

**REAL CLUB CELTA DE VIGO, S.A.D. AND  
ITS SUBSIDIARIES**

**Independent Auditor's Report, Consolidated  
Annual Accounts and Consolidated  
Management Report  
For the year ended June 30, 2021**

## **INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS**

*This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation or information, views opinions, the original language version of our report takes precedence over this translation.*

To the shareholders of REAL CLUB CELTA DE VIGO, S.A.D.:

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### **Opinion**

We have audited the consolidated annual accounts of REAL CLUB CELTA DE VIGO, S.A.D. and its subsidiaries, which comprise the balance sheet as at June 30, 2021, and the income statement, statement of changes in equity, cash flow statement and related notes, all of them consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at June 30, 2021, as well as its financial performance and cash flows, all of them consolidated, for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

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### **Basis for opinion**

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in *the Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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### **Most relevant aspects of the audit**

The most relevant aspects of the audit are those that, in our professional judgment, were considered to be the most significant risks of material misstatement in our audit of the consolidated annual accounts of the current period. These risks were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

## Player acquisition rights

**Description** The Group has in the heading A) *I.1 Player acquisition rights*, 40.678.091,47 euros at 30<sup>th</sup> June 2021, net of amortisation and deterioration. These rights are amortised on a lineal basis according to the duration of the contracts. The Group has established procedures that enable it to assess the reasonableness of the net book value assigned to these rights at any given time, as well as to periodically assess a possible impairment of such assets, verifying that their market value is higher than their net book value.

The value of the player acquisition rights has a significant impact on the valuation of the group's total assets and on the expense of amortization of the income statement.

For all the circumstances described above it has been considered that the value corresponding to player acquisition rights, is one of the most relevant aspects of the audit.

### Our Answer

In relation to this aspect, our audit procedures have included among others:

- Understanding and checking the reasonableness of the criteria used by the group for the valuation of player acquisition rights.
- We have verified the calculations made by the group in relation to the acquisition price.
- We have verified the calculations made by the group in relation to the amortisation made during the year.
- We have verified the market value of the player acquisition rights.
- We have verified that in notes 3.7 and 7 of the attached consolidated annual accounts, information is included that are appropriate to what is required by that applicable financial reporting framework.

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## Other information: Consolidated Management Report

Other information comprises only the Consolidated Management Report for the financial year ending on 30 June 2021, the formulation of which is the responsibility of the Parent Company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the Consolidated Management Report. Our responsibility for the Consolidated Management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the Consolidated Management report and the consolidated annual accounts as a result of our knowledge of the group obtained during the audit of the aforementioned financial statements, and does not include information different to that obtained as evidence during our audit. Likewise, our responsibility is to evaluate and report on whether the content and presentation of the Consolidated Management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work done, as described in the previous paragraph, the information contained in the Consolidated Management report is consistent with that contained in the consolidated annual accounts for the financial year ending on 30 June 2021, and its content and presentation are in accordance with the applicable regulations.

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## **Responsibility of the parent company's directors for the consolidated annual accounts**

The Company's directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the equity, financial position and financial performance of the Group, in accordance with the financial reporting framework applicable to the group in Spain, and for such internal control as the directors determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent Company's directors are responsible for assessing the Group ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the parent company directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

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## **Auditor's responsibilities for the audit of the consolidated annual accounts**

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts 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 legislation governing the audit practice in Spain 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 consolidated annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, 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 group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent Company's directors.

- Conclude on the appropriateness of the Parent Company's directors 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 Group'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 consolidated annual accounts 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and adequate evidence in relation to the financial information of the entities or business activities within the group to express an opinion on the consolidated annual accounts. We are solely responsible for our audit opinion.

We communicate with the Parent Company's directors 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.

From the significant risks communicated with the Parent Company's directors, we determine those matters that were of most significance in the audit of the consolidated annual accounts of the current period and are, therefore, considered to be the most significant risks.

We describe these risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

AUREN AUDITORES SP, S.L.P.  
Registered in ROAC under N° S2347

*Original signed in Spanish by  
Concepción Vilaboa Martínez  
Registered in ROAC under N° 15.935  
30<sup>th</sup> of September of 2021*



# RC Celta

REAL CLUB CELTA DE VIGO, S.A.D.  
AND DEPENDANT COMPANIES  
Consolidated Annual Accounts  
at 30 June 2021

## CONSOLIDATED BALANCE SHEET AT 30 JUNE 2021 AND 30 JUNE 2020

CONSOLIDATED ASSETS		Note	30/06/2021	30/06/2020
<b>A) NON-CURRENT ASSETS</b>			<b>92,268,380.12</b>	<b>113,615,445.96</b>
<b>I. Intangible Fixed Assets</b>			<b>56,934,132.15</b>	<b>71,686,010.88</b>
1. Player acquisition rights	7		40,678,091.47	54,169,683.23
4. Rights over assets assigned for use	6.1		16,256,040.68	17,516,327.65
<b>II. Other intangible fixed assets</b>	<b>6.2</b>		<b>77,060.38</b>	<b>89,284.20</b>
<b>III. Tangible Fixed Assets</b>	<b>4</b>		<b>25,048,590.93</b>	<b>15,873,788.51</b>
1. Land and buildings			11,065,518.89	11,246,574.66
2. Technical facilities and other tangible fixed assets			2,330,940.70	1,940,699.33
3. Fixed assets under construction and advances			11,652,131.34	2,686,514.52
<b>VI. Long-term financial investments</b>	<b>10.1</b>		<b>29,256.32</b>	<b>21,588.32</b>
5. Other financial assets			29,256.32	21,588.32
<b>VII. Deferred tax assets</b>	<b>12.4</b>		<b>1,248,668.74</b>	<b>934,677.90</b>
<b>VIII. Non-current trade debtors</b>	<b>10.1</b>		<b>8,930,671.60</b>	<b>25,010,096.15</b>
<b>B) CURRENT ASSETS</b>			<b>43,137,782.05</b>	<b>60,449,303.92</b>
<b>II. Inventories</b>	<b>11</b>		<b>487,617.68</b>	<b>677,544.57</b>
1. Comerciales			487,017.68	676,944.57
6. Advances to suppliers			600.00	600.00
<b>III. Debtors</b>			<b>29,432,661.22</b>	<b>29,372,075.90</b>
2. Sports entities, debtors	10.1		23,138,424.44	25,477,161.60
3. Clients for sales and services	10.1		171,859.69	48,262.01
4. Other receivables	10.1		3,969,464.65	2,054,104.85
5. Personnel	10.1		205,295.51	205,295.51
6. Current tax assets	12		1,941,479.19	1,550,575.61
6. Other credits with the Public Administrations	10.1 y 12.6		6,137.74	36,676.32
<b>IV. Short-term investments in group and associate companies</b>	<b>10.1</b>		<b>2,000,000.00</b>	<b>2,000,000.00</b>
5. Other financial assets			2,000,000.00	2,000,000.00
<b>V. Short-term financial investments</b>	<b>10.1</b>		<b>2,000,180.29</b>	<b>2,000,180.29</b>
5. Other financial assets			2,000,180.29	2,000,180.29
<b>VI. Accruals</b>	<b>10.1</b>		<b>1,229,665.89</b>	<b>58,169.57</b>
<b>VII. Cash and equivalent liquid assets</b>	<b>10.1</b>		<b>7,987,656.97</b>	<b>26,341,333.59</b>
1. Cash and banks			7,987,656.97	26,341,333.59
<b>TOTAL ASSETS</b>			<b>135,406,162.17</b>	<b>174,064,749.88</b>

## CONSOLIDATED BALANCE SHEET AT 30 JUNE 2021 AND 30 JUNE 2020

CONSOLIDATED EQUITY AND LIABILITIES		Note	30/06/2021	30/06/2020
<b>A) EQUITY</b>			<b>88,274,287.32</b>	<b>98,835,951.10</b>
<b>A-1) Net equity</b>			<b>76,116,907.87</b>	<b>85,762,086.28</b>
<b>I. Capital</b>	<b>10.6</b>		<b>4,308,145.54</b>	<b>4,308,145.54</b>
1. Subscribed capital			3,770,210.00	3,770,210.00
2. Founding Capital			537,935.54	537,935.54
<b>III. Reserves</b>	<b>10.6</b>		<b>81,453,940.75</b>	<b>72,015,640.21</b>
1. Legal and statutory			754,042.00	754,042.00
2. Capitalisation reserve			8,321,474.14	8,321,474.14
3. Other reserves			72,714,703.75	63,031,505.57
4. Reserves in consolidated companies			(336,279.14)	(91381.50)
<b>VII. Results of the financial year</b>	<b>13.7</b>		<b>(9,645,178.42)</b>	<b>9,438,300.53</b>
<b>A-3) Subsidies, donations and endowments received</b>	<b>17</b>		<b>12,157,379.45</b>	<b>13,073,864.82</b>
<b>B) NON -CURRENT LIABILITIES</b>			<b>24,011,110.61</b>	<b>35,457,105.53</b>
<b>I. Long-term provisions</b>	<b>14</b>		<b>590,919.22</b>	<b>475,151.37</b>
4. Other provisions			590,919.22	475,151.37
<b>II. Long-term debts</b>	<b>10.2</b>		<b>15,082,557.65</b>	<b>22,047,660.82</b>
2. Debts with financial institutions			6,178,641.65	2,380,735.40
3. Debts with sporting entities			8,669,166.00	19,477,175.42
5. Other financial liabilities			234,750.00	189,750.00
<b>VI. Deferred tax liabilities</b>	<b>12.5</b>		<b>8,337,633.74</b>	<b>12,934,293.34</b>
<b>C) CURRENT LIABILITIES</b>			<b>23,120,764.24</b>	<b>39,771,693.25</b>
<b>II. Short-term provisions</b>	<b>14</b>		<b>252,194.17</b>	<b>252,194.17</b>
2. Other provisions			252,194.17	252,194.17
<b>III. Short-term debts</b>	<b>10.2</b>		<b>1,826,238.95</b>	<b>1,833,949.97</b>
2. Debts with financial institutions			1,202,093.78	1,187,450.61
5. Other financial liabilities			624,145.17	646,499.36
<b>V. Commercial creditors and other accounts payable</b>			<b>20,894,419.56</b>	<b>37,064,876.85</b>
1. Advances of season ticket holder and member quotas	10.2		0.00	6,379.25
2. Debts due to purchases or provision of services	10.2		6,164.03	4,605,824.02
b) Short-term suppliers			6,164.03	4,605,824.02
3. Debts with sporting entities	10.2		11,030,326.53	24,196,857.50
4. Other payables	10.2		3,421,500.23	288,499.62
5. Staff (outstanding remuneration)	10.2		1,190,676.33	4,862,832.89
6. Other debts with Public Administrations	12.6		4,998,564.03	3,101,327.48
7. Client advances	10.2		247,188.41	3,156.09
<b>VI. Short-term accruals</b>	<b>10.2 y 13.5.f</b>		<b>147,911.56</b>	<b>620,672.26</b>
<b>TOTAL EQUITY +LIABILITIES</b>			<b>135,406,162.17</b>	<b>174,064,749.88</b>



# CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2021 AND 30 JUNE 2020

<b>A) CONTINUING OPERATIONS</b>	<b>Note</b>	<b>30/06/2021</b>	<b>30/06/2020</b>
<b>1. Revenue</b>	<b>13.1</b>	<b>62,054,776.12</b>	<b>64,101,954.63</b>
a) Income from competitions		330,267.90	561,480.63
b) Income from season ticket holders and members		740,063.71	3,460,291.02
c) Broadcast income		48,903,648.43	50,058,359.04
d) Advertising income		9,960,444.27	7,472,333.32
e) Marketing and other income		1,327,978.99	1,558,448.84
f) Provision of clinical services		185,274.15	114,345.18
g) Member quotas		524,877.20	559,288.06
h) Income from promotions, sponsors and collaborators		82,221.47	317,408.54
<b>4. Supplies</b>	<b>13.4</b>	<b>(1,223,108.31)</b>	<b>(1,572,083.24)</b>
a) Goods acquisition		(1,004,213.22)	(1,518,143.69)
b) Raw materials and other consumables acquisition		(886.36)	(14,756.11)
c) Subcontracted work		(101,393.98)	(70,457.57)
d) Impairment/Reversion of merchandise, raw materials and other provisioning	12	(116,614.75)	31,274.13
<b>5. Other operating income</b>		<b>4,867,262.88</b>	<b>3,515,086.96</b>
a) Ancillary and other current management income		4,279,535.05	2,944,347.40
b) Operating subsidies included in results for the financial year	17	587,727.83	570,739.56
<b>6. Staff expenses</b>		<b>(57,291,945.34)</b>	<b>(51,564,477.55)</b>
a) Playing staff salaries and wages	13.2.b	(50,161,971.74)	(44,005,079.36)
b) Non-playing staff salaries and wages	13.2.a	(5,468,500.35)	(5,820,023.13)
c) Social charges	13.2.a y 13.2.b	(1,661,473.25)	(1,739,375.06)
<b>7. Other operating expenses</b>		<b>(12,536,541.48)</b>	<b>(15,894,286.63)</b>
a) External services		(4,700,558.92)	(6,099,522.73)
b) Levies		(26,696.99)	(21,155.22)
c) Impairment, losses and variation of provisions for commercial operations	10.1	(117,587.96)	(215,364.65)
d) Travel		(2,830,476.46)	(1,179,469.41)
e) Player acquisition expenses	13.2.b	(3,416,307.81)	(6,652,451.92)
f) Monetary Aid		(363,332.34)	(626,521.55)
g) Other current management expenses		(1,081,581.00)	(1,099,801.15)
<b>8. Amortisation of fixed assets</b>		<b>(17,558,013.41)</b>	<b>(21,692,495.07)</b>
a) Amortisation of player acquisition rights	7 y 13.2.b	(15,576,955.52)	(19,740,584.15)
b) Other amortisation	4 y 6	(1,981,057.89)	(1,951,910.92)
<b>9. Application of subsidies of non-financial fixed assets and others</b>	<b>17</b>	<b>1,247,615.82</b>	<b>1,246,009.92</b>
<b>11. Impairment and result of fixed asset sales</b>		<b>6,608,488.76</b>	<b>34,834,293.46</b>
a) Results from transfers and others	4	0.00	0.00
b) Results from the sale of players	7 y 13.5.e	6,608,488.76	34,834,293.46
<b>13. Other results</b>	<b>13.5.c</b>	<b>398,759.06</b>	<b>(521,557.13)</b>
<b>A.1) OPERATING PROFIT</b>		<b>(13,432,705.90)</b>	<b>12,452,445.35</b>
<b>14. Financial income</b>	<b>13.5.d</b>	<b>231,186.08</b>	<b>55,229.42</b>
b) From negotiable securities and other financial instruments		231,186.08	55,229.42
b 1) In group and associated companies		38,000.00	29,046.58
b 2) From third parties		193,186.08	26,182.84
<b>15. Financial expenses</b>	<b>13.5.d</b>	<b>(192,438.36)</b>	<b>(73,335.29)</b>
a) From debts with group and associate companies		0.00	0.00
b) From debts with third parties		(192,438.36)	(73,335.29)
<b>16. Variation in fair value of financial instruments</b>	<b>13.5.d</b>	<b>0.00</b>	<b>18,547.75</b>
<b>17. Exchange differences</b>	<b>13.5.a y 13.5.d</b>	<b>0.00</b>	<b>0.00</b>
<b>A.2) FINANCIAL PROFIT</b>		<b>38,747.72</b>	<b>441.88</b>
<b>A.3) PROFIT/(LOSS) BEFORE INCOME TAX</b>	<b>12.1</b>	<b>(13,393,958.18)</b>	<b>12,452,887.23</b>
<b>20. Income tax expense</b>	<b>12.2 y 12.3</b>	<b>3,748,779.76</b>	<b>(3,014,586.70)</b>
<b>A.4) FINANCIAL YEAR PROFIT FROM CONTINUING OPERATIONS</b>		<b>(9,645,178.42)</b>	<b>9,438,300.53</b>
<b>A.5) CONSOLIDATED PROFIT/(LOSS) FOR THE PERIOD</b>	<b>13.7</b>	<b>(9,645,178.42)</b>	<b>9,438,300.53</b>
<b>Profit attributed to the dominant company</b>		<b>(9,645,178.42)</b>	<b>9,438,300.53</b>

**STATEMENT OF CHANGES IN CONSOLIDATED EQUITY AT 30 JUNE 2021 AND 30 JUNE 2020**

<b>A) STATEMENT OF RECOGNISED CONSOLIDATED INCOME AND EXPENSES</b>	<b>Note</b>	<b>30/06/2021</b>	<b>30/06/2020</b>
<b>A) CONSOLIDATED PROFIT /(LOSS) FOR THE PERIOD</b>	<b>13.7</b>	<b>(9,645,178.42)</b>	<b>9,438,300.54</b>
Income and expenditure charged directly to consolidated equity:			
III. Subsidies, donations and endowments received	19	20,000.00	0.00
VII. Tax effect	14	0.00	0.00
<b>B) TOTAL INCOME AND EXPENSES CHARGED DIRECTLY TO CONSOLIDATED EQUITY</b>		<b>20,000.00</b>	<b>0.00</b>
Transfers to the consolidated profit and loss account			
X. Subsidies, donations and endowments received	17	(1,247,615.82)	(1,246,009.92)
XIII. Tax effect		311,130.45	311,278.92
<b>C) TOTAL AMOUNTS TRANSFERRED TO THE CONSOLIDATED INCOME STATEMENT</b>		<b>(936,485.37)</b>	<b>(934,731.00)</b>
<b>TOTAL RECOGNISED CONSOLIDATED INCOME AND EXPENSES</b>		<b>(10,581,663.79)</b>	<b>8,503,569.54</b>

**STATEMENT OF CHANGES IN CONSOLIDATED NET EQUITY AT 30 JUNE 2021 AND 30 JUNE 2020**

<b>B) STATEMENT OF CHANGES IN CONSOLIDATED NET EQUITY</b>	<b>Subscribed capital</b>	<b>Reserves</b>	<b>Profit/(loss) for the period</b>	<b>Subsidies, donations and endowments received</b>	<b>TOTAL</b>
<b>A. BALANCE AT THE END OF THE 2018-2019 SEASON</b>	<b>4,308,145.54</b>	<b>50,658,480.14</b>	<b>21,357,160.07</b>	<b>14,008,595.82</b>	<b>90,332,381.57</b>
I. Adjustments due to change of criteria for the 2018-2019 season	0.00	0.00	0.00	0.00	0.00
II. Adjustments due to errors for the 2018-2019 season	0.00	0.00	0.00	0.00	0.00
<b>B. ADJUSTED BALANCE, START OF THE 2019-2020 SEASON</b>	<b>4,308,145.54</b>	<b>50,658,480.14</b>	<b>21,357,160.07</b>	<b>14,008,595.82</b>	<b>90,332,381.57</b>
I. Total recognised income and expenses	0.00	0.00	9,438,300.54	(934,731.00)	8,503,569.54
II. Operations with shareholders or owners	0.00	0.00	0.00	0.00	0.00
III. Other variations in net equity	0.00	0.00	(21,357,160.07)	0.00	0.00
1. Movement of the capitalisation reserve	0.00	2,114,078.02	(2,114,078.02)	0.00	0.00
2. Other variations	0.00	19,243,082.05	(19,243,082.05)	0.00	0.00
<b>C. BALANCE AT THE END OF THE 2019-2020 SEASON</b>	<b>4,308,145.54</b>	<b>72,015,640.21</b>	<b>9,438,300.54</b>	<b>13,073,864.82</b>	<b>98,835,951.11</b>
I. Adjustments due to change of criteria for the 2019-2020 season	0.00	0.00	0.00	0.00	0.00
II. Adjustments due to errors for the 2019-2020 season	0.00	0.00	0.00	0.00	0.00
<b>D. ADJUSTED BALANCE, START OF THE 2020-2021 SEASON</b>	<b>4,308,145.54</b>	<b>72,015,640.21</b>	<b>9,438,300.54</b>	<b>13,073,864.82</b>	<b>98,835,951.11</b>
I. Total recognised income and expenses	0.00	0.00	(9,645,178.42)	(916,485.37)	(10,561,663.79)
II. Operations with shareholders or owners	0.00	0.00	0.00	0.00	0.00
III. Other variations in net equity	0.00	9,438,300.54	(9,438,300.54)	0.00	0.00
1. Movement of the capitalisation reserve	0.00	0.00	0.00	0.00	0.00
2. Other variations	0.00	9,438,300.54	(9,438,300.54)	0.00	0.00
<b>E. BALANCE AT THE END OF THE 2020-2021 SEASON</b>	<b>4,308,145.54</b>	<b>81,453,940.75</b>	<b>(9,645,178.42)</b>	<b>12,157,379.45</b>	<b>88,274,287.32</b>

# CONSOLIDATED CASHFLOW STATEMENT AT 30 JUNE 2021 AND 30 JUNE 2020

	Note	30/06/2021	30/06/2020
<b>A) Cashflows from Operating Activities</b>			
<b>1. Pre-tax profit for the financial year</b>		<b>(13,393,958.18)</b>	<b>12,452,887.24</b>
<b>2. Adjustments to results</b>		<b>16,262,231.19</b>	<b>(12,616,360.70)</b>
a) Depreciation of fixed assets (+)	4; 6; 7 y 13.2.b	17,558,013.41	21,692,495.07
b) Impairment adjustments (+/-)	10.1	160,577.23	(112,590.13)
c) Variation of provisions (+/-)	13.4	115,767.85	475,151.37
d) Allocation of subsidies (-)	17	(1,247,615.82)	(1,246,009.92)
e) Result of removals and transfers of fixed assets (+/-)	4; 7 y 13.5.e	(5,400.00)	(33,443,512.96)
g) Financial income (-)	13.5.d	(236,886.08)	(55,229.42)
h) Financial expenditure (+)	13.5.d	198,138.36	73,335.29
k) Other income and expenditure (+/-)		(280,363.76)	0.00
<b>3. Changes in current capital</b>		<b>(26,189,534.60)</b>	<b>7,181,556.20</b>
a) Inventories (+/-)		146,937.62	437,669.50
b) Debtors and other accounts receivable (+/-)		3,952,979.12	24,111,358.37
c) Other current assets (+/-)		161,664.86	180,411.45
d) Creditors and other accounts payable (+/-)		(28,926,789.46)	(7,889,337.19)
e) Other current liabilities (+/-)		(1,498,639.74)	(9,658,545.93)
f) Other non-current assets and liabilities (+/-)		(25,687.00)	0.00
<b>4. Other cashflows from operating activities</b>		<b>(2,748,562.73)</b>	<b>(337,446.46)</b>
a) Payment of interest (-)		(198,138.36)	(73,335.29)
c) Receipt of interest (+)		236,886.08	2,814.61
d) Profit tax collections/(payments) (+/-)		(2,787,310.45)	(266,925.78)
<b>5. Cashflows from operating activities</b>		<b>(26,069,824.32)</b>	<b>6,680,636.28</b>
<b>B) Cashflows from investment activities</b>			
<b>6. Investment payments (-)</b>		<b>(13,065,677.80)</b>	<b>(22,561,001.80)</b>
a) Group and associated companies	11.1	0.00	(2,000,000.00)
b) Intangible fixed assets	6.2 y 7	(3,066,667.00)	(8,541,694.00)
c) Tangible fixed assets.	4	(9,991,342.80)	(2,021,364.54)
e) Other financial assets		(7,668.00)	(9,997,943.26)
<b>7. Divestment receipts (+)</b>		<b>16,949,424.55</b>	<b>16,922,500.00</b>
b) Intangible fixed assets	7	870,000.00	12,922,500.00
e) Other financial assets		16,079,424.55	4,000,000.00
<b>8. Cashflows from investment activities</b>		<b>3,883,746.75</b>	<b>(5,638,501.80)</b>
<b>C) Cashflows from financing activities</b>			
<b>9. Collections and payments for equity instruments.</b>		<b>19,851.53</b>	<b>0.00</b>
e) Grants, donations and endowment received (+)		19,851.53	0.00
<b>10. Collections and payments for financial liability instruments</b>		<b>(1,356,680.46)</b>	<b>(1,356,680.46)</b>
a) Issue		5,000,000.00	0.00
2. Debts with financial institutions (+).		5,000,000.00	0.00
b) Return and repayment of		(1,187,450.58)	(1,356,680.46)
2. Debts with financial institutions (-).		(1,187,450.58)	(1,173,054.03)
5. Other debts (-).		0.00	(183,626.43)
<b>12. Cashflows from financial activities</b>		<b>3,832,400.95</b>	<b>(1,356,680.46)</b>
<b>D) Impact of exchange rate variations</b>			
<b>E) Net increase/decrease of cash or equivalents</b>		<b>(18,353,676.62)</b>	<b>(314,545.98)</b>
<b>Cash or equivalents at the start of the financial year</b>		<b>26,341,333.59</b>	<b>26,655,879.57</b>
<b>Cash or equivalents at the end of the financial year</b>		<b>7,987,656.97</b>	<b>26,341,333.59</b>

## REAL CLUB CELTA DE VIGO, S.A.D. AND DEPENDENT COMPANIES

Report on the Consolidated Annual Accounts corresponding to the financial year ending  
30 June 2021 (in euros)

### I. GROUP COMPANIES.

#### I. Dominant Company.

Real Club Celta de Vigo, S.A.D. is the dominant company of the RCCelta Group.

**Real Club Celta de Vigo, S.A.D.** was incorporated in Vigo, by virtue of a public deed executed before Mr Alejo Calatayud Sempere, Notary Public in Vigo, on 30 June 1992, by means of the transformation of the entity Real Club Celta de Vigo, founded on 23 August 1923, into a public limited sports company (*sociedad anónima deportiva* or SAD) under the “Football club restructuring plan”, created by the Sports Act.

It was recorded at Pontevedra Commercial Registry on 26 February 1993, on folio 119, volume 1218, sheet number 7073, entry 1.

Its tax identification code is A-36.609.105.

The CNAE (National Economic Activities Code) for the company’s main activity is 9319.

The registered office is Calle del Príncipe, 44, Vigo, and it performs its activity at the following facilities (notes 3.7 and 3.8):

- Estadio Abanca, the facility at which the first team plays.
- Estadio de Barreiro, the facility at which the company’s reserve team, Celta B, plays.
- A Madroa sports facilities and, since November 2020, the Ciudad Deportiva Afouteza (Mos); and

- Edificio Sede Príncipe (known as A Sede), facilities that house the General Management, Financial Management and other areas of the company, and is the registered office and tax domicile of the company. Moreover, certain parts of the building are leased to the dependent company, Afouteza e Corazón, S.L.U. for the carrying on of its business (note 9).

Real Club Celta de Vigo is a football club playing in the First Division of the Professional Football League in Spain. According to the Articles of Association, its corporate object is:

- Participation in sporting competitions of a professional nature, belonging to the category of football.
- Promotion and development of sporting activities in one or more categories of sports.
- Operation and marketing of sporting events, products and rights of all kinds linked or related to the category of sports, the professional team and the team resources.

The nature of the operation of the dominant company corresponds to the participation in professional sports competitions, in the category of football, with the first team playing in the 2020/2021 season in the First Division National League Championship and in the King's Cup and the reserve team, Celta B, in second division B.

The dominant company is defined by the capacity to control and, consequently, to accumulate the voting rights held by the company, for the sole purpose of determining the existence of control, all voting rights are taken into account, including potential ones that are convertible or exercisable on the date to which the evaluation of control refers, regardless of the intention or financial capacity of the company to exercise or convert them.

The principles applied in drawing up the Consolidated Annual Accounts for the group, as well as the consolidation perimeter are described in note 1.2 of this consolidated report.

The Consolidated Annual Accounts include the financial statements of the companies directly or indirectly controlled by the dominant company at 30 June 2021.

## 2. Dependent companies

“Dependent companies” are those companies, including special purpose entities, over which the Group holds or may hold control, directly or indirectly, understood as holding the majority of the voting rights in the general meeting of shareholders, whether itself or by means of pacts or agreements with other shareholders or holds the majority on the management body, either because it appointed the majority or has the power to appoint or remove it.

However, there are cases of control without an explicit power of management. This situation is common in special purpose entities, which are entities, commercial or otherwise, created to reach a specific objective defined in advance, meaning that they essentially act as an extension of the group’s activities. In order to assess whether such entities form part of the group, the factors taken into account include the participation of the group in the risks and profits of the entity, as well as its capacity for participating in its operating and financial decisions.

The breakdown of the **dependent companies of the group** is set out in the following table:

Companies	Direct %	Amount of holding	Activity
<b>Afouteza e Corazón, S.L.U.</b>	100%	€500,000	(1)
<b>Fundación Celta de Vigo</b>	(a)	-	(2)

The registered offices of the dependent companies of the group is Calle del Príncipe, 44, Vigo, and they are both audited by Auren Auditores.

(a) It is a special purpose entity.

(1) The activities carried out by **Afouteza e Corazón, S.L.U.**, at the closing date of these Consolidated Annual Accounts, are:

1. Provision of physiotherapy and orthopaedics services, as well as other services related to sports medicine (cardiology, nutrition, personalised rehabilitation, ...) at the A Sede Sports Clinic,
2. Management of certain areas at the base of the dominant company Real Club Celta de Vigo, S.A.D., A Sede such as:
  - a. Salón Regio, which offers cultural, educational and artistic content all year round and where business events, talks, concerts, etc. can be held.

- b. Lease of the Gambeta gastrobar, and
- c. Lease of the restaurant.

(2) **Fundación Celta de Vigo**, with registered office at Calle del Príncipe 44, Vigo, has the following main activities:

- Promote grassroots sport.
- Develop sports campuses, academies and clinics for young people, mainly directed at playing football.
- Investigate and promote the values of sport, as well as holding talks and debates on its importance in society.
- Develop different leisure-sports activities for the promotion of the practice of sports among people of all ages.
- Raise awareness of the social and sporting assets of Real Club Celta de Vigo, S.A.D., including by means of visits to the Fundación Celta de Vigo Museum.
- Promote citizens' participation in social activities by means of the promotion of solidarity campaigns.

It is considered a special purpose entity because the Fundación generates income and/or provides services and/or incurs costs in relation to football-related activities such as the academy or grassroots football at RCCelta.

In accordance with article 155 of the Spanish Companies Act, the dominant company has notified the dependent company, Afouteza e Corazón, S.L.U., which it holds more than 10% of the capital.

The last individual annual accounts of Afouteza e Corazón, S.L.U. and Fundación Celta de Vigo are those used to draw up these Consolidated Annual Accounts.

The annual accounts of the dependent company and the special purpose entity are consolidated with those of the dominant company by means of the full consolidation method.

## 2. BASIS FOR THE PRESENTATION OF THE CONSOLIDATED ANNUAL ACCOUNTS.

The members of the Board of Directors of the dominant company formulate these Consolidated Annual Accounts in accordance with the regulatory framework on financial reporting applicable to the group established in:

- Legislative Decree 1/2010 which approved the Restated Text of the Spanish Companies Act, as well as any acts subsequently amending the same.
- The Public Limited Sports Companies Act, Royal Decree 1251/1999 of 16 July.
- Legislative Royal Decree 1514/07, of 16 November, which approved the General Chart of Accounts (GCA), and the amendments contained in RD 1159/2010, of 17 September and RD 602/2016 of 2 December.
- The Order of 27 June 2000 which approved the rules for adapting the General Chart of Accounts to public limited sports companies, where not otherwise regulated by Royal Legislative Decree 1514/07, of 16 November.
- The Commercial Code, and
- Other applicable legal provisions (specifically the Regulations on the Financial Control of Clubs and Public Limited Sports Companies belonging to the LNFP and the resolutions of the Joint Committee of the Higher Sports Council and the LNFP, which approved the new format for the Report on the Annual Accounts of Clubs and Public Limited Sports Companies belonging to the LNFP).



## 1. True and fair picture.

The Consolidated Annual Accounts for the season have been drawn up using the accounting records of the dominant company and its dependents at 30 June 2021 and include the necessary adjustments and reclassifications for the time and value standardisation of the accounting criteria established by the Group, in order to provide a true and fair picture of the assets and the financial situation and results of the group, as well as of the group's cashflow.

These Consolidated Annual Accounts, formulated by the members of the Board of Directors of the dominant company, will be submitted for the approval of the Ordinary General Meeting of Shareholders of the Dominant Company, where it is envisaged, they will be approved without any amendments. The consolidated annual accounts for the 2019/2020 season were approved by the Ordinary and Extraordinary General Meeting on 18 December 2020.

There are no exceptional reasons justifying the non-application of the legal provisions on accounting in providing this true and fair picture of the group.

## 2. Critical aspects of the valuation and estimation of uncertainty.

These Consolidated Annual Accounts have been formulated on the assumption that the group's activity continues on a going-concern basis, having taken into account the current COVID-19 situation as well as its possible effects on the economic in general and on the group in particular. We believe that there are no significant risks that could entail significant changes to the value of the consolidated assets and liabilities or affect the continuity of the group's activity.

As a result of the situation caused by COVID-19 in the course of the 2020/2021 season, the following were affected:

- Income from competitions, as matches were held behind closed doors.
- Income from season ticket holders and members, because of the prohibition on members of the public being in the stadium. A special season ticket holder campaign was launched, offering them the possibility to renew their season ticket for 50 euros while maintaining all the advantages associated with their status and that will be discounted from the amount of the supplements charged for entry to matches when it is possible to return to the stadium. This implied a reduction in income from season ticket holders with regard to past seasons.

- Broadcast income recognised by the company in the 2019/20 Season has been corrected by 2,348,505.65 euros, due to the negotiation with TV operators as a result of COVID-19. This means that the comparative figures corresponding to 30 June 2020 have been restated (note 2.3).
- Cessation of international schools.
- Staggered incorporation of youth levels with the creation of bubbles.
- The inability to hold the Foundation's usual activities due to COVID restrictions.
- The necessary actions have been adopted to maintain a safe distance and restrict personal interaction.
- Fall in income from the lease of the Salón Regio due to COVID-19 restrictions.

During the COVID-19 crisis, a series of measures were adopted in order to guarantee the protection of employees, suppliers and debtors/beneficiaries:

- Given the investment made in the digitalisation of processes, it has been possible to work remotely.
- The necessary actions have been adopted in order to maintain social distancing and limit personal interaction.

The formulation of these Consolidated Annual Accounts requires the use of certain estimations and judgements regarding the future by management of the dominant company that are continuously assessed and based on historical experience and other factors, including the expectations of future events that are considered reasonable under said circumstances.

Although these estimations are made by the management of the dominant company with the best information available at the end of the season, applying their best estimate and knowledge of the market, it is possible that potential future events may oblige the group to modify them in future seasons. According to the legislation in force, the effects of any change to estimations will be prospectively acknowledged in the consolidated profit and loss statement.

Below are the main estimations and judgements used by the group:

- Useful life of technical facilities and other fixed assets (Note 3.8 and 4):

The group determines the estimated useful life and corresponding depreciation charges for fixed assets. This estimate is based on the lifecycles envisaged for the fixed assets depending on their use and on the possible impairment due to technological advances.

- Useful life of intangible sports fixed assets (Notes 3.7, 6.1 and 7):

The group determines the useful life in the event of the acquisition rights of players in accordance with the duration of the contract of each player, the case of the participation rights in sporting competitions, normally, over a term of four years and for the rights over assets assigned in accordance with the term of the assignment agreement.

Moreover, in the case of the acquisition rights of players (note 7), at the end of the season the group carries out an overall valuation of players by the market, and in the event it is determined that there is an overall loss in value of the playing staff, the corresponding loss due to impairment is provisioned.

### 3. Comparison of information.

The annual accounts of the group companies to be consolidated must refer to the same closing date and period as the Consolidated Annual Accounts, which establish the same closing date and same period as the annual accounts of the dominant company.

However, if a dependent company of the group closes its financial statements on a different date, there is a different treatment according to that closing having a difference of three months with regard to the closing date of the annual accounts of the dominant company. The year-end for all companies within the consolidation perimeter is 30 June 2021.

In December 2020 the economic department of LaLiga asked clubs for a rectification invoice corresponding to the reduction in broadcasting income from the 2019/2020 Season, in the case of Real Club Celta de Vigo, S.A.D., the amount was 2,348,505.65 euros. Consequently, the comparative information in the profit and loss account and balance sheet for the 2019/2020 Season has been restated (note 2.2, 10.1 and 10.4).

	<b>Restated Information 2019/2020 Season 30/06/2020</b>	<b>Information approved Consolidated Annual Accounts 30/06/2020</b>
I. c) Broadcast income (Revenue)	50,058,359.04	52,406,864.69
III.2. Sports entities, debtors ((Current Assets)	25,477,161.60	27,825,667.25

As a result of the above and of taking into consideration the difference between the deduction activated at 30 June 2020 and the final deduction activated (when corporation tax was presented), the entity has restated the estimate of the corporation tax expense, as well as the deferred tax assets and current taxation for the 2019/2020 season.

	<b>Restated Information 2019/2020 Season 30/06/2020</b>	<b>Information approved Consolidated Annual Accounts 30/06/2020</b>
A) VII. Deferred tax assets	934,677.90	1,013,274.63
B) III.7 Current tax assets	1,550,575.61	150,768.12
Results of the financial year	9,438,300.54	10,465,595.43

#### 4. Grouping of items

With a view to facilitating comprehension of the consolidated balance sheet, consolidated profit and loss account, consolidated statement of changes in net equity and consolidated cashflow statement, certain headings have been grouped, with the required analysis included in the notes corresponding to this consolidated report.

#### 5. Operations between companies within the consolidation perimeter

As all the group companies close their accounting year at 30 June, there are no significant operations between companies within the consolidation perimeter that have not been contemplated in the consolidation adjustments.

### 3. REGISTRATION AND VALUATION RULES.

The members of the Board of Directors of the dominant company hereby set out the accounting criteria applied in relation to the items applicable to the company, for the formulation of these Consolidated Annual Accounts:

## 1. Consistency in timing.

According to what is stated in note 2.3 of this consolidated report, the Consolidated Annual Accounts refer to 30 June 2021, covering the period running from 1 July 2020 to 30 June 2021, like the annual accounts of the dominant company, Real Club Celta de Vigo, S.A.D., the dependent company, Afouteza e Corazón, S.L.U. and of the special purpose entity, Fundación Celta de Vigo.

## 2. Consistency in valuation.

The asset and liability elements, income and expenditure and other entries in the annual accounts of the group companies have been valued using uniform methods. Those asset or liability items, or income or expenditure entries valued using non-uniform criteria with respect to those applied in consolidation, have been re-valued, making the necessary adjustments, for the purposes of the consolidation.

## 3. Consistency with sector-specific rules.

The dependent company is subject to general accounting rules, the special purpose entity is subject to the Accounting Plan for Non-Profit Entities and the dominant company complies with the Order of 27 June 2000 which approves the rules on adaptation of the General Chart of Accounts to sports companies (sociedades anónimas deportivas), for all aspects that do not contravene RDL 1514/07, of 16 November, and other applicable legal provisions (specifically, the Regulations on the Economic Control of Clubs and Sports Companies belonging to the LNFP and the resolutions of the Joint Committee of the High Council for Sports and the LNFP, which approves the Report on the Annual Accounts of Clubs and Sports Companies belonging to the LNFP), meaning that for the purposes of the group, the specific rules on each of the activities must be observed, providing details explanations of the criteria used, notwithstanding ensuring the necessary consistency where different options exist for generally applied criteria.

In this regard, the objective of a true and fair picture must be considered, something that makes ensuring the consistency of operations necessary, considering the criterion applied in the individual annual accounts of the company whose relative importance in the group is greater for that operation, the dominant company in this case.

#### 4. Consistency in internal operations.

When the amounts of the items derived from internal operations do not match, or there are any pending inclusion, the necessary adjustments must be made in order to perform the corresponding eliminations.

#### 5. Consolidation goodwill and negative difference.

The investment-net worth elimination is the set-off of the accounting values representing the equity instruments of the dependent company that the dominant company directly or indirectly owns, with the proportional part of the new worth items of such dependent company attributable to those participations. Except in those cases in which the acquisition of the participation takes place at the moment the corresponding equity instruments are issued, the book value of the participation does not have to match the proportional part that such value represents in relation to the fair value of the identifiable assets acquired and liabilities assumed, including provisions, of the dependent company on the acquisition date, leading to a difference that can be positive or negative.

There is a positive difference or consolidation goodwill when the book value of the participation is greater than the proportional part of the fair value of the assets acquired and liabilities assumed, including provisions, of the dependent company on the date of taking control. Generally speaking, this difference is due to the value of unidentifiable assets or the synergies of the company as a whole.

There is a negative consolidation difference when the book value of the participation is lower than the proportional part of the fair value of the assts acquired and liabilities assumed, including provisions, of the dependent company on the acquisition date.

Acquisition date is understood as the date on which the dominant company obtains control of the dependent one. When the date of the first consolidation is after the acquisition date, the figures resulting from applying the full consolidation method refer to the acquisition date (NOFCAC article 24).

## 6. Transactions between companies within the consolidation perimeter.

The credits and debts, income and expenditure and cashflow between group companies are eliminated in their entirety. Likewise, all results of internal operations are eliminated and deferred until carried out vis-à-vis third parties outside the group.

## 7. Intangible fixed assets.

The assets comprising the intangible fixed assets are valued at acquisition price or production cost. Specifically:

### **Intangible fixed sporting assets**

This heading includes:

- **Player acquisition rights** corresponding to the amounts accrued due to the acquisition of certain players (domestic or foreign).

It includes all commitments assumed in this regard as well as the agency and intermediation costs that are independent of the contract signed between the dominant company and the player for the provision of his services.

According to the criteria of the applicable regulations, certain assets are valued at zero cost, as there is no acquisition price for the same, which is the case of players produced by the **RCCelta academy**.

The amortisation of these rights is lineal in line with the period of duration of the player's contract. Any changes that may arise due to an extension to the player's contract are included in the accounts as an estimation, errors excepted.

The soundness of the net asset value assigned to each of the rights is assessed at all times using certain procedures (differences between acquisition value and market value), as well as by periodically assessing the impairment of said assets.

- **Participation rights in sporting competitions** corresponds to the amounts paid for the acquisition of the rights to participate in official competitions.

In order to activate them, they must be the result of a transaction for a consideration and not be of a periodic nature. These rights are amortised on a systematic basis in the course of their lifetime (which we understand to be four years). In the event of relegation or loss of the right to participate for whatever reason, the corresponding impairment will be recorded for the amount pending amortisation.

- The rights over investments made in land or assigned facilities corresponds to investment made by the dominant company in land or facilities that were leased, obtained via administrative concessions or any other kind of contractual assignment, when said investments are not separable from said land or facilities, provided that they increase the capacity and productivity of the same or extend their useful life.
- The rights over assets assigned for use correspond to those assets that, assigned for use by the assignor entities, are used to perform the activity.

They are measured following the criterion established in query 6 of the Official Journal of the Spanish Accounting and Audit Institute (BOICAC) no. 77 on the accounting treatment of the assignment of public domain which entails only the right to use said assets, without the requirement for a consideration, which establishes that “the absence of a consideration means that the accounting treatment of the operation is analysed using registration and valuation rule 18 of the 2007 General Chart of Accounts as a point of reference.

According to the content of said rule, the beneficiary entity of the assignment must record the right of use it receives as an intangible asset at its fair value, recording as a balancing entry any income attributed directly to the net equity, provided that the requirements envisaged in said rule are met:

- The existence of an individualised concession agreement in favour of the dominant company,
- The conditions established for the concession have been fulfilled, and
- There is no reasonable doubt regarding receipt of the subsidy

However, if due to the special nature of the assignee, the term established for the assignment covers virtually the entirety of the financial life of the assigned assets, this circumstance must be taken into consideration in order to class the right of use in accordance with the nature of the asset received; a tangible fixed asset, as the case may be.



We believe that the rights of use assigned over the municipally-owned sports facilities, free of charge, meet the requirements to be recognised as an intangible asset, being valued at the fair value of the asset or right delivered. The dominant company uses Balaidos Municipal Stadium, Barreiro football ground and the La Madroa sports facilities (note 1.1), the concession for use of which was approved in an agreement dated 28 March 1992, to be used until 16 May 2014 without any kind of consideration. On 30 January 2009 a new agreement was signed with Vigo City Council maintaining the authorisation to use the sports facilities granted to the dominant company and extending the term of the 1992 Agreement until 2034.

The depreciation of these assets is in line with their useful life or the duration of the assignment agreement, if shorter.

#### Other intangible fixed assets:

This heading includes:

- The [computer applications](#) that meet the identifiability criterion are included in the assets, whether acquired from third parties or developed by the group itself, using the means at its disposal.

The assets do not contain the maintenance expenses of the computer application.

- The [transfer rights](#) are stated by virtue of an acquisition for a consideration of the premises used for the sale of advertising materials and marketing of RC Celta products.

The elements of intangible fixed assets are depreciated on a linear basis, in line with the estimated useful life, considered to be 5 years.

- The amount paid for the ownership, use right or concession for use of the different manifestations of [industrial property](#) that, due to their characteristics, must be inventoried by the group. This includes trade marks and development of the corporate image of the dependent company. Amortisation of industrial property elements is according to a lineal criterion, according to the estimated useful life, which is considered to be 10 years.

## 8. Tangible fixed assets.

The different assets contained in this entry are measured at the acquisition price or production cost minus accumulated depreciation and, if applicable, any accumulated impairment adjustments.

This heading includes:

Technical installations, machinery and tools are measured at acquisition price or manufacture and construction cost until brought into operating condition.

The group's building situated on Calle del Príncipe (known as A Sede) (note I.I), as well as the 23 parking spaces (in calle Colón) and the works carried out on the Museo de Arte Deportivo and the Museo del Real Club Celta (situated in the Estadio Abanca Balaidos), are valued at acquisition price, which also includes the amount invoiced by the vendor, after deducting any price discount or reduction and all additional expenses directly related and arising until it was brought into operating condition (in the case of the building, following refurbishment of the same).

The construction of Ciudad Deportiva Afouteza, located in Mos, more detailed information on which is available in notes 4 and 9 of this consolidated report, will be valued at production cost, which will be comprised of the installations and elements of a permanent nature, the charges inherent to construction and the professional fees of the project and works management. Moreover, conditioning expenses such as fencing, earthworks, sanitation and drainage works will be included.

Fixed assets requiring a term of more than one year in order to be in a position to be used will include in the acquisition price or production cost those financial expenses accruing before they are brought into operating condition and invoiced by the supplier or corresponding to loans or other kinds of external financing, specific or generic, directly attributable to the acquisition, manufacture or construction.

Depreciation is recorded according to the actual depreciation suffered by the different elements of tangible fixed assets due to operation, use, enjoyment or obsolescence, meaning that said amounts are deductible. In the case of very specific tangible fixed asset elements, the group asks the manufacturer of said element for a certificate of the useful life of the same.

Any changes that, if applicable, could affect the residual value, useful life and depreciation method of an asset, will be recorded as a change in the accounting estimation, errors excepted.

At the closing date of each season, the group assesses the net book value of its fixed assets in order to ascertain whether there are losses due to impairment of the assets.

When a **lease agreement is classed as operational**, the different investments made by the lessee that are not separable from the leased asset, they must be accounted for as tangible fixed assets when they comply with the definition of asset.

The depreciation of these investments is carried out according to their useful life, which is the duration of the lease agreement, including the renewal period when there is evidence that a renewal will take place, when it is shorter than the economic life of the asset.

## 9. Assets comprising Historic Wealth.

The different items comprising Historic Wealth are valued at acquisition price, with the corresponding provisions for depreciation being funded, as the case may be.

The acquisition price will include the conditioning expenses, according to the original characteristics, but consubstantial installations and elements that form part of them will not be included, even if permanent.

These installations and elements will be included in the consolidated balance sheet in the corresponding entry according to their nature.

## 10. Leases.

The group does not have any financial leasing agreements.

The expenses derived from the operating lease agreements are charged to the consolidated profit and loss account in the season in which they accrue (note 9).

**The income derived from the operating lease agreements**, for the facilities at A Sede (note 1.2) specifically the lease of the Gambeta gastrobar and the restaurant, respectively, as well as the lease of the Salón Regio for holding events, are recorded using the accrual method, that is, when there is an actual flow of the services that they represent (note 9).

## 11. Impairment losses of non-financial assets.

Those assets subject to depreciation are subjected to impairment tests whenever there is an event or change of circumstances that indicates that the book value may not be recoverable. An impairment loss is recognised for the excess of the book value of the asset compared to its recoverable amount, the latter being understood as the fair value of the asset minus sales costs or value in use, whichever is higher. For the purposes of assessing impairment losses, assets are grouped at the lowest level for which there are separate identifiable cashflows (cash-generating units). Non-financial assets suffering impairment losses are reviewed on each date of the consolidated balance sheet in case the losses have been reversed.

## 12. Financial Assets.

The group's financial assets (note 10.1) are:

- Debtors, which correspond essentially to sporting entities (due to the sale or loan of players) which in the case of a term of maturity in excess of the normal operating cycle, are recognised in non-current trade debtors,
- Users and other debtors of the activity of Fundación Celta de Vigo, such as the honorary members, protectors and collaborators,
- Beneficiaries of the Fundación, such as the children in the schools, campus...,
- Other debtors due to the different collaboration agreements and arrangements for exploitation of advertising rights in accordance with the agreements signed; and
- Financial investments (loans to group companies, short-term investment funds and other financial assets).

At season close at least, the necessary value adjustments are made due to impairment if there is objective evidence that not all amounts owed will be collected.

The amount of the impairment loss is the difference between the asset's book value and the actual value of estimated future cashflows, discounted at the effective rate of interest at the moment of initial recognition. Value adjustments, and any reversals of the same, are recognised in the consolidated profit and loss account.

A financial asset or a part thereof will be retired when contractual rights have expired or have been assigned.

## 13. Financial liabilities.

Financial liabilities (note 10.2) include debt with financial institutions, debt derived from debits due to commercial or non-commercial transactions for the purchase of goods and services by the group (sporting goods and equipment and services received) and for the acquisition/loan of players, measured at fair value, which is the price of the transaction, plus attributable expenses.

A financial liability is retired when the obligation has expired.

## 14. Stock.

The goods contained in stock correspond to sporting goods and equipment at acquisition price. This includes the amount invoiced by the vendor after deducting any discount, price reduction or similar items, together with the costs necessary for marketing said stock.

The management of the group checks annually whether the sporting goods and equipment have suffered a loss due to impairment, according to the accounting policy on stock.

At season closing, the group makes the provisions it deems appropriate, depreciating the value of stock if necessary, in line with best expectations.

## 15. Foreign currency transactions.

### Functional and accounting currency

The functional currency is the currency of the main economic sphere in which the group operates, that is, the currency of the environment in which the group generates and uses cash.

The currency used in the Consolidated Annual Accounts and in the individual annual accounts of the group companies, as well as its functional currency, is the euro.

### Transactions and balances in foreign currency

Foreign currency transactions have been converted into euros applying the spot exchange rate on the dates on which they occurred.

The monetary assets and liabilities stated in foreign currency have been converted into euros, applying the exchange rate existing at season close.

Positive and negative differences arising from the liquidation of foreign currency transactions and the conversion of monetary assets and liabilities in foreign currency into euros are recognised in the consolidated results account.

## 16. Tax on profits.

### Consolidated tax on profits

On 28 June 2018, the members of the Board of Directors of Real Club Celta de Vigo, S.A.D., approved the decision to opt for the Tax Consolidation Regime for the tax year starting on 01 July 2018 and subsequent years, according to the terms of the Corporation Tax Act, Chapter VI, Title VII. The company, as dominant company, forms part of the Consolidated Group which also includes dependent company, Afouteza e Corazón, S.L.U.

In these cases, the taxpayer is the tax group. The representative entity assumes the representation of the tax group and all entities are severally obliged to pay the corresponding tax debt, except for sanctions.

All entities are subject to the obligations established in the individual corporation tax regime, with the exception of that of paying the tax debt. The payment must be made by the representative entity on behalf of the group.

The accounting of the tax effect is performed applying the rule on recording and valuation for profit tax (mentioned in the individual annual accounts of each company) considering the group as an accounting entity, taking into account the following particularities:

- Temporary differences must not be recorded at the difference between the book and tax value derived from the initial recognition of the goodwill. However, deferred tax liabilities related to goodwill will be recorded provided they are not derived from their initial recognition.
- Temporary differences will be recorded derived from the valuation according to the rules on the recording and valuation of business combinations of identifiable assets and liabilities assumed from the acquired company.
- Liabilities due to temporary differences derived from the difference from conversion of financial statement sin foreign currency must be recognised.

Deferred tax assets derived from the conversion of financial statements (prior to assignment, if applicable, to external members) will be recognised according to general criteria.

- Deferred tax assets and liabilities will be measured according to the rates expected at the time of review. That is;

- In the case of temporary differences derived from the valuation of asset elements (excluding goodwill) of the acquired entity, the tax rate expected at the moment of reversal of the dependent entity.
- In the case of temporary differences derived from eliminations of internal results, the tax rate expected at the moment of reversal of the company selling the asset or providing the service whose internal result is realised vis-à-vis third parties.

Current tax is the amount paid by the group as a result of the tax settlement of profit tax on the consolidated tax outcome for a financial year.

The corporation tax expense incurred that should appear in the individual profit and loss account of each company paying tax under the consolidated declaration regime is determined by taking into account, in addition to the parameters to be considered for individual taxation, both the temporary and permanent differences occurring as a result of the elimination and inclusion of results of operations between group companies, derived from the process of determining the consolidated tax base, as well as the deductions and rebates that correspond to each company in the tax group under the consolidated declaration regime.

In accordance with the Resolution of 9 February 2016, from the Audit and Accounts Institute, which implements the rules on recording, assessing and preparing the annual accounts in order to account for Profit Tax, the obligations of a tax nature, whether or not derived from an inspection, must entail the recognition of a provision for the estimated amount of the tax debt in the financial period in which they arise.

As a result of the above, the group must establish a provision at the moment it estimates the corresponding amount, as the Resolution stipulates that these contingent liabilities must be considered probable, even when it is merely a proposed settlement.

Therefore, and in general terms, it is only considered a contingency and no liability will be recognised when the Administration has not yet notified the company of any amount.

#### **Tax regime of Non-Profit Entities and Tax Incentives for Sponsorship.**

The Fundación is subject to Act 49/2002, of 23 December, on the Tax Regime of Non-Profit Entities and Tax Incentives for Sponsorship, which regulates the tax regime for this kind of entity for the purposes of corporation tax and local taxes.

Subsequently, 24 October 2003 saw the entry into force of Royal Decree 1270/2003, of 10 October, approving the Regulations for Application of the Tax Regime of Non-Profit Entities and Tax Incentives for Sponsorship.

The **Fundación**, complying with the requirements envisaged in such regulations, **is exempt**, for Corporation Tax purposes, in relation to the income generated in the exercise of the activities that constitute the object of the foundation or specific purpose, for donations and bequests received to collaborate with the aims of the Fundación, including contributions or donations for funding the same or the economic aid received by virtue of business collaboration arrangements and the income generated by the wealth of the Fundación, such as interest.

The Fundación calculates the income/expenditure for profit tax according to the pre-tax financial results, increased or decreased, as appropriate, by the permanent differences with the tax results, understood as the tax base for the tax in question.

## 17. Income and expenditure.

Income and expenditure are recorded on an accrual basis, that is, when the actual flow of goods and services they represent takes place.

The group's main income is comprised of:

- **Income from competitions** (note 13.1), sporting acts recognised when League, King's Cup, UEFA, friendlies or other matches are played.
- **Income from season-ticket holders and members** (note 13.1), this refers to season and other tickets recognised as income in the corresponding period. In this regard, the corresponding accruals/deferrals will be applied (note 10.2).
- **Income from broadcasts** (note 13.1), this refers to the audio-visual rights assigned for the broadcast of matches.
- **Income from advertising** (note 13.1) recognised in accordance with the terms of the different collaboration agreements (by season and division) and from the exploitation of the static advertising rights in accordance with the agreements signed.



- **Income from marketing** (note 13.1), including sales of sporting goods and equipment in the official RC Celta stores and the sale of shirts in the season ticket holder campaign,
- **Provision of clinical services** (note 13.1),
- **Quotas of protector members, collaborators and honorary members, quotas from the different schools, ... from the Fundación Celta de Vigo** (note 13.1),
- **Income from promotions, sponsors and collaborations with the Fundación Celta de Vigo** (note 13.1),
- **Ancillary income and other current management income** (includes income from the lease of facilities, income from loans of players and the training rights of the same) (notes 9 and 13.5.b) and
- **Income from the sale of players** (notes 7 and 15.5.f).

## 18. Compensation received from an insurance entity as a result of a claim.

If the affected asset cannot be used, it and its accumulated depreciation must be cancelled by means of the recognition of an exceptional expense.

If the compensation to be received is practically certain or assured, the indemnification to be received must be recorded at the same time the asset is cancelled, leading to the recognition of the corresponding income.

Until the uncertainty associated with the indemnification ultimately established has disappeared, only income for the amount of the loss suffered will be recorded, unless the minimum insured amount is higher, in which case, the income recorded will be the latter figure, provided that the insurance entity has accepted the claim. However, for the sake of prudence, the group includes losses at the time of the claim and income at the time it receives payment.

## 19. Staff expenses.

Staff expenses are adapted and interpreted according to the LNFP's Rules from the Preparation of Budgets.

- **Playing staff expenses** (playing squad), including wages and salaries, remuneration for image rights, indemnification, remuneration in kind, social security paid by the company, collective premiums and others.

Note 13.2.b. of this consolidated report contains the playing staff expenses mentioned in the foregoing paragraph, the amount of agents' fees, amortisation of player acquisition rights and the impairment of the same, in the case of players received or sent on loan, the income and expenditure derived from the loan are included.

A distinction is made between:

- Expenses of playing staff eligible for registration with the LNFP.

Playing staff eligible for registration is comprised of players linked to the dominant company by means of a contract of employment for the first team, that is, players with shirt numbers 1 to 25, as well as the manager, assistant manager and fitness coach of the first team.

The relevant circumstance for considering a person part of the playing staff eligible for registration is that he represent a cost for the dominant company, and not the validity of his contract in the current season.

- Expenses of playing staff not eligible for registration with the LNFP.

The playing staff not eligible for registration is comprised of players linked to the dominant company by means of a contract of employment or other arrangement, belonging to the reserve team, as well as the manager, assistant manager and fitness coach of the reserve team.

- **Expenses of non-playing staff.**
  - Technical non-playing staff: this includes the director of football, technical secretary, doctors, delegate, physiotherapists and kitmen.

- Other non-playing staff, which includes the rest of staff linked to the group by means of a contract of employment, including management personnel (other than the members of the board of directors of the dominant company), administrative staff, junior team coaches, scouts, staff responsible for marketing and communication, commercial duties, the stores, the clinic and ground maintenance.

## 20. Provisions and contingent liabilities.

Provisions for restructuring costs and lawsuits are recognised when the group has a present obligation, be it legal or implicit, as a result of past events, it is likely that resources will have to be used to settle the obligation and the amount can be reliably estimated. Provisions for restructuring costs include penalties due to lease cancellations and payments for labour dismissals. No provisions for future operating losses are recognised.

Provisions are measured at the actual value of disbursements expected to be necessary to settle the obligation using a pre-tax rate that reflects the current market valuations of the current value of the money and the specific risks of the obligation. Adjustments to the provisions due to corrections are recognised as a financial expense as they accrue. Provisions maturing in a year or less with an insignificant financial impact are not discounted.

When it is expected that part of the disbursement necessary to settle the provision will be repaid by a third party, the repayment will be recognised as an independent asset, provided receipt thereof is practically certain.

Meanwhile, contingent liabilities are those possible obligations arising as a result of past events, the realisation of which is contingent on the occurrence of one or more future events beyond the group's control. These contingent liabilities are not recorded in the accounts, but the details thereof are supplied in the consolidated report.

## 21. Subsidies, donations and endowments.

In the case of rights of use obtained free of charge, as mentioned in note 3.7 of this consolidated report, they are generally recognised as income directly attributed to consolidated net worth.

As they are subsidies of a non-monetary or in-kind nature, they are measured at the fair value of the asset received, both values being referenced to the moment they are recognised.

## 22. Criteria used in related-party transactions

In general, the criterion applied by the group companies in relation to operations between related parties are initially accounted for at their fair value. Where applicable, if the price agreed is different to the fair value, the difference is recorded in accordance with the economic reality of the operation. The subsequent valuation is made in accordance with the corresponding regulations.

The information on related-party transactions is supplied in note 19 of this consolidated report.

## 4. TANGIBLE FIXED ASSETS.

### 1. Analysis of movements.

The analysis of movements of tangible fixed assets is set out in the following tables:

2019/2020 SEASON				
	Land and buildings	Technical installations and other tangible fixed assets	Fixed assets under construction and advances	Total
COST				
Initial balance	12,673,877.14	5,017,970.40	606,565.99	<b>18,298,413.53</b>
Inclusions	0.00	195,658.34	2,079,948.53	<b>2,275,606.87</b>
Removals	0.00	-5,400.00	0.00	<b>-5,400.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	12,673,877.14	5,208,228.74	2,686,514.52	<b>20,568,620.40</b>
ACCUMULATED DEPRECIATION				
Initial balance	-1,246,694.92	-2,805,964.79	0.00	<b>-4,052,659.71</b>
Inclusions	-180,607.56	-466,964.62	0.00	<b>-647,572.18</b>
Removals	0.00	5,400.00	0.00	<b>5,400.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	-1,427,302.48	-3,267,529.41	0.00	<b>-4,694,831.89</b>
NET BOOK VALUE				
<b>Initial</b>	11,427,182.22	2,212,005.61	606,565.99	<b>14,245,753.82</b>
<b>Final</b>	11,246,574.66	1,940,699.33	2,686,514.52	<b>15,873,788.51</b>

The most significant additions of real estate at 30 June 2020 correspond to real estate under construction at the works on the Ciudad Deportiva Afouteza, as well as acquisitions of IT equipment, technical installations and machinery.

Removals of technical installations and other tangible fixed assets corresponds to due to the removals due to the removal of assets, technical installations, at the A Madroa sports facilities.

<b>2020/2021 SEASON</b>				
	Land and buildings	Technical installations and other tangible fixed assets	Fixed assets under construction and advances	Total
<b>COST</b>				
Initial balance	12,673,877.14	5,208,228.74	2,686,514.52	<b>20,568,620.40</b>
Inclusions	0.00	897,997.70	8,965,616.82	<b>9,863,614.52</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	12,673,877.14	6,106,226.44	11,652,131.34	<b>30,432,234.92</b>
<b>ACCUMULATED DEPRECIATION</b>				
Initial balance	-1,427,302.48	-3,267,529.41	0.00	<b>-4,694,831.89</b>
Inclusions	-181,055.77	-507,756.33	0.00	<b>-688,812.10</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	-1,608,358.25	-3,775,285.74	0.00	<b>-5,383,643.99</b>
<b>NET BOOK VALUE</b>				
<b>Initial</b>	11,246,574.66	1,940,699.33	2,686,514.52	<b>15,873,788.51</b>
<b>Final</b>	11,065,518.89	2,330,940.70	11,652,131.34	<b>25,048,590.93</b>

The most significant additions of real estate at 30 June 2021 corresponded to real estate under construction at the works on the Ciudad Deportiva Afouteza, as well as the LED lighting for Balaidos stadium for the amount of 667,520.89 euros, acquisitions of IT equipment and technical installations

The amount of land and buildings (note 3.8) corresponds to:

- The building situated on Calle del Príncipe, known as A Sede, in Vigo
- 23 parking spaces in the building at number 28 calle Colon, Vigo, and
- Works carried out on the Museo de Arte Deportivo and Museo del Real Club Celta, in the Estadio Abanca Balaidos.

## 2. Other information.

The group does not include estimated dismantlement, removal or rehabilitation costs as a higher value of the assets, as we do not consider that it will be necessary to carry out dismantlement, removal or rehabilitation work at the end of the useful life of the fixed assets.

During the season, there are no changes of estimation affecting residual values, the estimated dismantlement, removal or rehabilitation costs, useful lives and methods of depreciation.

No investments have been made in tangible fixed assets acquired from companies outside the consolidation perimeter or from associated companies.

The group does not possess investments in tangible fixed assets outside Spain.

No financial expenses were capitalised during the season.

The group estimates that the tangible fixed asset elements are not impaired and as such no impairment loss is recorded at close of season.

The amount of the assets fully depreciated is included in the following table:

<b>ASSETS FULLY DEPRECIATED</b>	<b>At 30/06/2021</b>	<b>At 30/06/2020</b>
Constructions	971,399.36	971,399.36
Technical facilities	473,630.48	423,087.54
Machinery	414,728.37	401,153.51
Furniture	526,688.83	510,645.24
Information processing equipment	328,469.75	292,542.13
Transport elements	62,455.93	62,455.93
Other tangible fixed assets	318,433.10	316,913.34
<b>Total Fully Depreciated Assets</b>	<b>3,095,805.82</b>	<b>2,978,197.05</b>

The group has the following tangible fixed assets attached to a guarantee (note 10.2):

- The building on Calle del Príncipe is attached to a guarantee, with the amount of the debt with a mortgage guarantee totalling 2,115,642.93 euros at 30 June 2021 (at 30 June 2020 it was 3,245,315.71 euros) and
- The parking spaces, with the amount of the debt with a mortgage guarantee, at 30 June 2021, totalling 255,092.50 euros (at 30 June 2020, the figure was 307,870.30 euros).

The group does not have goods subject to reversal, or any restrictions on ownership.

The group does not have final purchase undertakings in relation to tangible fixed assets or any final sale undertakings.

There are no lawsuits, freezing orders or similar situations regarding the goods included in tangible fixed assets.

In the course of the season, the group received a subsidy for the acquisition of fixed assets (note 17).

The group does not measure the goods obtained in tournaments or competitions (trophies).

The members of the Board of Directors of the dominant company estimate that the insurance policies taken out are sufficient to provide adequate cover for possible claims affecting tangible fixed asset elements.

The group has leases and other operations of a similar nature over tangible fixed assets whose information is supplied in note 9 of this consolidated report.

In the case of real estate, the value of the land totalled 2,784,205.40 euros and that of buildings 9,889,671.74 euros (same amount as the previous season).

## **5. SPORTS FACILITIES ON ASSIGNED LAND.**

The group carries out improvements on the sports facilities assigned to it in order to adapt them to its sporting needs, recognising the amount of the same in the consolidated profit and loss account.

## **6. INTANGIBLE FIXED ASSETS.**

### **1. Intangible sports fixed assets.**

The analysis of movements of intangible sports fixed assets is set out in the following tables:

2019/2020 SEASON				
	Sports competition participation rights (1)	Rights over investments made in assigned facilities (2)	Rights over assigned assets (3)	Total
COST				
Initial balance	265,000.00	3,759,498.25	31,279,608.09	<b>35,304,106.34</b>
Inclusions	0.00	0.00	0.00	<b>0.00</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	265,000.00	3,759,498.25	31,279,608.09	<b>35,304,106.34</b>
ACCUMULATED DEPRECIATION				
Initial balance	-265,000.00	-3,759,498.25	-12,502,993.52	<b>-16,527,491.77</b>
Inclusions	0.00	0.00	-1,260,286.92	<b>-1,260,286.92</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	-265,000.00	-3,759,498.25	-13,763,280.44	<b>-17,787,778.69</b>
NET BOOK VALUE				
Initial	0.00	0.00	18,776.614.57	<b>18,776.614.57</b>
Final	0.00	0.00	17,516.327.65	<b>17,516.327.65</b>

2020/2021 SEASON				
	Sports competition participation rights (1)	Rights over investments made in assigned facilities (2)	Rights over assigned assets (3)	Total
COST				
Initial balance	265,000.00	3,759,498.25	31,279,608.09	<b>35,304,106.34</b>
Inclusions	0.00	0.00	0.00	<b>0.00</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	265,000.00	3,759,498.25	31,279,608.09	<b>35,304,106.34</b>
ACCUMULATED DEPRECIATION				
Initial balance	-265,000.00	-3,759,498.25	-13,763,280.44	<b>-17,787,778.69</b>
Inclusions	0.00	0.00	-1,260,286.92	<b>-1,260,286.92</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	-265,000.00	-3,759,498.25	-15,023,567.41	<b>-19,048,065.66</b>
NET BOOK VALUE				
Initial	0.00	0.00	17,516.327.65	<b>17,516.327.65</b>
Final	0.00	0.00	16,256,040.68	<b>16,256,040.68</b>

- I. The **sports competition participation rights** correspond to the participation rights of the reserve team in the second division B of Spanish football.



2. The **rights over investments in assigned land or facilities** correspond to the works carried out on sports facilities in order to adapt them to the regulations on safety and prevention for sporting events in accordance with the agreement signed between the LNFP and the Ministries of Justice and the Interior.

3. The **rights over assets assigned for use** are derived from:

a) Formalisation of the agreement dated 30 January 2009, between the dominant company and Vigo City Council in relation to the facilities we use in Balaidos, Barreiro and A Madroa, as indicated in note 17 of this consolidated report. The amount of the same totals 31,127,896.69 euros, corresponding to the market value obtained for the assignment right over the sports facilities used by the dominant company on the basis of 25-year term (Note 3.7).

The net asset value, at 30 June 2021, amounted to 16,186,506.18 euros (at 30 June 2020, it was 17,431,622.03 euros).

b) Relaying the pitch at Balaídos Stadium, which cost 151,711.40 euros.

The net asset value, at 30 June 2021, amounted to 69,534.50 euros (at 30 June 2020, it was 84,705.62 euros).

The group considers that the intangible sports fixed assets are not impaired.

The amount of the assets fully amortised is supplied below:

Description	At 30/06/2021	At 30/06/2020
Participation rights in sporting competitions	265,000.00	265,000.00
Rights over land and investments assigned	3,759,498.25	3,759,498.25
<b>Total Fully Amortised Assets</b>	<b>4,024,498.25</b>	<b>4,024,498.25</b>

## 2. Other intangible fixed assets.

The analysis of the movement of other intangible fixed assets is set out in the following tables:

2019/2020 SEASON				
	Patents, licences, trade marks	Transfer rights	IT Applications	Total
COST				
Initial balance	11,347.71	30,050.61	232,574.32	<b>273,972.64</b>
Inclusions	0.00	0.00	7,494.00	<b>7,494.00</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	11,347.71	30,050.61	240,068.32	<b>281,466.64</b>
ACCUMULATED AMORTISATION				
Initial balance	-8,062.51	-30,050.61	-110,017.50	<b>-148,130.62</b>
Inclusions	-492.78	0.00	-43,559.04	<b>-44,051.82</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	-8,555.29	-30,050.61	-153,576.54	<b>-192,182.44</b>
NET BOOK VALUE				
Initial	3,285.20	0.00	122,556.82	<b>125,842.02</b>
Final	2,792.42	0.00	86,491.78	<b>89,284.20</b>

2020/2021 SEASON				
	Patents, licences, trade marks	Transfer rights	IT Applications	Total
COST				
Initial balance	11,347.71	30,050.61	240,068.32	<b>281,466.64</b>
Inclusions	0.00	0.00	19,735.00	<b>19,735.00</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	11,347.71	30,050.61	259,803.32	<b>301,201.64</b>
ACCUMULATED AMORTISATION				
Initial balance	-8,555.29	-30,050.61	-153,576.54	<b>-192,182.44</b>
Inclusions	-492.78	0.00	-31,466.04	<b>-31,958.82</b>
Removals	0.00	0.00	0.00	<b>0.00</b>
Transfers	0.00	0.00	0.00	<b>0.00</b>
Final balance	-9,048.07	-30,050.61	-185,042.58	<b>-224,141.26</b>
NET BOOK VALUE				
Initial	2,792.42	0.00	86,491.78	<b>89,284.20</b>
Final	2,299.64	0.00	74,760.74	<b>77,060.38</b>

Patents, licences, trade marks and similar items correspond to the activation of the trade marks: Fundación Celta, Celestino, 75 Aniversario and "A&C".

The amount of the fully amortised assets is included in the following table:

Description	At 30/06/2021	At 30/06/2020
Trade marks	6,419.71	6,419.71
Transfer rights	30,050.61	30,050.61
IT applications	93,593.95	90,693.95
<b>Total Assets Fully Amortised</b>	<b>130,064.27</b>	<b>127,164.27</b>

## 7. PLAYER ACQUISITION RIGHTS.

The analysis of the movement of player acquisition rights is set out in the attached table:

PLAYER ACQUISITION RIGHTS		
	2020/2021 Season	2019/2020 Season
<b>COST</b>		
Initial balance	90,605,000.00	81,570,000.00
Inclusions	4,400,000.00	26,905,000.00
Removals	-12,290,000.00	-17,870,000.00
Transfers	0.00	0.00
Final balance	<b>82,715,000.00</b>	<b>90,605,000.00</b>
<b>ACCUMULATED AMORTISATION</b>		
Initial balance	-36,435,316.77	-26,668,245.58
Inclusions (note 13.2.b)	-15,574,038.86	-19,740,584.15
Removals	9,972,447.10	9,973,512.96
Transfers	0.00	0.00
Final balance	<b>-42,036,908.53</b>	<b>-36,435,316.77</b>
<b>NET BOOK VALUE</b>		
<b>Initial</b>	<b>54,169,683.23</b>	<b>54,901,754.42</b>
<b>Final</b>	<b>40,678,091.47</b>	<b>54,169,683.23</b>

The information on the inclusion of player acquisition rights is provided in the following table:

Inclusion of player acquisition rights	Acquisition price	Agency fees	Total
<b>30/06/2020</b> amount (aggregate)	26,440,000.00	465,000.00	<b>26,905,000.00</b>
<b>30/06/2021</b> amount (aggregate)	3,500,000.00	900,000.00	<b>4,400,000.00</b>

The average duration of the contracts of employment of playing staff eligible for registration with the Professional Football League corresponding to this asset entry, is approximately 5 seasons (at 30 June 2020, it was approximately 5 seasons).

The aggregate information on removal of player acquisition rights is set out in the following table:

Removal of player acquisition rights (aggregate)	Removal cost	Removal accumulated amortisation	Profit removal players	Profits arising from the removal of players (note 13.5.f)
<b>30/06/2020</b> amount	17,870,000.00	9,973,512.96	<b>36,696,233.63</b>	<b>34,834,293.46</b>
<b>30/06/2021</b> amount	12,290,000.00	9,972,447.10	<b>7,419,237.85</b>	<b>6,608,488.76</b>

The breakdown of the player acquisition rights with respect to the classification of the same by the LNFP, is set out in the following tables:

Breakdown player acquisition rights S 2019/2020	Eligible for registration LNFP	Not eligible for registration LNFP	Total
<b>COST</b>			
Initial balance	81,495,000.00	75,000.00	<b>81,570,000.00</b>
Inclusions	26,715,000.00	190,000.00	<b>26,905,000.00</b>
Removals	-17,795,000.00	-75,000.00	<b>-17,870,000.00</b>
Transfers	0.00	0.00	<b>0.00</b>
Final balance	90,415,000.00	190,000.00	<b>90,605,000.00</b>
<b>ACCUMULATED AMORTISATION</b>			
Initial balance	-26,646,237.07	-22,008.51	<b>-26,668,245.58</b>
Inclusions	-19,691,625.97	-48,958.18	<b>-19,740,584.15</b>
Removals	9,938,256.58	35,256.38	<b>9,973,512.96</b>
Transfers	0.00	0.00	<b>0.00</b>
Final balance	-36,399,606.46	-35,710.31	<b>-36,435,316.77</b>
<b>NET BOOK VALUE</b>			
<b>Initial</b>	54,848,762.93	52,991.49	<b>54,901,754.42</b>
<b>Final</b>	54,015,393.54	154,289.69	<b>54,169,683.23</b>

Breakdown player acquisition rights S 2020/2021	Eligible for registration LNFP	Not eligible for registration LNFP	Total
<b>COST</b>			
Initial balance	90,415,000.00	190,000.00	<b>90,605,000.00</b>
Inclusions	1,600,000.00	2,800,000.00	<b>4,400,000.00</b>
Removals	-12,100,000.00	-190,000.00	<b>-12,290,000.00</b>
Transfers	0.00	0.00	<b>0.00</b>
Final balance	79,915,000.00	2,800,000.00	<b>82,715,000.00</b>
<b>ACCUMULATED AMORTISATION</b>			
Initial balance	-36,399,606.46	-35,710.31	<b>-36,435,316.77</b>
Inclusions	-14,968,727.36	-605,311.50	<b>-15,574,038.86</b>
Removals	9,891,425.29	81,021.81	<b>9,972,447.10</b>
Transfers	0.00	0.00	<b>0.00</b>
Final balance	-41,476,908.53	-560,000.00	<b>-42,036,908.53</b>
<b>NET BOOK VALUE</b>			
<b>Initial</b>	54,015,393.54	154,289.69	<b>54,169,683.23</b>
<b>Final</b>	38,438,091.47	2,240,000.00	<b>40,678,091.47</b>

## 8. IMAGE RIGHTS OF PLAYERS AND MANAGERS.

Neither in the 2020/2021 season nor in the preceding one were any amounts paid as image rights of players and/or managers.

The image right assignment agreements signed do not contain any unusual features, just the right to use the image, name ... of the respective players and managers for the benefit of Real Club Celta de Vigo, S.A.D.

## 9. LEASES AND SIMILAR OPERATIONS.

These correspond to data on operating leases of the group, both as lessor and lessee.

### 1. Operating leases as lessee.

The amount of the leases and canons recorded under this heading in the consolidated profit and loss account, external services, totals 184,718.64 euros (on 30 June 2020 it was 333,412.91 euros) corresponding essentially to:

- **Lease of facilities for the Ciudad Deportiva Afouteza** for the amount of 150,000.00 euros (on 30 June 2020 it was 325,000.00 euros).

On 18 January 2018, an agreement was signed between the Communal Land Association of the Parish of Pereiras (Mos) and the dominant company establishing the basis for the operation of agreed acquisition in the context of an expropriation procedure on the "Montes de Pereiras" estate for the development of a sports and commercial complex by Real Club Celta de Vigo, S.A.D.

Moreover, until the conclusion of the modification of the planning and expropriation procedure, the agreement also includes a disposal agreement (assignment, surface rights and lease) over said land for a period of 30 years. That is, the assignment of the *in rem* surface rights is agreed between the Communal Land Association of the Parish of Pereiras (Mos) and the dominant company, in relation to the "Montes de Pereiras" estate, exclusively for the construction of buildings and facilities whose main and/or auxiliary function is the practice of sporting activities linked to the corporate object of the dominant company.

The surface rights are valid for 30 years as of 1 February 2018. At the end of the agreed term, the surface rights will lapse completely, with the Association recovering full ownership, without the need for any prior formalities, free of any charges and encumbrances, as well as full ownership of all works, constructions or fixed-structure facilities, without any entitlement to indemnification.

The holder of the surface rights may rescind the agreement prematurely provided that it notifies the Association of its intentions two months prior to the end of the calendar year. This option can only be exercised after the first two years of the agreement have been paid for.

Real Club Celta de Vigo, S.A.D., has to pay the Communal Land Association the following fee:

- Three euros per square metre during the first two years (until 18 January 2020), plus VAT, and
- One euro per square metre as of the third year (as of 18 January 2020), plus VAT.

This fee is paid half-yearly in advance.

The amount of the investment in said land totals 11,652,131.34 euros at 30 June 2021 (2,686,514.52 euros at 30 June 2020).

- **Other leases** totalling 7,829.85 euros, of which details are not provided as they are not significant expenses (they totalled 8,412.91 euros at 30 June 2020).

## **2. Operating leases as lessor.**

The amount of lease income recorded under the heading in the consolidated profit and loss account, accessory and other current management income is 91,637.22 euros (91,535.14 euros the previous season), corresponding essentially to:

- **The lease of the premises on the mezzanine of the A Sede building**, used for catering, for the amount of 30,000.00 euros (at 30 June 2020 the figure was 25,550.79 euros) according to the agreement entered into on 21 November 2018 and updated on 22 February 2019.

On 8 August 2019, the duration of the lease was set to run until 30 June 2024, renewable by mutual agreement of the parties.

The rent agreed has a fixed part (in line with market price) and a variable one (depending on results)

- **Lease of the premises on the sixth floor of the A Sede building**, used for a restaurant, for the amount of 55,887.22 euros (at 30 June 2020, the figure was 37,516.71 euros), according to the agreement formalised on 13 December 2017. The company places the equipment and facilities at the disposal of the tenant, which includes the kitchen, dining room furniture and tableware.

On 20 August 2019 the duration of the agreement was set to run until 30 June 2024, renewable for terms of one year.

The rent agreed has a fixed part (in line with market price) and a variable one (depending on results), in addition to the additional rent related to the depreciation of the lessor's assets.

- **Lease of the Salón Regio** for different events for the amount of 350.00 euros (at 30 June 2020 the figure was 10,250.00 euros).
- The rest corresponds essentially to the **lease of spaces for aerials** for the amount of 5,400.00 euros (at 30 June 2020, the figure was 18,217.64 euros).

All leases are valued at market rates. The market value of the leases is revised and updated regularly.

## 10. FINANCIAL INSTRUMENTS.

### 1. Financial Assets.

#### Non-current financial assets:

The following table contains a breakdown of **consolidated non-current assets**:

Description	Amount S 2020/2021	Amount S 2019/2020
Intangible fixed assets (note 6.1 and 7)	56,934,132.15	71,686,010.88
Other intangible fixed assets (note 6.2)	77,060.38	89,284.20
Tangible fixed assets (note 4)	25,048,590.93	15,873,788.51
Other long-term financial assets	29,256.32	21,588.32
Deferred tax assets (note 12.4)	1,248,668.74	934,677.90
Non-current trade debtors	8,930,671.60	25,010,096.15
<b>Total Consolidated Non-Current Assets</b>	<b>92,268,380.12</b>	<b>113,615,445.96</b>

The following table contains a breakdown of **consolidated non-current financial assets**:

Description	Amount S 2020/2021	Amount S 2019/2020
Other long-term financial assets (1)	29,256.32	21,588.32
Non-current trade debtors (2)	8,930,671.60	25,010,096.15
<b>Total Consolidated Non-Current Financial Assets</b>	<b>8,959,927.92</b>	<b>25,031,684.47</b>

- (1) The group has long-term deposits and guarantees amounting to 29,256.32 euros (at 30 June 2020 the figure was 21,588.32).
- (2) The amount appearing in non-current trade debtors corresponds to the payment rights vis-à-vis different debtor sporting entities derived, largely, from the sale of players. The maturity of the long-term payment rights with debtor sporting entities is set out in the following table:



	2022/23	2023/24	2024/25
Sports entities	8,168,561.60	668,555.00	93,555.00
<b>Total</b>	<b>8,168,561.60</b>	<b>668,555.00</b>	<b>93,555.00</b>

#### Current financial assets:

The breakdown of **consolidated current assets** is set out in the following table:

Description	Amount S 2020/2021	Amount S 2019/2020
Stock (note 11)	487,617.68	677,544.57
Debtor sports entities	23,138,424.44	25,477,161.60
Clients for sales and services	171,940.49	48,262.01
Miscellaneous debtors	3,969,383.84	2,054,104.85
Staff	205,295.51	205,295.51
Current tax assets	1,941,479.19	1,550,575.61
Other credits with the Public Administrations (note 12.6)	6,137.74	36,676.32
Loans to group companies	2,000,000.00	2,000,000.00
Other financial assets	2,000,180.30	2,000,180.30
Accruals	1,229,665.89	58,169.57
Cash and banks	7,987,656.97	26,341,333.59
<b>Total Consolidated Current Assets</b>	<b>43,137,782.05</b>	<b>60,449,303.93</b>

The breakdown of **consolidated current financial assets** is supplied in the following table, together with the breakdown of the most significant parts of the same:

Description	Amount S 2020/2021	Amount S 2019/2020
Debtor sports entities (1)	23,138,424.44	25,477,161.60
Clients for sales and services	171,940.49	48,262.01
Miscellaneous debtors (2)	3,969,383.84	2,054,104.85
Staff	205,295.51	205,295.51
Loans to group companies (3)	2,000,000.00	2,000,000.00
Other financial assets (4)	2,000,180.30	2,000,180.30
Short-term accruals (5)	1,229,665.89	58,169.57
Cash and banks (6)	7,987,656.97	26,341,333.59
<b>Total Consolidated Current Financial Assets</b>	<b>40,702,547.44</b>	<b>58,184,507.42</b>

- (1) The amount appearing in debtor sporting entities corresponds to:
- a. Credit rights held against certain sports entities, derived essentially from the sale of players, amounting to 22,159,820.27 euros (at 30 June 2020 it amounted to 26,494,228.48 euros);
  - b. Credit right against Federations for the amount of 63,876.86 euros (at 30 June 2020 it totalled 349,669.81 euros); and
  - c. Credit right against the LNFP for the amount of 914,727.31 euros (at 30 June 2020 it totalled -1,366,736.69 euros. This credit right against LaLiga had a credit balance due to the effect of the payment of -2,538,925.04 euros affecting the broadcast rights for the 2019/2020 season (note 2.3)).
- (2) The amount appearing in miscellaneous debtors corresponds essentially to
- a. Collection rights from different collaboration and static advertising right exploitation agreements in accordance with the agreements signed for the amount of 3,908,533.90 euros (1,856,424.93 at 30 June 2020).
  - b. Users and other debtors of the activity of Fundación Celta de Vigo, for the amount of 21,960.21 euros (174,521.44 euros at 30 June 2020) for the quotas of honorary members, protectors and collaborators pending receipt. The breakdown of the members of Fundación Celta de Vigo, according to the different categories, is set out in the following table:

<b>Members Fundación 2020</b>	<b>Start</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>End</b>
Honorary Member	9	1	3	7
Protector Member	52	5	13	44
Collaborator Member	2,461	48	302	2,207
<b>Total</b>	<b>2,522</b>	<b>54</b>	<b>318</b>	<b>2,258</b>

<b>Members Fundación 2021</b>	<b>Start</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>End</b>
Honorary Member	7	3	0	10
Protector Member	44	5	0	49
Collaborator Member	2,207	72	360	1,919
<b>Total</b>	<b>2,258</b>	<b>80</b>	<b>360</b>	<b>1,978</b>

- c. Beneficiaries of the activity carried out by Fundación Celta de Vigo for the amount of 38,970.54 (at 30 June 2020 for the amount of 23,158.48 euros) for campus, school quotas, ...

According to Decree Law 14/2009 which implements Act 12/2006 of Foundations of Galician Interest, the beneficiaries of the activities of the Fundación were the following:

	01 June 2020 to 30 June 2021		01 June 2019 to 30 June 2020	
<b>Fundación Beneficiaries</b>	<b>Natural persons</b>	<b>Legal persons</b>	<b>Natural persons</b>	<b>Legal persons</b>
Football schools	304	5	254	12
Youth campus	404	3	1,407	11
Technical preparation course	298	0	153	0
Museum	0	0	1,600	0
Celeste Solidario	0	2	0	4
Sangre Celeste	0	0	0	1
Invasión Celeste race	0	0	1,209	0
Eurorregión Celeste	0	0	0	9
Celta Integra Match	0	0	0	0
Solidarity Stand	0	0	0	56
Mus championship	0	0	100	2
Domino championship	0	0	90	0
Designation of Origin course	0	0	80	0
<b>Total</b>	<b>1,006</b>	<b>10</b>	<b>4,893</b>	<b>95</b>

- (3) Corresponds to a loan, granted on 26 September 2019, to Grupo Corporativo Ges, S.L., for the amount of 2,000,000 euros maturing on 31 May 2022 and a fixed interest rate of 1.90%.
- (4) Other financial assets includes a short-term investment fund.
- (5) The amount of short-term accruals corresponds to the expenses accounting for in the season that correspond to the following season.
- (6) Cash and banks includes 5,000,000.00 euros in fixed-term deposits, maturing on 25 July 2021, which can be cancelled prematurely (same situation as the previous year).

The group has not assigned any financial assets in terms that would require their removal from the consolidated balance sheet.

The breakdown of **impairment losses and variation in provisions for trade operations** is contained in the following table:

Description	Amount
<b>At 30/06/2019</b>	<b>4,606,751.83</b>
Impairment	243,684.00
Application of impairment	-325,000.00
<b>At 30/06/2020</b>	<b>4,525,425.33</b>
Impairment	117,587.96
Application of impairment	0.00
<b>At 30/06/2021</b>	<b>4,643,013.29</b>

At 30 June 2021 no uncollectible accounts were retired. (At 30 June 2020 uncollectible accounts worth 296,680.65 euros were retired, corresponding largely to a credit right against Real Murcia Club de Fútbol, S.A.D., meaning that, given the difficulties to honour the same, the receivers offered a reduction of the credits to all debtors as a form of payment, reducing the debt).

The group does not have hedge accounting.

The group does not possess final undertakings to purchase financial assets or foreseeable sources of financing and no final sale undertakings either.

## 2. Financial liabilities.

### Non-current financial liabilities:

The information on **consolidated non-current liabilities** is set out in the following table:

Description	Amount S 2020/2021	Amount S 2019/2020
Long-term provisions (note 14)	590,919.22	475,151.37
Long-term debts with financial institutions	6,178,641.65	2,380,735.40
Debts with sports entities	8,669,166.00	19,477,175.42
Other financial liabilities	234,750.00	189,750.00
Deferred tax liabilities (note 12.5)	8,337,633.74	12,934,293.34
<b>Total Consolidated Non-Current Liabilities</b>	<b>24,011,110.61</b>	<b>35,457,105.53</b>

The information on **consolidated non-current financial liabilities** is supplied in the following table:

Description	Amount S 2020/2021	Amount S 2019/2020
Long-term debts with financial institutions (1)	6,178,641.65	2,380,735.40
Debts with sports entities (2)	8,669,166.00	19,477,175.42
Debts related to the acquisition of players (2)	230,000.00	185,000.00
Other financial liabilities	4,750.00	4,750.00
<b>Total Consolidated Long-Term Financial Liabilities</b>	<b>15,082,557.65</b>	<b>22,047,660.82</b>

(1) This corresponds to the following debt with financial institutions:

- Two mortgage loans, with a mortgage guarantee over the group's building situated on calle del Príncipe (Vigo) (notes 3.8 and 4), the characteristics of which are set out in the following table:

Description			S 2020/2021		S 2019/2020	
Guarantee	Capital	Maturity	Short-term debt	Long-term debt	Short-term debt	Long-term debt
Mortgage (1)	2,750,000.00	01/07/2025	275,000.04	824,999.72	275,000.04	1,099,999.76
Mortgage 2 (a)	3,400,000.00	30/08/2022	869,315.91	146,327.26	854,672.74	1,015,643.17
<b>Total</b>	<b>6,150,000.00</b>		<b>1,144,315.95</b>	<b>971,326.98</b>	<b>1,129,672.78</b>	<b>2,115,642.93</b>

(a) Loan with a one-year grace period.

- An ICO loan with a principal of 5,000,000.00 euros maturing on 30 June 2026, with a two-year grace period. The long-term maturity is 5,000,000.00 euros.
- An ICO loan signed on 13 April 2016, with a principal of 475,000.00 euros maturing on 20 April 2026 and an annual rate of interest of 1.995%, with a grace period of one year. The long-term maturity is 202,314.67 euros (at 30 June 2020 it totalled 255,092.47 euros) and short-term 52,777.83 euros (at 30 June 2020 it totalled 52,777.83 euros).

- Loan granted by financial institution Abanca, in the 2012 financial year, for a nominal amount of 50,000.00 euros and annual repayment (proportional parts) until 01 July 2022. The long-term maturity was 5,000.00 euros (at 30 June 2020 it totalled 10,000.00 euros) and short-term 5,000.00 euros (same amount as the foregoing season).

The maturity in the next five years, at 30 June 2020, is set out in the following table:

Loan	2020/21	2021/22	2022/23	2023/24	2024/25	Following years	Total
Loan (1)	275,000.04	275,000.04	275,000.04	275,000.04	274,999.64	0.00	1,374,999.80
Loan (2)	854,672.74	869,315.91	146,327.26	0.00	0.00	0.00	1,870,315.91
ICO Loan	52,777.83	52,777.80	52,777.80	52,777.80	52,777.80	43,981.27	307,870.30
Abanca Loan	5,000.00	5,000.00	5,000.00	0.00	0.00	0.00	15,000.00
<b>Total</b>	<b>1,187,450.61</b>	<b>1,202,093.75</b>	<b>479,105.10</b>	<b>327,777.84</b>	<b>327,777.44</b>	<b>43,981.27</b>	<b>3,568,186.01</b>

The maturity in the next five years, at 30 June 2021, is set out in the following table:

Loan	2021/22	2022/23	2023/24	2024/25	2025/26	Total
Loan (1)	275,000.04	275,000.04	275,000.04	274,999.64	0.00	1,099,999.76
Loan (2)	869,315.91	146,327.26	0.00	0.00	0.00	1,015,643.17
ICO Loan	0.00	1,217,405.05	1,238,881.35	1,260,736.54	1,282,977.06	5,000,000.00
ICO Loan	52,777.83	52,777.80	52,777.80	52,777.80	43,981.27	255,092.53
Abanca Loan	5,000.00	5,000.00	0.00	0.00	0.00	10,000.00
<b>Total</b>	<b>1,202,093.75</b>	<b>1,696,510.15</b>	<b>1,566,659.19</b>	<b>1,588,513.98</b>	<b>1,326,958.36</b>	<b>7,380,735.46</b>

(2) The debt with sports entities worth 8,669,166.00 euros (at 30 June 2020 the figure was 19,477,175.42 euros) corresponds to:

- Player acquisition debt worth 7,391,666.00 euros (at 30 June 2020 the figure was 15,550,000.00 euros),
- Contingent liability debt derived from the sale of players worth 1,277,500.00 euros (at 30 June 2020 the figure was 3,848,750.00 euros), and

- Training expense and solidarity debt worth 0.00 euros (at 30 June 2020 the figure was 78,425.42 euros).

The debt related to player acquisitions was 230,000.00 euros (at 30 June 2020 the figure was 185,000.00 euros) corresponding to:

- Debt with agents for the acquisition of players worth 230,000.00 euros (at 30 June 2020 the figure was 135,000.00 euros), and
- Debt with agents for the sale of players worth 0.00 euros (at 30 June 2020 the figure was 50,000.00 euros).

The maturity of the debt related to sports entities and the acquisition of players at 30 June 2020 is set out in the following table:

	2021/22	2022/23	2023/24	Total
Sports entities	11,474,675.42	8,002,500.00	0.00	19,477,175.42
Player acquisitions	105,000.00	55,000.00	25,000.00	185,000.00
<b>Total</b>	<b>11,579,675.42</b>	<b>8,057,500.00</b>	<b>25,000.00</b>	<b>19,662,175.42</b>

The maturity of the debt related to sports entities and the acquisition of players at 30 June 2021 is set out in the following table:

	2022/23	2023/24	2024/25	Total
Sports entities	8,669,166.00	0.00	0.00	8,669,166.00
Player acquisitions	205,000.00	25,000.00	0.00	230,000.00
<b>Total</b>	<b>8,874,166.00</b>	<b>25,000.00</b>	<b>0.00</b>	<b>8,899,166.00</b>

#### Current financial liabilities:

The information on **consolidated current liabilities** is set out in the following table:

Description	Amount S 2020/2021	Amount S 2019/2020
Short-term provisions (note 14)	252,194.17	252,194.17
Short-term debt with financial institutions	1,202,093.78	1,187,450.61
Other short-term financial liabilities	624,145.17	646,499.36
Prepaid season tickets and member quotas	0.00	6,379.25
Debts from purchases and services	6,164.03	4,605,824.02
Debts with sports entities	11,030,326.53	24,196,857.50
Miscellaneous creditors	3,421,500.23	288,499.62
Outstanding remuneration	1,190,676.33	4,862,832.89
Other debts with public administrations (note 12.6)	4,998,564.03	3,101,327.48
Advances to clients	247,188.41	3,156.09
Short-term accruals/deferrals	147,911.56	620,672.26
<b>Total Consolidated Current Liabilities</b>	<b>23,120,764.24</b>	<b>39,771,693.25</b>

The information on **current financial liabilities** is contained in the following table:

Description	Amount S 2020/2021	Amount S 2019/2020
Short-term debt with financial institutions (1)	1,202,093.78	1,187,450.61
Other short-term financial liabilities (2)	624,145.17	646,499.36
Prepaid season tickets and member quotas	0.00	6,379.25
Debts from purchases and services (3)	6,164.03	4,605,824.02
Debts with sports entities (4)	11,030,326.53	24,196,857.50
Miscellaneous creditors	3,421,500.23	288,499.62
Outstanding remuneration (5)	1,190,676.33	4,862,832.89
Advances to clients	247,188.41	3,156.09
Short-term accruals/deferrals (6)	147,911.56	620,672.26
<b>Total Consolidated Short-Term Financial Liabilities</b>	<b>17,870,006.04</b>	<b>36,418,171.60</b>

- (1) This corresponds in the short-term to the mortgage loans, the ICO loans and the loan granted by Abanca (also mentioned in the non-current financial liabilities).
- (2) The amount of other financial liabilities includes, essentially, providers of real estate).
- (3) Debts for purchases or provision of services includes:
  - a. Debt with agents related to the acquisition of players totalling 623,750.00 euros (at 30 June 2020 it totalled 1,307,500.00 euros)



- b. Debt with agents related to the sale of players worth 820,473.80 euros (at 30 June 2020 it amounted to 940,473.80 euros), and
- c. Debt due to the normal activity of the group.

(4) Short-term debts with sports entities corresponds essentially to:

- d. Debt from the acquisition of players worth 7,858,167.00 euros (at 30 June 2020 it totalled 20,354,574.87 euros),
- e. Debt for contingent liabilities derived from the sale of players worth 2,713,125.00 euros (at 30 June 2020 it totalled 2,666,500.00 euros)
- f. Debt with Federations worth 183,392.13 euros (at 30 June 2020 it totalled 330,176.22 euros),
- g. Debt with the LNFP worth 10,950.26 (at 30 June 2020 it totalled 20,000.00 euros), and
- h. Debt for training and solidarity worth 264,692.14 euros (at 30 June 2020 it totalled 825,606.40 euros).

- (5) Outstanding remuneration corresponds essentially to the variable remuneration established in the contracts of playing staff as well as, where applicable, outstanding indemnification. This will be paid according to the conditions established in the respective agreements (at 30 June 2020 it corresponded largely to the variable remuneration established in the contracts of playing staff).

The total amount of liabilities due with a maturity of two years or less,

- at 30 June 2021, totals 33,691,440.39 euros, with the amount corresponding to the 2021/2022 season being 23,120,764.24 euros and the amount corresponding to the 2022/2023 season being 10,570,676.15 euros
- at 30 June 2020, totals 51,944,987.29 euros with the amount corresponding to the 2020/2021 season being 39,158,468.12 euros and the amount for the 2021/2022 season being 12,786,519.17 euros

Liabilities due with a maturity of two years or less is understood as total current liabilities plus long-term debt maturing in 2022/2023.

At the date these Consolidated Annual Accounts are formulated, the group does not have any other debt with special characteristics (same situation the previous season).

There were no non-payments of principal or interest on the loans by the group during the season or the previous season.

The group holds debts with an in rem guarantee over the building of the dominant company, on Calle del Príncipe.

The group does not have financing guaranteed by player acquisition rights, or any financing that entails a participation in rights over future income derived from player acquisition rights.

### 3. Deferrals of payments to suppliers for commercial operations

The deferral of payments is not within the limit of 30 days established in the Commercial Operations Prompt Payment Act (*Ley 15/2010, de 5 de julio por la que se establecen medidas de lucha contra la morosidad en las operaciones comerciales*). The regulation of the periods of payment is 30 calendar days, which may be extended by an agreement between the parties, but not exceeding 60 calendar days.

The group has debts due for more than 30 days with suppliers for commercial operations amounting to 21,851,546.83 euros (44,328,941.77 euros the previous season), which corresponds largely to the acquisition of players (payment of which is carried out in accordance with the terms of the agreement signed with the different sporting entities and the long-term amount recognised is 8,899,166.00 euros (at 30 June 2020, the long-term amount recognised was 19,662,175.42 euros).

### 4. Information on the nature and level of risk derived from financial instruments.

Risk is managed by the treasury department of the group which identifies, assesses and hedges the financial risks in accordance with the policies approved by the Board of Directors of the dominant company.

- **Future impact of COVID-19:** the group has quantified all possible loss of income in the 2020/2021 season associated with COVID-19. The main impacts of the pandemic in the season are as follows:
  - Income from competitions, as the matches were held behind closed doors.

- Income from season ticket holders and members, as no one was allowed into the stadium, the entity has launched a special season ticket campaign offering fans the possibility to renew their ticket for 50 euros, maintaining all the advantages associated with it. This entailed a reduction in come from season ticket holders compared to earlier seasons.
- Broadcast income recognised by Real Club Celta de Vigo, S.A.D. in the 2019/2020 season was corrected by the amount of 2,348,505.65 euros, meaning that the comparative figures corresponding to 30 June 2020 have been restated (note 2.3).

At the date these consolidated annual accounts are drawn up, like society in general, the group does not know what the future holds in terms of COVID-19 and the impact it will have.

- **Credit risk:** This arises due to the possibility of non-recovery of financial assets in the amount recorded in the accounts and within the established term. The group currently has a procedure for carrying out all operations strictly monitoring risk and the grant of credit. The group carries out monthly reviews to identify situations of risk and delays in receiving payment.
- **Liquidity risk:** This arises due to the possibility of the group not being able to dispose of liquid funds or access them in the amount necessary in order to meet payment obligations. The group has established a procedure by virtue of which it maintains the necessary liquid funds available for both its day-to-day activity and for making different investments.

The group paid the debt for purchases and provision of services and sporting entities in accordance with the law and the respective agreements. The group receives:

- Season ticket purchases when issued,
- Advertising rights according to the terms of the respective contracts and agreements,
- The provision of clinical services and marketing income (RC Celta stores) in cash,
- Quotas of collaborator members, football schools and campus via direct debit and transfers from the rest of members, campus fees as well as collaboration agreements.

- **Market risk:** this is the interest rate risk caused by uncertainty regarding the future evolution of the financial markets and of the interest rates, with the resulting possible impact on results and cashflows for the group. The group applies a very prudent policy of financial indebtedness and in fact the main source of financing for the group is the net worth, with debts being relegated to a secondary plane and optimising the figure of financial expenditure.

## 5. Equity.

### Share capital of the dominant company.

The share capital of the dominant company amounts to 3,770,210.00 euros, represented by 377,021 shares each with a face value of 10 euros, fully subscribed and paid in, numbered consecutively from one to three hundred and seventy-seven and twenty-one, both inclusive.

All the dominant company shares have the same rights and there are no statutory restrictions on transferability.

On 7 February 1992, the Secretary of State – Presidents of the Higher Council for Sport, set the minimum share capital for the dominant company for it to become a public limited sports company at 3,449,911.65 euros.

The part of the capital of the dominant company that is, if applicable, held by another company, either directly or through its subsidiaries, when equal to or greater than 10%, is set out in the following table:

Shareholder	% at 30/06/2021	% at 30/06/2020
<b>Grupo Corporativo Ges, S.L.</b>	67.92%	67.92%

The information on the significant stakes regulated in Article 10 of R.D. 1251/1999, of 16 July, on Public Limited Sports Companies, is set out below:

Shareholder	% at 30/06/2020	% at 30/06/2020
<b>Grupo Corporativo Ges, S.L.</b>	67.92%	67.92%

### Founding capital of Fundación Celta de Vigo.

The initial founding capital of Fundación Celta de Vigo, dated 08 July 1996, totalled 6,010.12 euros, at closing the figure was 537,935.54 euros as a result of the application of positive remnants from past financial years (at 30 June 2020 it totalled 537,935.54 euros).

Act 49/2002, of 23 December, and Act 12/2006, of 1 December, establish that foundations must devote at least 70% of the income they obtain to the objectives of the same, within a term of four years as of when it is obtained.

For the purposes of determining the income and revenue, the expenses necessary for obtaining the gross income are deducted, including taxes and depreciation. At closing, the Fundación complies with these requirements.

### Reserves.

The breakdown of the reserves is set out in the following table:

Description	Amount S2020/2021	Amount S2019/2020
<b>Reserves of the dominant company:</b>	<b>82,261,224.20</b>	<b>72,578,026.02</b>
<u>Restricted reserves:</u>		
Legal reserve	754,042.00	754,042.00
Capitalisation reserve	8,321,474.14	8,321,474.14
<u>Unrestricted reserves:</u>		
Voluntary reserves	73,182,197.24	63,502,509.88
<b>Negative remnants from past years (Fundación Celta de Vigo)</b>	<b>-467,493.49</b>	<b>-471,004.31</b>
<b>Reserves in Consolidated Companies</b>	<b>-336,279.14</b>	<b>-91,381.50</b>
<b>Total Reserves</b>	<b>81,453,940.75</b>	<b>72,015,640.21</b>

### Legal reserve of the dominant company.

The legal reserve of the dominant company has been provisioned in accordance with Article 274 of the Spanish Companies Act, which establishes that, in any event, a figure equal to 10% of the profits of the financial year will be allocated until the minimum figure of 20% of the share capital is reached.

Until said limit is reached, it can only be used to offset losses, in the event there are no other available reserves to that end and must be re-provisioned using future profits.

#### Capitalisation reserve of the dominant company.

Effective as of the tax periods following 1 January 2015, the capitalisation reserve was created, consisting of a reduction in the taxable base prior to the tax period for an amount of the profits obtained in the preceding tax period which are not distributed in the tax period in which the taxable base is reduced, provided the amount of said undistributed profits is maintained in the equity of the entity for a period of five years as of the closing of the financial year to which the tax year in which the reduction was made corresponds.

One of the requirements envisaged in Corporation Tax regulations for consolidating the reduction is the need to provision a restricted reserve with the amount of the reduction, the amount of which at 30 June 2021 is 8,321,474.14 euros (8,321,474.14 euros at 30 June 2020) (nota 12). This reserve is restricted for the five-year term in which the amount of the increase in equity must be maintained.

#### Other information.

The dominant company does not hold treasury stock.

The dominant company does not hold options or other agreements issued over its own shares, which would qualify as equity.

Neither the shares of the dominant company nor the participations of the dependent company are listed on an official market.

There are no specific circumstances regarding subsidies, donations and endowments by shareholders or owners.

The dominant company has not distributed dividends in the last 5 years.

## **II. STOCK.**

The amount of stock at closing was 487,017.68 euros (676,944.57 euros at 30 June 2020) and corresponds to sporting goods and equipment for use by the first team and Celta B, as well as products from the RCCelta stores managed by the company (Balaídos, Príncipe and Web stores as well as other brand points of sale).

The group recognised impairment of stock worth 116,614.75 euros at season end (at 30 June 2020 the reversal of impairment of stock was 31,274.13 euros).

The group does not have any definitive purchase or sale undertakings or future agreements regarding stock, with the exception of the agreement with our usual supplier of sporting goods and equipment.

The amount of prepaid suppliers is 600.00 euros (600.00 euros at 30 June 2020).

The group does not possess stock appearing in assets for a fixed amount.

The group does not capitalise financial expenses.

There are no restrictions on the availability of stock due to guarantees, pledges, deposits or any similar reasons.

There are no other material circumstances affecting the ownership, availability or valuation of the group's stock, such as lawsuits, freezing orders.

The group has sufficient stock at sports facilities and the shop.

The method for assigning value used by the group to value stock is FIFO.

## **12. TAX SITUATION AND BALANCES WITH PUBLIC ADMINISTRATIONS.**

### **1. Reconciliation of accounting profit and taxable base of the tax consolidation group.**

On 28 June 2018, the members of the Board of Directors of Real Club Celta de Vigo, S.A.D. approved the decision to take advantage of the Tax Consolidation Regime for the tax period starting 1 July 2018 and the following ones in accordance with the terms of the Corporation Tax Act (*Ley del Impuesto sobre Sociedades* - LIS), Chapter VI, Title VII ("LIS"). The company is the dominant company in the Consolidated Group (the "Group"), which also contains, as dependent company, Afouteza e Corazón, S.L.U.

Each company belonging to the Group will quantify the tax that would have corresponded under the individual regime, corrected according to the tax consolidation regime. Moreover, the deductions and discounts applied in the assessment of the consolidated tax will be calculated in any event by the company that, according to the tax regulations, obtains the earnings or carries out the necessary activity to be able to apply the deduction or discount.

The Corporation Tax for the season is calculated on the basis of the accounting profit, obtained by applying the generally accepted accounting principles, and does not necessarily have to match the tax profit, understood as the taxable base for the purposes of said tax.

The reconciliation of the accounting profit and the taxable base for Corporation Tax purposes for the 2020/2021 and 2019/2020 seasons is as follows:

Description	Profit and loss account		
	Increases	Decreases	Total
<b>2019/2020 Season</b>			
<b>Pre-tax accounting profit</b>			<b>14,622,933.61</b>
<b>Permanent differences</b>			
Derived from profits	2,410,305.65		2,410,305.65
<b>Temporary differences</b>			
Derived from profits	13,207,604.25	-26,181,955.59	-12,974,351.34
<b>Previous tax base</b>			<b>4,058,887.92</b>
<b>Capitalisation reserve</b>			<b>-405,888.79</b>
<b>Tax base at 30 June 2020</b>			<b>3,652,999.13</b>

Description	Profit and loss account		
	Increases	Decreases	Total
<b>2020/2021 Season</b>			
<b>Pre-tax accounting profit</b>			<b>-13,395,550.04</b>
<b>Permanent differences</b>			
Derived from profits	2,105,176.27		2,105,176.27
Derives from changes in equity		-2,348,505.65	-2,348,505.65
<b>Temporary differences</b>			
Derived from profits	18,947,561.10	-750,738.71	18,196,822.39
<b>Previous tax base</b>			<b>4,557,942.97</b>
<b>Capitalisation reserve</b>			<b>-455,794.30</b>
<b>Tax base at 30 June 2020</b>			<b>4,102,148.67</b>



#### Permanent differences.

Positive permanent differences originating from profits generated over the 2020/2021 season of 2,105,176.27 euros (2,410,305.65 euros the previous season) correspond to expenses recorded by the group, which are not considered tax-deductible expenses in accordance with Article 15 of the Corporation Tax Act.

Meanwhile, 2,348,505.65 euros corresponding to the adjustment of the final settlement of broadcast rights for the 2019/2020 season were consigned as a negative adjustment, the amount of which was reduced from the initial estimate derived from the health crisis derived from COVID-19.

#### Temporary differences.

Positive temporary differences originating in past seasons and negative temporary differences originating in the year correspond, respectively, to an increase of the accounting results of 18,829,973.14 euros (12,987,604.25 euros the previous season), and a decrease in accounting results for the amount of 443,334.64 euros (25,377,969.21 euros the previous season), both due to application of the criterion of special temporary allocation of term or deferred price operations regulated in section 4 of Article 11 of the LIS.

Positive temporary differences arising in the financial year for the amount of 117,587.96 euros correspond to impairment in the value of credits derived from the possible insolvency of debtors who do not meet the requirements of section 1 of article 13 of the LIS.

Negative temporary differences originating in past years correspond the reversal of impairment in the value of credits derived from the possible insolvency of debtors provisions in past financial years and the reversal of the limit of 30% of depreciation of tangible and intangible fixed assets established for the 2013 and 2014 financial years by Article 7 of Act 16/2012, of 27 December, which adopts a variety of tax measures designed to consolidate public finances and boost economic activity for at total amount of 307,404.07.

#### Capitalisation Reserve.

In accordance with the terms of Article 25 LIS, the group has applied a reduction in the tax base for the amount of 455,794.30 euros (405,888.79 euros the previous season).

The Group generated the right to apply capitalisation reserve in the 2020/2021 season at 10% of the increase in equity from the previous season, calculated according to the above-mentioned rule, that is, for a total amount of 943,478.97 euros (2,114,335.52 euros the previous season).

The remaining amount of the capitalisation reserve generated in past seasons that is pending application at the start of the tax period corresponds to the following breakdown, potentially being used to reduce the tax base in tax periods concluding in the two years following closing of the season in which it was provisioned.

Season generated	Amount pending / generated	Amount applied S 2020/2021	Application deadline
<b>2019/2020</b>	<b>2,114,335.52</b>	455,794.30	Season 2021/2022
<b>2020/2021</b>	<b>943,478.97</b>	0.00	Season 2022/2023

#### Deductions.

In the 2014/2015 season, a deduction of 744,836.00 euros was made, in accordance with the terms of Article 42 of the Restated Text of the Corporation Tax Act, as the dominant company took advantage of said tax incentive of 68.96% of the total income obtained from the transfer of the federative rights of a player, the amount of which was 9,000,000.00 euros.

During that season (2014/2015), the reinvestment commitments associated with the deduction, which amount to a total of 10,000,000.00 euros, were met with additions to tangible and intangible fixed assets for a total amount of 6,896,633.05 euros between June 2014 and June 2015, representing approximately 68.96% of such commitments.

In the 2015/2016 season, an additional Deduction for Reinvestment of Extraordinary Profits was credited for the amount of 335,163.63 euros, an amount that had been credited in the 2014/2015 season as not all the reinvestment commitments had been realised. The reinvestment commitments associated with the remaining deduction (for a total amount of 3,103,366.95 euros) were met with additions of intangible fixed assets in the 2016/2017 season made for a higher amount, 5,000,000.00 euros to be precise, realised in the acquisition of the federative rights of a player on 15/01/2016.

The breakdown of the income to which this tax incentive applied, as well as the dates of the reinvestments and the amount reinvested is set out below:

Income	Reinvestment date	amount
<b>€9,000,000.00</b>	12/08/2014	243,013.05
	09/01/2015	1,439,000.00
	24/04/2015	5,214,620.00
	15/01/2016	3,103,366.95

In accordance with the terms of section seven of article 42 TRLIS, in the event the element of fixed assets transferred on whose income the reinvestment deduction was applied, should again generate deductible expenses in the Company, there would be an incompatibility in the application of the deduction generated and applied and the possibility to deduct the expenses generated by that element of fixed assets that again generated deductible expenses. Although it is true that the federative rights of the same player were acquired during the first half of the 2019/2020 season and that a mention of the same was included in the report on the Annual Accounts for the 2019/2020 season, on the date for presentation of the tax, the dominant company considered, on the basis of a report prepared by its advisors, that the de facto scenario envisaged in the fourth paragraph of section seven of article 42 LIS did not exist.

In addition, in the 2020/2021 season, the Group generated a deduction for donations to non-profit entities subject to the terms of Act 49/2002 for an amount of 509,390.28 euros (825,503.59 euros the previous season). It was decided to apply an amount of 143,575.20 euros, corresponding entirely to the deduction for donations to non-profit entities generated in the 2019/2020 season, leaving 614,083.34 euros pending application in future financial years, corresponding to the 2019/2020 season and the entire deduction generated in the 2020/2021 season, for the amount of 509,390.28 euros.

Meanwhile, in the 2020/2021 season, an amount of 27,000.00 euros was applied as a deduction for the creation of employment for disabled workers generated in previous financial years.

In the 2019/2020 season, an amount of 146,549.00 euros was applied as a deduction for technological innovation activities, generated by a project that seeks to improve the efficiency, quality and productivity of the company, thanks to new technological processes that facilitate inter-modular communication between different departments related to financial management, human resources, season and match ticket sales, marketing management, etc., and that, therefore, involves highly valuable information for business decision-making in other areas.

Finally, according to the Corporation Tax Act, as of the 2015 financial year, those taxpayers who pay tax under the general rate and to whom the limitation on depreciation established in Article 7 of Act 16/2012, of 27 December was applied, will be entitled to a total quota deduction of 5% of the amounts included in the tax base derived from depreciation not deducted in the tax periods starting in 2013 and 2014. Therefore, this season we have applied a deduction in this regard for an amount of 4,370.20 euros (4,370.20 euros the previous season).

## 2. Reconciliation of accounting profit and corporation tax expense for the tax consolidation group.

The reconciliation of the consolidated accounting profit and the Corporation Tax expenses for the tax consolidation group is as follows:

Reconciliation of tax profit and tax expense	Season 2020/2021	Season 2019/2020
Pre-tax accounting profit	-13,395,550.04	14,622,933.61
25% rate	-3,348,887.51	3,655,733.40
Impact of permanent differences derived from profits	4,488,373.25	-2,641,011.42
Deductions applied in the season	-174,945.41	-297,039.16
Impact from capitalisation reserve	-113,948.57	-101,472.20
<b>Total expense/ (income) from tax recognised in profit and loss account</b>	<b>850,591.76</b>	<b>616,210.62</b>

## 3. Breakdown of corporation tax expense of the tax consolidation group.

The breakdown of the corporation tax expense of the tax consolidation group is set out in the following table:

Description	Amount S 2020/2021	Amount S 2019/2020
<b>Current tax</b>		
For ongoing operations	850,591.76	616,210.62
<b>Deferred tax</b>		
For ongoing operations	-4,599,371.52	2,398,376.05
<b>Total tax expense</b>	<b>-3,748,779.76</b>	<b>3,014,586.67</b>

#### 4. Deferred tax assets recorded.

The deferred tax assets have been recorded in the consolidated balance sheet as the members of the Board of Directors of the dominant company consider that, according to the best estimation of the future results of the group, it is likely that these assets will be recovered.

The breakdown of the balance of this account is set out in the following table:

Description	Initial Balance	Increases	Decreases	Final balance
<b>2019/2020 Season</b>				
Credit for losses to be offset 2016 (Afouteza)	11,711.16			11,711.16
Credit for losses to be offset 2017 (Afouteza)	8,945.13			8,945.13
Credit for losses to be offset 2018 (Afouteza)	8,631.82			8,631.82
Act 16/2012 depreciation limit	157,327.33		(26,221.22)	131,106.11
Impairment of commercial credits	219,065.63	55,000.00	(179,165.58)	94,900.05
Capitalisation reserve	141,060.59		(141,060.59)	0.00
Credit for deductions to be applied	0.00	757,980.36	(78,274.91)	679,383.63
<b>Total deferred tax assets</b>	<b>546,741.66</b>	<b>812,658.54</b>	<b>(424,742.30)</b>	<b>934,677.90</b>
<b>2020/2021 Season</b>				
Credit for losses to be offset 2016 (Afouteza)	11,711.16			11,711.16
Credit for losses to be offset 2017 (Afouteza)	8,945.13			8,945.13
Credit for losses to be offset 2018 (Afouteza)	8,631.82			8,631.82
Act 16/2012 depreciation limit	131,106.11		(26,221.22)	104,884.89
Impairment of commercial credits	94,900.05	29,396.99	(55,000.00)	69,297.04
Credit for deductions to be applied	679,383.63	509,390.28	(143,575.21)	1,045,198.70
<b>Total deferred tax assets</b>	<b>934,677.90</b>	<b>538,787.27</b>	<b>(224,796.43)</b>	<b>1,248,668.74</b>

At the start of the 2020/2021 season, the dominant company had no negative tax bases pending offsetting (same situation as the previous season).

Afouteza e Corazón, S.L.U. has an amount of tax bases pending offsetting in future financial years generated prior to its inclusion in the tax consolidation group of 117,152.42 euros (same amount as the previous season).

## 5. Deferred tax liabilities recorded.

The breakdown of deferred tax liabilities is set out in the following table:

	Rights over assigned assets (notes 7.1 y 19)	Forward Operations	Total
<b>Temporada 2019/2020</b>			
Initial Balance	4,669,184.50	5,790,075.43	<b>10,459,259.93</b>
Inclusions	0.00	6,344,492.30	<b>6,344,492.30</b>
Removals	-311,278.92	-3,558,179.97	<b>-3,869,458.89</b>
Final Balance	<b>4,357,905.58</b>	<b>8,576,387.76</b>	<b>12,934,293.34</b>
<b>Temporada 2020/2021</b>			
Initial Balance	4,357,905.58	8,576,387.76	<b>12,934,293.34</b>
Inclusions	0.00	422,112.60	<b>422,112.60</b>
Removals	-311,278.92	-4,707,493.28	<b>-5,018,772.20</b>
Final Balance	<b>4,046,626.66</b>	<b>4,291,007.08</b>	<b>8,337,633.74</b>

## 6. Current balances with the Public Administration.

The amount of **current tax assets** of the tax group totals 1,941,479.19 euros (1,550,575.61 euros at 30 June 2020).

The breakdown of **other credits with the Public Administration** is contained in the following table:

Description	Amount 30/06/2021	Amount 30/06/2020
Inland Revenue VAT credit	0.00	30,538.58
Inland Revenue CT credit	6,137.74	6,137.74
<b>Total other credits with the Public Administrations (note 10.1)</b>	<b>6,137.74</b>	<b>36,676.32</b>

The breakdown of **other debts with the Public Administration** is set out in the following table:

Description	Amount 30/06/2021	Amount 30/06/2020
Inland Revenue IRPF debt	3,978,514.15	1,751,325.01
Inland Revenue VAT debt	781,875.13	1,165,386.26
Social Security owed	238,174.75	184,616.21
<b>Total other debts with the Public Administrations (note 10.2)</b>	<b>4,998,564.03</b>	<b>3,101,327.48</b>

## 7. Reconciliation of accounts and tax base of Fundación Celta de Vigo.

Fundación Celta de Vigo is subject to the terms of Act 50/2002, of 26 December, and Act 12/2006, of 1 December, and the special tax regime established by Act 49/2002, of 23 December, on the tax regime for non-profit entities and tax incentives for sponsorship, understood to mean, among others, those recorded at the Registry of Foundations.

According to this, the foundations that meet certain requirements will be exempt from Corporate Tax on the earnings derived from the income obtained without a consideration, that coming from the foundation's assets and property, such as dividends, interest, levies and rent, that derived from acquisitions or transfers of goods or rights by any means, that obtained in the exercise of exempt economic operations and that attributed and charged to non-profit entities in accordance with the regulations.

At 16 December 2020, Fundación Celta de Vigo presented the economic report on the season ending 30 June 2020 to the Tax Authorities.

The positive permanent differences, worth 2,175,630.91 euros (at 30 June 2020 they totalled 2,733,475.43 euros), correspond to expenses that are not considered deductible as they are attributable exclusively to exempt earnings, pursuant to the terms of Article 8.2 of Act 49/2002. Negative permanent differences, worth 2,174,039.05 euros (at 30 June 2020 they totalled 2,736,986.25 euros) correspond to earnings that are exempt pursuant to Articles 6 and 7 of Act 49/2002.

## 8. Financial years pending confirmation and inspection activities.

In accordance with the legislation in force, taxes cannot be considered finally settled until the declarations filed have been inspected by the tax authorities or the statute of limitations period of four years has passed.

At the closing of the 2020/2021 season, the last four financial years are open to inspection in relation to all applicable taxes.

The above notwithstanding, for the tax periods starting as of 1 January 2015, the LIS establishes the right of the Administration to check or investigate deductions and negative taxable bases pending offsetting; this right expires 10 years after the day following the one on which the term established for presenting the corresponding declaration or self-assessment for the tax period in which the right to offsetting or application was generated ends.

The members of the board of directors of the dominant company consider that all assessments of the above taxes were carried out correctly and, even in the event of discrepancies arising regarding the interpretation of the regulations in force on the tax treatment applied to the operations, any resulting liabilities would not have a significant effect on these consolidated annual accounts.

## **13. INCOME AND EXPENDITURE.**

### **1. Net turnover.**

The breakdown of the net turnover figure is set out in the following table:



<b>Net turnover</b>	<b>Amount S 2020/2021</b>	<b>Amount S 2019/2020</b>
<b>Income from competitions</b>		
League	0.00	582,761.42
King's Cup	0.00	0.00
Champions League	0.00	-104,331.20
UEFA Europa League	0.00	0.00
Other competitions and friendlies	0.00	83,050.41
Others (distribution LNFP football pools)	330,267.90	0.00
<b>Total income from competitions</b>	<b>330,267.90</b>	<b>561,480.63</b>
<b>Income from Season Ticket Holders and Members</b>	<b>740,063.71</b>	<b>3,460,291.05</b>
<b>Broadcast income</b>	<b>48,903,648.43</b>	<b>50,058,359.04</b>
<b>Advertising income</b>		
Static advertising	26,366.04	58,297.23
Dynamic advertising	9,934,078.23	7,414,036.09
<b>Total advertising income</b>	<b>9,960,444.27</b>	<b>7,472,333.32</b>
<b>Marketing income</b>		
Shop sales/ Sale of sports equipment	1,316,102.07	1,543,808.52
Sponsorship	0.00	0.00
Other	11,876.92	14,640.32
<b>Total marketing income</b>	<b>1,327,978.99</b>	<b>1,558,448.84</b>
<b>Provision of clinical services</b>	<b>185,274.15</b>	<b>114,345.18</b>
<b>Member quotas</b>	<b>524,877.20</b>	<b>559,288.06</b>
<b>Income from promotions, sponsors and collaborators</b>	<b>82,221.47</b>	<b>317,408.54</b>
<b>Total Net turnover</b>	<b>62,054,776.12</b>	<b>64,101,954.63</b>

## 2. Staff expenses.

### a. Non-playing staff expenses.

The breakdown of non-playing staff expenses, in accordance with the provisions of note 3.19, is set out in the following table:

Non-playing staff expenses	Salaries and wages	Social Security and others	Total
<b>Season 2019/2020</b>			
<b>Non-playing technical staff (a)</b>	1,132,463.00	175,009.33	1,307,472.33
<b>Other non-playing staff (b)</b>	4,687,560.13	904,343.28	5,591,903.41
<b>Total</b>	<b>5,820,023.13</b>	<b>1,079,352.61</b>	<b>6,899,375.74</b>
<b>Season 2020/2021</b>			
<b>Non-playing technical staff (a)</b>	1,325,724.10	181,319.14	1,507,043.24
<b>Other non-playing staff (b)</b>	4,142,776.25	824,849.53	4,967,625.78
<b>Total</b>	<b>5,468,500.35</b>	<b>1,006,168.67</b>	<b>6,474,669.02</b>

- (a) **Non-playing technical staff** includes: director of football, delegate, medical personnel (includes healthcare professionals and physiotherapists) and kitmen.
- (b) Other **non-playing staff** includes the rest of staff linked to the group by means of contracts of employment, including junior level coaches, scouts, administrative, marketing, communication, commercial, stores, clinic and ground maintenance staff.

#### **b. Expenditure on playing staff.**

The breakdown of expenditure on playing staff, distinguishing between playing staff eligible for registration with the LNFP and those ineligible, in accordance with the provisions of note 3.19 of the consolidated report, is set out in the following table:

Playing staff expenditure	Fixed contract	Variable contract	Image rights	Indemnification	Other remuneration	Collective premiums	Social Security	Loan income/ expenditure	Agents' fees	Amortisation acquisition rights (note 7)	Impairment/ loss
<b>EXPENDITURE LNFP-ELIGIBLE PLAYING STAFF Season 2019/2020</b>											
Players	32,725,917.49	2,304,595.07	0.00	2,317,121.22	1,917,842.11	0.00	317,617.29	2,359,293.82	3,253,502.05	19,691,625.97	1,822,196.55
Coaches	1,660,026.92	58,000.00	0.00	1,277,996.96	0.00	0.00	48,064.02	0.00	210,000.00	0.00	0.00
<b>Total LNFP-eligible Staff</b>	<b>34,385,944.41</b>	<b>2,362,595.07</b>	<b>0.00</b>	<b>3,595,118.18</b>	<b>1,917,842.11</b>	<b>0.00</b>	<b>365,681.31</b>	<b>2,359,293.82</b>	<b>3,463,502.05</b>	<b>19,691,625.97</b>	<b>1,822,196.55</b>
<b>EXPENDITURE LNFP-INELIGIBLE PLAYING STAFF Season 2019/2020</b>											
Players	1,127,436.77	104,000.00	0.00	315,034.50	5,000.00	0.00	250,465.49	30,000.00	13,875.00	48,958.18	39,743.62
Coaches	149,643.32	10,000.00	0.00	32,465.00	0.00	0.00	43,875.65	0.00	0.00	0.00	0.00
<b>Total LNFP-ineligible Staff</b>	<b>1,277,080.09</b>	<b>114,000.00</b>	<b>0.00</b>	<b>347,499.50</b>	<b>5,000.00</b>	<b>0.00</b>	<b>294,341.14</b>	<b>30,000.00</b>	<b>13,875.00</b>	<b>48,958.18</b>	<b>39,743.62</b>
<b>TOTAL PLAYING STAFF S 2019/2020</b>	<b>35,663,024.50</b>	<b>2,476,595.07</b>	<b>0.00</b>	<b>3,942,617.68</b>	<b>1,922,842.11</b>	<b>0.00</b>	<b>660,022.45</b>	<b>2,389,293.82</b>	<b>3,477,377.05</b>	<b>19,740,584.15</b>	<b>1,861,940.17</b>
<b>Wages and salaries playing staff S 2019/2020= 44,005,079.36 euros</b>											

Playing staff expenditure	Fixed contract	Variable contract	Image rights	Indemnification	Other remuneration	Collective premiums	Social Security	Loan income/ expenditure	Agents' fees	Amortisation acquisition rights (nota 8)	Impairment/ loss
<b>EXPENDITURE LNFP-ELIGIBLE PLAYING STAFF Season 2020/2021</b>											
Players	35,495,513.74	3,269,578.92	0.00	1,089,325.94	3,499,567.90	300,000.00	247,356.88	(304,349.87)	2,597,273.89	14,971,643.92	701,770.90
Coaches	1,609,178.24	518,824.28	0.00	1,779,466.65	0.00	0.00	74,761.61	0.00	536,221.29	0.00	0.00
<b>Total LNFP-eligible Staff</b>	<b>37,104,691.98</b>	<b>3,788,403.20</b>	<b>0.00</b>	<b>2,868,792.59</b>	<b>3,499,567.90</b>	<b>300,000.00</b>	<b>322,118.49</b>	<b>(304,349.87)</b>	<b>3,133,495.18</b>	<b>14,971,643.92</b>	<b>701,770.90</b>
<b>EXPENDITURE LNFP-INELIGIBLE PLAYING STAFF Season 2020/2021</b>											
Players	1,812,339.60	116,000.00	0.00	237,576.47	0.00	120,600.00	271,519.19	176,500.00	8,662.50	605,311.49	108,978.19
Coaches	204,000.00	110,000.00	0.00	0.00	0.00	0.00	61,666.90	0.00	0.00	0.00	0.00
<b>Total LNFP-ineligible Staff</b>	<b>2,016,339.60</b>	<b>226,000.00</b>	<b>0.00</b>	<b>237,576.47</b>	<b>0.00</b>	<b>120,600.00</b>	<b>333,186.09</b>	<b>176,500.00</b>	<b>8,662.50</b>	<b>605,311.49</b>	<b>108,978.19</b>
<b>TOTAL PLAYING STAFF S 2020/2021</b>	<b>39,121,031.58</b>	<b>4,014,403.20</b>	<b>0.00</b>	<b>3,106,369.06</b>	<b>3,499,567.90</b>	<b>420,600.00</b>	<b>655,304.58</b>	<b>(127,849.57)</b>	<b>3,142,157.68</b>	<b>15,576,955.41</b>	<b>810,749.09</b>
<b>Wages and salaries playing staff S 2019/2020= 50,161,971.74 euros</b>											

The group has insured certain players to cover absences due to injury or professional disability.

The breakdown of player acquisition expenses is set out in the following table:

Description	Amount 30/06/2021	Amount 30/06/2020
Player acquisition fee expenses (a)	3,142,157.68	3,477,377.05
Player loan expenses	274,150.13	3,175,074.87
<b>Total player acquisition expenses</b>	<b>3,416,307.81</b>	<b>6,652,451.92</b>

(a) The agents' fees also include miscellaneous acquisition expenses and training and solidarity expenses worth 306,379.65 euros (the figure at 30 June 2020 was 624,318.72 euros).

### 3. Losses, impairment and variation of provisions for commercial operations.

The information is supplied in notes 10.1 of this consolidated report.

### 4. Consumption of merchandise

The breakdown of the group's consumption is set out in the following table:

Description	Amount 30/06/2021	Amount 30/06/2020
Purchase of merchandise	1,004,213.22	1,518,143.69
Consumption of raw materials and other consumables	886.36	14,756.11
Work for other companies	101,393.98	70,457.57
Impairment/Reversal of merchandise, raw materials and others	116,614.75	-31,274.13
<b>Total Provisioning</b>	<b>1,223,108.31</b>	<b>1,572,083.24</b>

### 5. Other information.

#### a. Foreign currency transactions.

There were no foreign currency transactions in the 2020/2021 season or in the previous one and there are no foreign currency balances pending receipt or exchange rate differences (same situation in the previous season) (Note 13.5.e).

#### b. Ancillary income and other current management income.

The breakdown of ancillary income and other current management income is set out in the following table:

Description	Amount 30/06/2021	Amount 30/06/2020
Lease income (1)	91,637.22	91,535.14
Player release income (2)	403,329.53	785,781.05
Player training rights income	2,865,532.19	497,685.00
Miscellaneous service income (3)	919,036.11	1,569,346.21
<b>Total ancillary income and other current management income</b>	<b>4,279,535.05</b>	<b>2,944,347.40</b>

(1) The breakdown of lease income is set out in note 9.2.

(2) Player release income includes the amount resulting from the profits received from UEFA from the release of players to their respective national teams for the amount of 1,329.53 euros (the figure the previous season was 135,781.05 euros).

(3) The amount of the income from miscellaneous services corresponds to:

- a. Income from stays by foreign players worth 660,073.92 euros (at 30 June 2020 the amount was 1,317,349.99 euros),
- b. Canteen operation income worth 0.00 euros as matches were played behind closed doors (at 30 June 2020 the amount was 60,500.00), and
- c. Other current management income worth 258,962.19 euros (at 30 June 2020 the amount was 191,496.22 euros).

#### c. Average number of persons employed at 30 June, distributed by categories.

The average number of persons employed in the season, together with the number of persons employed at 30 June, broken down by category and gender, is set out in the following table:

Breakdown	Average Staff 2019/2020		Closing Staff 2019/2020	
	Men	Women	Men	Women
<b>Average staff</b>				
Playing staff (players)	47	0	46	0
Other staff	105	31	122	30
<b>Total average staff</b>	<b>152</b>	<b>31</b>	<b>168</b>	<b>30</b>

Breakdown	Average Staff 2020/2021		Closing Staff 2020/2021	
	Men	Women	Men	Women
<b>Closing staff</b>				
Playing staff (players)	45	0	38	0
Other staff	95	25	113	27
<b>Total closing staff</b>	<b>140</b>	<b>25</b>	<b>151</b>	<b>27</b>

#### d. Exceptional income and expenditure.

The breakdown of exceptional income and expenditure is set out in the following table:

Description	Amount S2020/2021	Amount S2019/2020
Exceptional expenditure (1)	-506,963.10	-958,108.09
Exceptional income (2)	905,722.16	436,550.96
<b>Total other results</b>	<b>398,759.06</b>	<b>-521,557.13</b>

(1) The exceptional expenditure for the season corresponds essentially to sanctions imposed by the Social Security authorities, recognised in the short term as settlement of work carried out by a supplier for the amount of 107,499.99 euros and recognition of the long-term provision for work carried out by a supplier, as well as stores' expenses due to adjustments. At 30 June 2020, it corresponded to:

- a. The recognition of the long-term provision for liquidation of work carried out by a supplier for the amount of 475,151.37 euros (note 14),

- b. Donations of healthcare material to the Vigo Health District in order to meet healthcare needs resulting from the COVID-19 pandemic for a purchase price financial value of 262,335.55 euros, and
  - c. Extraordinary expenditure in stores, derived from merchandise inventory adjustments.
- (2) The exceptional income for the season corresponds essentially to insurance compensation worth 260,032.77 euros and income due to the expiry of solidarity rights for the amount of 506,726.02.

#### e. Financial income and expenditure.

The breakdown of financial income and expenditure is set out in the following table:

Description	Amount S2020/2021	Amount S2019/2020
Financial expenditure (1)	-192,438.36	-73,335.29
Financial income (2)	231,186.08	55,229.42
Variation in fair value of financial instruments (3)	0.00	18,547.75
<b>Total financial results</b>	<b>38,747.72</b>	<b>441.88</b>

- (1) Financial expenditure corresponds essentially to loan interest (note 10.2).
- (2) The financial income corresponds essentially to interest from the loans granted to group company Corporativo Ges, S.L. for the amount of 38,000.00 euros (29,046.58 euros at 30 June 2020) and interest from bank deposits and active positions.
- (3) At 30 June 2020, it corresponded to the profit derived from the refund of an investment fund (note 10.1).

#### f. Results from the sale of players.

In the 2020/2021 season the company obtained a profit of 6,608,488.76 euros (34,834,293.46 euros in the previous season) from the sale of players (Note 7).



#### **g. Accruals.**

The amount of accrued income (note 10.2) by season corresponds to,

- At 30 June 2020, season tickets for the second half of the year, worth 271,383.68 euros
- At 30 June 2020, collaboration agreements worth 281,960.41 euros
- Campus quotas worth 147,911.56 euros (at 30 June 2020 the figure was 49,954.50 euros), and
- At 30 June 2020, other accrued income worth 17,373.67 euros, on which we are not providing details as they correspond to insignificant amounts.

#### **h. Income from estimated compensation or compensation received from insurance entities for operating expenses and for exchange rate risks.**

The amount of income from indemnification received from insurance entities totals 260,032.77 euros derived largely from the indemnification from the flooding of Estadio Abanca Balaídos (at 30 June 2020 it totalled 373,840.15 euros, derived largely from indemnification for player injuries).

### **6. Net turnover figures.**

The breakdown of the net turnover figure is supplied in note 13.1 of this consolidated report, with the most significant income being that derived from the broadcast rights which include audio-visual rights negotiated with television operators and LaLiga and the audio-visual rights for the King's Cup.

On 1 September 2020 an assignment agreement was signed with Corporación Radio e Televisión de Galicia, S.A. (CRTVG) for 2 friendly matches played during the pre-season. The amount of the agreement was 15,000.00 euros.

On 8 August 2019 an assignment agreement was signed with CRTVG for the matches corresponding to the XXIV edition of the Memorial Quinocho tournament. The amount of the agreement was 10,000.00 euros in the 2019/2020 season.

On 16 October 2020, an exclusive assignment agreement was signed with CRTVG for the rights for the Celta B matches in the 2020/2021 season in the national LaLiga championship, 2nd division B. The amount of the agreement depends on the phases reached and the audience share, with the income amounting to 74,000.00 euros.

On 17 July 2019 an exclusive assignment agreement was signed with CRTVG for the rights to the Celta B matches in the 2019/2020 season in Second Division B, including play-out and play-off matches. The amount of the agreement was 69,000.00 euros.

As for income from advertising and commercialisation, the company has entered into a sponsorship agreement with Fundación Deporte Galego, dated 17 June 2020 with the main aim of sponsoring Galician teams participating in top level competitions, Celta B to be precise. The amount of the agreement is 21,208.20 euros.

On 22 October 2019 a sponsorship agreement was signed with Fundación Deporte Galego the main aim of which is to prevent and raise awareness of gender violence in sport, for the amount of 60,000.00 euros.

## 7. Contribution to consolidated results

The contribution of each company included within the consolidation perimeter to the consolidated results is set out in the following table and corresponds to the results of each of the group companies:

Description	Amount S2020/2021	Amount S2019/2020
Real Club Celta de Vigo, S.A.D.	-9,533,713.73	9,679,687.36
Afouteza e Corazón, S.L.U.	-113,056.55	-244,897.64
Fundación Celta de Vigo	1,591.86	3,510.82
<b>Total contribution to consolidated results</b>	<b>-9,645,178.42</b>	<b>9,438,300.54</b>

## 14. PROVISIONS AND CONTINGENCIES.

At season end 2020/2021, the group, following the principle of prudence, accounted for all reductions in income derived from COVID-19, even though the LNFP allowed for flexibility in the charging of the same, as mentioned in note 10.5.

#### **a. Provisions.**

At 30 June 2021, the group has recognised the following provisions:

- Long-term provisions for the amount of 590,919.22 euros derived from the liquidation of work carried out by a supplier by virtue of judgment 49/21 (at 30 June 2020, the figure was 475,151.37 euros) (note 13.5.d)
- Short-term provisions totalling 252,194.17 euros derived from a dispute with members of the technical staff from the 2017/2018 season (same amount recognised at 30 June 2020).

#### **b. Contingencies.**

##### Contingent liabilities.

The Management Body of the dominant company considers that there are no significant contingencies at the date of closing of the consolidated balance sheet that could derive in future liabilities, with the exception of the variable objectives of the playing staff.

The contracts for the purchase of players establish clauses that oblige the dominant company to pay certain economic compensation in the event they are triggered, being recognised at that moment, in line with the accrual principle.

##### Contingent assets.

The agreements for the sale of players contain clauses that grant the dominant company rights to certain financial compensation in the event they are triggered, with the income being recognised at that moment, in line with the accrual principle.

In the case of termination of a player's contract by the player, the dominant company is entitled to receive the corresponding indemnification.

Moreover, the dominant company has players that come from the club's academy (note 3.7) who do not appear on the consolidated balance sheet and in the event of their sale the full price of such sale would appear as a profit.

## **15. ACTIVITY OF THE FOUNDATION. APPLICATION OF ASSET ELEMENTS TO OWN PURPOSES. ADMINISTRATION EXPENSES.**

Note 13 of the annual accounts of Fundación Celta de Vigo, at 30 June 2021, provides the following information:

- Activity of the Foundation,
- Total economic resources used, as well as income obtained by the Foundation,
- Deviations between the plan of action and data established,
- Application of asset elements to the Foundation's own purposes, and
- Administration expenses.

## **16. GUARANTEES PROVIDED TO THIRD PARTIES AND OTHER CONTINGENT LIABILITIES.**

At 30 June 2021 there are no guarantees given to third parties. The overall amount of guarantees provided to third parties at 30 June 2020 totalled 1,950,000.00 euros, corresponding to sports entities for the acquisition of player assignment rights, with the broadcast rights held by the company as the guarantee for the same for the 2017/2018 to 2020/2021 seasons.

The members of the board of directors of the dominant company consider that intangible sports fixed assets are not impaired.

At 30 June 2021, the company has off-balance sheet risks totalling 236,293.43 euros (at 30 June 2020 the figure for the firm's risks was 229,418,46 euros).

## 17. SUBSIDIES, DONATIONS AND ENDOWMENTS.

The amount and characteristics of subsidies received and appearing in the consolidated balance sheet, as well as those stated in the consolidated profit and loss account are set out in the following table:

Concessionaire	Initial amount	Charged to results	Final amount
<b>Season 2019/2020</b>			
<b>Vigo City Council (I)</b>	14,007,553.23	1,245,115.80	<b>13,073,716.35</b>
<b>Instituto Energético de Galicia (solar energy facility)</b>	1,042.59	894.12	<b>148.47</b>
<b>Season 2020/2021</b>			
<b>Vigo City Council (I)</b>	13,073,716.35	1,245,115.80	<b>12,139,879.47</b>
<b>Secretaria Xeral para O Deporte</b>	20,000.00	2,500.02	<b>17,499.98</b>

(I) At 30 January 2009, the agreements signed between Vigo City Council and the dominant company authorising the use of the Balaidos, Barreiro and A Madroa sports facilities was amended with the validity being extended until 16 May 2034.

In said agreement, Vigo City Council assigns the interior advertising (pitches, stands and scoreboards...) of the Balaidos, Barreiro and A Madroa stadiums to the dominant company free of charge, to be exploited by said company or a third party during any sporting competition in which the company is involved or related to it, the latter assuming the cost of the removal or covering of said advertising if so requested by the Council for other events not involving the dominant company. The dominant company is also responsible for the management of the advertising rights derived from the image of its players, managers, symbols... in the facilities it is authorised to use.

The dominant company is entitled to exploit, on its own behalf, the bars and buffets existing in the facilities it is authorised to use, or any it may open without prior authorisation of the Council, while sporting events related to the dominant company are being held.

The dominant company will not authorise advertising beyond 16 May 2034 and will notify the Council of the circumstances of the same as soon as such authorisations are agreed.

In relation to the above, the assignment of the right of use is considered a subsidy of a non-monetary nature. The amount of the same totals 31,127,896.69 euros, corresponding to the market value obtained for the right of assignment of the sports facilities used by Real Club Celta de Vigo, S.A.D. based on a duration of 25 years.

The group does not receive any donations or endowments.

In the 2020/2021 season, the company processed operating subsidies worth 1,052,269.69 euros, (at 30 June 2020 the figure was 917,425.75 euros) obtaining an amount of 587,727.83 euros in operating subsidies (570,739.56 euros during the 2019/2020 season), with the following breakdown:

- 364,708.27 euros in a subsidy from the Spanish Football Federation under the academy with values programme (at 30 June 2020, for an amount of 370,358.30 euros),
- 181,087.60 euros in subsidies from the Professional Football League as aid for corrective/evolutive maintenance, as well as preventative maintenance of sports facilities (the figure for 30 June 2020 was 192,727.90 euros),
- 35,108.63 euros in INEGA subsidies (a body belonging to the Xunta de Galicia) for adaptation of the lighting of Balaídos stadium,
- 4,500.95 euros correspond to the subsidy from the Xunta de Galicia for the development of sports activities (at 30 June 2020, the figure was 5,960.73 euros), and
- 2,322.38 euros correspond to the subsidy from Vigo City Council for non-profit sporting entities.

The group has complied with all conditions associated with the subsidies.

## **18. EVENTS SUBSEQUENT TO CLOSING.**

At the date of formulation of these Consolidated Annual Accounts, there are no subsequent events in relation to circumstances that already existed at season closing but that, due to their nature, have led to the inclusion of an adjustment to the figures contained in these Consolidated Annual Accounts.

There are no subsequent events that show conditions that did not exist at season closing and that, given their importance, are being supplied in these Consolidated Annual Accounts.

There are no subsequent events to closing of the Consolidated Annual Accounts that affect the application of the going concern principle.

## **19. RELATED-PARTY TRANSACTIONS.**

### **1. Related-party transactions whose effects were not eliminated by the consolidation process.**

Related-party transactions, not eliminated in the consolidation process, correspond in the 2020/2021 season to a loan granted to Grupo Corporativo Ges, S.L. for the amount of 2,000,000.00 euros (note 10.1) (same situation as in the previous season). The financial interest on the same amounts to 38,000.00 euros (at 30 June 2020, the amount was 29,046.58 euros).

### **2. Related-party transactions.**

The group belongs to the Grupo Corporativo Ges company group, the direct dominant company being Grupo Corporativo Ges, S.L., with registered office in Vigo (Calle Colon), and the end dominant company of the group is Grupo Energético del Sureste, S.A. de C.V., with registered office in Mexico (Colonia San Román, Campeche).

### **3. Management Body Remuneration.**

The members of the Board of Directors of the dominant company have not received any remuneration (no remuneration was received last season either).

The group has no senior executive employment contracts.

The group has taken out collective accident insurance for the members of the Board of Directors of the dominant company during the season, with the total amount of guarantees taken out in the event of death or complete invalidity amounting to 100,000.00 euros per insured person. Moreover, the group has taken out a policy to cover the civil liability of Directors and Senior Executives of the group, with an annual limit of the 3,000,000.00 euros.

The amount of both insurance premiums is not significant for the purposes of this consolidated report.

#### 4. Participation by members of the management body in other companies.

In accordance with the provisions of Act 31/2014, of 3 December, which amends the Spanish Companies Act in order to improve corporate governance, the members of the Board of Directors of the dominant company state that they discharge their duties in line with the duty of loyalty, established in article 227 of said Act, and neither they nor any persons related to them are in a conflict of interest situation with the dominant company or with any of the companies that make up the group.

Moreover, in accordance with the terms of Article 21 of Royal Decree 1251/1999, of 16 July, on Public Limited Sports Companies and Article 38 of the Articles of Association of the dominant company, the members of the Board of Directors of the dominant company and those who hold management posts in a public limited sports company cannot hold any other post in another public limited sports company participating in the same professional competition or, even where different, belonging to the same category of sport.

## 20. OTHER INFORMATION.

### 1. Average staff levels in the financial year.

The average number of persons employed in the 2020/2021 season and the number of persons employed at 30 June, broken down by categories and gender, is set out in note 13.5.c.

### 2. Indicators established in the Economic Monitoring Regime of the LNFP.

The members of the management body of the dominant company supply information on the balancing point, expenses associated with the first team and ratio of net debt to total income in note 22.2 of the report on the annual accounts of Real Club Celta de Vigo, S.A.D. at 30 June 2021.



### 3. Liquidation of the budget for the season and budget for the next season in line with LNFP rules.

The members of the management body of the dominant company have provided the liquidation of the budget for the 2020/2021 season and the budget for the 2021/2022 season according to LNFP rules in note 22.3 of the report on the annual accounts of Real Club Celta de Vigo, S.A.D. at 30 June 2021.

### 4. Securities listed for trading on a regulated market in the European Union

The company does not issue listed securities.

### 5. Remuneration of Auditors.

These Consolidated Annual Accounts will be audited by Auren Auditores (auditors of the dominant company) and its remuneration for auditing the annual accounts of the different companies comprising the group amounts to 32,670.00 euros (32,670.00 euros last season). Moreover, the audit company has also invoiced fees for other verification services amounting to 14,865.00 euros (25,500.75 euros last season).

### 6. Company agreements.

There are no company agreements other than those appearing in the consolidated balance sheet or informed about in other notes of this report, except in relation to the agreements for the signings or transfers for the 2021/2022 season, which are reflected in the 2021/2022 season.

## 21. SEGMENTED INFORMATION.

Being a Sports Company, the dominant company can only participate in official professional competitions in a single category of sports, football in this case (according to the provisions of Article 19.4 of the Sports Act). As for the different sports sections in the 2020/2021 season, these are the first team (playing in the First Division) and Celta B (playing in the Second Division B), the most significant data on the latter being as follows;

- Expenditure on playing staff not eligible for registration with the LNFP which includes remuneration (fixed and variable), indemnification, other remuneration, collective premiums, social security, loan (income)/expenditure, agents' fees, amortisation of player acquisition rights and transfer impairment/losses (note 13.2.b),
- Expenses of non-sporting technical staff for the amount of 152,369.26 euros
- Refereeing fees of 19,867.30 euros (at 30 June 2020 the figure was 21,045.89 euros),
- Other operating expenses of 129,149.18 euros.
- Transport expenses of 83,207.89 euros (at 30 June 2020 the figure was 55,394.91 euros).
- Other expenses (mutual insurance, sporting penalties...) amounting to 40,696.64 euros (at 30 June 2020 the figure was 15,715.00 euros).
- Broadcast income of 74,000.00 euros (at 30 June 2020 the figure was 60,000.00 euros (note 13.6).
- Sponsorship and advertising income of 141,558.20 euros.
- Operating subsidies of 364,708.27 euros (at 30 June 2020 the figure was 370,358.30 euros) (note 17).
- Player transfer profits for the amount of 52,500.00 and
- Public attendance income of 0.00 euros (at 30 June 2020 the figure was 4,669.43 euros).

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The Consolidated Annual Accounts were drawn up by the members of the Management Body of the dominant company in a meeting held for that purpose.

Mr Manuel Carlos Mouriño Atanes (Chairman)

Mr Ricardo Barros Hermida (Vice-Chairman)

Mr Pedro Posada Martínez (Vice-Chairman)

Ms Carmen Avendaño Otero (Director)

Mr Primitivo Ferro Ribadulla (Director)

Mr Jose Fernando Rodilla Martinez (Director)

Ms Maria Jose Taboas Cabral (Director)

The consolidated annual accounts were issued on 29 September 2021 and this document is a literal translation of them.

## REAL CLUB CELTA DE VIGO, S.A.D. AND DEPENDENT COMPANIES

### Consolidated Management Report for the financial year ending 30 June 2021

#### I. Evolution of the group and future prospects.

Below is our report on the evolution of the group:

##### I.1 Main figures:

The 2020/2021 season, despite the pandemic and its effects on an economic and social level, was characterised by a policy of sustainability both on an organisational level and in terms of social commitment and the environment

The impact of COVID-19 on our activity is entailing a fall in turnover, a reduction in profits from the transfer of players, due to the financial situation in which most of the sector finds itself. This affected our efforts to monitor the possible insolvency of clients, debtor sporting entities, as well as the search for new channels of financing, such as aid or subsidies.

As mentioned in note 2.3 to the consolidated annual accounts for the 2020/2021 season, in December 2020 the economic department of LaLiga asked the clubs for a rectification invoice corresponding to the reduction in income from broadcasting in the 2019/2020 season, for the amount of 2,348,505.65 euros in our case.

As a result of the above and if we take into account the difference between the deduction activated at 30 June 2020 and the deduction finally activated at the moment of presentation of the corporation tax returns in January 2021, the comparative information for the 2019/2020 season is restated, with regard to the consolidated financial statements and, consequently, with regard to the diagrams and tables contained in this consolidated management report.

Specifically, the following consolidated balance sheet and profit and loss entries are restated:

CONSOLIDATED BALANCE SHEET		
CONSOLIDATED ASSETS	Restated Information S2019/2020 (30/06/2020)	Information approved Consolidated Annual Accounts S2019/2020 (30/06/2020)
<b>A) NON-CURRENT ASSETS</b>	<b>113,615,445.96</b>	<b>113,694,042.69</b>
VII. Deferred tax assets	934,677.90	1,013,274.63
<b>B) CURRENT ASSETS</b>	<b>60,449,303.92</b>	<b>61,398,002.09</b>
III. Debtors	29,372,075.90	30,320,774.06
2. Sports entities, debtors	25,477,161.60	27,825,667.25
6. Current tax assets	1,550,575.61	150,768.12
<b>TOTAL ASSETS</b>	<b>174,064,749.88</b>	<b>175,092,044.78</b>
CONSOLIDATED EQUITY AND LIABILITIES	Restated Information S2019/2020 (30/06/2020)	Information approved Consolidated Annual Accounts S2019/2020 (30/06/2020)
<b>A) EQUITY</b>	<b>98,835,951.10</b>	<b>99,863,246.00</b>
A-I) Net equity	85,762,086.28	86,789,381.18
VII. Results of the financial year	9,438,300.53	10,465,595.43
<b>TOTAL EQUITY +LIABILITIES</b>	<b>174,064,749.88</b>	<b>175,092,044.78</b>

CONSOLIDATED INCOME STATEMENT		
	Restated Information S2019/2020 (30/06/2020)	Information approved Consolidated Annual Accounts S2019/2020 (30/06/2020)
<b>A) CONTINUING OPERATIONS</b>		
I. Revenue	64,101,954.63	66,450,460.31
c) Broadcast income	50,058,359.04	52,406,864.69
13. Other results	(521,557.13)	(696,505.58)
<b>A.1) OPERATING PROFIT</b>	<b>12,452,445.35</b>	<b>14,626,002.55</b>
<b>A.3) PROFIT/(LOSS) BEFORE INCOME TAX</b>	<b>12,452,445.35</b>	<b>14,626,444.43</b>
20. Income tax expense	(3,014,586.70)	(4,160,849.00)
<b>A.4) FINANCIAL YEAR PROFIT FROM CONTINUING OPERATIONS</b>	<b>9,438,300.53</b>	<b>10,465,595.43</b>
<b>A.5) CONSOLIDATED PROFIT/(LOSS) FOR THE PERIOD</b>	<b>9,438,300.53</b>	<b>10,465,595.43</b>

The main figures:

## CONSOLIDATED NET WORTH.

The consolidated net worth totals 88,274,287.32 euros (at 30 June 2020 the figure was 98,835,951.10 euros) with consolidated total assets of 135,406,162.17 euros (at 30 June 2020 the figure was 174,064,749.88 euros).

## CONSOLIDATED RESULTS.

The contribution of each company included within the consolidation perimeter to the consolidated results is set out in the following table:

Description	Amount S2020/2021	Amount S2019/2020	Amount S2018/2019
Real Club Celta de Vigo, S.A.D.	(9,533,713.73)	9,679,687.36	21,143,355.17
Afouteza e Corazón, S.L.U.	(113,056.55)	(244,897.64)	(2,575.00)
Fundación Celta de Vigo	1,591.86	3,510.82	216,379.90
<b>Total contribution to consolidated results</b>	<b>(9,645,178.42)</b>	<b>9,438,300.54</b>	<b>21,357,160.07</b>

In the 2020/2021 season the Group suffered a reversal of the trend of good Economic Results that had been recorded in recent seasons. In the 2020/2021 season, a **negative net result of 9,645,178.42 euros** was posted.

## INVESTMENTS.

The Group has made important investments in digitalisation projects focusing this season on creating an open ecosystem of innovation in its different areas and supported by collaboration with third parties, by means of the introduction of a new Ecommerce function, the implementation of a communication channel with shareholders and the online General Meeting of Shareholders.

With the introduction of a new Ecommerce function we have managed to improve the shopping experience of our clients, meeting their increasingly demanding and changing expectations.

Moreover, the Group has made a significant investment in the Ciudad Deportiva Afouteza in the 2020/2021 season, worth 8,965,616.82 euros.

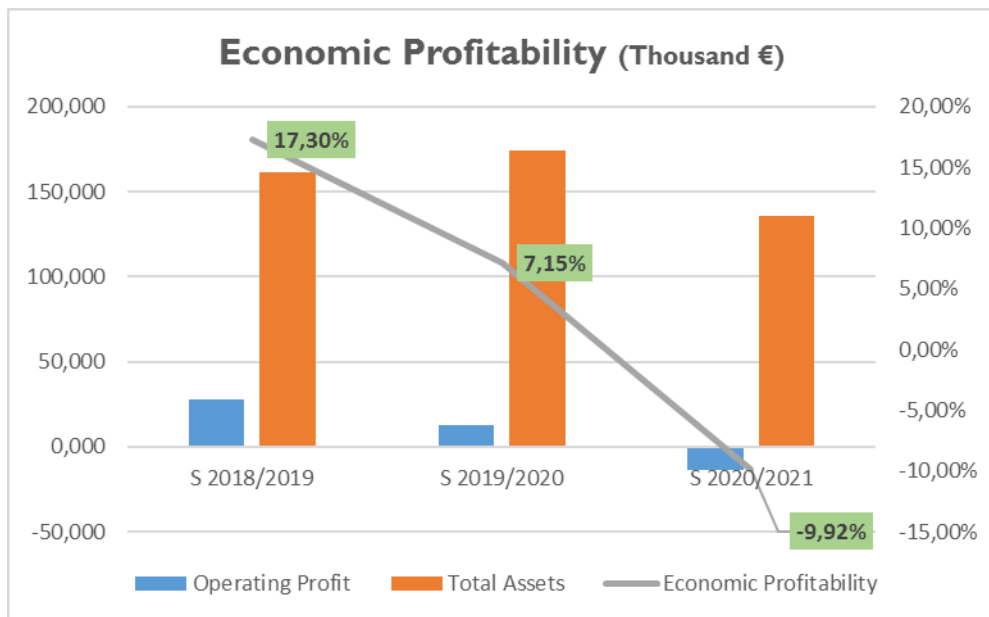
## INCOME.

At present, the Group's income is derived from the different business areas:

- Season tickets and gate receipts,
- Audio-visual rights,
- Advertising and marketing,
- Provision of services (Clinic) and member quotas and income from promotions, sponsors and collaborations of Fundación Celta de Vigo.
- Ancillary and other current management, and
- Others (allocation of subsidies, sale of players, extraordinary, and financial income).

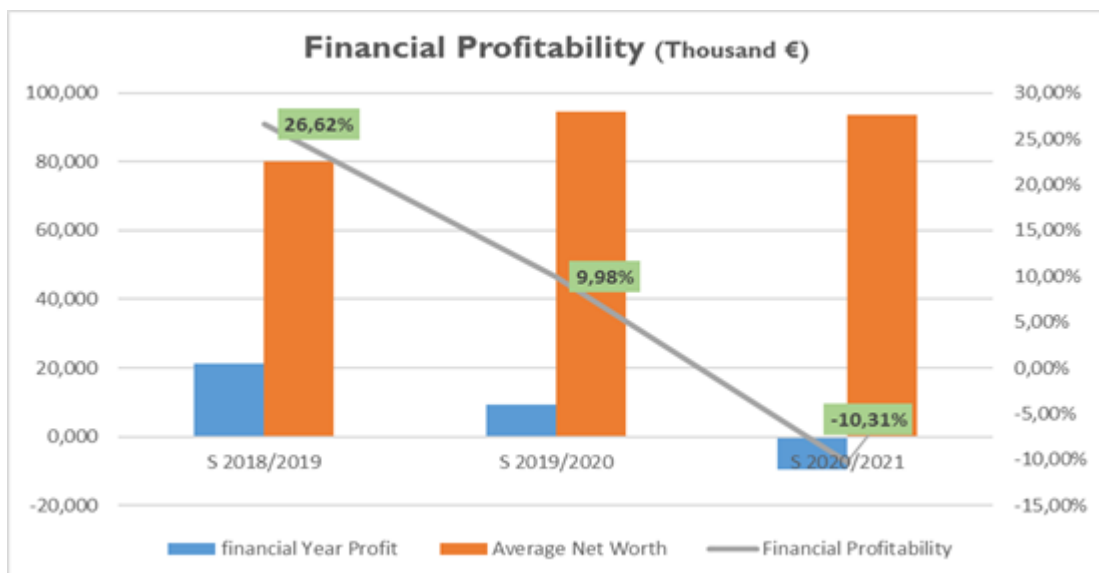
## ECONOMIC PROFITABILITY.

The economic profitability measures the degree of efficiency of the group and the use of its economic resources or assets to obtain profits.



## FINANCIAL PROFITABILITY.

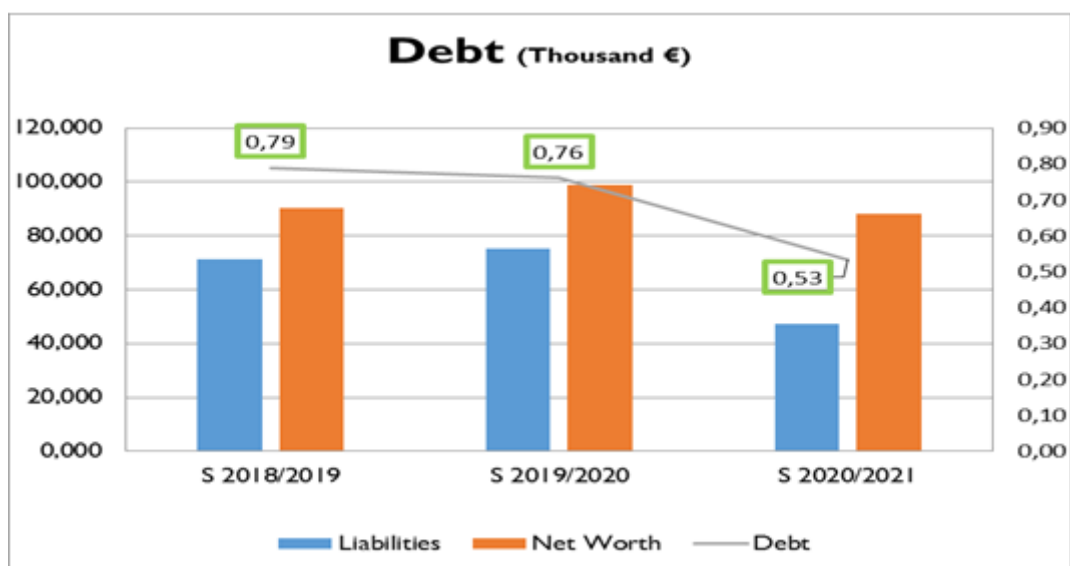
Financial profitability measures the group's capacity to remunerate its shareholders. In this regard, when the group assumes more risks it tends to have higher financial profitability which serves to offset the investment risk assumed by the owners.





## DEBT.

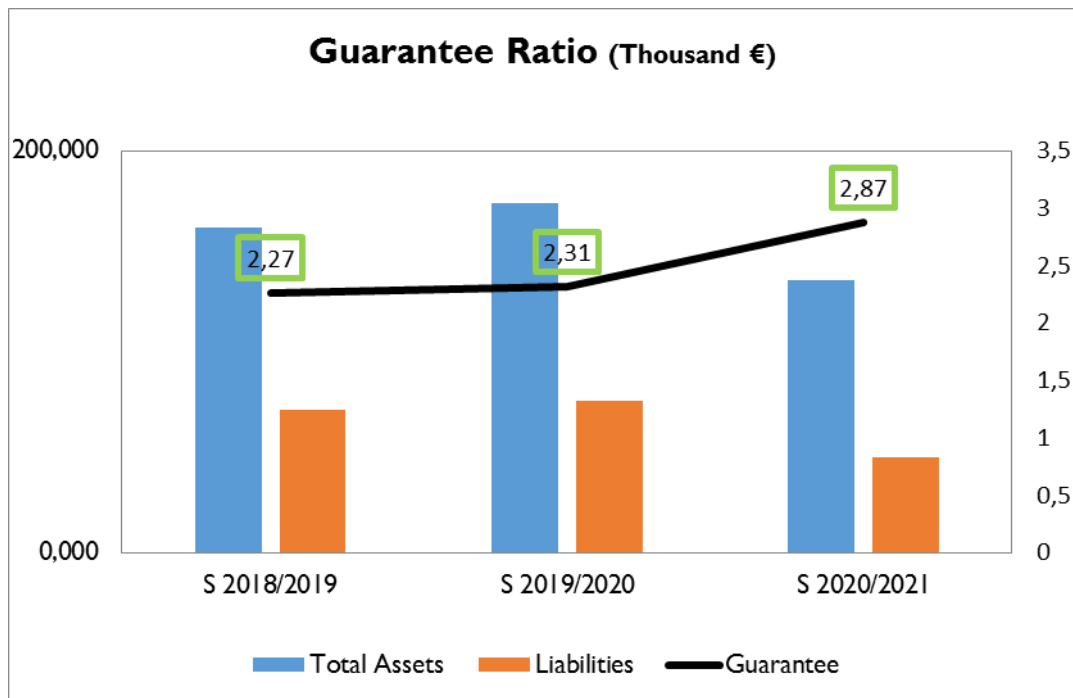
Debt is of major importance when it comes to analysing the financial situation of the group in the long term. The debt ratio makes it possible to measure the degree of dependency that a group has according to the origin of the financial resources it uses. This ratio indicates, in relation to each monetary unit of own funds contributed to the activity, how much outside resources are used.



## GUARANTEE RATIO OR TOTAL SOLVENCY.

Guarantee ratio or total solvency measures the capacity of the group as a whole to honour all the obligations assumed. This financial equilibrium is obtained by comparing assets with the realisation value against all liabilities, regardless of maturity.

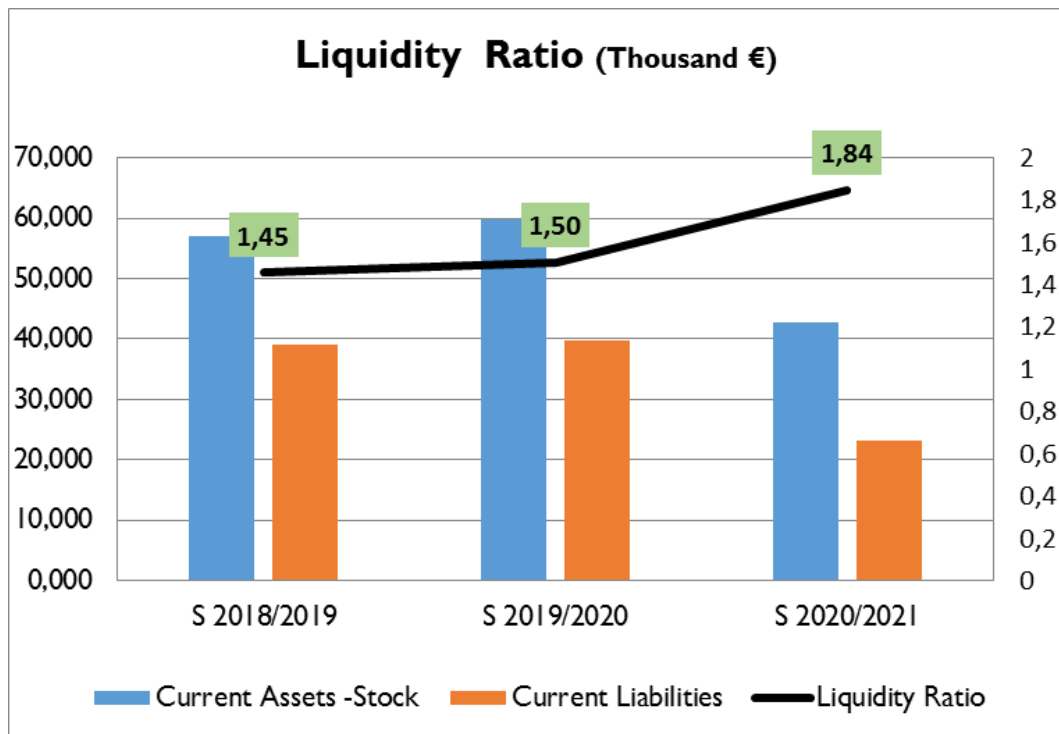
The higher the value of the ratio, the greater the guarantee that the group can pay all of the debts it has incurred.



## LIQUIDITY RATIO.

The liquidity ratio measures the group's capacity to meet its financial obligations, debts or liabilities in the short term. It shows what current assets we will have to cover or honour the possible payables in the short term. The higher the (positive) result, the greater the group's solvency and capacity to make payment, thus constituting a short-term monetary guarantee for the group.

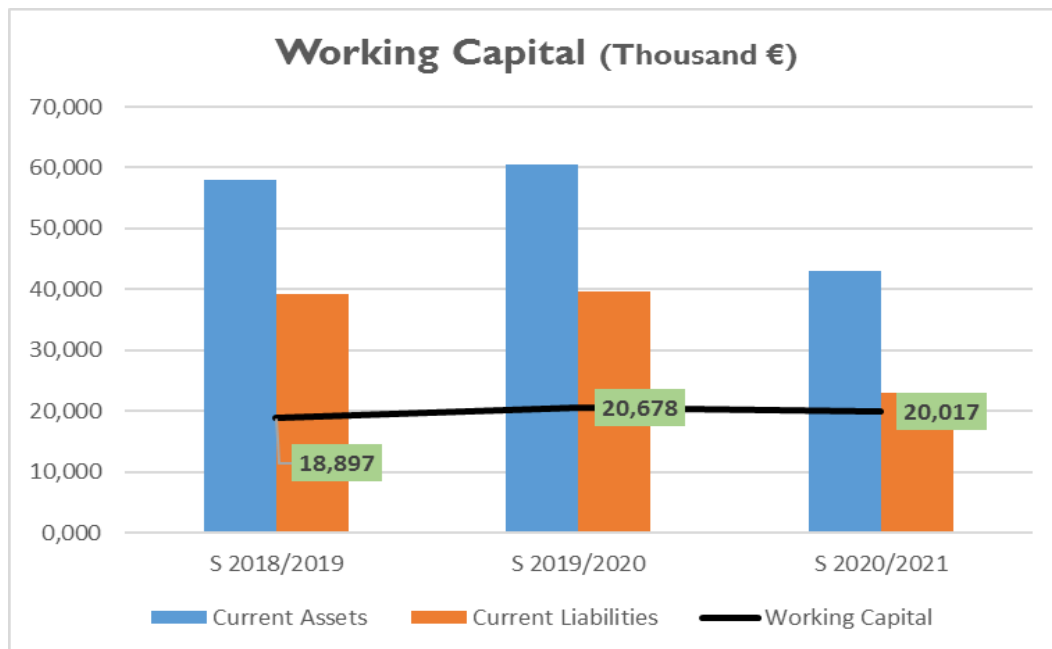
If the ratio is higher than 1: it is a sign of health, that the group does not have liquidity problems.



## WORKING CAPITAL

This economic indicator offers a guarantee to third parties outside the group in relation to its capacity to meet its obligations in the short term without causing stress on cash and banks and is calculated as the difference between Current Assets and Current Liabilities.

The lower the operating capital, the more complicated the situation, because in order to meet its short-term commitments, the group must sell all its stock and exercise all its collection rights, which is not always possible. However, having a positive operating capital or working capital is a guarantee of the group's stability.



## 1.2 Main transparency indicators for Football Clubs (INFUT):

On our website, we comply with the Transparency Index for Football Clubs (INFUT) which is a collection of indicators assessed by “Transparency International Spain”. It assesses the information on the Club, relations with members, fans and the general public, the economic-financial transparency and in the contracts and suppliers and indicators of the Transparency Act.

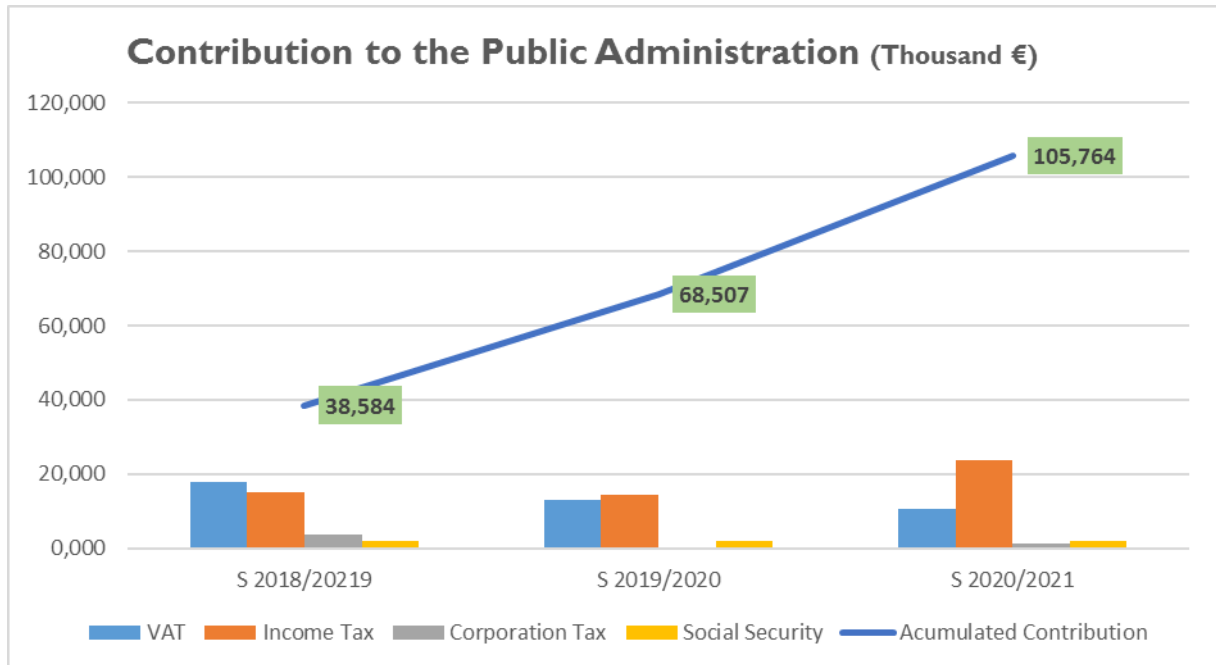
The main transparency indicators for football clubs (INFUT), are the following:

- **Contribution and payments to the Public Administration.**

The amount of 1,215 thousand euros in the 2020/2021 season corresponds to payments on account worth 2,765 thousand euros and a corporation tax refund from the previous season worth 1,550 thousand euros.

The amount of social security mentioned correspond to the social security for which the company is responsible.

Moreover, in order to assess the overall fiscal contribution by the company, other taxes borne and linked to its activity, of a very diverse nature, and which we have not quantified as they are accounted for in other entries, would have to be considered.



### 1.3 Quality Management.

The company has implemented different methodologies and processes that enable it to develop its activity in an ethical, transparent and sustainable manner, promoting the values of excellence, transparency, sustainability and proximity as the strong points of its business:

- I. **Business excellence**, implementing different quality systems under the UNE EN ISO 9001:2015 standard certified by standards entity AENOR, centring on our client focus, process management, and continual improvement.

Our commitment to transparency was underlined with the **100% assessment from INFUT** in the **Football Club Transparency Index** prepared by Transparency International Spain,

aimed at promoting and enhancing the increase in information offered by the company as a whole, and provided in detail in note 1.2 of the management report of the company Real Club Celta de Vigo, S.A.D.

Informa-elEconomista has awarded the company Real Club Celta de Vigo, S.A.D. the **Certificate of Excellence in Business Management**, after assessing the main parameters that define management, such as: solvency, profitability, growth, employment, internationalisation, corporate social responsibility, client satisfaction, innovation, commercial risk management and digitalisation.



2. **Social responsibility and business ethics**, by virtue of which we voluntarily draw up a Non-Financial Information Statement for the RCCelta Group for each season with a view to promoting **transparency** with regard to the activity of the group and sustainability. We implement the Criminal Compliance management system under the UNE 19601:2017 standard.
3. **Optimise resource and waste management** which sets the Group apart from its competition and positively reinforces the image it portrays to society in general. The Group integrates the environment into its overall management and implements an environmental management system pursuant to the ISO 14001:2015 standard.

This optimisation in the management of resources and waste was highlighted by Real Club Celta de Vigo, S.A.D. obtaining the **Indicador Ardan Empresa Circular 2020**, for the implementation of a circular economy strategy.



4. Following the crisis caused by COVID-19, the Group has implemented measures to address the return to normality, contributing value in the business continuity processes, implementing **best practice in management of the risks derived from COVID-19** under the standard COVID-19 Protocol. And generating trust among its stakeholders (customers, employees and the general public).

#### 1.4 Future Prospects.

In this regard, we would highlight:

Despite the situation caused by COVID-19, we have been able to advance with the Strategic plan which centres on following areas of action, namely:

1. Economic and financial solvency,

The Group, with a view to assuming ambitious future challenges, is seeking to strengthen its income structure by growing and diversifying its business and searching for new channels of financing and the capitalisation of all its positive economic results maintained in past seasons.

2. Strategic investment plan,

- Investments in players,

- Construction of the new Ciudad Deportiva,
- Continuation of the digitalisation project, initiating a process to become a data powered Group, with an advanced data analysis system, which began with the implementation of Datawarehouse and continued with the creation of dashboards and indicators for different areas of work.

As part of the collaborative and open culture of innovation, the CeltaLab 1923 project was launched, looking to support start-ups focusing on generating new developments applied to the work of sport, with the Group adopting the role of beta user of the developments.

## 2. Events subsequent to closing.

At the date of formulation of this consolidated management report, there are no subsequent events that indicate circumstances that already existed at the closing date of the season but that have not represented, according to their nature, the inclusion of an adjustment to the figures contained in the Consolidated Annual Accounts and in this Consolidated Management Report.

Neither are there any subsequent events that illustrate conditions that did not exist at closing and that, given their importance, are supplied in the Consolidated Annual Accounts and in this Consolidated Management Report.

No events occurred subsequent to the closing of the Consolidated Annual Accounts and in this Consolidated Management Report that affected the application of the going concern principle.

## 3. Research and Development Activities.

This season, the Group focussed on creating an ecosystem of direct innovation within its different areas and supported by collaboration with third parties, by means of the implementation of a new Ecommerce function, a channel for communication with its shareholders and the online General Meeting of Shareholders. With the implementation of the Ecommerce function, we managed to improve our clients shopping experience, meeting the increasingly demanding and changing expectations.



The Group wants the data that the activities generates to support is strategic decisions, hence the effort in improving digitalisation in all areas of activity, using the data extracted from the Datawarehouse project to centralise the information coming from different isolated systems.

#### 4. Acquisition of treasury stock.

The dominant company has not acquired and does not intend to acquire treasury stock.

#### 5. Financial instruments.

Risk management is controlled by the group, identifying, assessing and covering the financial risks in line with the policies approved by the Board of Directors of the dominant company.

- **Future impact of COVID-19:** the group has quantified all possible loss of income from the 2020/2021 season associated with COVID-19. The season will be affected by the pandemic mainly as regards:
  - Income from competitions, as matches were held behind closed doors.
  - Income from season ticket holders and members, because of the prohibition on members of the public being in the stadium. A special season ticket holder campaign was launched, offering them the possibility to renew their season ticket for 50 euros while maintaining all the advantages associated with their status. This implied a reduction in income from season ticket holders with regard to past seasons.
  - Broadcast income recognised by Real Club Celta de Vigo, S.A.D. in the 2019/20 Season has been corrected by 2,348,505.65 euros. This means that the comparative figures corresponding to 30 June 2020 have been restated.

At the date of drafting this consolidated management report, like the rest of society in general, the group does not know how the COVID-19 situation will evolve in the future and the impact it will have on it.

- **Credit risk:** This arises due to the possibility of non-recovery of financial assets in the amount recorded in the accounts and within the established term. The group currently has a procedure for carrying out all operations strictly monitoring risk and the grant of credit. The group carries out monthly reviews to identify situations of risk and delays in receiving payment.
- **Liquidity risk:** This arises due to the possibility of the group not being able to dispose of liquid funds or access them in the amount necessary in order to meet payment obligations. The group has established a procedure by virtue of which it maintains the necessary liquid funds available for both its day-to-day activity and for making different investments.

The group paid the debt for purchases and provision of services and sporting entities in accordance with the law and the respective agreements. The group collects:

- payments when issued
  - advertising rights in accordance with the terms of the respective contracts or agreements
  - the provision of clinical services and income from marketing (RC Celta stores) in cash,
  - quotas paid by collaborator members, football schools and campus by direct debit and by transfer from other members, campus quotas and under collaboration agreements.
- **Market risk:** This is the interest rate risk caused by uncertainty regarding the future evolution of the financial markets and of the interest rates, with the resulting possible impact on results and cashflows for the group. The group applies a very prudent policy of financial indebtedness and in fact the main sources of financing for the group is the consolidated net worth, with debts being relegated to a secondary plan and optimising the figure of financial expenditure.

The group does not use financial derivatives.

## 6. Securities listed for trading.

The group does not issue securities listed for trading on any of the regulated markets of the Member States of the European Union.

## 7. Average employment for the period.

The average number of persons employed, as well as staff at 30 June, distributed by categories and gender, is set out in the following tables:

Breakdown	Average Staff 2019/2020		Closing Staff 2019/2020	
	Men	Women	Men	Women
Playing staff (players)	47	0	46	0
Other staff	105	31	122	30
<b>Total average staff</b>	<b>152</b>	<b>31</b>	<b>168</b>	<b>30</b>

Breakdown	Average Staff 2020/2021		Closing Staff 2020/2021	
	Men	Women	Men	Women
Playing staff (players)	45	0	38	0
Other staff	95	25	113	27
<b>Total average staff</b>	<b>140</b>	<b>25</b>	<b>151</b>	<b>27</b>

## 8. Deferral of payments to suppliers for commercial transactions.

The deferral of payments is not within the limit of 30 days established by the Commercial Operations Prompt Payment Act. The regulatory term for payment is 30 calendar days, which may be extended by virtue of an agreement between the parties, but cannot exceed 60 calendar days.

The group has debts due for more than 30 days with suppliers for commercial operations amounting to 21,851,546.83 euros (at 30 June 2020 the figure was 44,328,941.77 euros), which corresponds largely to the acquisition of players (payment of which is carried out in accordance with the terms of the agreement signed with the different sports entities, with the amount recognised long term being 8,899,166.00 euros (at 30 June 2020 the figure was 19,662,175.42 euros).

Without taking into consideration the acquisition of players (sports entities and intermediary agencies), the list of the five most important suppliers / creditors of the group is:

Constructora San Jose, S.A.,

Adidas España, S.A.,

Laziturri,

Sociedad Española de F.P., S.A.,

Globalia Corporate Travel, S.L.U.

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This consolidated management report was drawn up by the members of the Management Body of the dominant company at a meeting held for that purpose.

Mr Manuel Carlos Mouriño Atanes (Chairman)

Mr Ricardo Barros Hermida (Vice-chairman)

Mr Pedro Posada Martínez (Director)

Ms Carmen Avendaño Otero (Director)

Mr Primitivo Ferro Ribadulla (Director)

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The consolidated management report was issued on September 29, 2021 and this document is a literal translation of it



RC**Celta**