)
Depreciation of Rights of use	(869)	(968)	99
<i>Total Depreciation</i>	<i>(1.215)</i>	<i>(1.157)</i>	<i>(58)</i>
Write-downs of current receivables	(991)	(670)	(321)
<b>Total</b>	<b>(2.206)</b>	<b>(1.827)</b>	<b>(379)</b>

More specifically, EUR 1,215 thousand refers to depreciation and amortisation (EUR 1,157 thousand for the year to 30 June 2020), and EUR 991 thousand to write-downs of current receivables (EUR 670 thousand for the year to 30 June 2020), made to adjust them to their estimated realisable value.

For the details, please see the comments on the corresponding items of the Statement of Assets and Liabilities.

#### 8.13. NET FINANCIAL INCOME

This item, which totalled EUR 59 thousand (EUR 4,451 thousand at 30 June 2020), decreased by EUR 4,393 thousand in the financial year, and is composed as follows:

€ / 000	12 months ended,		Differences
	30/06/2021	30/06/2020	
<i>Financial income:</i>			
Interest income on loan to AS Roma	7.809	8.131	(321)
Mediaco dividends	3.900	7.532	(3.632)
Other financial income	29	141	(112)
<b>Total financial income</b>	<b>11.739</b>	<b>15.804</b>	<b>(4.065)</b>
<i>Financial charges:</i>			
Interest expense on financing from MediaCo	(11.114)	(10.941)	(173)
Charges for financial payables from rights of use	(563)	(409)	(154)
Other financial charges	(3)	(3)	0
<b>Total financial charges</b>	<b>(11.680)</b>	<b>(11.353)</b>	<b>(327)</b>
<b>Total net financial income</b>	<b>59</b>	<b>4.451</b>	<b>(4.393)</b>

Financial income, amounting to EUR 11,739 thousand (EUR 15,804 thousand at 30 June 2020), showed a decrease of EUR 4,065 thousand in the financial year and relates to EUR 7,809 thousand (EUR 8,131 thousand at 30 June 2020) for interest income accrued on the loan granted in February 2015 to AS Roma, using funds received from ASR Media and Sponsorship S.p.A, and EUR 3,900 thousand (EUR 7,532 thousand at 30 June 2020) for dividends approved by the Shareholders' Meeting of the subsidiary MediaCo, when it approved the financial statements for the year ended 30 June 2020;

Other financial income, amounting to EUR 29 thousand, mainly includes the effects deriving from the conclusion of a lease agreement which resulted in financial income in application of IFRS 16 "Leases".

Financial charges amounting to EUR 11,680 thousand (EUR 11,353 thousand at 30 June 2020), increased by EUR 327 thousand and consisted of EUR 11,114 thousand (EUR 10,941 thousand at 30 June 2020) of financial charges accrued on the loan received from ASR Media and Sponsorship S.p.A. The residual amount essentially relates to financial charges determined by the application of IFRS 16.

#### 8.14. TOTAL TAXES

During the year, no current and deferred taxes were accrued.

#### 8.15. OTHER COMPONENTS OF THE COMPREHENSIVE OPERATING LOSS FOR THE FINANCIAL YEAR

Equal to EUR 118 thousand at 30 June 2021, these represent the actuarial adjustment recorded directly under the item Shareholders' Equity related to the actuarial gains (losses) reserve and relating to future employee benefits, following the periodical assessment of the employees' severance indemnity (TFR) conducted by qualified external experts.

### 9. FINANCIAL RISKS MANAGEMENT

These Annual Financial Statements have been drafted, similarly to the previous ones as at 30 June 2020, based on IFRS 7 Standard, which requires additional information about the significance of financial instruments in terms of performance and financial indebtedness of an enterprise, level of exposure to risk arising from the use of the said financial instruments, as well as a description of the objectives, policies and the accounting procedures implemented by the management in order to manage these risks.

The main financial risks related to the ordinary course of business of A.S. Roma can be summarised as follows:

#### Liquidity risk

The ability to meet its ordinary cash requirements could be affected by the mechanism for channelling cash and cash equivalents provided for in the agreements signed under the Bond issued in 2019, which provide, more specifically, a potential constraint of use due to the mandatory mechanism for channelling cash receipts and uses of cash and cash equivalents to guarantee the exact fulfilment of the obligations undertaken, and therefore temporarily limit the use of cash and cash equivalents. Such channelling mechanism is defined through the assignment without recourse of receivables or through MediaCo being conferred mandate to collect all receivables assigned without recourse or as guarantee and therefore collect any payment made by, or on behalf of, AS Roma's and Soccer's debtors, concerning in particular the TV rights related to Serie A championship and European competitions, licensing and sponsorships activities, as well as the "direct media rights", whose activities are linked to the TV channel "Roma TV" and the radio channel "Roma Radio", as well as other activities carried out on digital platforms (e.g., website, Facebook, Twitter, WeChat, Instagram, YouTube, Pinterest, Giphy, Weibo).

Under this mechanism contractually provided for, the use of the AS Roma Group's available cash may be temporarily restricted, with negative effects on the temporary cash flow of the cash and cash equivalence necessary to meet the immediate cash flow needs, so as to prevent payment of debts at due dates, which, in the specific case of payables towards football clubs for transferred players, and salaries, including taxes and tax withholdings, accrued vis-à-vis staff registered with the Company, can negatively affect the issuance of

the National License, to register for Serie A Championship, and of the UEFA License, to register for European competitions.

*Risk associated with contractual covenants*

Some loan agreements include covenants, acceleration events, cross default clauses and undertakings whose breach or triggering could lead to termination of the agreement and mandatory prepayment, with significant negative effects on the Group's economic, financial and equity position, that might jeopardise its going concern status.

More specifically, until 8 August 2019, the Group was subject to compliance with covenants, calculated on a quarterly basis, acceleration events, cross default clauses and commitments whose violation or activation could lead to the termination of the agreement and the obligation early repayment, as part of the facility agreement signed on 12 February 2015 - between, inter alia, (i) Goldman Sachs International and Unicredit S.p.A., as Mandated Lead Arranger and Bookrunner, (ii) ASR Media and Sponsorship S.p.A., as borrower, (iii) AS Roma S.p.A., for the assumption of commitments and obligations and to acknowledge the provisions of the contract, (iv) Soccer Sas of Brand Management S.r.l., for the assumption of commitments and obligations and to acknowledge the provisions of the contract, (v) UniCredit Bank AG - Milan Branch as "Agent and Security Agent" (hereinafter, the "Facility Agreement"), as amended on 22 June 2017. More specifically, the Facility Agreement included covenants - usual for similar transactions, which were complied with for all quarters from 30 June 2015 until 30 June 2019. In addition, there has been no negative pledge infringement events and there have been no events involving forfeiture of the benefit of the term or mandatory early repayment.

On 8 August 2019, MediaCo closed its private offering to qualified institutional investors of non-convertible Senior Secured Bonds maturing on 1 August 2024 (the "Bonds"). The Bonds were issued for a total amount of EUR 275 million with a minimum denomination of EUR 100,000 and received BB- ratings from Standard & Poor's, then reduced, as part of the analyses carried out to take into account the effects of the spread of the Covid-19 virus on the AS Roma Group and the football sector in general, on 16 April 2020, to B+, placing it on CreditWatch with negative implications, and on 13 July 2020, to B, with a negative Outlook, removing it from CreditWatch. Interest accrues on the Bonds at a rate of 5.125% per annum to be paid half-yearly on 30 June and 31 December of each year. The Bonds are guaranteed by Soccer in accordance with the applicable legal provisions. The principal repayment of the Bonds will take place from 31 December 2020 on a half-yearly basis, until 30 June 2024, with a final instalment on 1 August 2024. The net proceeds from the issue of the Bonds, following the payment of the commissions and expenses arising from the transaction, were used, inter alia, (i) to refinance the existing debt of MediaCo, through the full repayment of the outstanding loan under the facility agreement signed on 12 February 2015 (as amended from time to time); and (ii) to provide the Group with financial resources for its business activities.

The Bonds are secured by the following pledges and guarantees: (i) a pledge on the shares of MediaCo; (ii) a pledge on the shares of Soccer; (iii) a pledge on the current accounts of MediaCo; (iv) a pledge on the current accounts of Soccer; (v) a pledge on the current account of AS Roma called "UEFA Account"; (vi) an assignment as security by AS Roma of the receivables deriving from national and international television rights ( so-called, "Indirect Media Rights"); (vii) a pledge of receivables arising from certain infra-group relationships; (viii) a pledge by Soccer and MediaCo of receivables arising from sponsorship and media rights agreements (direct and indirect); (ix) a pledge on MediaCo's intellectual property rights.

More specifically, among other things, the financial documentation relating to the issue of the Bonds provides for certain covenants - usual for similar transactions - including, but not limited to:

- financial covenants: there is a commitment by MediaCo to comply with certain parameters aimed at measuring its financial capacity to repay the Bonds and specifically: (A) Debt Service Coverage Ratio which, calculated on the basis of historical 12-month data, is recognised every six months starting on 30 June 2020; and (B) Pro Forma Debt Service Coverage Ratio which, calculated as the ratio between the expected cash flows for the following 12 months and the financial outlays relating to loan repayment and interest payments for the following 12 months, is recognised every six months starting on 30 June 2020. Both financial parameters must be not less than 1.5:1 and any breach constitutes an Event of Default within the

meaning of the financial documentation, unless MediaCo restores - where possible - compliance with the aforesaid financial parameters within 30 working days from the date of notification to the Agent.

- negative pledge: there are restrictions for companies in the AS Roma Group: (i) to grant guarantees to third parties on its assets, except in the case of statutory guarantees linked to transactions in the ordinary course of business carried out by the companies; (ii) to assign, transfer or otherwise dispose of its assets towards third parties, excluding players' registration rights. There are also specific limitations with regard to the assumption of additional debt and the issue of guarantees.

The financial documentation of the Bonds also provides for a number of hypotheses constituting Events of Default - usual for similar transactions - which determine, among other things, the acceleration of the obligation to fully repay the Bonds, such as, by way of example and without limitation: (i) the failure to pay principal or interest due in relation to the Bonds unless it was due to technical and administrative errors and was made within the terms set forth in the documentation; (ii) the failure to comply with the financial covenants not remedied within the terms set forth above; (iii) the cross acceleration of the financial indebtedness of MediaCo, Soccer and its subsidiaries; (iv) the case of MediaCo's insolvency due to failure to pay its past due debts; and (v) the ineffectiveness or nullity or non-enforceability of the documentation guaranteeing the Bonds.

These contractual covenants were complied with for all periods ending until 30 June 2021. In addition, there has been no negative pledge infringement events and there have been no events involving forfeiture of the benefit of the term.

Finally, the financial documentation of the Bonds provides for certain hypotheses of mandatory repurchase of the Bonds/mandatory early repayment, among others (without limitation), in the following cases: (i) change in the ownership or control structure of, among others, the Company, Soccer and MediaCo, within the terms set out in the documentation of the Bonds; and (ii) relegation of the Company to the lower series of national sports competitions.

In this regard, it should be noted that, as a result of the change of control connected with the completion of the acquisition by Mr Thomas Dan Friedkin, through Romulus and Remus Investments LLC, a company controlled by the same, of the entire share capital of NEEP Roma Holding S.p.A. ("NEEP"), completed on 17 August 2020 and, accordingly, the loss of control over AS Roma S.p.A. by AS Roma SPV LLC, MediaCo was obliged to repurchase all or part of the Bonds, at a price equal to 101% of the relevant principal amount, together with (i) interest accrued and not paid on the repurchase date and (ii) any Additional Amount due in the event of withholding or deductions applicable on the payment of the amounts referred to in point (i) above.

However, on 17 September 2020, the Bondholders' Meeting approved the granting of certain waivers and certain changes to be made to the Indenture as described in detail in the specific consent solicitation statement dated 2 September 2020 (the "Consent Solicitation Statement"). The Supplemental Indenture aimed at implementing the extraordinary resolution of the Bondholders' Meeting was signed on 18 September and entered into force at the time of payment of the Consent Payment occurred on 24 September 2020, and the repayment plan of the Bonds has therefore remained unchanged with respect to the original one.

In addition, on 29 September 2020, AS Roma's Board of Directors approved a shareholders' loan with the direct controlling shareholder NEEP for an amount of approximately EUR 14.6 million, equal to the amount of the costs paid by the subsidiary MediaCo as part of the Consent Solicitation relating to the bond described above. Since NEEP is a related party of AS Roma, the transaction was classified as a "major related-party transaction" and approved by the Board of Directors with the prior favourable opinion of the Committee for Related-party Transactions. The Information Document on the transaction was published by the Company in accordance with Article 5 of Consob Regulation No. 17221/2010.

#### Credit risk

In compliance with the new IFRS 9 standard, the Company, starting from 2018, writes down its receivables with the expected losses model (and not with the incurred losses model used by IAS 39). Loans from customers

with inadequate ratings, even if relating to items not yet due, are subject to provisions. These ratings are attributed on the basis of commercial information and collection statistics within the company and the related provisions are made on the basis of percentages of expected losses for rating classes modulated on the statistics of credit losses occurring in the last 2 years.

#### Interest rate risk

There is no interest rate risk for the Bond issued on 8 August 2019, as it is set at a fixed rate.

#### Exchange rate risk

The Company carries out almost all acquisitions and sales in Euro. Therefore, it is not subjected to significant exchange rate fluctuation risks.

### **10. SIGNIFICANT EVENTS AFTER 30 JUNE 2021**

The following are the significant events that occurred after 30 June 2021:

#### **REGISTRATION TO 2020/2021 SERIE A AND UEFA EUROPA LEAGUE CHAMPIONSHIP**

In July 2021, the procedure for the issue of the National Licence and registration for the Serie A Championship for the 2021/22 football season was completed. The FIGC Federal Council, having verified the Company's compliance with the economic-financial and legal criteria, as well as the infrastructural, sports and organisational criteria, approved the admission of AS Roma to the Serie A Championship for the 2021/2022 football season. Moreover, on 7 May 2021, the UEFA Licensing Office approved the issuance of the UEFA license for the 2021/22 football season.

#### **SIGNING OF THE OFFICIAL FIRST TEAM MAIN SPONSOR CONTRACT**

On 27 July 2021, AS Roma has signed a sponsorship and commercial agreement with Zytara Labs LLC ("Zytara"), which become the main sponsor. Zytara is a leader in the creation of digital assets such as the so-called non-fungible tokens (NFTs), available for purchase via the DigitalBits platform. This 3-years contract provide AS Roma with an income of Euro 35 million, plus additional possible increases.

#### **CORPORATE GOVERNANCE**

On September 28, 2020, the employment relationship between AS Roma and Mr Mauro Baldissoni was terminated, who at the same time resigned, with immediate effect, from the position of Director and Vice Chairman of the AS Roma, as well as from all the other positions held by him in the companies in which he held an office as well as in the other companies of the NEEP Roma Holding S.p.A. Group. It should be noted that Mauro Baldissoni was not qualified as an independent director under current laws and regulations and does not hold shares in the Company. In addition, he is not entitled to indemnities or other benefits following termination of office and was not a beneficiary of any incentive plan based on financial instruments.

#### **INFORMATION ON ENTITIES EXERCISING MANAGEMENT AND COORDINATION ACTIVITIES**

In accordance with Articles 2497-bis and 2497-ter of the Italian Civil Code, to provide the necessary information and disclosure on the entity that is able, directly or indirectly, to exercise management and coordination on A.S. Roma, the summary information is provided below, updated as at 30 June 2021.

The Management and coordination activity, pursuant to Articles 2497 and following of the Civil Code, is currently exercised by NEEP Roma Holding S.p.A., a joint-stock company under Italian law that owns, with a stake equal to 83.284% of the majority stake in the capital of A.S. Roma S.p.A... Below most recent available summary financials:





# ANNUAL FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED AS AT 30 JUNE 2021

ASSETS	30/06/2020	30/06/2019
<b>NOT CURRENT ASSETS</b>		
Equity investments	183.733	251.984
Non-current financial assets	-	45.099
<b>Total non-current assets</b>	<b>183.733</b>	<b>297.083</b>
<b>CURRENT ASSETS</b>		
Trade receivables	64	110
Other current assets	2.674	3.535
Tax receivables	193	198
Financial Receivables	26.080	-
Cash at bank and on hand	49	49
<b>Total Current Assets</b>	<b>29.061</b>	<b>3.891</b>
<b>TOTAL ASSETS</b>	<b>212.794</b>	<b>300.975</b>
<b>EQUITY AND LIABILITIES</b>	<b>30/06/2020</b>	<b>30/06/2019</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital	160.009	160.009
Legal Reserves	32	20
Shareholders' reserve for capital increase	107.720	70.000
Accumulated loss	385	146
Loss for the period	(157.469)	251
<b>Total Equity</b>	<b>110.677</b>	<b>230.426</b>
<b>NON CURRENT LIABILITIES</b>		
Long-term debt	51.359	63.700
Employee benefit liabilities	13	10
<b>Total Non Current Liabilities</b>	<b>51.372</b>	<b>63.710</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	284	266
Short term debt and current portion of long term debt	47.781	3.100
Tax payables	409	246
Employee benefit liabilities	2	2
Other liabilities	2.268	3.226
<b>Total Current Liabilities</b>	<b>50.745</b>	<b>6.839</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>212.794</b>	<b>300.975</b>

It is recalled that , on August 17, 2020 AS Roma SPV, LLC sold and transferred its controlling interest held directly and indirectly in the Company - and some related assets and liabilities - in favor of Romulus and Remus Investments LLC(company specifically designated by THE FRIEDKIN GROUP, INC.)

RRI is a limited liability company by law US with registered office in Wilmington, Delaware, 1209 Orange Street and operational headquarters in Houston, Texas, 1375 Enclave Parkway, registered in the State of Delaware under no. 7868101. It is directly controlled by Romulus and Remus Holdings LLC, a Delaware limited liability company, which holds 100% of the share capital.

Romulus and Remus Holdings LLC is in turn held 99% by Mr. Thomas Dan Friedkin and 1% by Quantum Investment Holdings, Inc., a Delaware corporation. Mr. Thomas Dan Friedkin holds 100% of the share capital of Quantum Holdings, Inc ..





## ANNUAL FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED AS AT 30 JUNE 2021

Therefore, the management and coordination of AS Roma S.p.A. was exercised until August 17, 2020 by AS Roma SPV LLC and subsequently, until May 28, 2021, by Romulus and Remus Investments LLC, and is currently exercised by NEEP Roma Holding S.p.A ..

\*\*\*

### CERTIFICATION OF THE FINANCIAL STATEMENTS

These Financial Statements of Soccer SAS of Brand Management S.r.l. truthfully and exactly represent the financial position, as well as the performance for the financial year ended on 30 June 2021 and correspond to the profits/losses in the accounting records.

Reference should be made to the Report on Operations for further information on significant events occurring after the end of the financial year.

These financial statements, consisting of the Statement of Assets and Liabilities, Income Statement, Statement of Changes in Shareholders' Equity, Cash Flow Statement and the Explanatory Notes, present a true and fair view of the Company's financial position and trading results for the financial year ended 30 June 2021 and correspond to the accounting records.

Rome, 21 October 2021

Empowered Representative

on behalf of the Board of Directors  
of the General Partner  
Brand Management S.r.l.

---

Eric Felen Williamson III

## LEGAL INFORMATION AND CONTACTS

Registered office:

Via Emilia, 47 – 00187 Rome

Headquarters:

Via di Trigoria, km. 3.600 – 00128 Rome

Administrative office:

Viale Tolstoj, 2/6 - 00144 Rome

Tax code:

09305501000

Vat No.:

09305501000

Economic Administrative Index No.:

1154259

Share Capital:

EUR 123,432,269.87 fully paid up

Certified e-mail address:

[soccer@pec.it](mailto:soccer@pec.it)

Name of the company exercising management and coordination activities:

NEEP Roma Holding S.p.A.



# ANNUAL FINANCIAL REPORT

FOR THE FINANCIAL YEAR ENDED AS AT 30 JUNE 2021

## REPORT OF THE INDEPENDENT AUDITORS

## INDEPENDENT AUDITOR'S REPORT PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Stockholders of  
Soccer S.a.S. di Brand Management S.r.l.

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of Soccer S.a.S. di Brand Management S.r.l. ("Company"), which comprise the statement of financial position as of June 30, 2021, the comprehensive income statement, statement of changes in shareholders' equity and cash flow statement for the year then ended and the explanatory notes, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as of June 30, 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other aspects

In accordance with article 2497-bis, first comma, of Italian Civil Code, the Company has indicated that it is subject to management and coordination by NEEP Roma Holding S.p.A., and therefore has included the essential data of the last financial statements of AS Roma SPV LLC in the explanatory notes. Our opinion on financial statements of Soccer S.a.S. di Brand Management S.r.l. does not extend to such data.

#### Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and, within the terms established by law, for such internal control as the Directors determine is necessary to

enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **Opinion pursuant to art. 14, paragraph 2 (e) of Legislative Decree 39/10**

The Directors of Soccer S.a.S. di Brand Management S.r.l. are responsible for the preparation of the report on operations of Soccer S.a.S. di Brand Management S.r.l. as of June 30, 2021, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations with the financial statements of Soccer S.a.S. di Brand Management S.r.l. as of June 30, 2021 and on its compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the report on operations is consistent with the financial statements of Soccer S.a.S. di Brand Management S.r.l. as of June 30, 2021 and is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by  
**Gianfranco Recchia**  
Partner

Rome, Italy  
October 27, 2021

*This report has been translated into the English language solely for the convenience of international readers.*