

**REAL CLUB CELTA DE VIGO, S.A.D.**

**Independent Auditor's Report,  
Reformulated Annual Accounts and  
Management Report  
For the year ended June 30, 2022**

## INDEPENDENT AUDITOR'S REPORT ON THE REFORMULATED 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 annual accounts of REAL CLUB CELTA DE VIGO, S.A.D. (the Company), which comprise the balance sheet as at June 30, 2022, and the income statement, statement of changes in equity, cash flow statement and related notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at June 30, 2022, as well as its financial performance and cash flows 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 annual accounts* section of our report.

We are independent of the Company 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 annual accounts of the current period. These risks were addressed in the context of our audit of the 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 company has in the heading A) *1.1 Player acquisition rights*, 35.472.098,01 euros at 30<sup>th</sup> June 2022, net of amortisation and deterioration. These rights are amortised on a lineal basis according to the duration of the contracts. The company 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 entity'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 company for the valuation of player acquisition rights.
- We have verified the calculations made by the company in relation to the acquisition price.
- We have verified the calculations made by the company 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 4.1 and 8 of the attached annual accounts, information is included that are appropriate to what is required by that applicable financial reporting framework.

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### Emphasis paragraph

We draw attention to what is stated in note 2.1 of the attached report, which indicates that on August 1, 2022 the Board of Directors formulated the annual accounts for the 2021-2022 financial year, on which on August 24, 2022 we issue our audit report in which we express a favorable opinion. After said date, the Board of Directors on September 16, 2022, has decided to reformulate the annual accounts of the company as of June 30, 2022. The reformulation is carried out exclusively as a consequence of Circular number 9 of the 2022/2023 season of the National Professional Soccer League, dated September 12, 2022, in relation to the "homogenization of the treatment of the impact of COVID-19 for the purposes of calculating the break-even point and economic-financial ratios" exclusively affecting to the calculation of the break-even ratio under the criteria of the National Professional Soccer League, which is included in note 22.2 of the reformulated report and which represents an increase of 8.641.364 euros in the break-even ratio. Consequently, the restated annual accounts do not imply any changes to the balance sheet, profit and loss account, statement of changes in equity, statement of cash flows, or the budget for the 2022/2023 season. Our audit opinion has not been modified in relation to this matter.

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### **Other information: Management report**

Other information comprises only the Management Report for the financial year ending on 30 June 2022, the formulation of which is the responsibility of the Company's directors and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the Management Report. Our responsibility for the Management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the Management report and the annual accounts as a result of our knowledge of the Company 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 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 Management report is consistent with that contained in the annual accounts for the financial year ending on 30 June 2022, and its content and presentation are in accordance with the applicable regulations.

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### **Responsibility of the directors for the annual accounts**

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

In preparing the annual accounts, the Company's directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company 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 annual accounts**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's directors.
- Conclude on the appropriateness of the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company 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 annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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 Company's directors, we determine those matters that were of most significance in the audit of the 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  
07<sup>th</sup> of october of 2022*



# RC Celta

REAL CLUB CELTA DE VIGO, S.A.D.  
Reformulated Annual Accounts  
at 30 June 2022

### BALANCE SHEET AT 30 JUNE 2022 AND 30 JUNE 2021

ASSETS	Note	30/06/2022	30/06/2021
<b>A) NON-CURRENT ASSETS</b>		<b>91,493,633.46</b>	<b>92,162,052.54</b>
<b>I. Intangible Fixed Assets</b>		<b>50,467,851.71</b>	<b>56,934,132.15</b>
1. Player acquisition rights	8	35,472,098.01	40,678,091.47
4. Rights over assets assigned for use	7.1	14,995,753.70	16,256,040.68
<b>II. Other intangible fixed assets</b>	<b>7.2</b>	<b>42,246.56</b>	<b>73,599.10</b>
<b>III. Tangible Fixed Assets</b>	<b>5</b>	<b>25,235,753.31</b>	<b>24,171,591.26</b>
1. Land and buildings		22,311,668.83	10,297,306.14
2. Technical facilities and other tangible fixed assets		2,590,979.08	2,222,153.78
3. Fixed assets under construction and advances		333,105.40	11,652,131.34
<b>V. Long-term investments in group and associate companies</b>		<b>900,000.00</b>	<b>800,000.00</b>
1. Equity instruments	11.4	600,000.00	500,000.00
2. Loans to companies	11.1	300,000.00	300,000.00
<b>VI. Long-term financial investments</b>	<b>11.1</b>	<b>32,677.80</b>	<b>32,677.80</b>
5. Other financial assets		32,677.80	32,677.80
<b>VII. Deferred tax assets</b>	<b>14.4</b>	<b>1,795,709.66</b>	<b>1,219,380.63</b>
<b>VIII. Non-current trade debtors</b>	<b>11.1</b>	<b>13,019,394.42</b>	<b>8,930,671.60</b>
<b>B) CURRENT ASSETS</b>		<b>65,863,692.65</b>	<b>43,140,171.97</b>
<b>II. Inventories</b>	<b>12</b>	<b>387,963.49</b>	<b>487,617.68</b>
1. Comerciales		383,793.30	487,017.68
6. Advances to suppliers		4,170.19	600.00
<b>III. Debtors</b>		<b>26,813,044.25</b>	<b>29,716,430.10</b>
1. Season ticket holder and member quotas	11.1	122,546.54	11,424.90
b) Season ticket holder and member quotas, short-term		122,546.54	11,424.90
2. Group entities, debtors	11.1	1,153,788.17	450,037.79
3. Sports entities, debtors	11.1	20,651,053.44	23,138,424.44
4. Other receivables	11.1	2,528,810.43	3,908,533.90
5. Personnel	11.1	138,672.6	205,100.00
6. Current tax assets	14.6	215,264.00	2,002,909.07
6. Other credits with the Public Administrations	14.6	2,002,909.07	0.00
<b>IV. Short-term investments in group and associate companies</b>	<b>11.1</b>	<b>2,293,083.46</b>	<b>2,000,000.00</b>
5. Other financial assets		2,293,083.46	2,000,000.00
<b>V. Short-term financial investments</b>	<b>11.1</b>	<b>100,180.30</b>	<b>2,000,180.30</b>
5. Other financial assets		100,180.30	2,000,180.30
<b>VI. Accruals</b>		<b>161,408.82</b>	<b>1,167,853.73</b>
<b>VII. Cash and equivalent liquid assets</b>	<b>11.1</b>	<b>36,108,012.33</b>	<b>7,768,090.16</b>
1. Cash and banks		36,108,012.33	7,768,090.16
<b>TOTAL ASSETS</b>		<b>157,357,326.11</b>	<b>135,302,224.51</b>

The restated annual accounts of the Company, which form a single unit, comprise these balance sheets, the profit and loss accounts, the statement of changes in net worth, the cashflow statements and the attached annual report.

## BALANCE SHEET AT 30 JUNE 2022 AND 30 JUNE 2021

EQUITY AND LIABILITIES	Note	30/06/2022	30/06/2021
<b>A) EQUITY</b>		<b>87,893,681.94</b>	<b>88,695,519.00</b>
<b>A-1) Net equity</b>	<b>13</b>	<b>76,687,639.35</b>	<b>76,555,639.53</b>
<b>I. Capital</b>		<b>3,770,210.00</b>	<b>3,770,210.00</b>
1. Subscribed capital		3,770,210.00	3,770,210.00
<b>III. Reserves</b>		<b>82,257,713.38</b>	<b>82,257,713.38</b>
1. Legal and statutory		754,042.00	754,042.00
2. Other reserves		77,168,551.31	77,168,551.31
3. Capitalisation reserve		4,335,120.07	4,335,120.07
<b>VI. Prior periods' losses</b>		<b>(9,472,283.85)</b>	<b>0.00</b>
<b>VII. Results of the financial year</b>	<b>3</b>	<b>131,999.82</b>	<b>(9,472,283.85)</b>
<b>A-3) Subsidies, donations and endowments received</b>	<b>19</b>	<b>11,206,042.59</b>	<b>12,139,879.47</b>
<b>B) NON -CURRENT LIABILITIES</b>		<b>45,002,775.91</b>	<b>23,819,319.94</b>
<b>I. Long-term provisions</b>	<b>16</b>	<b>590,919.22</b>	<b>590,919.22</b>
4. Other provisions		590,919.22	590,919.22
<b>II. Long-term debts</b>	<b>11.2</b>	<b>35,844,676.26</b>	<b>14,890,766.98</b>
2. Debts with financial institutions		0.00	5,971,326.98
3. Debts with sporting entities		2,351,650.69	8,669,166.00
5. Other financial liabilities		33,493,025.57	250,274.00
<b>VI. Deferred tax liabilities</b>	<b>14.5</b>	<b>8,567,180.43</b>	<b>8,337,633.74</b>
<b>C) CURRENT LIABILITIES</b>		<b>24,460,868.26</b>	<b>22,787,385.57</b>
<b>II. Short-term provisions</b>	<b>16</b>	<b>0.00</b>	<b>252,194.17</b>
2. Other provisions		0.00	252,194.17
<b>III. Short-term debts</b>	<b>11.2</b>	<b>2,250,399.83</b>	<b>1,750,318.14</b>
2. Debts with financial institutions		0.00	1,144,315.95
5. Other financial liabilities		2,250,399.83	606,002.19
<b>IV. Short-term debts with group and associated companies</b>	<b>11.2</b>	<b>63,570.03</b>	<b>38,942.43</b>
<b>V. Commercial creditors and other accounts payable</b>	<b>11.2</b>	<b>21,438,361.77</b>	<b>20,745,930.83</b>
2. Debts due to purchases or provision of services		3,295,153.41	3,378,523.43
b) Short-term suppliers		3,295,153.41	3,378,523.43
3. Debts with sporting entities		12,447,474.05	11,030,326.53
4. Personnel (salaries payable)		398,912.81	1,174,061.93
6. Other debts with Public Administrations	14.6	5,256,857.70	4,915,830.53
6. Client advances		39,963.80	247,188.41
<b>VI. Short-term accruals</b>	<b>11.2</b>	<b>708,536.63</b>	<b>0.00</b>
<b>TOTAL EQUITY +LIABILITIES</b>		<b>157,357,326.11</b>	<b>135,302,224.51</b>

The restated annual accounts of the Company, which form a single unit, comprise these balance sheets, the profit and loss accounts, the statement of changes in net worth, the cashflow statements and the attached annual report.



# INCOME STATEMENT AT 30 JUNE 2022 AND 30 JUNE 2021

	Note	30/06/2022	30/06/2021
<b>A) CONTINUING OPERATIONS</b>			
<b>1. Revenue</b>	<b>15.1</b>	<b>69,929,078.09</b>	<b>66,379,791.86</b>
a) Income from competitions		1,022,928.44	330,267.90
b) Income from season ticket holders and members		3,215,098.69	744,857.10
c) Broadcast income		53,872,149.93	53,691,288.43
d) Advertising income		10,104,697.97	9,960,444.27
e) Marketing and other income		1,714,203.06	1,652,934.16
<b>4. Supplies</b>		<b>(1,002,060.21)</b>	<b>(1,425,297.76)</b>
b) Other consumption and external expenses		(1,079,407.56)	(1,308,683.01)
d) Impairment/Reversion of merchandise, raw materials and other provisioning	12	77,347.35	(116,614.75)
<b>5. Other operating income</b>		<b>1,631,316.14</b>	<b>5,084,471.51</b>
a) Ancillary and other current management income	15.4.b	905,261.29	4,499,066.06
b) Operating subsidies included in results for the financial year	19	726,054.85	585,405.45
<b>6. Staff expenses</b>		<b>(52,338,862.91)</b>	<b>(56,043,116.65)</b>
a) Playing staff salaries and wages	15.2.b	(46,443,034.52)	(50,161,971.74)
b) Non-playing staff salaries and wages	15.2.a	(4,282,720.93)	(4,501,415.32)
c) Social charges	15.2	(1,613,107.46)	(1,379,729.59)
<b>7. Other operating expenses</b>		<b>(18,850,579.74)</b>	<b>(18,088,957.41)</b>
a) External services		(6,169,311.05)	(4,530,883.20)
b) Levies		(25,938.65)	(24,448.17)
c) Impairment, losses and variation of provisions for commercial operations	11.1	(412,495.00)	(117,587.96)
d) Travel		(1,751,242.63)	(2,735,386.42)
e) Player acquisition expenses	15.2.b	(3,208,286.73)	(3,416,307.81)
f) Other current management expenses		(7,283,305.68)	(7,264,343.85)
<b>8. Amortisation of fixed assets</b>		<b>(17,335,460.05)</b>	<b>(17,517,550.05)</b>
a) Amortisation of player acquisition rights	8 & 15.2.b	(15,407,650.91)	(15,576,955.52)
b) Other amortisation	5; 7.1 & 7.2	(1,927,809.14)	(1,940,594.53)
<b>9. Application of subsidies of non-financial fixed assets and others</b>	<b>19</b>	<b>1,245,115.80</b>	<b>1,245,115.80</b>
<b>11. Impairment and result of fixed asset sales</b>		<b>16,657,473.48</b>	<b>6,608,488.76</b>
b) Results from the sale of players	8 & 15.4.g	16,657,473.48	6,608,488.76
<b>13. Other results</b>	<b>15.4.e</b>	<b>552,477.72</b>	<b>449,410.79</b>
<b>A.1) OPERATING PROFIT</b>		<b>488,498.32</b>	<b>(13,307,643.15)</b>
<b>14. Financial income</b>	<b>15.4.f</b>	<b>97,194.45</b>	<b>236,739.61</b>
a) From stakes in equity instruments	15.4.a	42,364.79	43,700.00
a 1) In group and associated companies		42,364.79	43,700.00
b) From negotiable securities and other financial instruments		54,829.66	193,039.61
b 2) From third parties		54,829.66	193,039.61
<b>15. Financial expenses</b>	<b>15.4.f</b>	<b>(478,073.43)</b>	<b>(183,900.39)</b>
b) From debts with third parties		(478,073.43)	(183,900.39)
<b>16. Variation in fair value of financial instruments</b>	<b>15.4.f</b>	<b>(28,741.24)</b>	<b>0.00</b>
<b>17. Exchange differences</b>	<b>15.4.f &amp; 15.4.c</b>	<b>17,618.30</b>	<b>0.00</b>
<b>A.2) FINANCIAL PROFIT</b>		<b>(392,001.92)</b>	<b>52,839.22</b>
<b>A.3) PROFIT/(LOSS) BEFORE INCOME TAX</b>		<b>96,496.40</b>	<b>(13,254,803.93)</b>
<b>20. Income tax expense</b>	<b>14.3</b>	<b>35,503.42</b>	<b>3,782,520.08</b>
<b>A.4) FINANCIAL YEAR PROFIT FROM CONTINUING OPERATIONS</b>		<b>131,999.82</b>	<b>(9,472,283.85)</b>
<b>A.5) PROFIT/(LOSS) FOR THE PERIOD</b>	<b>3</b>	<b>131,999.82</b>	<b>(9,472,283.85)</b>

The restated annual accounts of the Company, which form a single unit, comprise these balance sheets, the profit and loss accounts, the statement of changes in net worth, the cashflow statements and the attached annual report.

**STATEMENT OF CHANGES IN EQUITY AT 30 JUNE 2022 AND 30 JUNE 2021**

<b>A) STATEMENT OF RECOGNISED INCOME AND EXPENSE</b>		<b>Note</b>	<b>30/06/2022</b>	<b>30/06/2021</b>
<b>A) PROFIT/(LOSS) FOR THE PERIOD</b>	<b>3</b>		<b>131,999.82</b>	<b>(9,472,283.85)</b>
Income and expense charged directly in equity:				
<b>B) TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>			<b>0.00</b>	<b>0.00</b>
Transfers to the profit and loss account				
X. Subsidies, donations and endowments received	19		(1,245,115.80)	(1,245,115.80)
XIII. Tax effect	14		311,278.92	311,278.92
<b>C) TOTAL AMOUNT TRANSFERRED TO THE INCOME STATEMENT</b>			<b>(933,836.88)</b>	<b>(933,836.88)</b>
<b>TOTAL RECOGNISED INCOME AND EXPENSE</b>			<b>(801,837.06)</b>	<b>(10,406,120.73)</b>

The restated annual accounts of the Company, which form a single unit, comprise these balance sheets, the profit and loss accounts, the statement of changes in net worth, the cashflow statements and the attached annual report.

# STATEMENT OF CHANGES IN EQUITY AT 30 JUNE 2022 AND 30 JUNE 2021

## B) STATEMENT OF CHANGES IN EQUITY

	Subscribed capital	Reserves	Results of past financial years	Profit/(loss) for the period	Subsidies, donations and endowments received	TOTAL
<b>A. BALANCE AT THE END OF THE 2019-2020 SEASON</b>	<b>3,770,210.00</b>	<b>72,578,026.02</b>	<b>0.00</b>	<b>9,679,687.36</b>	<b>13,073,716.35</b>	<b>99,101,639.73</b>
I. Adjustments due to change of criteria for the 2019-2020 season	0.00	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	0.00
<b>B. ADJUSTED BALANCE, START OF THE 2020-2021 SEASON</b>	<b>3,770,210.00</b>	<b>72,578,026.02</b>	<b>0.00</b>	<b>9,679,687.36</b>	<b>13,073,716.35</b>	<b>99,101,639.73</b>
I. Total recognised income and expense	0.00	0.00	0.00	(9,472,283.85)	(933,836.88)	(10,406,120.73)
II. Operations with shareholders or owners	0.00	0.00	0.00	0.00	0.00	0.00
III. Other changes in equity	0.00	9,679,687.36	0.00	(9,679,687.36)	0.00	0.00
1. Movement of the capitalisation reserve	0.00	0.00	0.00	0.00	0.00	0.00
2. Other variations	0.00	9,679,687.36	0.00	(9,679,687.36)	0.00	0.00
<b>C. BALANCE AT THE END OF THE 2020-2021 SEASON</b>	<b>3,770,210.00</b>	<b>82,257,713.38</b>	<b>0.00</b>	<b>(9,472,283.85)</b>	<b>12,139,879.47</b>	<b>88,695,519.00</b>
I. Adjustments due to change of criteria for the 2020-2021 season	0.00	0.00	0.00	0.00	0.00	0.00
II. Adjustments due to errors for the 2020-2021 season	0.00	0.00	0.00	0.00	0.00	0.00
<b>D. ADJUSTED BALANCE, START OF THE 2021-2022 SEASON</b>	<b>3,770,210.00</b>	<b>82,257,713.38</b>	<b>0.00</b>	<b>(9,472,283.85)</b>	<b>12,139,879.47</b>	<b>88,695,519.00</b>
I. Total recognised income and expense	0.00	0.00	0.00	131,999.82	(933,836.88)	(801,837.06)
II. Operations with shareholders or owners	0.00	0.00	0.00	0.00	0.00	0.00
III. Other changes in equity	0.00	0.00	(9,472,283.85)	9,472,283.85	0.00	0.00
1. Movement of the capitalisation reserve	0.00	0.00	0.00	0.00	0.00	0.00
2. Other variations	0.00	0.00	(9,472,283.85)	9,472,283.85	0.00	0.00
<b>E. BALANCE AT THE END OF THE 2021-2022 SEASON</b>	<b>3,770,210.00</b>	<b>82,257,713.38</b>	<b>(9,472,283.85)</b>	<b>131,999.82</b>	<b>11,206,042.59</b>	<b>87,893,681.94</b>

The restated annual accounts of the Company, which form a single unit, comprise these balance sheets, the profit and loss accounts, the statement of changes in net worth, the cashflow statements and the attached annual report.

**CASHFLOW STATEMENT AT 30 JUNE 2022 AND 30 JUNE 2021**

	Note	30/06/2022	30/06/2021
<b>A) Cashflows from Operating Activities</b>			
<b>1. Pre-tax profit for the financial year</b>		<b>96,496.40</b>	<b>(13,254,803.93)</b>
<b>2. Adjustments to results</b>		<b>15,127,519.26</b>	<b>16,283,802.13</b>
a) Depreciation of fixed assets (+)	5; 7.1; 7.2 & 8	17,335,460.05	17,517,550.05
b) Impairment adjustments (+/-)	11.1 & 12	335,147.65	234,202.71
c) Variation of provisions (+/-)	16	(252,194.17)	115,767.85
d) Allocation of subsidies (-)	19	(1,245,115.80)	(1,245,115.80)
e) Result of removals and transfers of fixed assets (+/-)		(1,426,657.45)	(5,400.00)
g) Financial income (-)		(97,194.45)	(236,739.61)
h) Financial expenditure (+)		478,073.43	183,900.69
i) Exchange rate differences (+/-)		0.00	(280,363.76)
<b>3. Changes in current capital</b>		<b>(6,318,631.19)</b>	<b>(26,362,260.59)</b>
a) Inventories (+/-)		177,001.54	(548,736.51)
b) Debtors and other accounts receivable (+/-)		1,524,348.57	3,850,208.48
c) Other current assets (+/-)		0.00	(54,487.89)
d) Creditors and other accounts payable (+/-)		(9,547,859.76)	(28,111,117.18)
e) Other current liabilities (+/-)		1,527,878.46	(1,472,440.49)
f) Other non-current assets and liabilities (+/-)		0.00	(25,687.00)
<b>4. Other cashflows from operating activities</b>		<b>(575,449.13)</b>	<b>(2,724,045.41)</b>
a) Payment of interest (-)		(478,073.43)	(183,900.69)
c) Receipt of interest (+)		97,194.45	236,739.61
d) Profit tax collections/(payments) (+/-)		(194,570.15)	(2,776,884.33)
<b>5. Cashflows from operating activities</b>		<b>8,329,935.34</b>	<b>(26,057,307.80)</b>
<b>B) Cashflows from investment activities</b>			
<b>6. Investment payments (-)</b>		<b>(9,500,519.52)</b>	<b>(12,937,720.82)</b>
a) Group and associated companies	11.1	(300,000.00)	0.00
b) Intangible fixed assets	7 & 8	(7,400,448.00)	(3,066,667.00)
c) Tangible fixed assets.	5	(1,699,883.67)	(9,863,385.82)
e) Other financial assets	11.1	(100,000.00)	(7,668.00)
h) Other assets		(187.85)	0.00
<b>7. Divestment receipts (+)</b>		<b>2,578,847.84</b>	<b>16,949,424.55</b>
a) Group and associated companies		3,933.75	0.00
b) Intangible fixed assets	8	574,914.09	870,000.00
e) Other financial assets		2,000,000.00	16,079,424.55
<b>8. Cashflows from investment activities</b>		<b>(6,921,671.68)</b>	<b>4,011,703.73</b>
<b>C) Cashflows from financing activities</b>			
<b>10. Collections and payments for financial liability instruments</b>		<b>26,931,658.51</b>	<b>3,870,327.22</b>
a) Issue		34,334,741.61	5,000,000.00
2. Debts with financial institutions (+).		0.00	5,000,000.00
5. Other debts (+).		34,334,741.61	0.00
b) Return and repayment of		(7,403,083.10)	(1,129,672.78)
2. Debts with financial institutions (-).		(7,115,642.93)	(1,129,672.78)
3. Debts with group and associated companies (-).	11.2	0.00	0.00
5. Other debts (-).		(287,440.17)	0.00
<b>12. Cashflows from financial activities</b>		<b>26,931,658.51</b>	<b>3,870,327.22</b>
<b>D) Impact of exchange rate variations</b>			
<b>E) Net increase/decrease of cash or equivalents</b>		<b>28,339,922.17</b>	<b>(18,175,276.85)</b>
Cash or equivalents at the start of the financial year	11.1	7,768,090.16	25,943,367.01
Cash or equivalents at the end of the financial year	11.1	36,108,012.33	7,768,090.16

The restated annual accounts of the Company, which form a single unit, comprise these balance sheets, the profit and loss accounts, the statement of changes in net worth, the cashflow statements and the attached annual report.

## REAL CLUB CELTA DE VIGO, S.A.D.

Report on the reformulated annual accounts corresponding to the financial year ending 30 June 2022. (in euros)

### I. ACTIVITY OF THE COMPANY.

#### I. Incorporation.

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 (note 4.1 and 4.2):

- Estadio Abanca Balaidos, the facility at which the first team plays.
- Estadio de Barreiro, the facility at which the reserve teams, Celta B and Celta C, play (note 1.3).
- A Madroa sports facilities and 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 10, 11.4 and 15.4.a).

## 2. Legal regime.

The Company is governed by its Articles of Association, the Sports Act (*Ley del Deporte 10/1990, de 15 de octubre*); Royal Decree 1251/1999 of 16 July, on Public Limited Sports Companies, Royal Legislative Decree 1/2010 which approved the Restated Text of the Spanish Companies Act (*Ley de Sociedades de Capital*), as well as subsequent laws that amended said act, the Commercial Code and other applicable legal provisions and 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, amended by Royal Decree 1/2021 of 12 January 2021 (which entered into force for financial years starting as of 01 January 2021). It is also subject to the terms of the Transparency, Public Information Access and Good Governance Act (*Ley 19/2013 de 9 de diciembre de Transparencia, Acceso a la Información Pública y Buen Gobierno*) and the decisions of the Higher Council for Sports and the National Professional Football League (LNFP).

## 3. Corporate object.

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 company corresponds to the participation in professional sports competitions, in the category of football. In the 2020/2021 Season, the first team played in the First Division National League Championship and in the King's Cup and the reserve team, Celta B, in Primera RFEF. Moreover, according to the affiliation agreement signed on 30 June 2021, the company sponsors the Gran Peña, C.F. 1<sup>st</sup> team in the Regional Preferente division, thus becoming a feeder club of Real Club Celta de Vigo, S.A.D., valid from the 2021/2022 season to the 2023/2024 season.

#### 4. Obligation to consolidate.

Real Club Celta de Vigo, S.A.D. is the dominant company of a corporate group comprised of:

- Investee company Afouteza e Corazón, S.L.U. which does not perform sporting activities (Note 11.4);
- Special purpose entity Fundación Celta de Vigo, whose main activity is the promotion of grassroots sports from the lower age-grades of RC Celta (note 15.4.a) and
- Galicia Sport 360, S.L.U., whose main activity is the execution, organisation and operation of leisure and entertainment activities (note 11.4).

According to the terms of Article 43.3 of the Commercial Code, the Company is exempt from the obligation to consolidate as it only holds stakes in dependent companies that do not have a significant interest, individual or on aggregate, for the true and fair picture of the wealth, financial situation and results of the group companies.

The members of the Board of Directors of the company have decided to formulate consolidated annual accounts, as of the 2019/2020 season, including Afouteza e Corazón, S.L.U. and Fundación Celta de Vigo within the consolidation perimeter. Since the 2021/2022 season, newly-created company Galicia Sport 360, S.L.U. is included.

Moreover, the company belongs to the corporate group of Grupo Corporativo Ges, in which the direct parent of the Company is Grupo Corporativo Ges, S.L., with company seat in Vigo (Calle Colón), and the end parent company of the group is Corporativo Ges España, S.A. de C.V.

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

The members of the Board of Directors formulate these annual accounts in accordance with the regulatory framework on financial reporting applicable to the company 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.
- Royal Decree 1/2021 of 12 January 2021 which amends the General Chart of Accounts approved by Legislative Royal Decree 1514/07, of 16 November, which approved the General Chart of Accounts, 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.
- 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 Annual Accounts for the season have been drawn up using the accounting records at 30 June 2022, having applied the legal provisions in force in relation to accounts indicated above, in order to provide a true and fair picture of the assets and the financial situation and results of the company, as well as of the veracity of the flows contained in the cashflow statement.

The annual accounts for the 2021/2022 season were drawn up by the members of the Board of Directors in a meeting held on 01 August 2022 for that purpose. On 16 September 2022 the Board of Directors of the company decided to restate the annual accounts of Real Club Celta de Vigo, S.A.D. at 30 June 2022.

There are no changes to the balance sheet, profit and loss account, statement of changes in net worth, cashflow statement or budget in the 2022/2023 season.



The restatement is purely due to Circular number 9 from the National Professional Football League (LNFP) in the 2022/2023 season, dated 12 September 2022, in relation to the “standardisation of the treatment of the impact of COVID-19 for the purposes of calculating the break-even point and the economic-financial ratios” affecting exclusively the calculation of the break-even point ratio according to the criteria of the LNFP, included in note 22.2 of this restated report and representing an increase of 8,641,364 euros in the break-even point ratio.

Consequently, note 20 on events subsequent to closing is updated to the restatement date.

Likewise, on 16 September 2022, the members of the Board of Directors decided to restate the consolidated annual accounts of Real Club Celta de Vigo, S.A.D. and of its Dependent Companies at 30 June 2022.

Both the restated annual accounts of Real Club Celta de Vigo, S.A.D. and the restated consolidated annual accounts of Real Club Celta de Vigo, S.A.D. and its Dependent Companies will be filed at the Pontevedra Commercial Registry, once approved by the General Meeting of Shareholders.

The annual accounts for the 2020/2021 season were approved by the Ordinary and Extraordinary General Meeting held on 18 December 2021.

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

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

These annual accounts have been reformulated on the assumption that the company’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 economy in general and on the company in particular. We believe that there are not significant kinds of risks that could entail significant changes in the value of assets and liabilities or in the continuation of the activity.

The reformulation of these annual accounts requires the use of certain estimations and judgements regarding the future by management 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 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 company 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 profit and loss statement.

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

Useful life of technical facilities and other fixed assets (Note 4.2 and 5):

The management of the company 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 4.1, 7.1 and 8):

The management of the company 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 8), at the end of the season the management of the company 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.

According to commercial legislation, for the purposes of comparison, together with each of the entries on the balance sheet, profit and loss account, statement of changes in net equity and cashflow statement for the 2021/2022 season, the members of the Board of Directors have presented the corresponding figures for the 2020/2021 season. Moreover, for the purposes of comparison with each of the entries of this report corresponding to the 2021/2022 season, the information for the preceding season is presented.

In January 2022, as a result of taking into consideration the difference between the deduction activated at 30 June 2021 and the final deduction (when the corporation tax was presented), together with the adjustment of the capitalisation reserve, the company restated the following balance sheet entries:

Balance Sheet heading	Restated Information 2020/2021 Season 30/06/2021	Information approved Annual Accounts 30/06/2021
ASSETS B) III.6 Deferred tax assets	2,002,909.07	1,941,479.19
EQUITY AND LIABILITIES A.1) VII. Results of the financial year	(9,472,283.85)	(9,533,713.73)
EQUITY AND LIABILITIES A.1) III.2. Other reserves	77,168,551.31	73,182,197.24
EQUITY AND LIABILITIES A.1) III.3. Capitalisation reserve	4,335,120.07	8,321,474.14

In addition, in accordance with LaLiga's criterion as regards the reflection of the amounts corresponding to revenue from audiovisual rights, the company has decided to follow the same criterion as LaLiga by charging the gross amounts under heading I.c Net Amount of the Turnover and the amounts to be deducted from this income under heading 7.f Other Operating Expenses. These expenses correspond to the obligations associated with the compensation fund for downstream equipment, the RFEF, the promotion of the LaLiga brand in national and international markets, the CSD and the ability to cover the costs of public systems, for aid to women's football, associations and trade unions. These amounts currently amount to 9% of audiovisual revenue. As a result, the company has restated the following profit and loss account items:

Income Statement	Restated Information 2020/2021 Season 30/06/2021	Information approved Annual Accounts 30/06/2021
I. Revenue	66,379,791.86	61,592,151.86
c) Broadcast income	53,691,288.43	48,903,648.43
7. Other operating expenses	(18,088,957.41)	(13,301,317.41)
f) Other current management expenses	(7,264,343.85)	(2,476,703.85)

#### 4. Changes in accounting criteria.

On 30 January 2021 the Official State Gazette published Royal Decree 1/2021, of 12 January, amending the General Chart of Accounts approved by Royal Decree 1514/2007, of 16 November; the General

Chart of Accounts for Small and Medium-Sized Companies and for the drawing up of Consolidated Annual Accounts.

As a result of this, the First Transitional Provision of Royal Decree 1/2021 establishes that the annual accounts corresponding to the first financial year starting as of 01 January 2021 will be presented including comparative information, but it will not be obligatory to state the comparative information of the previous year again. The company has opted not to restate the comparative figures and to apply the new criteria using 01 July 2021 as the transition date.

The main changes in the Royal Decree affect: financial instruments, income from sales and services, stock and foreign currency.

### 3. APPLICATION OF RESULTS.

The proposal from the members of the Board of Directors for the application of the results of the 2021/2022 season, and for the distribution of the results from the 2020/2021 season, approved by the General Meeting of Shareholders, is as follows:

Application of results	Amount at 30/06/2022	Restated Information 2020/2021 Season 30/06/2021	Information approved Annual Accounts 30/06/2021
<b>Distribution basis</b>			
<b>Balance of the profit and loss account</b>	131,999.82	(9,472,283.85)	(9,533,713.73)
	<b>131,999.82</b>	<b>(9,472,283.85)</b>	<b>(9,533,713.73)</b>
<b>Application</b>			
<b>To prior periods' losses</b>	131,999.82	(9,472,283.85)	(9,533,713.73)
	<b>131,999.82</b>	<b>(9,472,283.85)</b>	<b>(9,533,713.73)</b>

The distribution envisaged in the allocation of results from the financial year meets the requirements and restrictions established in the Articles of Association and in the legal regulations.

There are no restrictions on the distribution of dividends.

## 4. REGISTRATION AND VALUATION RULES.

The members of the Board of Directors hereby set out the accounting criteria applied in relation to the items applicable to the company, for the formulation of these annual accounts:

### 1. 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 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 RC Celta 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 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 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.

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 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 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

- The computer applications that meet the identifiability criterion are included in the assets, whether acquired from third parties or developed by the company itself.

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

- 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. They are fully depreciated.

## 2. 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.

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

The company's building situated on Calle del Príncipe (known as A Sede) (note 1.1), is measured 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 (following refurbishment of the property).

The construction of Ciudad Deportiva Afouteza, located in Mos, is valued at cost, which is 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 are 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 company 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 company assesses the net book value of its fixed assets in order to ascertain whether there are losses due to impairment of the assets.

### 3. Leases.

The company does not have any financial leasing agreements.

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

The income derived from the operating lease agreements, for the facilities at A Sede (note 1.1) with dependent companies Afouteza e Corazón, S.L.U. and Galicia Sport 360, S.L.U. are recorded using the accrual method, that is, when there is an actual flow of the services that they represent.

All the information on operating leases is supplied in note 10 of this report.

### 4. 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 the date of each balance sheet in case the losses have been reversed.

### 5. Financial Assets.

The company's financial assets 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, 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 profit and loss account.

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

## 6. Financial liabilities.

Financial liabilities include debt with financial institutions (cancelled in the 2021/2022 season), as well as debt from the participating financing between LaLiga and the clubs (note 11.2) and the debt derived from debits due to commercial or non-commercial transactions for the purchase of goods and services by the company (sporting goods and equipment) and for the acquisition/loan of players, measured at fair value, which is the price of the transaction, plus attributable expenses.

Financial liabilities will be retired when the obligation has expired.

## 7. 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 sports material.

Company management checks whether the sporting goods and equipment has suffered a loss due to impairment, according to the accounting policy on stock.

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

## 8. Foreign currency transactions.

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

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

## 9. Tax on profits.

The expense (payment) due to the tax on profits comprises the part corresponding to the expense (payment) for the current tax and the part corresponding to the expense (payment) for deferred tax.

The expenses (payment) for current and deferred tax are both recorded in the profit and loss account. However, the tax effect related to items recorded directly in net equity is recognised in net equity.

Assets and liabilities for current tax will be measured at the amount it is expected will be paid to or recovered from the tax authorities, according to the rules in force or approved and pending publication at the closing date of the season.

In accordance with the principle of prudence, deferred tax assets will only be recognised insofar as it is probable that the company will have future tax earnings that make it possible to apply these assets. In any event, it will be considered that this circumstance exists when the tax legislation contemplates the possibility of the future conversion of deferred tax assets into a credit against the tax authorities, for the assets eligible for conversion. Deferred tax assets will not be recognised when the deductible time difference has arisen due to the initial recognition of an asset or liability in a transaction that is not a combination of businesses and moreover, on the date of the transaction, was not linked to either the accounting result or the taxable base of the tax. Moreover, subsequent changes to the deferred tax asset will not be recognised unless initially recorded (for example, as the fixed asset is amortised).

In general, a deferred tax liability will be recognised for all applicable time differences, unless arising from:

- a) The initial recognition of goodwill.

- b) The initial recognition of an asset or liability in a transaction that is not a combination of businesses and moreover, on the date the operation was carried out, not linked to either the accounting result or the taxable base of the tax. Moreover, subsequent changes to the deferred tax liability will not be recognised unless initially recorded (for example, as the fixed asset is amortised).

Deferred tax assets and liabilities will be measured according to the rates expected at the time of reversal, according to the regulations in force or approved and pending publication at close of season, and according to the form in which it is rationally expected the asset or liability will be recovered or paid.

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 company 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.

The Company pays tax under the Tax Consolidation Regime, being the head of the Tax Group for Corporation Tax purposes. The application of the Tax Consolidation Regime, regulated in Chapter VI of Title VII of the Corporation Tax Act (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*), implies determining jointly the tax results of the Group and the deductions and discounts to the quota, distributing the tax burden in the manner agreed by all the companies belonging to the Tax Group, respecting the terms of the ICAC Resolution of 9 February 2016, by virtue of which each company belonging to the Tax Group will quantify the Corporate Tax that corresponded to it under the individual declaration regime, corrected in accordance with the Tax Consolidation Regime.

## 10. Income and expenditure.

Income and expenditure are recorded when the transfer of control of goods and services committed to clients takes place. At that moment, the income is valued at the amount set out in the consideration to which it expects to be entitled and that they represent.

The company's main income is comprised of:

- **Income from competitions** (note 15.1), sporting acts recognised when League, King's Cup, UEFA, friendlies or other matches are played.
- **Income from season-ticket holders and members** (note 15.1), 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 11.2).
- **Income from broadcasts** (note 15.1), this refers to the audio-visual rights assigned for the broadcast of matches.
- **Income from advertising** (note 15.1) 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 15.1), including sales of sporting goods and equipment in the official RC Celta stores and the sale of shirts in the season ticket holder campaign,
- **Ancillary 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 10 and 15.4.b) and
- **Income from the sale of players** (notes 8 and 15.4.g).

As for the interest from the participating loan between LaLiga and the clubs (note 11.2), as it is directly linked to the broadcast income, as such, it must be correlated to the evolution of such income and not the outstanding capital of the financial received. The company records the expenses invoiced for this amount by LaLiga in each season, so that the financial expense of the participating financing, recorded in the profit and loss account of each of the seasons will be 1.52% of the broadcast income corresponding to each of the seasons.

## 11. 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 company includes losses at the time of the claim and income at the time it receives payment.

## 12. 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 15.2.b. of this 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 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 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 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** (note 15.2.a). A distinction is made between:
  - Technical non-playing staff: this includes the director of football, technical secretary, doctors, delegate, physiotherapists and kitmen.
  - Other non-playing staff, this includes the rest of staff linked to the company by means of a contract of employment, including area managers, administrative staff, staff responsible for marketing and communication, stores, commercial duties and ground maintenance.

### 13. Provisions and contingent liabilities.

Provisions for restructuring costs and lawsuits are recognised when the company 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 company's control. These contingent liabilities are not recorded in the accounts, but the details thereof are supplied in the report.

#### 14. Subsidies, donations and endowments.

In the case of rights of use obtained free of charge, as mentioned in note 4.1 of this report, they are generally recognised as income directly attributed to 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.

#### 15. Criteria used in related-party transactions

In general, 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 notes 15.4.a and 21 of this report.

### 5. TANGIBLE FIXED ASSETS.

#### 1. Analysis of movements.

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

2021/2022 SEASON				
	Land and buildings	Technical installations and other tangible fixed assets	Fixed assets under construction and advances	Total
COST				
Initial balance	10,849,109.88	5,428,891.34	11,652,131.34	27,930,132.56
Inclusions	0.00	320,187.07	1,379,696.60	1,699,883.67
Removals	0.00	0.00	0.00	0.00
Transfers	12,182,722.50	516,000.04	(12,698,722.54)	0.00
Final balance	23,031,832.38	6,265,078.45	333,105.40	29,630,016.23
ACCUMULATED DEPRECIATION				
Initial balance	(551,803.74)	(3,206,737.56)	0.00	(3,758,541.30)
Inclusions	(168,359.81)	(467,361.81)	0.00	(635,721.62)
Removals	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00
Final balance	(720,163.55)	(3,674,099.37)	0.00	(4,394,262.92)
NET BOOK VALUE				
Initial	10,297,306.14	2,222,153.78	11,652,131.34	24,171,591.26
Final	22,311,668.83	2,590,979.08	333,105.40	25,235,753.31

2020/2021 SEASON				
	Land and buildings	Technical installations and other tangible fixed assets	Fixed assets under construction and advances	Total
COST				
Initial balance	10,849,109.88	4,689,283.18	2,686,514.52	18,224,907.58
Inclusions	0.00	874,608.16	8,965,616.82	9,840,224.98
Removals	0.00	-135,000.00	0.00	-135,000.00
Transfers	0.00	0.00	0.00	0.00
Final balance	10,849,109.88	5,428,891.34	11,652,131.34	27,930,132.56
ACCUMULATED DEPRECIATION				
Initial balance	-388,307.09	-2,758,348.85	0.00	-3,146,655.94
Inclusions	-163,496.65	-486,008.71	0.00	-649,505.36
Removals	0.00	37,620.00	0.00	37,620.00
Transfers	0.00	0.00	0.00	0.00
Final balance	-551,803.74	-3,206,737.56	0.00	-3,758,541.30
NET BOOK VALUE				
Initial	10,460,802.79	1,930,934.33	2,686,514.52	15,078,251.64
Final	10,297,306.14	2,222,153.78	11,652,131.34	24,171,591.26



In the 2021/2022 season, the additions correspond essentially to the works on the Abanca Balaídos Stadium related to the relocation of the TV broadcast cameras in the main stand.

In the 2021/2021 season, most significant additions of real estate corresponded to real estate under construction at the works on the Ciudad Deportiva Afouteza, as well as the LED lighting for Balaídos stadium for the amount of 667,520.89 euros, acquisitions of IT equipment and technical installations.

Removals of tangible fixed assets corresponded to the sale of the “A Canteira” minibus to Fundación Celta de Vigo.

## 2. Other information.

The company 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 in the Group companies (at 30 June 2021 there were not investments in tangible fixed assets acquired from group companies for the amount of 7,187.44 euros).

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

The company has not capitalised financial expenses.

The company 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:

ASSETS FULLY DEPRECIATED	At 30/06/2022
Technical facilities	387,570.56
Machinery	421,336.55
Furniture	520,194.23
Information processing equipment	635,644.31
Transport elements	62,455.93
<b>Total Fully Depreciated Assets</b>	<b>2,027,201.58</b>

The company does not have any assets being used as collateral. At 30 June 2021, the company's building on Calle del Príncipe was mortgaged, with the amount of the debt with a mortgage guarantee totalling 2,115,642.93 euros (note 11.2).

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

The company 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.

This season, the company received 28,318.18 euros as a subsidy for a heat pump at the Ciudad Deportiva Afouteza, related to a renewable thermal energy project (note 19). The company has not received donations in relation to tangible fixed assets.

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

The company has taken out insurance policies that cover the sports facilities and the museum of sporting art.

The company has leases and other operations of a similar nature over tangible fixed assets whose information is supplied in note 10 of this report.

In the case of real estate, the value of the land totalled 2,784,205.40 euros and that of buildings 20,247,626.98 euros (at 30 June 2021, the amount of buildings was 8,064,904.48 euros).

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

The company 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 profit and loss account.

## **7. INTANGIBLE FIXED ASSETS.**

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

2021/2022 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	-15,023,567.41	<b>-19,048,065.66</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	-16,283,854.38	<b>-20,308,352.63</b>
NET BOOK VALUE				
<b>Initial</b>	0.00	0.00	16,256,040.68	<b>16,256,040.68</b>
<b>Final</b>	0.00	0.00	14,995,753.70	<b>14,995,753.70</b>

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

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				
<b>Initial</b>	0.00	0.00	17,516,327.65	<b>17,516,327.65</b>
<b>Final</b>	0.00	0.00	16,256,040.68	<b>16,256,040.68</b>

1. 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 works carried out on sports facilities in order to adapt them to the regulations on safety and prevention for sporting events.
3. The **rights over assets assigned for use** are derived from:
  - a) formalisation of the agreement dated 30 January 2009, between the company and Vigo City Council in relation to the facilities we use in Balaídos, Barreiro and A Madroa, as indicated in note 19 of this 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 company on the basis of 25-year term (Note 4.1).

The net asset value, at 30 June 2022, amounted to 14,941,390.32 euros (at 30 June 2021, it was 16,186,506.18 euros).

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

The net asset value, at 30 June 2022, amounted to 54,363.38 euros (at 30 June 2021, it was 69,534.50 euros).

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

The amount of the assets fully amortised is supplied below:

<b>Assets fully amortised</b>	<b>At 30/06/2022</b>	<b>At 30/06/2021</b>
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:

2021/2022 SEASON				
	Transfer rights	IT Applications	Other prepaid intangible fixed assets	Total
COST				
Initial balance	30,050.61	238,481.52	0.00	268,532.13
Inclusions	0.00	448.00	0.00	448.00
Removals	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00
Final balance	30,050.61	238,929.52	0.00	268,980.13
ACCUMULATED AMORTISATION				
Initial balance	-30,050.61	-164,882.42	0.00	-194,933.03
Inclusions	0.00	-31,800.54	0.00	-31,800.54
Removals	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00
Final balance	-30,050.61	-196,682.96	0.00	-226,733.57
NET BOOK VALUE				
Initial	0.00	73,599.10	0.00	73,599.10
Final	0.00	42,246.56	0.00	42,246.56

2020/2021 SEASON				
	Transfer rights	IT Applications	Other prepaid intangible fixed assets	Total
COST				
Initial balance	30,050.61	218,746.52	0.00	248,797.13
Inclusions	0.00	19,735.00	0.00	19,735.00
Removals	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00
Final balance	30,050.61	238,481.52	0.00	268,532.13
ACCUMULATED AMORTISATION				
Initial balance	-30,050.61	-134,080.22	0.00	-164,130.83
Inclusions	0.00	-30,802.20	0.00	-30,802.20
Removals	0.00	0.00	0.00	0.00
Transfers	0.00	0.00	0.00	0.00
Final balance	-30,050.61	-164,882.42	0.00	-194,933.03
NET BOOK VALUE				
Initial	0.00	84,666.30	0.00	84,666.30
Final	0.00	73,599.10	0.00	73,599.10

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

Fully amortised assets	At 30/06/2022	At 30/06/2021
Transfer rights	30,050.61	30,050.61
IT applications	74,692.15	74,692.15
<b>Total Assets Fully Amortised</b>	<b>104,742.76</b>	<b>104,742.76</b>

## 8. PLAYER ACQUISITION RIGHTS.

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

PLAYER ACQUISITION RIGHTS		
	2021/2022 Season	2020/2021 Season
<b>COST</b>		
Initial balance	82,715,000.00	90,605,000.00
Inclusions	11,775,000.00	4,400,000.00
Removals	-7,500,000.00	-12,290,000.00
Transfers	0.00	0.00
Final balance	<b>86,990,000.00</b>	<b>82,715,000.00</b>
<b>ACCUMULATED AMORTISATION</b>		
Initial balance	-42,036,908.53	-36,435,316.77
Inclusions	-15,407,650.91	-15,574,038.86
Removals	5,926,657.45	9,972,447.10
Transfers	0.00	0.00
Final balance	<b>-51,517,901.99</b>	<b>-42,036,908.53</b>
<b>NET BOOK VALUE</b>		
Initial	<b>40,678,091.47</b>	<b>54,169,683.23</b>
Final	<b>35,472,098.01</b>	<b>40,678,091.47</b>

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

<b>Inclusion of player acquisition rights</b>	<b>Acquisition price</b>	<b>Agency and intermediation fees</b>	<b>Total player acquisition rights</b>
Inclusion of player acquisition rights at <b>30/06/2021</b> (aggregate)	3,500,000.00	900,000.00	<b>4,400,000.00</b>
Inclusion of player acquisition rights at <b>30/06/2022</b> (aggregate)	10,275,000.00	1,500,000.00	<b>11,775,000.00</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 2021, it was approximately 5 seasons).

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

<b>Removal of player acquisition rights</b>	<b>Removal cost</b>	<b>Removal accumulated amortisation</b>	<b>Profit removal players</b>	<b>Profits arising from the removal of players</b>
Removal of player acquisition rights at <b>30/06/2021</b> (aggregate)	12,290,000.00	9,972,447.10	0.00	<b>7,419,237.85</b>
Removal of player acquisition rights at <b>30/06/2020</b> (aggregate)	7,500,000.00	5,926,657.45	0.00	<b>16,657,473.48</b>

The results from the transfer of players in the 2021/2022 season was 16,657,473.48 euros (in the 2020/2021 season it was 6,608,488.76 euros derived from losses from players' loss) (note 15.4.g).

A 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 2021/2022	Acquisition rights players eligible for registration LNFP	Acquisition rights players not eligible for registration LNFP	Total
<b>COST</b>			
Initial balance	79,915,000.00	2,800,000.00	<b>82,715,000.00</b>
Inclusions	11,500,000.00	275,000.00	<b>11,775,000.00</b>
Removals	-7,500,000.00	0.00	<b>-7,500,000.00</b>
Transfers	2,800,000.00	-2,800,000.00	<b>0.00</b>
Final balance	86,715,000.00	275,000.00	<b>86,990,000.00</b>
<b>ACCUMULATED AMORTISATION</b>			
Initial balance	-41,476,908.53	-560,000.00	<b>-42,036,908.53</b>
Inclusions	-15,338,900.87	-68,750.04	<b>-15,407,650.91</b>
Removals	5,926,657.45	0.00	<b>5,926,657.45</b>
Transfers	-560,000.04	560,000.04	<b>0.00</b>
Final balance	-51,449,151.95	-68,750.04	<b>51,517,901.99</b>
<b>NET BOOK VALUE</b>			
<b>Initial</b>	38,438,091.47	2,240,000.00	<b>40,678,091.47</b>
<b>Final</b>	35,265,848.05	206,249.96	<b>35,472,098.00</b>

Breakdown player acquisition rights 2020/2021	Acquisition rights players eligible for registration LNFP	Acquisition rights players 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>



## 9. IMAGE RIGHTS OF PLAYERS AND MANAGERS.

Neither in the 2021/2022 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.

## 10. LEASES AND SIMILAR OPERATIONS.

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

### 1. Operating leases as lessee

The amount of the leases and canons recorded under this heading in the profit and loss account, external services, totals 182,908.71 euros (on 30 June 2021 it was 178,771.29 euros) corresponding essentially to:

- **Lease of facilities for the Ciudad Deportiva Afouteza** for the amount of 150,000.00 euros (on 30 June 2021 it was 150,000.00 euros).

On 18 January 2018, an agreement was signed between the Communal Land Association of the Parish of Pereiras (Mos) and the 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 complex by Real Club Celta de Vigo, S.A.D.

A disposal contract (assignment, right of area or lease) for a period of 30 years is also the subject of this agreement.

The superficiary could withdraw from the contract in advance, provided that, two months before the end of the calendar year, it announces this will to the community. It can only be exercised once you have paid the first two years of the contract.

The company has paid the Communal Land Association a fee of 1 €/m<sup>2</sup> plus VAT since 18 January 2020. This fee is paid half-yearly in advance.

The amount of the investment in said land totals 13,039,228.16 euros at 30 June 2022.

- **Lease of 23 parking spaces** from dependent company, Afouteza e Corazón, S.L.U. for the amount of 21,622.02 euros (20,941.44 euros at 30 June 2021).
- **Other leases** totalling 11,286.69 euros, of which details are not provided as they are not significant expenses (they totalled 7,829.85 euros at 30 June 2021).

## 2. Operating leases as lessor.

The amount of lease income recorded under the heading in the profit and loss account, accessory and other current management income is 268,340.20 euros (274,194.06 euros at 30 June 2021) (note 15.4.b), corresponding essentially to:

- **The lease of certain parts of the A Sede building** (mezzanine, first, third and sixth floors) (note 1.1) to dependent company, Afouteza e Corazón, S.L.U., for an amount of 236,674.80 euros (268,794.06 euros at 30 June 2021)
- **Lease of space** to dependent company Galicia Sport 360, S.L.U. for the amount of 2,280.00 euros; and
- The rest corresponds essentially to the **lease of spaces for aerials**.

According to the terms of note 4.15, all leases are valued at market rates. The market value of the leases is revised and updated regularly.

## II. FINANCIAL INSTRUMENTS.

### I. Financial Assets.

#### Non-current financial assets.

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

Description	Amount S 2021/2022	Amount S 2020/2021
Intangible fixed assets (note 7.1 and 8)	50,467,851.71	56,934,132.15
Other intangible fixed assets (note 7.2)	42,246.56	73,599.10
Tangible fixed assets (note 5)	25,235,753.31	24,171,591.26
Equity instruments (note 11.4)	600,000.00	500,000.00
Loans to group companies	300,000.00	300,000.00
Other long-term financial assets	32,677.80	32,677.80
Deferred tax assets (note 14.4)	1,795,709.66	1,219,380.63
Non-current trade debtors	13,019,394.42	8,930,671.60
<b>Total Non-Current Assets</b>	<b>91,493,633.46</b>	<b>92,162,052.54</b>

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

Description	Amount S 2021/2022	Amount S 2020/2021
Loans to group companies (1)	300,000.00	300,000.00
Other long-term financial assets (2)	32,677.80	32,677.80
Non-current trade debtors (3)	13,019,394.42	8,930,671.60
<b>Total Non-Current Financial Assets</b>	<b>13,352,072.22</b>	<b>9,263,349.40</b>

- (1) Long-term loans to group companies corresponds entirely to two participating loans (for the amount of 200,000.00 euros and 100,000.00 euros, respectively) with group company, Afouteza e Corazón, S.L.U. (same situation in the previous financial year).

Both participating loans mature on 31 December 2024. There is a fixed rate of interest of 1.90% per annum and variable rate of interest linked to pre-tax profits (0.2% of such profits).

- (2) Long-term deposits and guarantees amounting to 32,677.80 euros, of which 3,421.48 euros corresponds to the deposit for the lease of parking spaces to Afouteza e Corazón, S.L.U.
- (3) 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:

2021/2022 S	2023/24	2024/25	2025/26
Sports entities, debtors	4,425,839.42	3,843,555.00	4,750,000.00
<b>Total</b>	<b>4,425,839.42</b>	<b>3,843,555.00</b>	<b>4,750,000.00</b>

2020/2021 S	2022/23	2023/24	2024/25
Sports entities, debtors	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 **current assets** is set out in the following table:

Description	Amount S 2021/2022	Amount S 2020/2021
Stock (note 12)	387,963.49	487,617.68
Season ticket holders' and members' quotas	122,546.54	11,424.90
Debtor group entities	1,153,788.17	450,037.79
Debtor sports entities	20,651,053.44	23,138,424.44
Miscellaneous debtors	2,528,810.43	3,908,533.90
Staff	138,672.60	205,100.00
Current tax assets (note 14)	215,264.00	2,002,909.07
Other credits with the Public Administrations (note 14)	2,002,909.07	0.00
Loans to group companies	2,293,083.46	2,000,000.00
Other financial assets	100,180.30	2,000,180.30
Accruals	161,408.82	1,167,853.73
Cash and banks	36,108,012.33	7,768,090.16
<b>Total other short-term financial assets</b>	<b>65,863,692.65</b>	<b>43,140,171.97</b>

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

Description	Amount S 2021/2022	Amount S 2020/2021
Season ticket holders' and members' quotas	122,546.54	11,424.90
Debtor group entities (1)	1,153,788.17	450,037.79
Debtor sports entities (2)	20,651,053.44	23,138,424.44
Miscellaneous debtors (3)	2,528,810.43	3,908,533.90
Staff	138,672.60	205,100.00
Loans to group companies (4)	2,293,083.46	2,000,000.00
Other financial assets (5)	100,180.30	2,000,180.30
Cash and banks (6)	36,108,012.33	7,768,090.16
<b>Total Current Financial Assets</b>	<b>63,096,147.27</b>	<b>39,481,791.49</b>

(1) The amount appearing in group entities, debtors, corresponds to:

- a. dependent company Afouteza e Corazón, S.L.U., for an amount of 510,213.16 euros (442,936.69 euros at 30 June 2021) (note 15.4.a);
- b. Fundación Celta de Vigo, for the amount of 640,816.21 euros (7,101.10 euros at 30 June 2021) (note 15.4.a); and
- c. dependent company Galicia Sport, S.L.U. for the amount of 2,758.80 euros.

(2) 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 18,550,594.42 euros (at 30 June 2021 it amounted to 22,159,820.27 euros);
- b. Credit right against Federations for the amount of 0.00 euros (at 30 June 2021 it totalled 63,876.86 euros); and
- c. Credit right against the LNFP for the amount of 2,100,459.02 euros (at 30 June 2021 it totalled 914,727.31 euros).

(3) The amount appearing in miscellaneous debtors corresponds essentially to collection rights from different collaboration and static advertising right exploitation agreements in accordance with the agreements signed.

- (4) A loan, granted on 26 September 2019, to the company Grupo Corporativo Ges, S.L., for the amount of 2,293,083.46 euros maturing on 31 May 2023 and a fixed interest rate of 1.90% (at 30 June 2021 the amount was 2,000,000.00 euros).
- (5) Other financial assets includes a 100,000-euro deposit with the RFEF to cover any economic obligations arising as a result of the participation of Celta B in the Primera RFEF competition. The deposit is returned by the RFEF in July 2022.
- (6) Cash and banks includes a term deposit of 175,000 dollars maturing on 26 July 2022 (at 30 June 2021 5,000,000.00 euros was included in fixed-term deposits, maturing on 25 July 2021).

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

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

	Amount
<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>
Impairment	737,495.00
Application of impairment	-325,000.00
<b>At 30/06/2022</b>	<b>5,055,508.29</b>

Neither at 30 June 2022 nor in the previous season were any amounts retired as uncollectable.

The company does not have hedge accounting.

The company 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 **non-current liabilities** is set out in the following table:

Description	Amount S 2021/2022	Amount S 2020/2021
Long-term provisions (note 16)	590,919.22	590,919.22
Long-term debts with financial institutions	0.00	5,971,326.98
Debts with sports entities	2,351,650.69	8,669,166.00
Debts related to the acquisition of players	475,000.00	230,000.00
Other financial liabilities	20,274.00	20,274.00
Other financial liabilities (CVC Funds –LaLiga Impulso)	32,997,751.57	0.00
Deferred tax liabilities	8,567,180.43	8,337,633.74
<b>Total non-current liabilities</b>	<b>45,002,775.91</b>	<b>23,819,319.94</b>

The information on **long-term financial liabilities** is supplied in the following table:

Description	Amount S 2021/2022	Amount S 2020/2021
Long-term debts with financial institutions (1)	0.00	5,971,326.98
Debts with sports entities (2)	2,351,650.69	8,669,166.00
Debts related to the acquisition of players (2)	475,000.00	230,000.00
Other financial liabilities (3)	20,274.00	20,274.00
Other financial liabilities (CVC Funds –LaLiga Impulso)	32,997,751.57	0.00
Deferred tax liabilities	<b>35,844,676.26</b>	<b>14,890,766.98</b>

- (1) In the 2021/2022 season the financial debt derived from the participating financial agreement between LaLiga and the company was cancelled, as mentioned in this report. In the 2020/2021 season, it corresponded to three loans, two of which were mortgage loans, with a mortgage guarantee over the company's building situated on calle del Príncipe (Vigo). The following table sets out the characteristics of the loans:

Description			S 2020/2021	
Guarantee	Capital	Maturity	Short-term debt	Long-term debt
Mortgage (1)	2,750,000.00	01/07/2025	275,000.04	824,999.72
Mortgage 2 (a)	3,400,000.00	30/08/2022	869,315.91	146,327.26
ICO Loan (b)	5,000,000.00	30/06/2026	0.00	5,000,000.00
<b>Total</b>	<b>11,150,000.00</b>		<b>1,144,315.95</b>	<b>5,971,326.98</b>

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

(b) Loan with a two-year grace period.

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

Loan Maturities at 30 June 2021						
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
<b>Total</b>	<b>1,144,315.95</b>	<b>1,638,732.35</b>	<b>1,513,881.39</b>	<b>1,535,736.18</b>	<b>1,282,977.06</b>	<b>7,115,642.93</b>

(2) The debt with sports entities worth 2,351,650.69 euros (at 30 June 2021 the figure was 8,669,166.00 euros) corresponds to:

- Player acquisition debt worth 2,250,000.00 euros (at 30 June 2021 the figure was 7,391,666.00 euros),
- Contingent liability debt derived from the sale of players worth 0.00 euros (at 30 June 2021 the figure was 1,277,500.00 euros), and
- Training expense and solidarity debt worth 101,650.69 euros (at 30 June 2021 the figure was 0.00 euros).

The debt related to player acquisitions was 475,000.00 euros (at 30 June 2021 the figure was 230,000.00 euros) corresponding to debt with agents.

The maturity of the debt related to sports entities and the acquisition of players is set out in the following tables:



Maturity of debt related to sports entities and the acquisition of players at 30 June 2022			
	2023/24	2024/25	Total
Sports entities	1,175,825.35	1,175,825.36	2,351,650.69
Player acquisitions	425,000.00	50,000.00	475,000.00
<b>Total</b>	<b>1,600,825.35</b>	<b>1,225,825.36</b>	<b>2,826,650.69</b>

Maturity of debt related to sports entities and the acquisition of players at 30 June 2021			
	2022/23	2023/24	Total
Sports entities	8,669,166.00	0.00	8,669,166.00
Player acquisitions	205,000.00	25,000.00	230,000.00
<b>Total</b>	<b>8,874,166.00</b>	<b>25,000.00</b>	<b>8,899,166.00</b>

- (3) The amount of other financial liabilities, corresponds mainly to the deposits for the lease of certain spaces in the A Sede building to dependent company Afouteza y Corazón, S.L.U. (note 10).
- (4) This corresponds to a participating financing agreement between LaLiga and the clubs, known as CVC Funds –LaLiga Impulso. The amount granted to the company was 86,641,012.34 euros, the drawdowns of the same will take place in the 2021/2022 season and the 2023/2024 season. The amount drawn in the 2021/2022 season was 34,334,741.61 euros.

According to the development plan, the funds will be used for:

- a. Investment necessary for growth: strengthening infrastructures (stadiums and/or sports facilities), technological innovation and reduction of financing by 70%.
- b. Cancellation and/or refinancing of existing financial debt at the moment of approval of the Plan (max. 15%).
- c. Registration of players (max. 15%), with the following conditions, among others:
  - i. Maximum season cost of the registration of players distributed over the 2021/2022 and 2023/2024 seasons, equivalent in the aggregate of those seasons to 15% financing.

- ii. The increase will apply whether or not the club has already exceeded its playing staff cost limit.

The most significant characteristics of the participating financing are:

- Variable interest rate of 1.52% of income from operation and marketing of broadcast rights.
- No early repayments will be made without the prior, written consent of LaLiga.

Maturity in the following five years, at 30 June 2022, of the total amount granted (86,641,012.34 euros) is detailed in the following table, taking into account the capital amortized in the 2021/2022 season:

Maturity at 30 June 2022						
	2022/23	2023/24	2024/25	2025/26	2026/27	Total
CVC Funds –LaLiga Impulso	1,049,549.87	1,570,164.73	2,116,002.17	2,116,002.17	79,501,853.23	86,353,572.17
<b>Total</b>	<b>1,049,549.87</b>	<b>1,570,164.73</b>	<b>2,116,002.17</b>	<b>2,116,002.17</b>	<b>79,501,853.23</b>	<b>86,353,572.17</b>

#### Current financial liabilities.

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

Description	Amount S 2021/2022	Amount S 2020/2021
Short-term provisions (note 16)	0.00	252,194.17
Short-term debt with financial institutions	0.00	1,144,315.95
Other short-term financial liabilities	2,250,399.83	606,002.19
Short-term debts with group and associated companies	63,570.03	38,942.43
Debts from purchases and services	3,295,153.41	3,378,523.43
Debts with sports entities	12,447,474.05	11,030,326.53
Outstanding remuneration	398,912.81	1,174,061.93
Other debts with public administrations (note 14)	5,256,857.70	4,915,830.53
Advances to clients	39,963.80	247,188.41
Short-term accruals/deferrals	708,536.63	0.00
<b>Total Current Liabilities</b>	<b>24,460,868.26</b>	<b>22,787,385.57</b>

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

Description	Amount S 2021/2022	Amount S 2020/2021
Short-term debt with financial institutions (1)	0.00	1,144,315.95
Other short-term financial liabilities (2)	1,200,849.96	606,002.19
Other short-term financial liabilities (CVC Funds –LaLiga Impulso) (3)	1,049,549.87	0.00
Debts with group and associated companies (4)	63,570.03	38,942.43
Debts from purchases and services (5)	3,295,153.41	3,378,523.43
Debts with sports entities (6)	12,447,474.05	11,030,326.53
Outstanding remuneration (7)	398,912.81	1,174,061.93
Advances to clients	39,963.80	247,188.41
<b>Total short-term financial liabilities</b>	<b>18,495,473.93</b>	<b>17,619,360.87</b>

- (1) This corresponded to the mortgage loans (mentioned in the long-term financial liabilities).
- (2) The amount of other financial liabilities includes, essentially, providers of real estate.
- (3) This corresponds to the short term of the participating financing agreement between LaLiga and the clubs, known as CVC Funds – LaLiga Impulso (also mentioned in other long-term financial liabilities).
- (4) Debts with group and associated companies corresponds to a current account with dependent company, Afouteza e Corazón, S.L.U. for the amount of 63,570.03 euros (at 30 June 2021 the figure was 38,115.68 euros) and with Fundación Celta de Vigo for 0.00 euros (at 30 June 2021 the amount was 826.75 euros).
- (5) Debts for purchases or provision of services includes
- Debt with agents related to the acquisition of players totalling 1,155,000.00 euros (at 30 June 2021 it totalled 623,750.00 euros)
  - Debt with agents related to the sale of players worth 72,973.80 euros (at 30 June 2021 it amounted to 820,473.80 euros), and
  - Debt due to the normal activity of the company.
- (6) Short-term debts with sports entities corresponds essentially to:

- a. Debt from the acquisition of players worth 9,655,683.34 euros (at 30 June 2021 it totalled 7,858,167.00 euros),
- b. Debt for contingent liabilities derived from the sale of players worth 1,597,562.50 euros (at 30 June 2021 it totalled 2,713,125.00 euros)
- c. Debt with Federations worth 480,775.11 euros (at 30 June 2021 it totalled 183,392.13 euros),
- d. Debt with the LNFP worth 481,402.63 (at 30 June 2021 it was 10,950.26 euros), and
- e. Debt for training and solidarity worth 232,050.47 euros (at 30 June 2021 it totalled 264,692.14 euros).

(7) Outstanding remuneration corresponds to the extraordinary payments for non-playing staff, while the previous season they corresponded largely to variable remuneration established in the contracts of playing staff as well as, where applicable, outstanding indemnification, paid according to the conditions established in the respective agreements.

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

- at 30 June 2022, totals 27,568,288.31 euros with the amount corresponding to the 2022/2023 season being 24,397,298.23 euros and the amount for the 2023/2024 season being 3,170,990.08 euros.
- At 30 June 2021 totals 33,261,341.49 euros, with the amount corresponding to the 2021/2022 season being 22,748,443.14 euros and the amount corresponding to the 2022/2023 season being 10,512,898.35 euros.

Liabilities due with a maturity of two years or less is understood as total current liabilities plus long-term debt maturing in the 2023/2024 season.

At the date these annual accounts are formulated, the company does not have any other debt with special characteristics (same situation in the previous season).

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

The company holds no debts with an *in rem* guarantee (in the 2020/2021 season, the company had a debt with an *in rem* guarantee over its building on Calle del Príncipe).

The company 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. Information on group, multi-group and associate companies.

The breakdown of the investment of the company in wealth elements of group, multi-group and associate companies is set out in the following table:

Company	Amount S 2021/2022	Amount S 2020/2021
Afouteza e Corazón, S.L.U.	500,000.00	500,000.00
Galicia Sport 360, S.L.U	100,000.00	0.00
<b>Total investment in wealth elements</b>	<b>600,000.00</b>	<b>500,000.00</b>

At 26 January 2016, the company incorporated **Afouteza e Corazón, S.L.U.** with a share capital of 100,000 euros, divided into one hundred thousand quota shares each with a face value of one euro. The sole director of the same is Real Club Celta de Vigo, S.A.D.

On 30 June 2020, the company as sole member of Afouteza e Corazón, S.L.U. decided to increase the share capital of the same by 400,000 euros by creating four hundred thousand new participations, by offsetting credits. On 15 July 2020, this decision by the sole member was raised to public and recorded in the Pontevedra Commercial Registry on 21 July 2020. On 29 July 2020 it was published in the BORME.

On 06 April 2022, the company incorporated **Galicia Sport 360, S.L.U.** with share capital of 100,000 euros, divided into one hundred quota shares, each with a face value of one euro. The sole director of the same is Real Club Celta de Vigo, S.A.D.

The information on the dependent companies at 30 June 2022, is as follows:

Concepto	Afouteza e Corazón, S.L.U.		Galicia Sport 360, S.L.U
	Data at 30/06/2022	Data at 30/06/2021	Data at 30/06/2022
<b>Activity</b>	100%	100%	100%
<b>Capital</b>	(1)	(1)	(2)
<b>Reserves</b>	500,000.00	500,000.00	100,000.00
<b>Results of the year</b>	-449,335.69	-336,279.14	0.00
<b>Activity</b>	-15,140.99	-113,056.55	-31,084.03

(1) The corporate object of this company is the operation of businesses in the hotel and restaurant sector, the lease and sale and purchase of real estate, organisation of events.

(2) The corporate object of that company is the organisation and operation of leisure and entertainment activities.

Both are domiciled at Calle del Príncipe 44, Vigo.

The investee companies have been informed of the participation held therein, in accordance with Article 155 of the Spanish Companies Act.

The group and associate companies are not listed and have not distributed dividends in the last financial year.

We consider that the value of the stake in the investee companies is not impaired given that, as Sole Director of the same, we consider it is possible to reverse the negative results, and decisions are being adopted in this regard.

#### 4. 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 company has debts due for more than 30 days with suppliers for commercial operations amounting to 16,178,493.38 euros (at 30 June 2021 the total was 21,833,322.89 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 sporting entities and the long-term amount recognised is 2,826,650.69 euros (at 30 June 2021, the long-term amount recognised was 8,899,166.00 euros), (note 11.2).

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

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

- **Future impact of the outbreak of the war in Ukraine:** At the date of drafting these annual accounts, it is not possible to estimate of the future impact derived from the crisis caused by the war in Ukraine on Real Club Celta de Vigo, S.A.D. or on the company in general. The Company will assess the future impact on its socio-economic situation in the course of the 2022/2023 season.
- **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 company currently has a procedure for carrying out all operations strictly monitoring risk and the grant of credit. The company carries out monthly reviews to identify situations of risk and delays in receiving payment.
- **Liquidity risk:** This arises due to the possibility of the company not being able to dispose of liquid funds or access them in the amount necessary in order to meet payment obligations. The company 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 company pays the debt for purchases and provision of services and sporting entities in accordance with the law and the respective agreements, collects payments when issued and advertising rights in accordance with the terms of the respective contracts or 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 company. The company applies a very prudent policy of financial indebtedness and in fact the main source of financing for the company is the net worth, with debts being relegated to a secondary plane and optimising the figure of financial expenditure.

## 12. STOCK.

The amount of stock was 383,793.30 euros and corresponds to sporting goods and equipment for use by the first team, Celta B and Celta C, as well as products from the RC Celta stores managed by the company (Balaídos, Príncipe and Web stores as well as other brand points of sale) (at 30 June 2021 the total was 487,017.68 euros).

The company recognised the reversal of impairment of stock worth 77,347.35 euros at season end (at 30 June 2021 the company had recognised a reversal of impairment of stock for 116,614.75 euros).

The company 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 advances to suppliers is 4,170.19 euros (600.00 euros at 30 June 2021).

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

The company 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 company's stock, such as lawsuits, freezing orders.

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

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



### 13. EQUITY.

#### Share capital.

The share capital 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 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 company for it to become a public limited sports company at 3,449,911.65 euros.

The part of the capital 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 30/06/2022	% at 30/06/2021
<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 30/06/2022	% at 30/06/2021
<b>Grupo Corporativo Ges, S.L.</b>	67.92%	67.92%

#### Legal reserve.

The legal reserve 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.

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 2022 is 4,335,120.07 euros (4,335,120.07 euros at 30 June 2021) (notes 2.3 & 14). This reserve is restricted for the five-year term in which the amount of the increase in equity must be maintained.

#### Other information.

The company does not hold treasury stock.

The company's shares are not listed on an official market.

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

## 14. TAX SITUATION AND BALANCES WITH PUBLIC ADMINISTRATIONS.

### I. Reconciliation of accounting profit and taxable base.

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 01 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. The company is the dominant company in the Consolidated Group, which also contains, as dependent company, Afouteza e Corazón, S.L.U. and Galicia Sport 360, S.L.U.

On 06 April 2022 Galicia Sport 360, S.L.U. was incorporated, with Real Club Celta de Vigo, S.A.D. as its sole member. Consequently, and pursuant to the regulations governing the Tax Consolidation Regime, as it is an entity that meets the requirements established in such regulations and is a newly incorporated entity, it has been integrated into the Group this season.

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 rebate.

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 2021/2022 season and the 2020/2021 season is as follows:

Description	Profit and loss account		
2020/2021 Season	Increases	Decreases	Total
<b>Pre-tax accounting profit</b>			<b>-13,254,803.93</b>
<b>Permanent differences</b>			
Derived from profits	2,080,888.38	-5,700.00	2,075,188.38
Derived from variations in net equity			
<b>Temporary differences</b>			
Derived from profits	18,947,561.10	-750,738.71	18,196,822.39
Derived from variations in net equity			
<b>Previous tax base</b>			<b>4,668,701.19</b>
<b>Capitalisation reserve</b>			<b>-455,794.30</b>
<b>Offsetting of negative tax bases from previous years</b>			
<b>Tax base at 30 June 2021</b>			<b>4,212,906.89</b>

Description	Profit and loss account		
2021/2022 Season	Increases	Decreases	Total
<b>Pre-tax accounting profit</b>			<b>96,496.40</b>
<b>Permanent differences</b>			
Derived from profits	1,184,385.72	-5,414.99	1,178,970.73
Derived from variations in net equity			
<b>Temporary differences</b>			
Derived from profits	11,714,815.55	-13,704,992.03	-1,990,176.48
Derived from variations in net equity			
<b>Previous tax base</b>			<b>-714,709.35</b>
<b>Capitalisation reserve</b>			
<b>Offsetting of negative tax bases from previous years</b>			
<b>Tax base at 30 June 2021</b>			<b>-714,709.35</b>

#### Permanent differences.

Positive permanent differences originating from profits generated over the 2021/2022 season of 1,184,385.72 euros (2,080,888.38 euros at 30 June 2021) correspond to expenses recorded by the company, which are not considered tax-deductible expenses in accordance with Article 15 of the Corporation Tax Act (LIS).

Negative permanent differences arising from results generated over the 2021/2022 season for the amount of 5,414.99 euros (5,700.00 euros at 30 June 2021) correspond to the interest accrued on the participating loan granted to the dependent company of the Group. In accordance with the terms of article 21 LIS, this interest will have to be dividends or profit sharing exempt at 95%, meaning that the corresponding correction must be made. Meanwhile, at 30 June 2021, 2,348,505.65 euros corresponding to the adjustment of the final settlement of broadcast rights for the 2020/2021 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 (note 2.3).

#### 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 11,336,697.57 euros (18,829,973.14 euros the previous season), and a decrease in accounting results for the amount of 13,500,000.00 euros (443,334.64 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 278,300.00 euros (117,587.96 euros at 30 June 2021) 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.

Meanwhile, the company has established a long-term staff remuneration plan under which it has paid an amount of 99,817.98 euros which has not been allocated to the beneficiaries of the same, meaning that the requirements of section 2 of article 14 LIS have not been met.

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 the total amount of 204,992.03 euros (at 30 June 2021 the figure was 307,404.07 euros).

### Capitalisation Reserve.

In the 20221/2022 season and as a result of the negative tax base generated by the company, it was not possible to apply the tax benefit of the capitalisation reserve (at 30 June 2021 it was 455,794.30 euros).

In accordance with the terms of Article 25 LIS, the Company did not generate a capitalisation reserve in the 2021/2022 season (at 30 June 2021 it was 943,478.97 euros) as there was no increase in equity in accordance with the requirements envisaged in that article.

The company has accounted for a capitalisation reserve of the amount of 4,335,120.07 euros which corresponds to the reduced amount as capitalisation reserve applied in the last 5 seasons.

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 2021/2022	Application deadline
<b>2019/2020</b>	<b>1,658,283.72</b>	0.00	Season 2021/2022
<b>2020/2021</b>	<b>943,478.97</b>	0.00	Season 2022/2023
<b>2021/2022</b>	<b>0.00</b>	0,00	Season 2023/2024

### Deductions.

In the 2014/2015 season, a deduction of 744,836.00 euros was made due to the reinvestment of extraordinary profits, in accordance with the terms of Article 42 of the Restated Text of the Corporation Tax Act, as the 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 900,000.00 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 January 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.

In addition, in the 2021/2022 season, the Company generated a deduction for donations to non-profit entities subject to the terms of Act 49/2002 for an amount of 350,000.00 euros (509,390.28 euros in the 2021/2022 season). As a result of the negative tax base generated by the Company, it was decided not to apply any amount in this regard, leaving 614,083.34 euros pending application in future financial years, corresponding to the 2019/2020 season, an amount of 509,390.28 corresponding to the deduction generated in the 2020/2021 season and an amount of 350,000.00 corresponding to the deduction generated in the 2021/2022 season.

In the 2021/2022 season, the right to apply a deduction for the creation of employment for disabled workers was not generated (27,000.00 in the 2020/2021 season). In the 2021/2022 season, the right to apply a deduction for technological innovation was not generated (61,429.88 euros in the 2020/2021 season).

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. In the 2021/2022 season, we have not applied a deduction in this regard, although a deduction for an amount of 4,370.20 euros was generated (4,370.20 euros in the 2020/2021 season).

## 2. Reconciliation of accounting profit and corporation tax expense.

The reconciliation of the accounting profit and the Corporation Tax expense is as follows:

Reconciliation of tax profit and tax expense	Season 2021/2022	Season 2020/2021
<b>Pre-tax accounting profit</b>	96,496.40	-13,254,803.93
<b>25%</b>	24,124.10	-3,313,700.98
<b>Impact of permanent differences derived from profits</b>	-24,124.00	4,480,876.28
<b>Deductions applied in the season</b>	0.00	-236,375.29
<b>Impact from capitalisation reserve</b>	0.00	-113,948.57
<b>Total expense/ (income) from tax recognised in profit and loss account</b>	<b>0.00</b>	<b>816,851.43</b>

## 3. Breakdown of corporation tax expense.

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

Description	Amount S 2021/2022	Amount S 2020/2021
<b>Current tax</b>		
<b>For ongoing operations</b>	0,00	816,851.43
<b>Deferred tax</b>		
<b>For ongoing operations</b>	-35,503.42	-4,599,371.51
<b>Total tax expense</b>	<b>-35,503.42</b>	<b>-3,782,520.08</b>



#### 4. Deferred tax assets recorded.

The deferred tax assets have been recorded in the balance sheet as the members of the Board of Directors of the Company consider that, according to the best estimation of the future results of the Company, 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>At 30 June 2022</b>				
Act 16/2012 depreciation limit	104,884.89	4,370.20	(21,851.02)	87,408.48
Impairment of commercial credits	69,297.04	69,575.00	(29,396.99)	109,475.05
Provisions for post-employment pension obligations	0,00	24,954.50	0,00	24,954.50
Credit for deductions to be applied	1,045,198.70	350,000.00	0,00	1,395,198.70
Credit for losses to be offset 2021/2022 S	0,00	178,677.34	0,00	178,677.34
<b>Total deferred tax assets</b>	<b>1,219,380.63</b>	<b>627,577.04</b>	<b>(51,248.01)</b>	<b>1,795,709.66</b>
<b>At 30 June 2021</b>				
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>905,389.79</b>	<b>538,787.27</b>	<b>(224,796.43)</b>	<b>1,219,380.63</b>

At the start of the 2021/2022 season, the Company had not negative tax bases pending set-off, although it has generated on an individual basis a positive tax base in the 2021/2022 season for the amount of -714,709.35 euros.

## 5. Deferred tax liabilities recorded.

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

	Rights over assets assigned for use (note 7.1 & 19)	Term operations	<b>Total</b>
<b>2021/2022 Season</b>			
Initial balance	4,046,626.66	4,291,007.08	<b>8,337,633.74</b>
Increases	0.00	3,375,000.00	<b>3,375,000.00</b>
Decreases	-311,278.92	-2,834,174.39	<b>-3,145,453.31</b>
Final balance	<b>3,735,347.74</b>	<b>4,831,832.69</b>	<b>8,567,180.43</b>
<b>2020/2021 Season</b>			
Initial balance	4,357,905.58	8,576,387.76	<b>12,934,293.34</b>
Increases	0.00	422,112.60	<b>422,112.60</b>
Decreases	-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 assets for current taxes totals 215,264.00 euros (2,002,909.07 euros at 30 June 2021).

The amount of other credits with the Public Administration for the amount of 2,002,909.07 euros corresponds to the return of the corporation tax of the Tax Consolidation Group for the 2020/2021 season pending receipt. It will be received on 05 July 2022.

The breakdown of other debts with the Public Administration is set out in the following table (note 11.2):

Description	Amount T 2021/2022	Amount T 2020/2021
Inland Revenue IRPF debt	1,659,219.42	3,930,736.47
Inland Revenue VAT debt	3,449,867.92	780,226.43
Social Security owed	147,770.36	204,867.63
<b>Total other debts with the Public Administrations</b>	<b>5,256,857.70</b>	<b>4,915,830.53</b>

## 7. 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 2021/2022 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 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 annual accounts.

## 15. 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 2021/2022</b>	<b>Amount S 2020/2021</b>
<b>Income from competitions</b>		
League	984.688,91	0.00
King's Cup	0.00	0.00
Champions League	0.00	0.00
UEFA Europa League	0.00	0.00
Other competitions and friendlies	0.00	0.00
Others (distribution LNFP football pools)	38.239,53	330,267.90
<b>Total income from competitions</b>	<b>1,022,928.44</b>	<b>330,267.90</b>
<b>Income from Season Ticket Holders and Members</b>	<b>3,215,098,69</b>	<b>744,857.10</b>
<b>Broadcast income</b>	<b>53,872,149,93</b>	<b>53,691,288.43</b>
<b>Advertising income</b>		
Static advertising	6,904,84	26,366.04
Dynamic advertising	10,097,793,13	9,934,078.23
<b>Total advertising income</b>	<b>10,104,697,97</b>	<b>9,960,444.27</b>
<b>Marketing income</b>		
Shop sales	1,710,979,99	1,641,057.24
Other	3,223,07	11,876.92
<b>Total marketing income</b>	<b>1,714,203.06</b>	<b>1,652,934.16</b>
<b>Total Net turnover</b>	<b>69,929,078.09</b>	<b>66,379,791.86</b>

## 2. Staff expenses.

### a. Non-playing staff expenses.

The breakdown of non-playing staff expenses according to what is mentioned in note 4.12 of this report, is set out in the following table:

Non-playing staff expenses	Salaries and wages	Social Security and others	Total
<b>Season 2021/2022</b>			
<b>Non-playing technical staff (a)</b>	977,390.69	191,644.91	1,169,035.60
<b>Other non-playing staff (b)</b>	3,305,330.24	626,333.67	3,931,663.91
<b>Total</b>	<b>4,282,720.93</b>	<b>817,978.58</b>	<b>5,100,699.51</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>	3,175,691.22	543,105.87	3,718,797.02
<b>Total</b>	<b>4,501,415.32</b>	<b>724,425.01</b>	<b>5,225,840.26</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 company by means of contracts of employment, including administrative, marketing, communication, stores, commercial and ground maintenance staff.

The company has taken the decision to externalise the commitments assumed with employees regarding retirement premiums, in accordance with the terms of the collective agreement. The contribution was 99,817.98 euros at 30 June 2022.

**b. Expenditure on playing staff.**

The breakdown of expenditure on playing staff, distinguishing between playing staff eligible for registration with the LNFP and that ineligible, in accordance with the provisions of note 4.12 of the report, is set out in the following tables:

Playing staff expenditure	Fixed contract	Variable contract	Image rights	Indemnification	Other remuneration	Social Security	Collective premiums	Loan income/ expenditure	Agents' fees	Amortisation acquisition rights (nota 8)	Impairment/ loss
<b>EXPENDITURE LNFP-ELIGIBLE PLAYING STAFF Season 2021/2022</b>											
<b>Players</b>	32,604,341.17	3,313,497.88	0.00	1,688,149.74	3,302,404.16	0.00	302,692.61	507,000.00	2,381,789.73	15,338,900.65	0.00
<b>Coaches</b>	3,413,500.08	0.00	0.00	0.00	0.00	0.00	67,186.56	0.00	150,000.00	0.00	0.00
<b>Total LNFP-eligible Staff</b>	<b>36,017,841.25</b>	<b>3,313,497.88</b>	<b>0.00</b>	<b>1,688,149.74</b>	<b>3,302,404.16</b>	<b>0.00</b>	<b>369,879.17</b>	<b>507,000.00</b>	<b>2,531,789.73</b>	<b>15,338,900.65</b>	<b>0.00</b>
<b>EXPENDITURE LNFP-INELIGIBLE PLAYING STAFF Season 2021/2022</b>											
<b>Players</b>	1,526,938.62	135,800.00	0.00	132,499.67	40,000.00	0.00	278,297.11	56,000.00	10,500.00	68,750.00	0.00
<b>Coaches</b>	215,903.20	70,000.00	0.00	0.00	0.00	0.00	47,134.62	0.00	0.00	0.00	0.00
<b>Total LNFP-ineligible Staff</b>	<b>1,742,841.82</b>	<b>205,800.00</b>	<b>0.00</b>	<b>132,499.67</b>	<b>40,000.00</b>	<b>0.00</b>	<b>325,431.73</b>	<b>56,000.00</b>	<b>10,500.00</b>	<b>68,750.00</b>	<b>0.00</b>
<b>TOTAL PLAYING STAFF S 2017/2018</b>	<b>37,760,683.07</b>	<b>3,519,297.88</b>	<b>0.00</b>	<b>1,820,649.41</b>	<b>3,342,404.16</b>	<b>0.00</b>	<b>695,310.90</b>	<b>563,000.00</b>	<b>2,542,286.73</b>	<b>15,407,650.65</b>	<b>0.00</b>
<b>Wages and salaries playing staff S 2021/2022= 46.443.034,52 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 company 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 30/06/2022	Amount 30/06/2021
Player acquisition fee expenses (a)	2,542,286.73	3,142,157.68
Player loan expenses	666,000.00	274,150.13
<b>Total player acquisition expenses</b>	<b>3,208,286.73</b>	<b>3,416,307.81</b>

- (a) The agents' fees also include miscellaneous acquisition expenses and training and solidarity expenses worth 433,915.73 euros (at 30 June 2021 the figure was 306,379.65 euros).

### 3. Losses, impairment and variation of adjustments due to impairment for commercial operations.

The information is supplied in notes 11.1 of this report.

### 4. Other information.

#### a. Transactions with group and associate entities.

The transactions with group and associate entities correspond to:

- a. **Long-term loans to group companies**, in relation to dependent company, Afouteza e Corazón, S.L.U., for the amount of 300,000.00 euros, in relation to two participating loans (at 30 June 2021 the amount of long-term loans to group companies was 300,000.00 euros) (note 11.1). This represents financial income of 5,699.99 euros (5,700.00 euros at 30 June 2021).
- b. **Other financial assets**, relating to the deposit for the lease of parking spaces from Afouteza e Corazón, S.L.U., for the amount of 3,421.48 euros (note 11.1).



- c. **Debtor group entities:** the debit balance of each group company being given in the following table (note I.I, I0.2 and I1.I):

Group Company	Amount 30/06/2022	Amount 30/06/2021
Afouteza e Corazón, S.L.U	510,213.16	442,936.69
Fundación Celta de Vigo	640,816.21	7,101.10
Galicia Sport, S.L.U. ( note I1.3)	2,758.80	0.00
<b>Total</b>	<b>1,153,788.17</b>	<b>450,037.79</b>

The volume of transactions with each of the group companies is given in the following table:

Description of transactions	Amount 30/06/2022	Amount 30/06/2021
<b>Afouteza e Corazón, S.L.U</b>		
Sale of luggage and sporting goods	0.00	302,860.59
Commission income from the sale of luggage and sporting goods	0.00	90,326.08
Rental income of various premises at A Sede (note I0.2)	236,674.80	250,576.42
Other income	23,428.70	19,977.68
<b>Total Afouteza e Corazón, S.L.U</b>	<b>260,103.5</b>	<b>663,740.77</b>
<b>Fundación Celta de Vigo</b>		
Sale of luggage and sports equipment for lower categories	120,627.89	150,820.11
On-site accommodation services( A Sede Residencia) (note I5.4.b)	293,808.00	210,000.00
Minibus sale “ A Canteira” (note 5)	0.00	97,380.00
Other income (lower-level payments, penalties and arbitrations)	75,505.09	10,700.62
<b>Total Fundación Celta de Vigo</b>	<b>489,940.98</b>	<b>468,900.73</b>
<b>Galicia Sport, S.L.U.</b>		
Rental income for various spaces (Note I0.2)	2,280.00	-
<b>Total Galicia Sport, S.L.U.</b>	<b>2,280.00</b>	<b>-</b>

- d. **Loans to Group companies**, corresponds to a loan granted to Grupo Corporativo Ges, S.L. for the amount of 2,293,083.46 euros (at 30 June 2021 the figure was 2,000,000.00 euros) (notes 11.1 and 13). The financial interest on the same amounts to 36,664.80 euros (38,000.00 euros the previous season).
- e. **Other financial liabilities**, amounting to 18,524.00 euros relating to the deposits received from the leases from dependent company, Afouteza e Corazón, S.L.U. (at 30 June 2021, the figure was 18,524.00 euros) (note 11.2).
- f. **Short-term debts with group and associated companies**, corresponds to a current account with dependent company Afouteza e Corazón, S.L.U.
- g. **Suppliers, group companies**, the volume of transactions is shown in the following table:

& Donation to promote the development of sport in all its areas, as well as to support and disseminate sport in Vigo through various means.

Description of transactions	Amount 30/06/2022	Amount 30/06/2021
<b>Afouteza e Corazón, S.L.U</b>		
Parking rental charges (note 10.1)	21.622,02	20.941,44
Purchase of luggage and sporting goods	0,00	918.951,19
Purchase of property, plant and equipment	0,00	7.187,44
Other expenses	196,41	1.351,23
<b>Total Afouteza e Corazón, S.L.U</b>	<b>21.818,43</b>	<b>948.431,3</b>
<b>Fundación Celta de Vigo</b>		
Donation (&)	1.000.000,00	1.455.400,81
<b>Total Fundación Celta de Vigo</b>	<b>1.000.000,00</b>	<b>1.455.400,81</b>

#### 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 30/06/2022	Amount 30/06/2021
Lease income (1)	268,340.20	274,194.06
Player release income (2)	290,285.62	403,329.53
Player training rights income	46,399.93	2,865,532.19
Miscellaneous service income (3)	300,235.54	956,010.28
<b>Total ancillary income and other current management income</b>	<b>905,261.29</b>	<b>4,499,066.06</b>

- (1) The breakdown of lease income is set out in note 10.2.
- (2) Player release income includes the amount resulting from the profits received from the UEFA for the release of players to their respective national teams for the amount of 187,285.62 euros (at 30 June 2021 the figure was 1,329.53 euros).
- (3) The amount of the income from miscellaneous services corresponds to:
- a. Income from stays by foreign players worth 0.00 euros (at 30 June 2021 the amount was 660,073.92 euros),
  - b. Sales fee income worth 0.00 euros (at 30 June 2021 the amount was 83,449.75 euros of which 90,326.08 euros corresponded to Afouteza e Corazón, S.L.U.),
  - c. Accommodation service income worth 293,808.00 euros (at 30 June 2021 the amount was 210,000.00 euros) (note 15.4.a), and
  - d. Other current management income worth 6,427.54 euros (at 30 June 2021 the amount was 2,486.61 euros).

**c. Foreign currency transactions.**

No foreign currency transactions were carried out either in the 2021/2022 season nor the foregoing one.

The company has a term deposit for the amount of 175,000.00 dollars that generates exchange rate differences worth 17,656.77 euros (note 15.4.f).

**d. Average number of persons employed at 30 June, distributed by categories.**

The average number of persons employed, together with the closing staff, broken down by category and gender, is set out in the following tables:

Breakdown	Season 2021/2022		Season 2020/2021	
	Men	Women	Men	Women
<b>Average staff</b>				
Playing staff (players)	41	0	45	0
Other staff	61	20	61	20
<b>Total average staff</b>	<b>102</b>	<b>20</b>	<b>106</b>	<b>20</b>

Breakdown	Season 2021/2022		Season 2020/2021	
	Men	Women	Men	Women
<b>Closing staff</b>				
Playing staff (players)	36	0	38	0
Other staff	70	26	66	21
<b>Total closing staff</b>	<b>106</b>	<b>26</b>	<b>104</b>	<b>21</b>

#### e. Exceptional income and expenditure.

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

Description	Amount S2021/2022	Amount S2020/2021
<b>Exceptional expenditure (1)</b>	-6,193.69	-456,311.37
<b>Exceptional income (2)</b>	558,671.41	905,722.16
<b>Total other results</b>	<b>552,477.72</b>	<b>449,410.79</b>

- (1) No breakdown of exceptional expenditure for the season is provided as it corresponds to insignificant expenses.

- (2) The exceptional income for the season corresponds essentially to insurance compensation for the amount of 125,765.88 euros, lodgement following a judicial decision of the amount provisioned in the short term totalling 252,194.17 euros derived from the lawsuit against members of the coaching staff of the 2017/2018 season (note 16) and adjustment of balances of past seasons (in the previous season, it corresponded essentially to insurance compensation for the amount of 260,032.77 euros and income due to the expiry of certain solidarity rights for the amount of 506,726.02 euros).

#### f. Financial income and expenditure.

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

Description	Amount S2021/2022	Amount S2020/2021
<b>Financial expenditure (1)</b>	-478,073.43	-183,900.39
<b>Financial income (2)</b>	97,194.45	236,739.61
<b>Variation in fair value of financial instruments (3)</b>	-28,741.24	0.00
<b>Exchange rate differences (note 15.4.c)</b>	17,618.30	0.00
<b>Total financial results</b>	<b>-392,001.92</b>	<b>52,839.22</b>

- (1) Financial expenditure corresponds essentially to interest from the participating financing agreement between LaLiga and the clubs, known as CVC Funds – LaLiga Impulso, for the amount of 404,020.41 euros and on loans worth 67,852.85 euros (the figure was 129,846.60 euros the previous season).
- (2) The financial income corresponds essentially to interest from the loans granted to group company Afouteza e Corazón, S.L.U. for the amount of 5,699.99 euros (the previous season the amount was 5,700.00 euros) and Grupo Corporativo Ges, S.L.U. for the amount of 36,664.80 euros (the previous season the amount was 38,000.00 euros) (Note 15.4.a), and interest from bank deposits and active positions.
- (3) Corresponded to the loss derived from the refund of an investment fund.

#### **g. Results from the sale of players.**

The result from the sale of players, in the 2021/2022 season amounts to 16,657,473.48 euros (in the 2020/2021 season, it amounted to 6,608,488.76 euros) (Note 8).

#### **h. Accruals.**

The amount of accrued income (note 11.2) in the 2020/2021 season corresponds to,

- Season tickets for the 2022/2023 season worth 657,865.10 euros
- Collaboration agreements worth 50,671.53 euros

#### **i. 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 125,765.88 euros derived largely from indemnification from different claims and due to the loss of season ticket holders in the 2019/2020 season as a result of the pandemic (at 30 June 2021 it totalled 260,032.77 euros derived largely from the indemnification from the flooding of Estadio Abanca Balaídos (note 15.4.e).

### **5. Net turnover figures.**

The breakdown of the net turnover figure is supplied in note 15.1 of this report, with the most significant income being that derived from the agreements and contracts signed with the public administrations:

- **Broadcast rights** which include audio-visual rights negotiated by the TV operators and LaLiga worth 53,160,577.00 euros (in the 2020/2021 season the amount was 53,196,000.00 euros) and the adjustment of the broadcast rights from past seasons for the amount of 104,633.00 euros, the Copa del Rey broadcast rights worth 372,851.00 euros (in the 2020/2021 season the amount was 403,288.43 euros) and Primera RFEF in relation to the reserve team, with the RFEF for the amount of 234,088.92 (in the 2020/2021 season with con Corporación Radio e Televisión de Galicia, S.A. (CRTVG) for the amount of 89,000.00 euros).

The breakdown of the CRTVG agreements is:

- 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 16 October 2020, an exclusive assignment agreement was signed with CRTVG for the rights for the Celta B matches in the 2021/2022 season in the national LaLiga championship, 2<sup>nd</sup> 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.
- The **income from advertising and commercialisation** derived from agreements or contracts signed with the public administration is:
  - A sponsorship agreement with Fundación Deporte Galego, dated 10 July 2021 with the primary objective of sponsoring Galician teams in major competitions, specifically Celta B. The amount of the agreement is 27,798.38 euros.
  - On 17 December 2021, the company signed an agreement with Fundación Deporte Galego for the 2021/2022 season, with the primary objective of sponsoring the national and international promotion of Galicia and the Xacobeo 2021/2022 holy year through sport. The amount of the agreement was 38,493.99 euros.
  - On 17 June 2020, the company entered into a sponsorship agreement with Fundación Deporte Galego, with the primary objective of sponsoring Galician teams participating in major competitions, Celta B to be precise. The amount of the agreement was 21,208.20 euros.

## 16. PROVISIONS AND CONTINGENCIES.

### Provisions.

At 30 June 2022, the company 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 2021, the figure was 590,919.22 euros) (note 15.4.e)

- Short-term provisions totalling 0.00 euros derived from an amount received by virtue of a judicial decision in relation to a dispute with members of the technical staff from the 2017/2018 season (note 15.4.e). (At 30 June 2021 the amount provisioned in this regard was 252,194.17 euros).

### **Contingencies.**

#### **Contingent liabilities.**

The Management Body considers that there are no significant contingencies at the date of closing of the 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 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 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 company is entitled to receive the corresponding indemnification.

Moreover, the company has players that come from the club's academy (note 4.1) who do not appear on the balance sheet and in the event of their sale the full price of such sale will appear as a profit.

## **17. PARTICIPATING LOANS AND SUBORDINATED DEBT.**

There are no participating loans or subordinated debt.



## 18. GUARANTEES PROVIDED TO THIRD PARTIES AND OTHER CONTINGENT LIABILITIES.

There are no guarantees given to third parties at 30 June 2022 or in the 2020/2021 season.

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

At 30 June 2022, the company has off-balance sheet risks totalling 236,293.43 euros (at 30 June 2021 the figure for the firm's risks was 236,293.43 euros).

## 19. SUBSIDIES, DONATIONS AND ENDOWMENTS.

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

Concessionaire	Initial amount	Charged to results	Final amount
	<b>Season 2018/2019</b>		
	12,139,879.47	1,245,115.80	<b>11,206,042.59</b>
	<b>Season 2019/2020</b>		
<b>Vigo City Council (1)</b>	13,073,716.35	1,245,115.80	<b>12,139,879.47</b>

(1) At 30 January 2009, the agreements signed between Vigo City Council and the 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 company free of charge, to be exploited by the 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 company. The 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 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 company are being held.

The 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 consider 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 company has complied with all conditions related to the subsidies.

The company does not receive any donations or endowments.

In the 2021/2022 season, the company processed operating subsidies worth 686,162.92 euros (in the 2020/2021 season the amount was 1,011,066.05 euros), obtaining operating subsidies worth 726,054.85 euros (in the 2020/2021 season the figure was 585,405.45 euros), with the following breakdown:

- 352,963.06 euros in a subsidy from the Spanish Football Federation under the academy with values programme (at 30 June 2021, for an amount of 364,708.27 euros),
- 282.000.03 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 2021 was 181.087.60 euros),
- 28,318.18 euros in a subsidy from INEGA (a body belonging to the Xunta de Galicia) for thermal renewable energy (specifically a heat pump in the Ciudad Deportiva Afouteza) (in the 2020/2021 season the was amount 35,108.63 euros for adaptation of the lighting of the Abanca Balaidos Stadium),
- 46,199.83 euros in a subsidy from the Xunta de Galicia as aid for recovery from the effects of COVID-19 (in the 2020/2021 season the amount was 0.00 euros), and
- 16,573.75 euros correspond to the subsidy from the Xunta de Galicia for the development of sports activities (in the 2020/2021 season, the figure was 4,500.95 euros).

## 20. EVENTS SUBSEQUENT TO CLOSING.

At the summer market, the society has yielded players to other sports entities derived from the projection in terms of game and performance of the same and incorporated players through the acquisition of their economic and federative rights or assignments to reinforce the staff of the first team and of the Celta B.

The market value of the first team, at the time of the reformulation of these annual accounts, it amounts to more than 125 million euros and that of Celta B to more than 7 million euros.

At the date of reformulation of these 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 annual accounts.

Neither are there subsequent events that show conditions that did not exist at season closing and that, given their importance, are being supplied in these reformulated annual accounts.

There are no subsequent events to closing of the annual accounts that affect the application of the going concern principle.

## 21. RELATED-PARTY TRANSACTIONS.

### 1. Related-party transactions.

The volume of transactions with group and associated companies is provided in note 15.4.a.

There is no link between the company, its dependent company, Fundación Celta de Vigo and the members of the board of directors or main shareholders that has led to transactions or commitments for a consideration, or of any other kind with the company, except as set out in this report.

## 2. Management Body Remuneration.

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

The company has no senior executive employment contracts.

The company has taken out collective accident insurance for the members of the Board of Directors 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 company has taken out a policy to cover the civil liability of Directors and Senior Executives, with an annual limit of 6,000,000 euros (in the past the limit of the insurance was 3,000,000 euros).

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

## 3. 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 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 company.

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, the members of the Board of Directors 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.

#### 4. Corporate group.

As mentioned in note 1.4 of this report, the company forms part of a group of companies in which, due to the particular nature of the activity of Real Club Celta de Vigo, S.A.D., management of the same is completely independent of the rest of the group companies.

As mentioned, in note 14.1 of this report, the company opted for the Tax Consolidation Regime for the tax period starting on 1 July 2018 and following years in accordance with the terms of the Corporation Tax Act, Chapter VI, Title VII. The company forms part of the Consolidated Group, as dominant company, which also includes dependent companies Afouteza e Corazón, S.L.U. and Galicia Sport 360, S.L.U.

## 22. OTHER INFORMATION.

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

The average number of persons employed and the number of persons employed at closing, broken down by categories and gender, is set out in note 15.4.d.

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

The LNFP has exclusive responsibility for the functions of economic monitoring, control and supervision in relation to its members (Clubs and Public Limited Sports Companies), via its governing and administrative bodies, in general, and the Economic Monitoring Committee, in particular. This is all in accordance with the terms of Article 41.4.b) of the Sports Act and the Articles of Association and the General Regulations of the LNFP.

As a result, the LNFP, and subsequently in coordination with the RFEF, defined the Economic Monitoring Regime for Clubs and Public Limited Sports Companies belonging to the LNFP, inspired by the UEFA's financial monitoring regulations, and as such the members of the board of directors of the company supply information on the indicators established in said regulations.

### Break-even indicators.

The members of the management body include in the calculation of the break-even indicators, in accordance with the terms of Article 20 of Volume X of the General Regulations of the LNFP or any rules that replace it.

In accordance with note 2.1, the members of the management body have reformulated the annual accounts for the 2021/2022 season to calculate the break-even indicators, in accordance with the circular issued by the Professional Football League on 12 September 2022. The following table shows the effect of the recalculation on the break-even indicator:

### C) Calculation of the break-even point

	Circular number 9 12/09/2022	Annual Accounts 01/08/2022	Data from these Annual Accounts
	Amount WITHOUT COVID-19	Amount WITHOUT COVID-19	Amount WITH COVID- 19
<b>(c.1) Break-even T (21-22 Financial year)</b>			
Relevant income	96,957,799	88,316,435	88,165,335
Relevant expenses	88,336,725	88,336,725	88,467,451
<b>Break-even result</b>	<b>8,621,074</b>	<b>-20,290</b>	<b>-302,115 Deficit</b>
<b>(c.2) Break-even T-1 (20-21 Financial year)</b>			
Relevant income	84,001,389	84,001,389	79,440,558
Relevant expenses	91,042,099	91,042,099	92,585,288
<b>Break-even result</b>	<b>(7,040,710)</b>	<b>(7,040,710)</b>	<b>(13,144,731) Deficit</b>
<b>(c.3) Break-even T-2 (19-20 Financial year)</b>			
Relevant income	105,474,711	105,474,711	103,783,081
Relevant expenses	88,894,598	88,894,598	90,898,974
<b>Break-even result</b>	<b>16,580,113</b>	<b>16,580,113</b>	<b>12,884,107 Surplus</b>
<b>(C.4) Break-even for T to T-2: (C.1) + (C.2) + (C.3)</b>	<b>18,160,477</b>	<b>9,519,113</b>	<b>-562,739 Deficit</b>
<b>(c.5) Break-even T-3 (18-19 Financial year)</b>			
Relevant income	103,834,343	103,834,343	103,834,343
Relevant expenses	75,704,063	75,704,063	75,704,063
<b>Break-even result</b>	<b>28,130,280</b>	<b>28,130,280</b>	<b>28,130,280 Surplus</b>
<b>(c.6) Break-even T-4 (17-18 Financial year)</b>			
Relevant income	78,027,423	78,027,423	78,027,423
Relevant expenses	60,791,120	60,791,120	60,791,120
<b>Break-even result</b>	<b>17,236,302</b>	<b>17,236,302</b>	<b>17,236,302 Surplus</b>
<b>(C.7) Break-even for T to T-4: (C.4) + (C.5) + (C.6)</b>	<b>63,527,060</b>	<b>54,885,696</b>	<b>44,803,844 Surplus</b>

The 2020/2021 season amounts for the balancing point indicators have been restated (both in terms of the annual account data and the data without COVID-19) derived from the terms of note 2.3 on the restatement of the comparative information in the balance sheet and profit and loss account for the 2020/2021 season.

## ART.20 VOLUME X. (CALCULATION OF THE BREAK-EVEN POINT)

A) Breakdown of relevant income	Information in €							
	Data from these Annual Accounts	Restated Information Annual Accounts	Restated Information 2020/2021 Season	Restated Information Annual Accounts	Restated Information 2019/2020 Season			
	T 2021/22 S WITHOUT COVID-19	T 2021/22 S WITH COVID-19	T-1 2020/21 S WITHOUT COVID-19	T-1 2020/21 S WITH COVID-19	T-2 2019/20 S WITHOUT COVID-19	T-2 2019/20 S WITH COVID-19	T-3 2018/19 S	T-4 2017/18 S
Income from competitions	1,022,928	1,022,928	882,747	330,268	909,567	561,481	1,391,009	2,324,392
Income from season ticket holders and members	3,251,421	3,215,099	4,570,253	744,857	4,791,880	3,505,867	4,450,255	4,722,383
Broadcast income	53,872,150	53,872,150	53,691,288	53,691,288	50,058,359	50,058,359	51,632,445	48,907,931
Advertising income	10,104,698	10,104,698	10,028,623	9,960,444	7,472,333	7,472,333	7,399,161	4,295,380
Marketing and other income	1,714,203	1,714,203	1,652,934	1,652,934	1,119,604	1,119,604	2,133,862	1,820,690
Ancillary and other current management income	1,020,039	905,261	4,613,843	4,499,066	3,595,822	3,538,291	6,209,524	2,122,142
Income from non-football related operations ( operating subsidies)	0	0	0	0	0	0	0	0
Profit from transfers of real estate	25,298,837	16,657,473	7,419,238	7,419,238	36,696,234	36,696,234	28,841,365	13,608,655
Other operating income	558,671	558,671	905,722	905,722	752,666	752,666	1,750,387	213,313
Financial income	114,851	114,851	236,740	236,740	78,247	78,247	26,334	12,537
(a.1) Total relevant income	96,957,799	88,165,335	84,001,389	79,440,558	105,474,711	103,783,081	103,834,343	78,027,423
(a.2) Total income in audited financial statement	90,491,756	90,491,756						
(a.3) Amount to be reconciled: (a.1) - (a.2)	6,466,043	(2,326,421)	Reconciled past financial year	Reconciled past financial year	Reconciled past financial year	Reconciled past financial year	Reconciled past financial year	Reconciled past financial year

### Reconciliation items (examples)

Income derived from non-monetary items	1,527,116	1,527,116
Income derived from debt reduction under insolvency proceedings		
Income from operations not related to football nor clearly and exclusively related to the club's brands		
Other income not classified in the above reconciliation entries	799,305	799,305
Estimated effect of COVID on the annual accounts for the 2021/2022 season	(8,792,463)	
(a.4) Total reconciliation items	(6,466,043)	2,326,421

Reconciliation corrector (a.3) + (a.4) = 0

0

0



## B) Breakdown of relevant expenses

	Data from these Annual Accounts	Restated Information Annual Accounts	Restated Information 2020/2021 Season	Restated Information Annual Accounts	Restated Information 2019/2020 Season		
	T 2021/22 S WITHOUT COVID-19	T 2021/22 S WITH COVID-19	T-1 2020/21 S WITHOUT COVID-19	T-1 2020/21 S WITH COVID-19	T-2 2019/20 S WITHOUT COVID-19	T-2 2019/20 S WITH COVID-19	T-3 2018/19 S
<b>Provisions</b>	1,002,060	1,002,060	1,425,298	1,425,298	1,346,380	1,346,380	2,192,834
<b>Staff expenses</b>	52,338,863	52,338,863	56,043,117	56,043,117	48,793,508	50,041,361	43,084,760
<b>Other operating expenses</b>	19,081,297	19,212,023	17,002,080	18,545,269	16,226,064	16,982,587	14,201,587
<b>Amortisation of player federative rights</b>	15,407,651	15,407,651	15,576,956	15,576,956	19,740,584	19,740,584	14,803,696
<b>Losses from the sale of fixed assets</b>	0	0	810,749	810,749	2,726,333	2,726,333	1,334,570
<b>Financial expenditure</b>	506,853	506,853	183,900	183,900	61,728	61,728	86,616
<b>(b.1) Total relevant expenses</b>	<b>88,336,725</b>	<b>88,467,451</b>	<b>91,042,099</b>	<b>92,585,288</b>	<b>88,894,598</b>	<b>90,898,974</b>	<b>75,704,063</b>
<b>(b.2) Total costs and expenses in audited financial statement</b>	<b>90,359,756</b>	<b>90,359,756</b>					
<b>(b.3) Reconciliation amount: (B.1) - (B.2)</b>	<b>(2,023,032)</b>	<b>(1,892,306)</b>	<b>237,307</b>	<b>1,780,496</b>	<b>Reconciled past financial year</b>	<b>Reconciled past financial year</b>	<b>Reconciled past financial year</b>

## Reconciliation item ( examples)

Deterioration/impairment of tangible fixed assets	635,722	635,722
Amortisation/ impairment of intangible fixed assets other than player federative rights	1,292,088	1,292,088
Tax expenditure( Corporation Tax)	-35,503	-35,503
Other expenses not classified in the foregoing items		
Estimated effect of COVID on the annual accounts for the 2021/2022 season	130,726	
<b>(b.4) Total reconciliation items</b>	<b>2,023,032</b>	<b>1,892,306</b>

Reconciliation corrector (b.3) + (b.4) = 0

0

0

### C) Calculation of the break-even point

	Data from these Annual Accounts	
	Amount WITHOUT COVID-19	Amount WITH COVID-19
<b>(c.1) Break-even T (21-22 Financial year)</b>		
Relevant income	96,957,799	88,165,335
Relevant expenses	88,336,725	88,467,451
<b>Break-even result</b>	<b>8,621,074</b>	<b>-302,115 Deficit</b>
<b>(c.2) Break-even T-1 (20-21 Financial year)</b>		
Relevant income	84,001,389	79,440,558
Relevant expenses	91,042,099	92,585,288
<b>Break-even result</b>	<b>(7,040,710)</b>	<b>(13,144,731) Deficit</b>
<b>(c.3) Break-even T-2 (19-20 Financial year)</b>		
Relevant income	105,474,711	103,783,081
Relevant expenses	88,894,598	90,898,974
<b>Break-even result</b>	<b>16,580,113</b>	<b>12,884,107 Surplus</b>
<b>(C.4) Break-even for T to T-2: (C.1) + (C.2) + (C.3)</b>		
	<b>18,160,477</b>	<b>-562,739 Deficit</b>
<b>(c.5) Break-even T-3 (18-19 Financial year)</b>		
Relevant income	103,834,343	103,834,343
Relevant expenses	75,704,063	75,704,063
<b>Break-even result</b>	<b>28,130,280</b>	<b>28,130,280 Surplus</b>
<b>(c.6) Break-even T-4 (17-18 Financial year)</b>		
Relevant income	78,027,423	78,027,423
Relevant expenses	60,791,120	60,791,120
<b>Break-even result</b>	<b>17,236,302</b>	<b>17,236,302 Surplus</b>
<b>(C.7) Break-even for T to T-4: (C.4) + (C.5) + (C.6)</b>		
	<b>63,527,060</b>	<b>44,803,844 Surplus</b>

### First team expenses.

The members of the management body include in the calculation of the first team expenses (note 15.2 of this report), in accordance with the terms of Article 22 of Volume X of the General Regulations of the LNFP or any rules that replace it:

## **ART. 22 VOLUME X. INDICATOR OF EXPENSES ASSOCIATED WITH THE FIRST TEAM**

### **A) Expenses associated with the first team**

<b>(A) Total expenses associated with the FIRST TEAM</b>	<b>45,860,808</b>
	<b>Amount</b>
(a.1) Cost of playing staff eligible for LFP registration (without amortisation)	44,691,772
(a.2) Staff expenses related to the first team and not reflected in the cost of playing staff eligible for registration: technical secretary/director of football, doctors, physiotherapists, kitmen, delegate.	1,169,036

### **B) Reconciliation with financial statements**

<b>(B) Total staff expenses set out in P&amp;L at 30/6/2022</b>	<b>52,338,863</b>
(b.1) Reconciliation amount: (A) - (B)	(6,478,055)

<b>Reconciliation entries</b>	<b>Amount</b>
Expenses of playing staff NOT eligible for LFP registration	2,446,573
Expenses of non-playing staff except for those contemplated in (a.2)	4,031,482
(b.2) Total reconciliation amounts	6,478,055
Reconciliation corrector: (b.1) + (b.2) = 0	0

### **C) Relevant income at 30 June 2022**

<b>(C.) Total relevant income</b>	<b>88,165,335</b>
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<b>RATIO OF EXPENSES ASSOCIATED WITH FIRST TEAM (A/C)</b>	<b>52%</b>
	<b>Complied with</b>

### Ratio of net debt to total income.

The members of the management body include in the calculation of the ratio of net debt to total income indicators, in accordance with the terms of Article 23 of Volume X of the General Regulations of the LNFP or any rules that replace it:

## NET DEBT INDICATOR

### A) Liability balance sheet entries to be considered for calculating net debt

**(A) Total debts and loans (A.1)+(A.2)** **50,606,120**

<b>(A.1) Long-term debts</b>	<b>35,844,676</b>
Debts with financial institutions	0
Debts with sporting entities	2,351,651
Other financial liabilities	33,493,026
Insolvency debt	0
Debts with group companies (participating loans)	0

<b>(A.2) Short-term debts</b>	<b>14,761,444</b>
Debts with financial institutions	0
Debts with sporting entities for transfers/loans	12,447,474
Other financial liabilities	2,250,400
Short-term debts with group and associated companies	63,570

### (B) Asset balance sheet entries to be considered for calculating net debt

**(B) Total asset entries considered** **72,171,724**

Debtor sporting entities	33,670,448
Cash and other equivalent liquid assets	36,108,012
Short-term financial investments	2,393,264

### C) Breakdown of relevant income

**(C.) Total relevant income** **88,165,335**

**30 June 2022**

Income from competitions	1,022,928
Income from season ticket holders and members	3,215,099
Broadcast income	53,872,150
Advertising income	10,104,698
Marketing and other income	1,714,203
Ancillary and other current management income	905,261
Income from non-football related operations (operating subsidies)	0
Profit from transfers of real estate	16,657,473
Other operating income	558,671
Financial income	114,851

### D) Net debt figure at 30 June 2022

**(D) Total Net Debt (A-B)** **(21,565,604)**

**DEBT RATIO (D/C)**

-24%

**Complied with**

### 3. Budget outturn for the 2021/2022 season and budget for the next season in accordance with the LNFP regulations.

#### BUDGET OUTTURN 2021/2022 SEASON

PROFIT AND LOSS ACCOUNT	ENVISAGED S 2021/2022	ADJUSTMENT S21/22	ACTUAL S 2021/2022
<b>A) CONTINUING OPERATIONS</b>			
<b>1. Revenue</b>	<b>63,105,000.00</b>	<b>4,770,000.00</b>	<b>69,929,078.09</b>
a) Income from competitions and participation in betting	735,000.00		1,022,928.44
b) Income from season ticket holders and members	2,940,000.00		3,215,098.69
c) Broadcast income	48,230,000.00	4,770,000.00	53,872,149.93
d) Advertising income	10,000,000.00		10,104,697.97
e) Marketing and other income	1,200,000.00		1,714,203.06
<b>4. Supplies</b>	<b>(800,000.00)</b>		<b>(1,002,060.21)</b>
<b>5. Other operating income</b>	<b>300,000.00</b>		<b>1,631,316.14</b>
a) Ancillary and other current management income	300,000.00		905,261.29
b) Operating subsidies included in results for the financial year	0.00		726,054.85
<b>6. Staff expenses</b>	<b>(52,000,000.00)</b>		<b>(52,338,862.91)</b>
a) Playing staff salaries and wages	(44,900,000.00)		(46,443,034.52)
b) Non-playing staff salaries and wages	(5,750,000.00)		(4,282,720.93)
d) Social charges	(1,350,000.00)		(1,613,107.46)
<b>7. Other operating expenses</b>	<b>(10,285,000.00)</b>	<b>(4,770,000.00)</b>	<b>(18,850,579.74)</b>
a) External services	(4,495,000.00)		(6,169,311.05)
b) Taxes	(20,000.00)		(25,938.65)
c) Loss, impairment commercial securities	0.00		(412,495.00)
d) Travel and organisation of friendlies	(1,540,000.00)		(1,751,242.63)
e) Player acquisition expenses	(2,000,000.00)		(3,208,286.73)
f) Other current management expenses	(2,230,000.00)	(4,770,000.00)	(7,283,305.68)
<b>8. Amortisation of fixed assets</b>	<b>(19,345,115.92)</b>		<b>(17,335,460.05)</b>
a) Amortisation of fixed assets	(1,100,000.00)		(682,693.34)
b) Amortisation of players	(17,000,000.00)		(15,407,650.91)
c) Amortisation of rights over assets assigned for use	(1,245,115.92)		(1,245,115.80)
<b>9. Application of subsidies of non-financial fixed assets and others</b>	<b>1,245,115.92</b>		<b>1,245,115.80</b>
<b>11. Profit from sale of fixed assets and extraordinary results</b>	<b>7,159,000.00</b>		<b>16,657,473.48</b>
b) Profit from the sale of players	7,159,000.00		16,657,473.48
<b>13. Other results</b>	<b>(50,000.00)</b>		<b>552,477.72</b>
<b>A.1) OPERATING PROFIT</b>	<b>(10,671,000.00)</b>	<b>0.00</b>	<b>488,498.32</b>
<b>12. Financial income</b>	<b>0.00</b>		<b>97,194.45</b>
<b>13. Financial expenditure and similar expenses</b>	<b>(300,000.00)</b>		<b>(478,073.43)</b>
<b>14. Exchange rate differences</b>	<b>(5,000.00)</b>		<b>17,618.30</b>
<b>15. Variación de valor razonable en instrumentos financieros</b>	<b>0.00</b>		<b>(28,741.24)</b>
<b>A.2) FINANCIAL PROFIT</b>	<b>(305,000.00)</b>	<b>0.00</b>	<b>(392,001.92)</b>
<b>A.3) PROFIT/(LOSS) BEFORE INCOME TAX</b>	<b>(10,976,000.00)</b>	<b>0.00</b>	<b>96,496.40</b>
<b>20. Income tax expense</b>	<b>0.00</b>		<b>35,503.42</b>
<b>A.4) FINANCIAL YEAR PROFIT FROM CONTINUING OPERATIONS</b>	<b>(10,976,000.00)</b>	<b>0.00</b>	<b>131,999.82</b>
<b>A.5) PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(10,976,000.00)</b>	<b>0.00</b>	<b>131,999.82</b>

## 2022/2023 SEASON BUDGET

PROJECTED BUDGET INCOME AND EXPENDITURE		2022/2023 SEASON
<b>A) CONTINUING OPERATIONS</b>		
<b>1. Revenue</b>		<b>69,450,000.00</b>
a) Income from competitions and participation in betting		1,000,000.00
b) Income from season ticket holders and members		5,000,000.00
c) Broadcast income		49,500,000.00
d) Advertising income		12,500,000.00
e) Marketing and other income		1,450,000.00
<b>4. Supplies</b>		<b>(950,000.00)</b>
<b>5. Other operating income</b>		<b>1,780,000.00</b>
a) Ancillary and other current management income		1,780,000.00
<b>6. Staff expenses</b>		<b>(49,720,000.00)</b>
a) Playing staff salaries and wages		(41,570,000.00)
b) Non-playing staff salaries and wages		(6,800,000.00)
d) Social charges		(1,350,000.00)
<b>7. Other operating expenses</b>		<b>(16,706,000.00)</b>
a) External services		(10,200,000.00)
b) Taxes		(25,000.00)
c) Travel and organisation of friendlies		(1,665,000.00)
f) Gastos varios		(1,500,000.00)
e) Other current management expenses		(3,316,000.00)
<b>8. Amortisation of fixed assets</b>		<b>(18,345,115.92)</b>
a) Amortisation of fixed assets		(1,100,000.00)
b) Amortisation of players		(16,000,000.00)
c) Amortisation of rights over assets assigned for use		(1,245,115.92)
<b>9. Application of subsidies of non-financial fixed assets and others</b>		<b>1,245,115.92</b>
<b>11. Profit from sale of fixed assets and extraordinary results</b>		<b>14,950,000.00</b>
b) Profit from the sale of players		14,950,000.00
<b>A.1) OPERATING PROFIT</b>		<b>1,704,000.00</b>
<b>12. Financial income</b>		<b>0.00</b>
<b>13. Financial expenditure and similar expenses</b>		<b>(1,005,000.00)</b>
<b>A.2) FINANCIAL PROFIT</b>		<b>(1,005,000.00)</b>
<b>A.3) PROFIT/(LOSS) BEFORE INCOME TAX</b>		<b>699,000.00</b>
<b>20. Income tax expense</b>		<b>(175,000.00)</b>
<b>A.4) FINANCIAL YEAR PROFIT FROM ONGOING OPERATIONS</b>		<b>524,000.00</b>
<b>A.5) PROFIT/(LOSS) FOR THE PERIOD</b>		<b>524,000.00</b>

#### 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 annual accounts will be audited by Auren and its remuneration for this task amounts to 26,620 euros (26,620 euros last season).

The audit company has also invoiced fees for other verification services amounting to 7,865 euros (14,865 euros last season).

#### 6. Company agreements.

There are no company agreements other than those appearing in the balance sheet or informed about in other notes of this report, except in relation to the agreements for the loan of players for the 2022/2023 season, which appear in the following season, as the players begin their contractual relationship in the 2022/2023 season.

### 23. SEGMENTED INFORMATION.

Being a Public Limited Sports Company, the 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 of the company, these are the first team (playing in the First Division), Celta B (playing in Primera RFEF) and Celta C (which plays in Regional Preferente) (note I.3).

The most significant data on Celta B 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 15.2.b),

<b>Expenditure on sports staff NOT applicable (Celta B)</b>	<b>Amount S2021/2022</b>	<b>Amount S2020/2021</b>
Fixed remuneration	1,742,841.82	2,016,339.60
Variable remuneration	205,800.00	226,000.00
Compensation	132,499.67	237,576.47
Other remuneration	40,000.00	0.00
Collective premiums	0.00	120,600.00
Social security	325,431.73	333,186.09
(Revenue) /Transfer expenditure	56,000.00	176,500.00
Commission agents	10,500.00	8,662.50
Depreciation rights acquisition	68,750.00	605,311.49
Deterioration/loss	0.00	108,978.19
<b>Total expenditure for sports staff NOT eligible (Celta B)</b>	<b>2,581,823.22</b>	<b>3,833,154.34</b>

- Expenses of non-sporting technical staff for the amount of 280,690.43 euros (in the 2020/2021 season the amount was 152,369.26 euros),
- Other operating expenses for the amount of 66,025.73 euros (in the 2020/2021 season the amount was 64,574.62 euros),
- Refereeing fees of 57,182.73 euros (in the 2020/2021 season the amount was 19,867.30 euros),
- Transport expenses of 130,490.91 euros (in the 2020/2021 season the amount was 83,207.89 euros).
- Other expenses (mutual insurance, sporting penalties...) amounting to 30,693.32 euros (in the 2020/2021 season the amount was 40,696.64 euros).
- Ticket office income of 39,258.07 euros (in the 2020/2021 season the amount was 0.00 as the public were not allowed to enter stadiums).
- Broadcast Income of 234,088.92 euros (in the 2020/2021 season the amount was 74,000.00 euros) (note 15.5).



- Sponsorship and advertising income of 362,792.39 euros (in the 2020/2021 season the amount was 141,558.20 euros).
- Operating subsidies of 415,736.64 euros (in the 2020/2021 season the amount was 364,708.27 euros) (note 19).
- Player transfer profits for the amount of 0.00 euros 8 in the 2020/2021 season the amount was 52,500.00).

According to the affiliation agreement signed with Gran Peña (note 1.3), the company will assume the expenses of the 1<sup>st</sup> team in full for 3 seasons, regardless of the category in which it is registered. At 30 June 2022, the most representative data of Celta C was:

- Expenses totalling 169,698.28 euros
- Ticket office income of 1,021.50 euros.

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The annual accounts have been reformulated by the members of the company's Board of Directors, in a meeting held for this 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 reformulated annual accounts were issued on 16 September 2022 and this document is a literal translation of them.

## REAL CLUB CELTA DE VIGO, S.A.D. Reformulated Management Report for the financial year ending 30 June 2022

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1. Reformulation of management report and comparison of information.
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ANNEXES. Key transparency indicators for football clubs (INFUT)

## I. Reformulation of management report and comparison of information.

On September 16, 2022, the members of the Board of Directors decided to reformulate the annual accounts and the management report of the company Real Club Celta de Vigo, S.A.D., as well as the consolidated annual accounts and the consolidated management report of Real Club Celta de Vigo, S.A.D and its Subsidiaries on 30 June 2022.

There is no change in the balance sheet, profit and loss account, statement of changes in equity, cash flow statement or budget for the 2022/2023 season. The reformulation is made exclusively as a consequence of the Circular number 9 of the 2022/2023 season of the National Professional Football League, dated September 12, 2022, in relation to the "homogenization of the treatment of the impact of VOCID-19 for the purpose of calculating the break-even point and economic-financial ratios" affecting exclusively the calculation of the break-even-point ratio at the discretion of the Liga Nacional de Fútbol Profesional, which is included in note 22.2 of this reformulated report. This change translates into an improvement in the calculation of the break-even point, according to LNFP criterion of 8,641,363.14 euros.

With regard to the comparison of information, as mentioned in note 2.3 of the annual accounts for the 2021/2022 season, in January 2022 as a result of taking into account the difference between the activated deduction at 30 June 2021 and the final deduction (at the time of presentation of the corporate tax), the expenditure of the season was reduced by 61,429.88 euros.

In addition, in accordance with LaLiga's criterion as regards the reflection of the amounts corresponding to revenue from audiovisual rights, the company has decided to follow the same criterion as LaLiga by charging the gross amounts under heading I.c Net Amount of the Turnover and the amounts to be deducted from this income under heading 7.f Other Operating Expenses. These expenses correspond to the obligations associated with the compensation fund for downstream equipment, the RFEF, the promotion of the LaLiga brand in national and international markets, the CSD and the ability to cover the costs of public systems, for aid to women's football, associations and trade unions. These amounts currently amount to 9% of audiovisual revenue.

As a result, the following balance sheet items and profit and loss account items are restated:

<b>Balance Sheet heading</b>	<b>Restated Information 2020/2021 Season 30/06/2021</b>	<b>Information approved Annual Accounts 30/06/2021</b>
ASSETS B) III.6 Deferred tax assets	2,002,909.07	1,941,479.19
EQUITY AND LIABILITIES A.1) VII. Results of the financial year	(9,472,283.85)	(9,533,713.73)
EQUITY AND LIABILITIES A.1) III.2. Other reserves	77,168,551.31	73,182,197.24
EQUITY AND LIABILITIES A.1) III.3. Capitalisation reserve	4,335,120.07	8,321,474.14

<b>Income Statement</b>	<b>Restated Information 2020/2021 Season 30/06/2021</b>	<b>Information approved Annual Accounts 30/06/2021</b>
I. Revenue	66,379,791.86	61,592,151.86
c) Broadcast income	53,691,288.43	48,903,648.43
7. Other operating expenses	(18,088,957.41)	(13,301,317.41)
f) Other current management expenses	(7,264,343.85)	(2,476,703.85)

## 2. Evolution of the company and future prospects.

### 2.1. Main figures:

During the 2021/2022 season the company managed to generate a positive result again and all this even though the budget formulated and approved by the General Shareholders' Meeting predicted a negative result of more than 10 million euros. We are therefore satisfied with the economic management carried out throughout the season.

In this sense and if we limit ourselves exclusively to the part of the income, although a part of the activity is recovered and income is generated by ticket offices and subscribers derived from the return of public to the stadiums, the effects of COVID on our business are still very significant, with a significant contraction of the market involving, among other things, a fall in player sales, an impact on revenues from audiovisual rights and also the need to be aware of the risk of credit and insolvency affecting the amount of commercial revenues.

The company has worked in two lines during the season:

- Try to increase turnover over expected income.
- Adjust structure costs to the maximum.

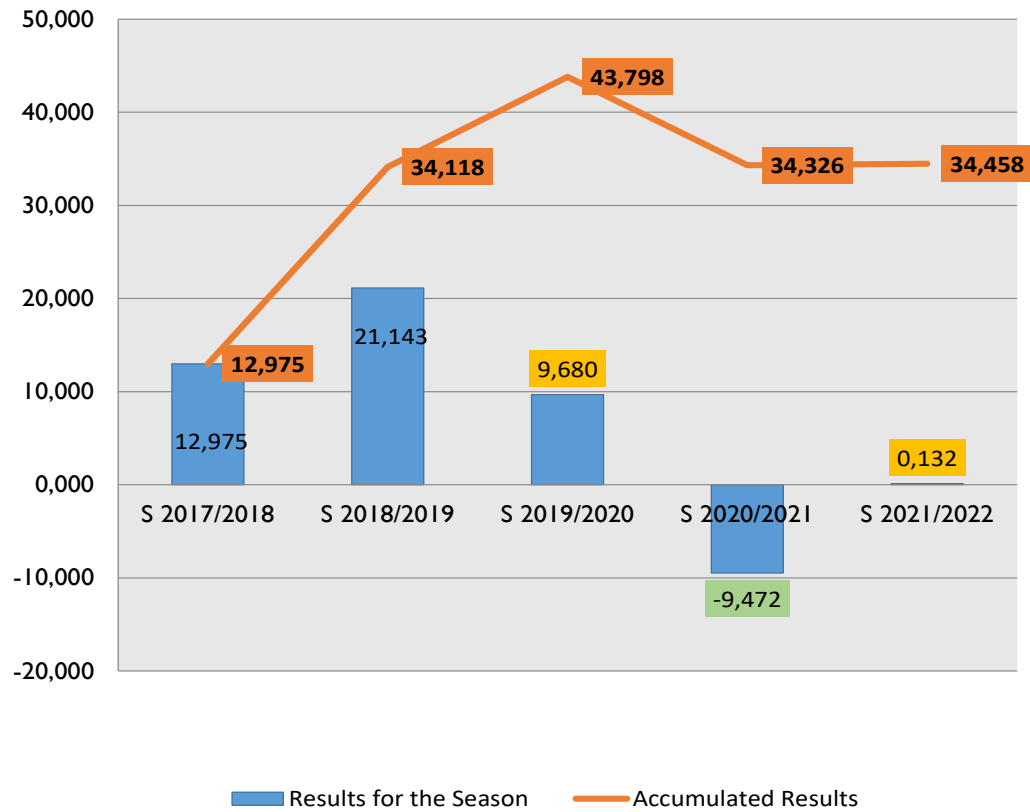
However, we cannot compensate for the fall in revenue from the sale of players from previous years.

All this means that we work and dedicate a large part of our efforts in the search for strategic added value and that we focus on an approach of business excellence (through process management, continuous improvement, ...) transparency through our website, emphasis on the technological and digital approach, social and personnel issues, as well as social responsibility and business ethics.

All this work and effort has had that reward that we mentioned at the beginning since a positive result of 132 thousand euros has been achieved when the approved budget for the 2021/2022 season amounted to -10,976 thousand euros.

## Season and Accumulated Economic Results

Thousand €



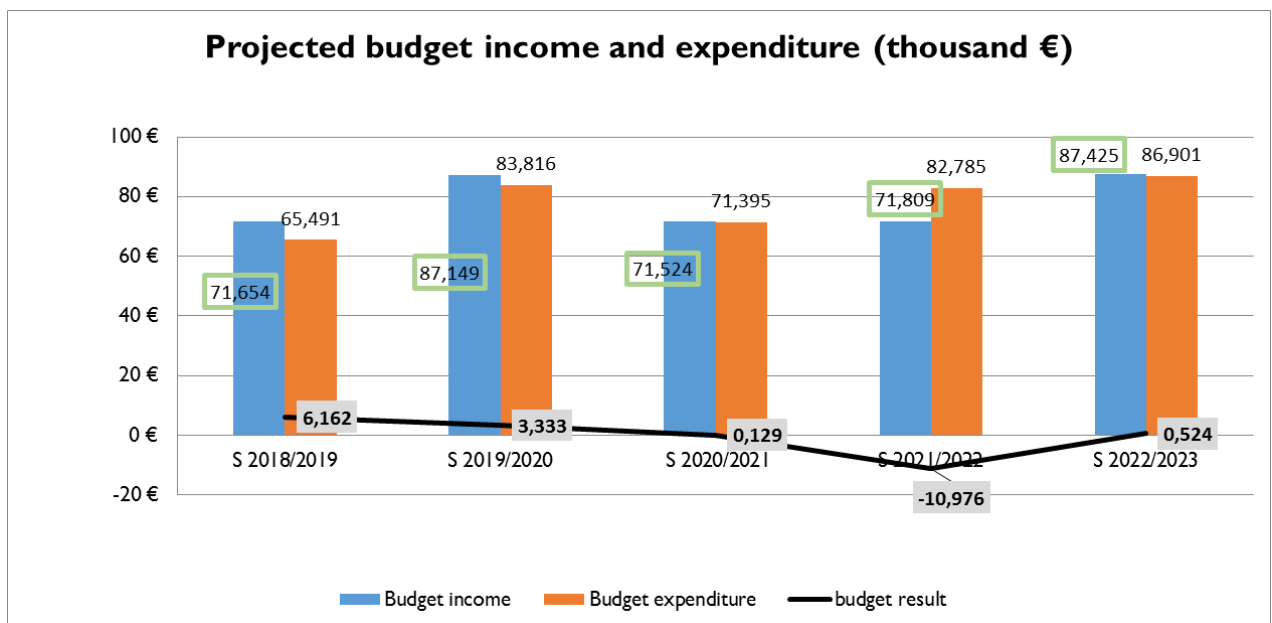
At the income level we see how effectively the aggregate figure improves comparatively, with last season, but we are far from pre-Covid income.

Income	Season 2017/2018	Season 2018/2019	Season 2019/2020	Season 2020/2021	Season 2021/2022
Season and other tickets	7,046,774	5,841,264	4,067,348	1,075,125	4,238,027
Audio-visual	48,907,931	51,632,445	50,058,359	48,903,648	49,065,896
Advertising and shops	6,116,070	9,533,023	8,591,937	11,613,378	11,818,901
Other operating income	2,325,344	6,369,405	4,107,337	5,084,472	1,631,316
Application of subsidies	1,245,116	1,245,116	1,245,116	1,245,116	1,245,116
Players	13,608,655	28,841,365	36,696,234	7,419,238	16,657,473
Extraordinary	213,313	1,750,387	752,666	905,722	913,921
Financial	12,537	26,334	78,247	236,740	114,851
<b>Total Income</b>	<b>79,475,740</b>	<b>105,239,340</b>	<b>105,597,244</b>	<b>76,483,438</b>	<b>85,685,503</b>

As from the 2020/2021 season, as we have indicated in point I of this report, revenue from audiovisual rights is charged the gross amount, following the LaLiga criterion, which means that revenues for audiovisual rights in the 2020/2021 and 2021/2022 season amount to:

Income	Season 2020/2021	Season 2021/2022
Net audiovisual	48,903,648	49,065,896
Obligations associated (9%)	4,787,640	4,806,254
Gross audiovisual	53,691,288	53,872,150

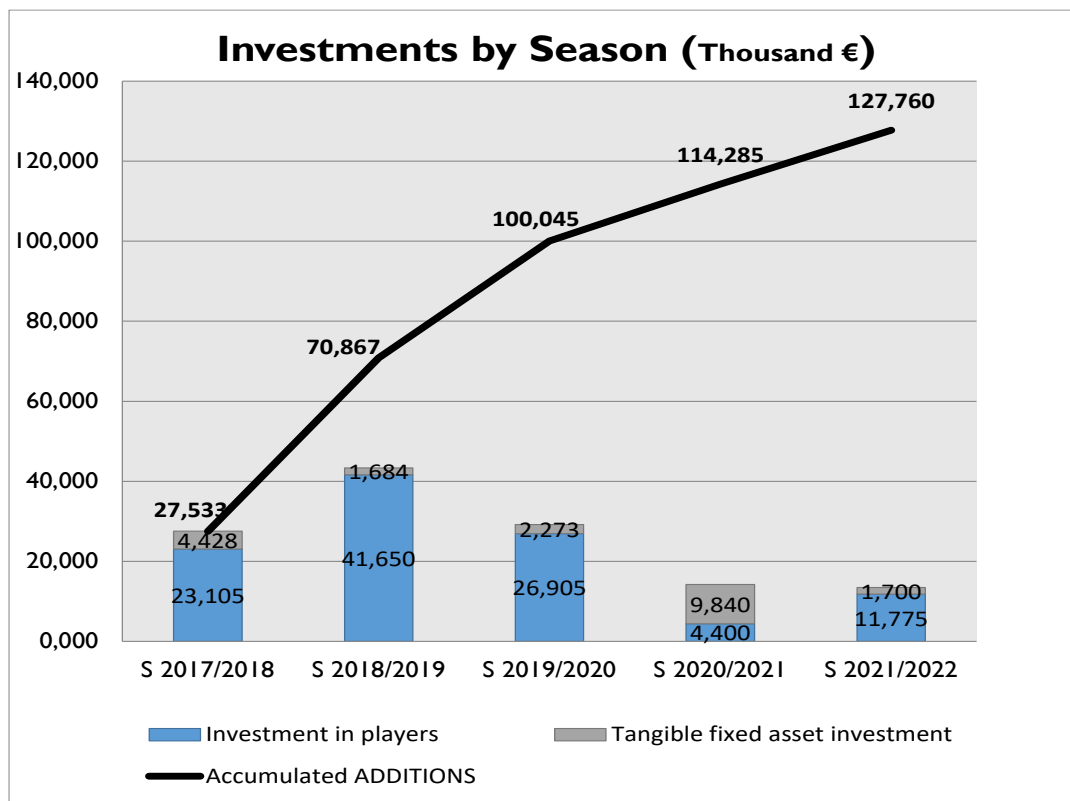
Thinking about the future and with a complex and unstable current economic environment, the vision of the Board of Directors is very prudent and under this approach of prudence formulates a budget for the 2022/2023 season, practically balanced budget, with a positive result BEFORE IS of 524 thousand euros.



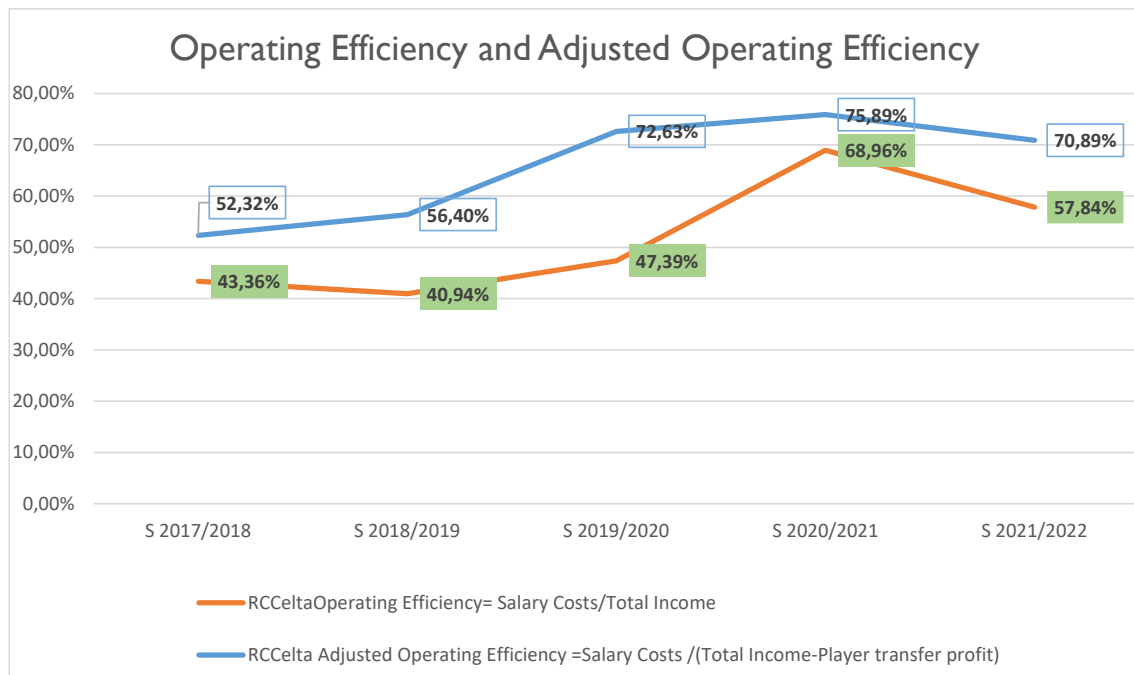
One of the key elements for which the Board of Directors continues to bet is the maintenance of strategic investments that allow to empower society for the future ensuring its sustainability over time. This fact is clearly manifested in the accumulated investment figures for the last 5 seasons in general (exceeding 127 million euros, with cumulative results for the same period of 34 million euros). In particular in the 2021/2022 season the number of investments exceeds 13 million euros. These investments have focused on three areas:



- Players for the amount of 11,775,000.00 euros (in the 2020/2021 season the amount was 4,400,000.00 euros),
- Ciudad Deportiva Afouteza, with facilities that consist of two double training pitches, a multi-purpose building and a car park, integrated into the landscape, with the investment made up to 30 June 2022 totalling 13,039,228.16 euros, and
- Continuation of the digitalisation project and Big Data for the company, focusing this season on creating an open ecosystem of innovation in its different areas and supported by collaboration with third parties.



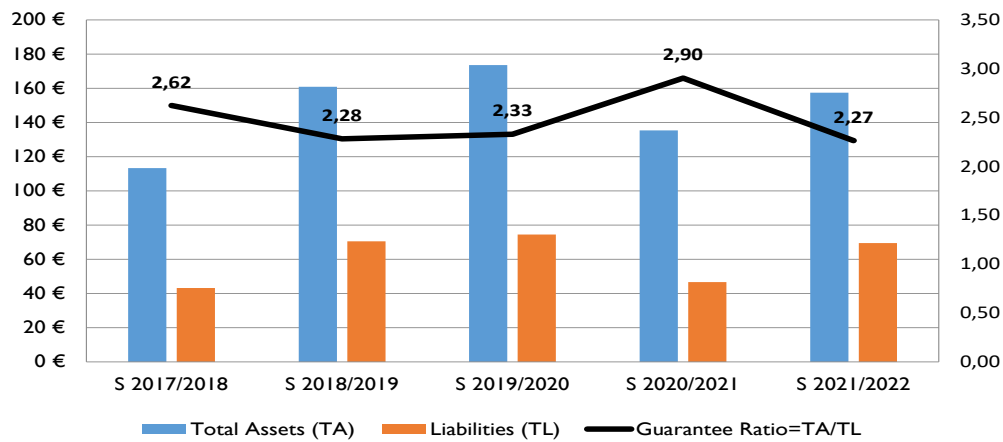
The effort mentioned above also reflects the operational efficiency that has decreased in the 2021/2022 season, but we have not been able to reach the pre-pandemic values in which we were at the threshold of excellence (below 50%). Although the maximum level recommended by the European Club Association, it is below 70%.



Remember that operational efficiency is the most used indicator to measure the future viability of a sports limited company or a football club. This variable relates the wage costs (expenditure on sports and non-sports staff) incurred by the company with the total income of the season. It is usually calculated by subtracting from the total revenues derived from player transfers (Adjusted Operational Efficiency).

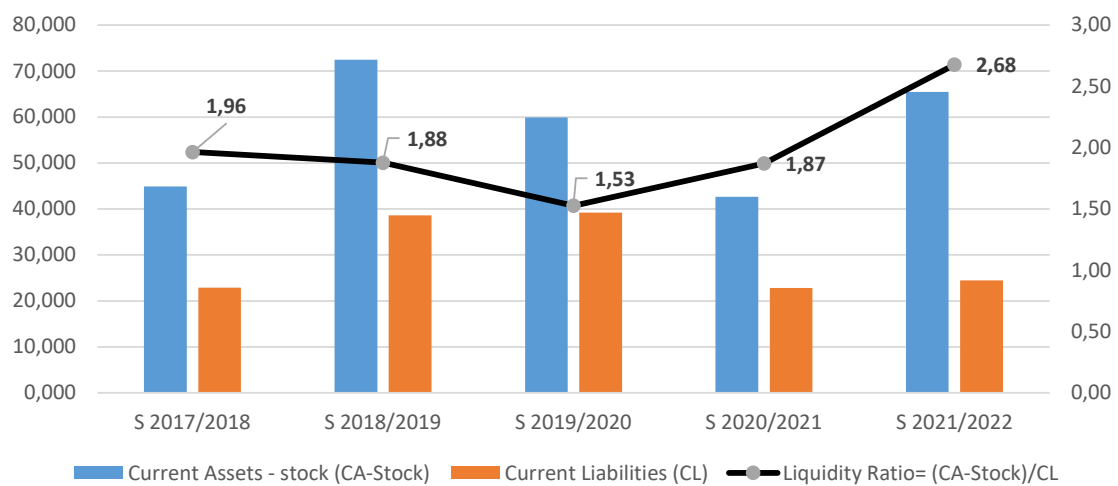
At the financial level, the company maintains ratios of guarantee or total solvency that shows us the ability to meet all the obligations contracted, for this we compare the asset with realisation value against all liabilities, irrespective of the maturity. Thus indicating the security of collection offered by the company to its creditors, considered appropriate when it is between 1.5 and 2.5. The higher the value of the ratio, the greater the guarantee offered by the company in relation to the payment of all the debts contracted.

### Guarantee Ratio or Total Solvency (Thousand €)

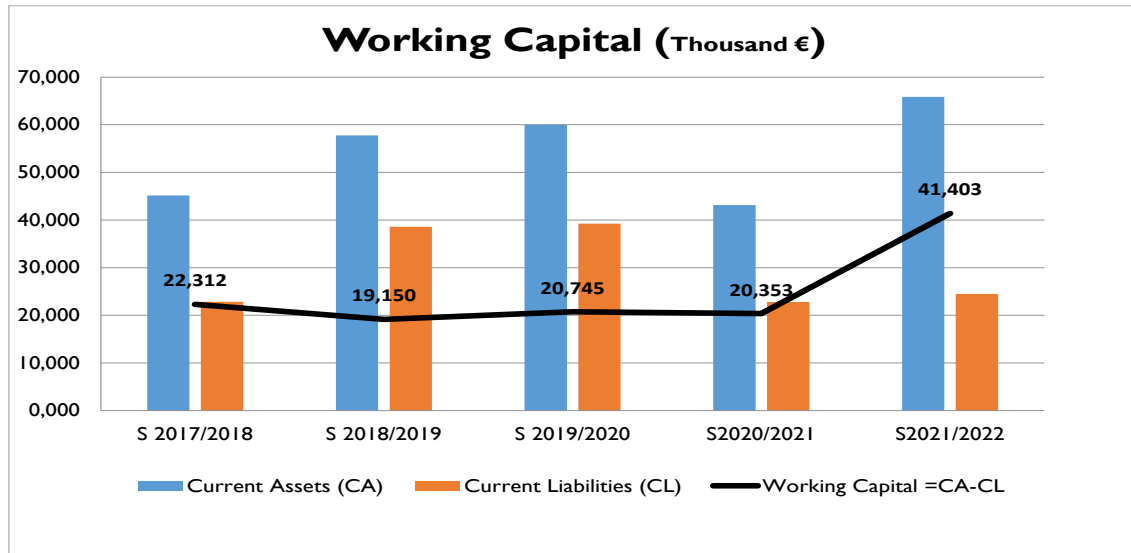


So the liquidity ratio improves by showing the ability of the company to meet its financial obligations, debts or short-term liabilities. The greater the positive result, the greater the solvency and the greater the capacity to pay the company will have being constituted, as well as a short-term monetary guarantee for the company. Since the company's ratio is higher than 1, current assets are higher than current liabilities, which is a sign of financial health.

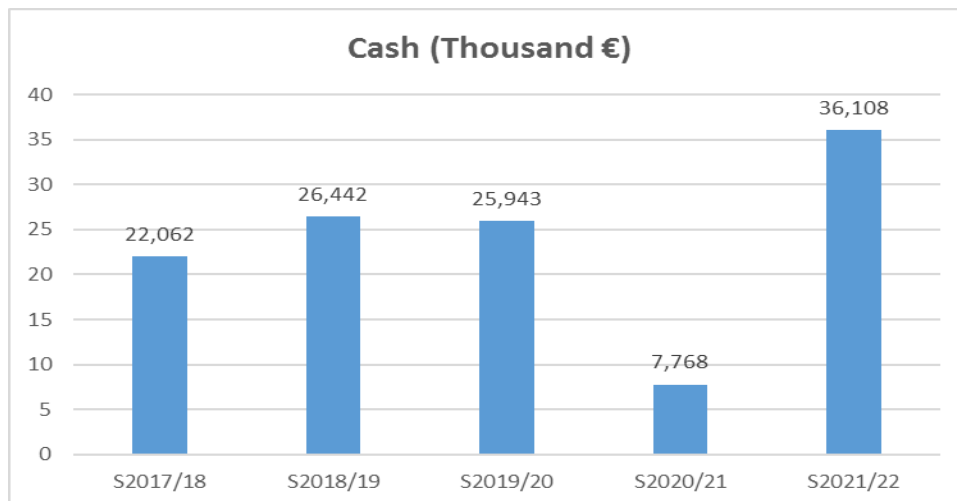
### Liquidity Ratio (Thousand €)



The fundamental consequence of this current asset being greater than the current liability is the existence of a positive working capital. In the 2021/2022 season the company reaches a working capital of more than 41 million, the largest in the last 5 seasons, which is a guarantee of stability.

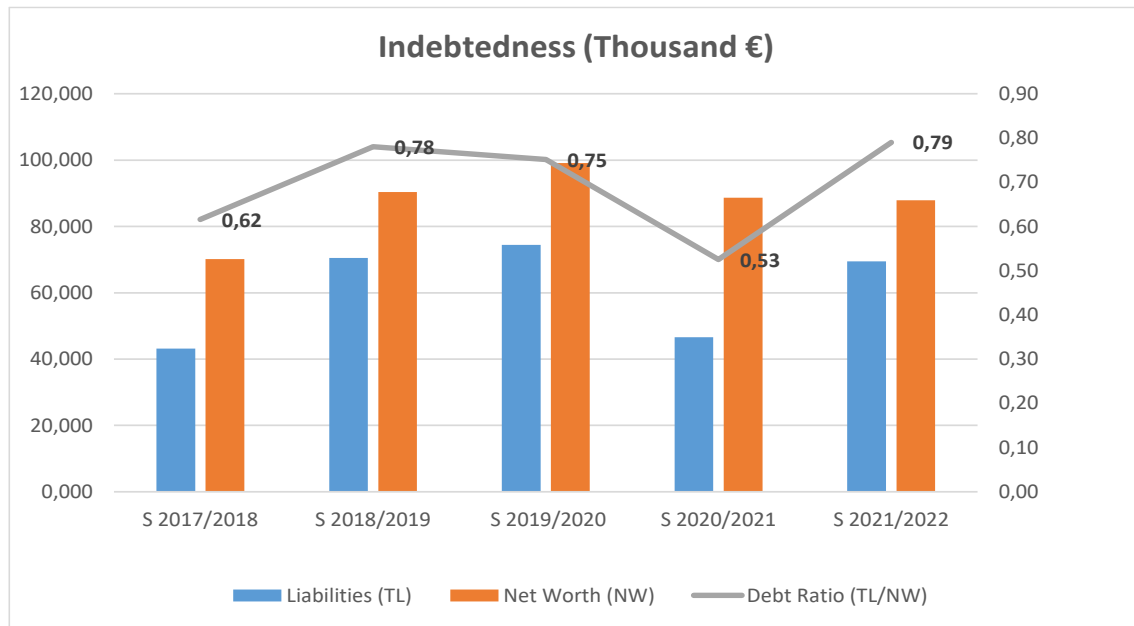


Showing guarantee to third parties outside the company on the ability of the company to meet its commitments in the short term without liquidity stress (the largest cash balance of the last 5 seasons).

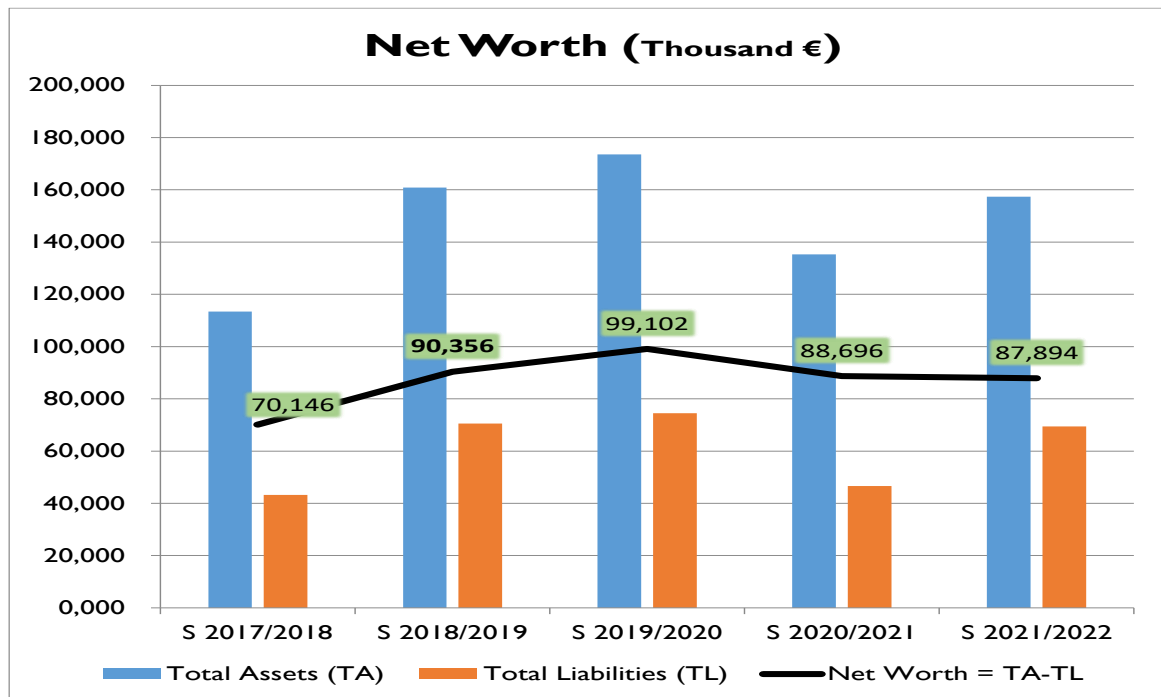


This financial solvency follows a fundamental rule, that the total debts incurred by the company must never exceed the value of equity. According to this, the value taken by the debt ratio must be at most the unit and recommended values below the unit. Being, thus, the main source of financing is the net worth, being relegated the total debts of the society to a secondary role.

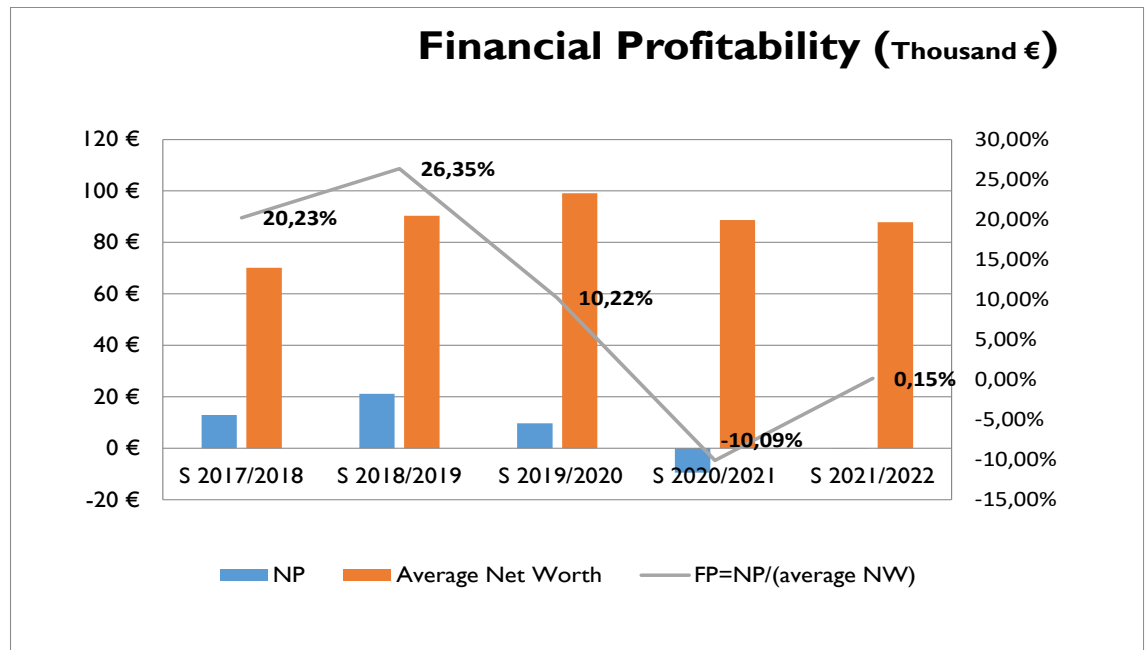
In view of the graph, society reaches financial equilibrium.



This financial balance has been achieved as a result of the absence in the distribution of dividends that implies that society is highly patrimonialized.

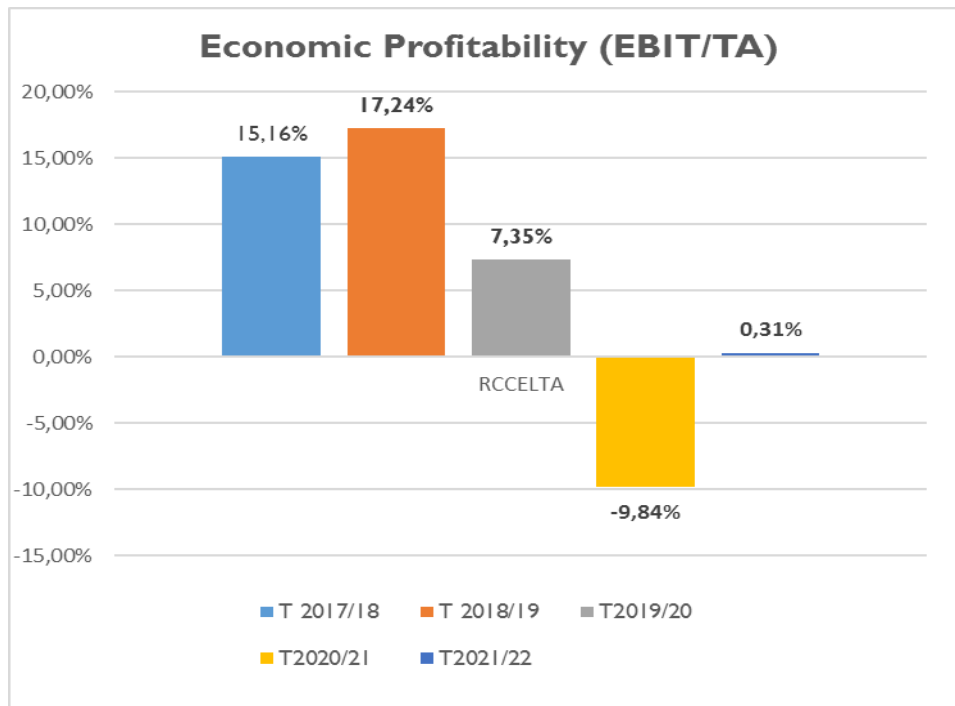


If we compare the evolution of the financial profitability of the company, we managed in this season to return to positive ratios that significantly improve last season's data.



The same applies to the economic profitability ratio, which makes a comparison between the profit made on the activities carried out by the company before interest and tax and the total assets. Economic profitability measures the degree of efficiency of society in the use of its economic resources or assets for profit.

It is clear that the higher the ratio is the better, since it indicates a higher "productivity" of the assets and a greater efficiency of the society, while a reduced ratio can be indicative of an excess of investments (assets) and other cases and, therefore, of a lower "productivity".



## 2.2. . Sporting Area.

The most relevant sporting "milestones" of the 2021/2022 season are:

- Fourth Zarra Trophy by Iago Aspas.
- Four players achieved their personal minutes record: Kevin Vázquez, Fran Beltrán, Joseph Aidoo and Brais Méndez
- Streak of five games without losing.
- Debut of the youth Hugo Álvarez, with Damián and César called for the first time.
- Eleven players with minutes.
- 400 matches for Hugo Mallo.
- Celta B, sixth after another great season.

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### 2.3. Institutional Area.

In March 2022 the Galicia Sports 360 Project, Galician Sports Factory, with four basic pillars is presented: innovation, training, health and sports tourism.

At GS360 the Sports Industry will have its most important operating centre in the Galician Region and will become a strategic project for the local economy (Project of Regional Interest). An ecosystem of companies, entrepreneurs, tech centres, universities, federations, clubs, public administrations... will be created, making it possible to grow and contribute more professionalisation to the Sports Industry and off the tools necessary to adapt it to the technological Transformation in which the sector is immersed, becoming more competitive and improving their management and operating models.

This Project involves:

- Creation of the Hub of Galician Sport seeking to grow our sport, providing it with innovation and introducing it fully into the technological and digital transformation in which society is immersed, for this the University of Sport will be created, the Higher Vocational Training Cycle, the First Technological Centre for Innovation in Sport
- To make Galicia a reference for sports and catering tourism as a complement to tourism in the Rias Baixas or Xacobeo. It will be an international showcase for different stages and host of national or international sporting events that put Galicia as a world reference for sports tourism.
- Commitment to health and with the High Performance Center aims to place health-sports tourism in a place of reference worldwide. The main guidelines for this sector are research and work on preventive health and on improving the quality of life.
- Sport is increasingly understood as an industry within a larger, that of leisure. And it is in that industry in which we must be competitive, grow and bring our experience and facilities to the Galician sport.
- General interest in the training of young people. A concrete commitment to bring to society successful models as RCCelta Designation of Origin, through the Sports City Afouteza and Residence.



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## 2.4. Management Objectives.

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:

1. **Business and sporting excellence**, by implementing different quality systems under the **UNE EN ISO 9001:2015 standard** certified by standards entity AENOR, centring on our client focus, process management, continual improvement (in the security and facilities department and in the corporate area).
2. **Transparency, with social responsibility and business ethics**, by virtue of which we voluntarily draw up a Non-Financial Information Statement for the RC Celta Group for each season, the **INFUT score of 100%** in the ranking of the **Football Club Transparency Index** prepared by Transparency International Spain and implementation of the **Criminal Compliance management system under the UNE 19601:2017 standard**.
3. **Sustainability, by optimising resource and waste management** which sets the company apart from its competition and positively reinforces the image it portrays to society in general. The company 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 obtaining the **Indicador Ardan Empresa Circular 2020 and 2021**, for the implementation of a circular economy strategy.

Moreover, the Ciudad Deportiva Afouteza was a finalist in the XV Spanish Architecture and Urban Development Awards (BEAU) between 2018 and 2020. It was nominated for the 2022 European Union Mies van der Rohe Contemporary Architecture Award for the works concluded between October 2018 and April 2021.

4. **Proximity**, by 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).

All of this led to us being granted the **Certificate of Excellence in business management by Informa-el Economista in 2019, 2020 and 2021** and our recognition as the **5th best managed Galician company by operating income according to the Ardan Galicia 2022 Report**.

## **2.5. Future Prospects.**

As a result of the context of uncertainty affecting the global economy at this time, the company considers that the following is of the utmost importance going forward:

- Consolidate the international presence as a revenue-generating element, through an Internationalization Plan that starts with a pre-season tour of the first team in the United States and Mexico, which seeks to grow in revenue and gain presence in different markets.
- Generate digital content in new market niches that allows fan loyalty, growth of followers and extend the Celta brand to achieve monetization presence in new markets.
- Search for new sponsorship opportunities that increase the overall value of the brand and allow growth in revenue.
- On March 15, 2022, the company presented an application to initiate the procedure of declaration and Regional Interest of the project "Galician Sports Factory Galician Sports 360" having as promoter Real Club Celta de Vigo, S.A.D, bearing in mind that sport has outstanding functions, in particular in the fields of education, training and culture, in improving public health, in promoting social cohesion, in development and in respect of the environment.

The project "Factoría del Deporte Gallego- Galicia Sports 360" is constituted as a complex of facilities of about 300,000 m2 from which will address and promote different facets of the sports system, with three groups of infrastructure: Sports City Afouteza, Integral Center for the Training of the Sports Industry and, finally, the Service Area- Arena Space.

The Afouteza Sports City consists of an integrated set of buildings and facilities at the service of sport in order to meet the operational needs of the entity and provide it with the necessary infrastructure both for the requirements of high readiness performance and monitoring of athletes in the professional football categories of the club as for promotion, promotion and training of new generations of sports (Cantera).

Given the importance of the training processes of athletes and the need for adequate facilities, as well as the growth of the entity face, among other things, to women's football to which the current facilities of A Madroa would be reserved since society in its promotion of equality between men and women and as a push of women's sport, created a section of women's football of RCCelta.

In the field of training, the aim is to support sports agents in the field of technology, as well as to identify and retain the sports talent that is disseminated in the different clubs of the Autonomous Community.

Given the sports dimension of RCCelta, the work of sports promotion, especially in the field of grassroots sport transcends the metropolitan area of Vigo and the Autonomous Community itself.

The project also has an important presence of the educational, innovation and development aspects of the sports system, mainly focused on the Integral Center for the Training of the Sports Industry. Thus, it is intended to establish a dynamic and modernizing center of the business fabric that is a benchmark not only in the Autonomous Community or the northwestern peninsula, but at the national and international levels, and a strategic investment for its future. In addition to presence in employment, with the recruitment of a large number of new staff for management, the revitalization of activities and the maintenance of new facilities, being the Technological Center for Innovation in Sport, one of the areas that will benefit most from this new employment opportunity because it is totally new and by its very nature.

The proposed action goes beyond the municipal level and the project supports the idea of sport as an activity of public interest that helps growth and social cohesion, gender equality, to improve the welfare of citizens and the development of the whole of the Autonomous Community, strengthening the transversal character of the Galician sports system.

Therefore, on June 1, 2022, the declaration of regional interest by the Consello da Xunta de Galicia of the "Galician Sport Factory-Galicia Sports 360" requested by the company is considered appropriate.

- In the sports field, the company intends to continue strengthening and developing its sports model all combining the above mentioned revenue with a cost containment that allows us to achieve the objectives set for the season. In this sense, society has the capacity to increase the LCPD in the 2022/2023 season to 15% of CVC funds that it has not yet used.

### 3. Events subsequent to closing.

At the summer market, the society has yielded players to other sports entities derived from the projection in terms of game and performance of the same and incorporated players through the acquisition of their economic and federative rights or assignments to reinforce the staff of the first team and of the Celtic B. The market value of the first team,

At the time of the reformulation of these annual accounts, it amounts to more than 125 million euros and that of Celta B to more than 7 million euros.

At the date of reformulation of this 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 annual accounts and in this 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 annual accounts and in this management report.

No events occurred subsequent to the closing of the annual accounts and this management report that affected the application of the going concern principle.

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#### 4. Environmental information.

Given the company's activity, there are no liabilities, expenses, assets, provisions and contingencies of an environmental nature that could be significant in relation to assets, financial position and results.

Society works to create value and for this purpose has as a fundamental pillar the protection of the environment optimizing the management of resources and waste and the proper management of the expectations of stakeholders in this area.

The society aware of the import of quality and the environment in order to meet the needs and expectations of stakeholders has included in its business strategy these requirements and has therefore implemented an environmental management system in accordance with the ISO 14001 standard:2015, as mentioned in note 2.4 of this reformulated management report.

The contribution of society to sustainability is characterized by the development of measures that are fully linked, in the day-to-day life of the activity and that contribute to the efficient management of resources.

For example, these actions allow the reduction of raw material consumption, efficient water consumption, reduction in waste generation, measures for efficient waste collection (mainly packaging that will be reused later), use of renewable energy, increase of the energy efficiency of the facilities, awareness of stakeholders with a correct environmental performance and minimization of the environmental impact derived from the purchase of products/services and their use.

In the Sports City Afouteza is committed to measures to improve efficiency in the use of resources with a construction based on bioclimatic architecture (provides thermal comfort taking advantage of environmental sources, ...), respecting the environment to the maximum, balancing with the landscape, self-sufficient building from the point of view of the use of irrigation water. Among others, rainwater collection systems have been installed in the Sports City Afouteza.

#### 5. Research and Development Activities.

The company has launched a phase of continuous digital transformation, based on the permanent analysis of the activity, both internal on the company's processes and external regarding client relations, both B2B and B2C.

As part of the innovation in internal processes, the club is continuously analysing the tasks carried out by personnel, trying to digitise, using new tools, those that do not contribute value and free up time for people to carry out the relevant ones.

With regard to innovation in relation to B2C, the club is equipping itself with tools that enable it to better analyse and learn about the relationship clients have with the Club and how to create “patterns” that help to improve service or be proactive in covering the future needs that clients will have.

Analytical tools, artificial intelligence systems and 360 data capturing, are the basis for knowing your clients and how they behave, something that is directly affecting the company via the adaptation of the offer of products and services. This digitisation maintains a direct impact on the optimisation of sustainability models, via mobility, environment and, consequently, a reduction of the carbon footprint and added value for the entire company in general.

## 6. Acquisition of treasury stock.

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

## 7. Financial instruments.

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

- **Future impact of the outbreak of the war in Ukraine:** At the date of drafting these annual accounts, it is not possible to estimate of the future impact derived from the crisis caused by the war in Ukraine on Real Club Celta de Vigo, S.A.D. or on the company in general. The company will assess the future impact on its socio-economic situation in the course of the 2022/2023 season.
- **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 company currently has a procedure for carrying out all operations strictly monitoring risk and the grant of credit. The company carries out monthly reviews to identify situations of risk and delays in receiving payment.

- **Liquidity risk:** This arises due to the possibility of the company not being able to dispose of liquid funds or access them in the amount necessary in order to meet payment obligations. The company 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 company paid the debt for purchases and provision of services and sporting entities in accordance with the law and the respective agreements, collects payments when issued and advertising rights in accordance with the terms of the respective contracts or 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 company. The company applies a very prudent policy of financial indebtedness and in fact the main sources of financing for the company is the net worth, with debts being relegated to a secondary plan and optimising the figure of financial expenditure.

The company does not use financial derivatives.

## 8. Securities listed for trading.

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

## 9. Average employment for the period.

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

Breakdown	Season 2021/2022		Season 2020/2021	
	Men	Women	Men	Women
<b>Average staff</b>				
Playing staff (players)	41	0	45	0
Other staff	61	20	61	20
<b>Total average staff</b>	<b>102</b>	<b>20</b>	<b>106</b>	<b>20</b>

Breakdown	Season 2021/2022		Season 2020/2021	
	Men	Women	Men	Women
<b>Closing staff</b>				
Playing staff (players)	36	0	38	0
Other staff	70	26	66	21
<b>Total closing staff</b>	<b>106</b>	<b>26</b>	<b>104</b>	<b>21</b>

## 10. 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 company has debts due for more than 30 days with suppliers for commercial operations amounting to 16,178,493.38 euros (at 30 June 2021 the figure was 21,833,322.89 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 and agents, with the amount recognised long term being 2,826,650.69 euros (at 30 June 2021 the figure was 8,899,166.00 euros).

## 11. Sponsors and creditors.

The company's sponsors are set out on its website.



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

\*Adidas España, S.A.

\*Viajes El Corte Ingles.

\*Laliga,

\*Constructora San Jose, S.A.

\*RFEF.

\*Royalverd Service, S.L.U.

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The management report has been reformulated by the members of the Company's Management Body in 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)

Mr Jose Fernando Rodilla Martinez (Director)

Ms Maria Jose Taboas Cabral (Director)

The management report was issued on September 16, 2022 and this document is a literal translation of it



RC Celta



## ANNEX I. MAIN INDICATORS OF TRANSPARENCY OF FOOTBALL CLUBS (INFUT).

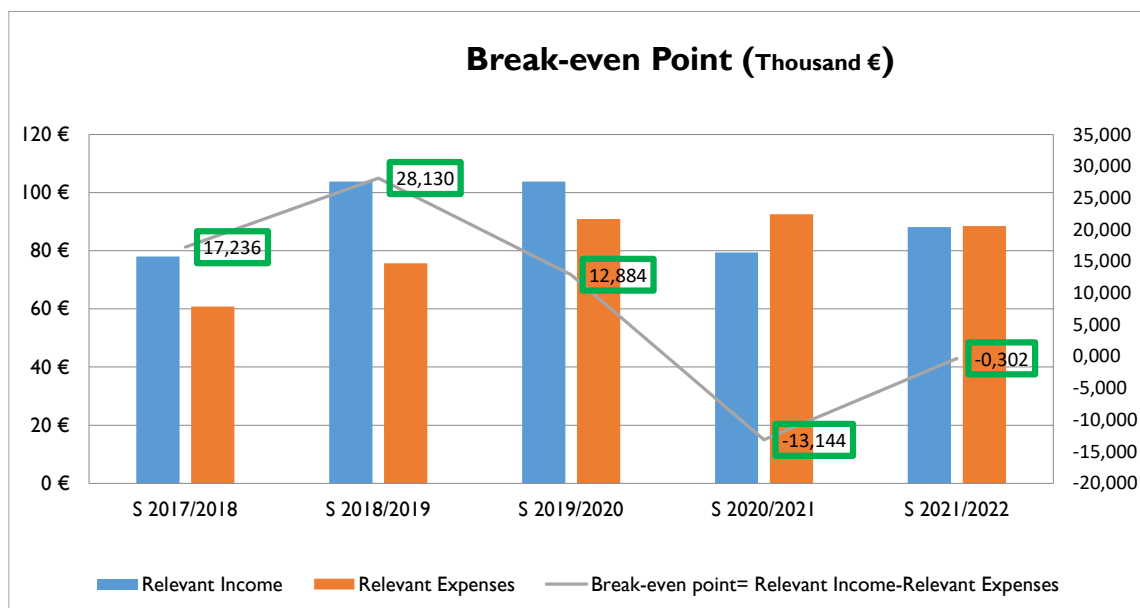
As Annex I to the reformulated management report, the information regarding the main Transparency Indicators of Football Clubs (INFUT) that are included in our website is provided. It consists of a set of indicators evaluated through "Transparency International Spain". It evaluates information about the Club, relations with members, fans and the general public, economic and financial transparency and in the contracting and supplies and indicators of the Transparency Act.

The data currently on the website for these indicators refer to the 2020/2021 season. They will be updated once the reformulated financial information (reformulated annual accounts and reformulated management report) and the statement of non-financial information, referring to the 2021/2022 season are approved.

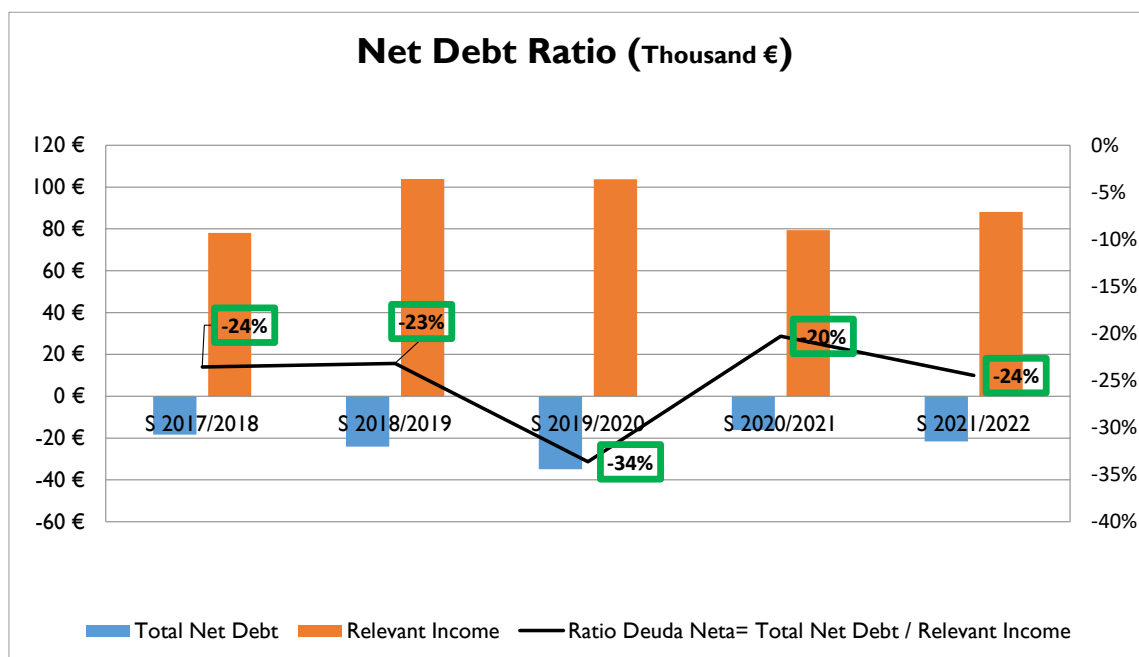
The main indicators of transparency of football clubs (INFUT) being the following:

- Breakeven point,
- Net debt ratio,
- Ratio expenses associated with the first staff,
- Financial autonomy,
- Amount invested in players of the first staff/relevant income,
- Payment to public administrations,
- Player transfer expenses,
- Transfers made in recent seasons,
- Result by transfer of players,
- Income by transfer of players,
- Salary cap,
- Number of minors hired in different levels and sports sections,

- BALANCING POINT.**

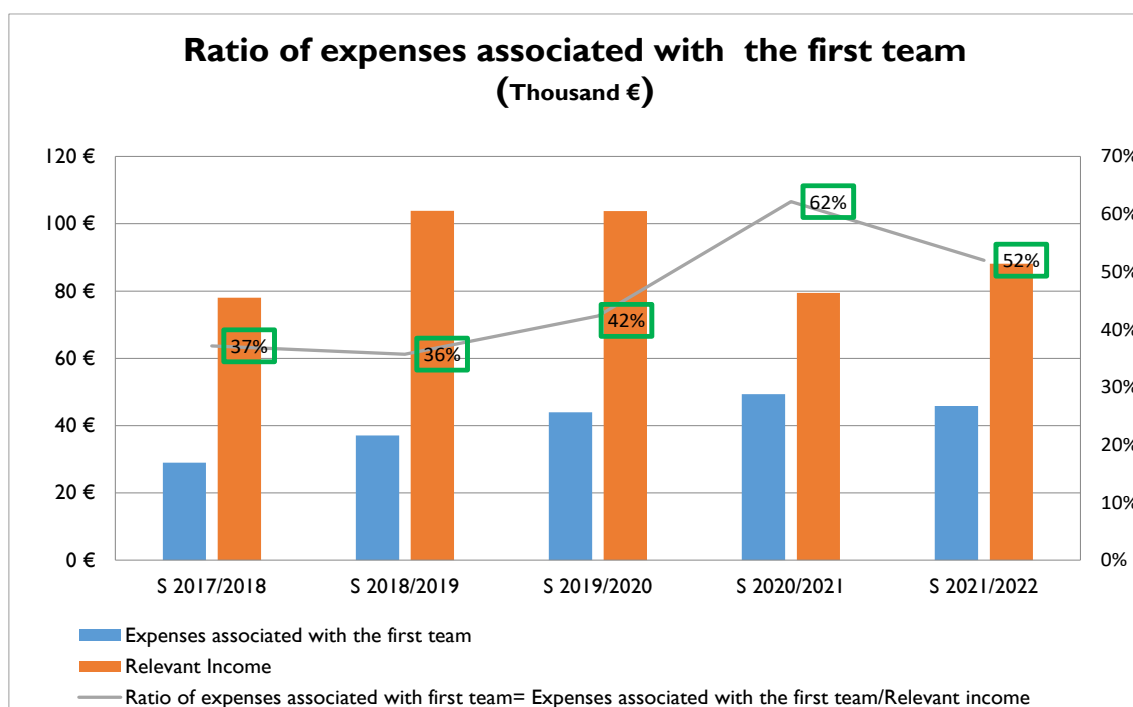


- NET DEBT RATIO.**



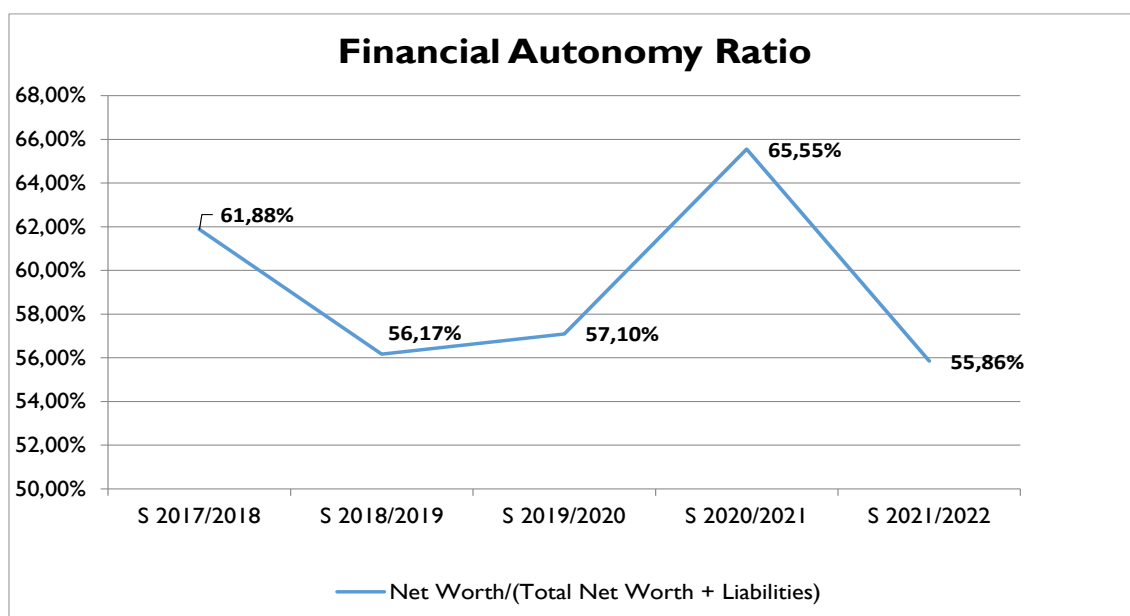
- RATIO OF EXPENSES ASSOCIATED WITH THE FIRST TEAM.**

The breakdown of expenses associated with the first team includes remuneration received by first-team players and coaches, as well as non-sports technical staff linked to the first team.



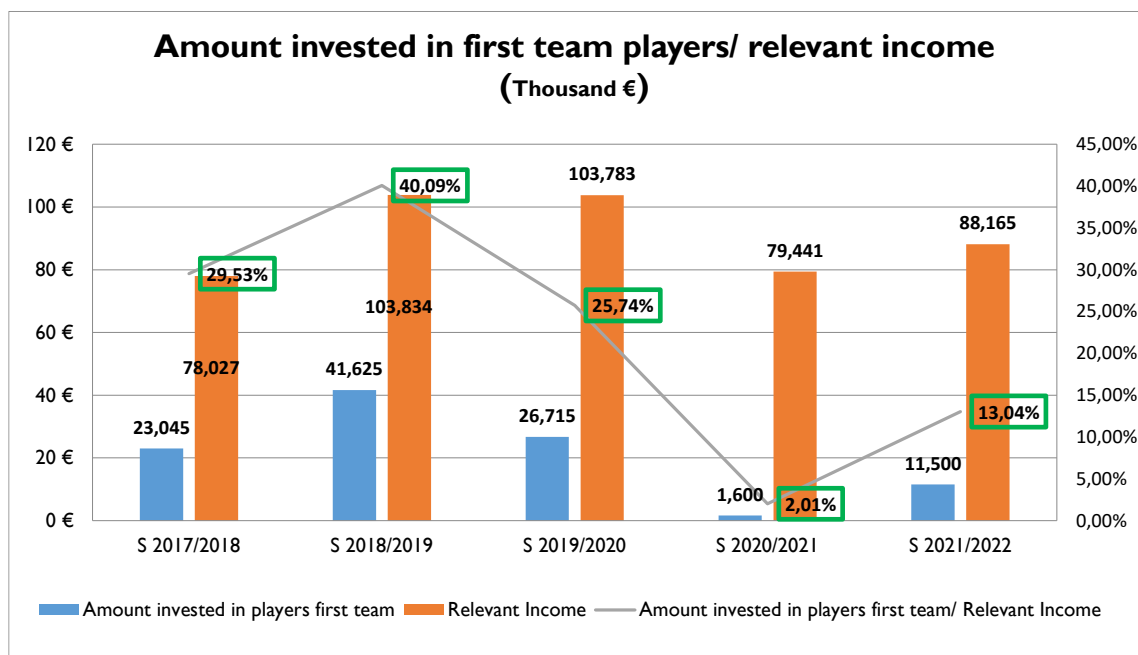
## • FINANCIAL AUTONOMY.

The ratio of financial autonomy is inverse to the ratio of indebtedness and makes it possible to measure the degree of independence of a company depending on the origin of the financial resources it uses. For each monetary unit of outside resources used, it shows how much own resources are employed.

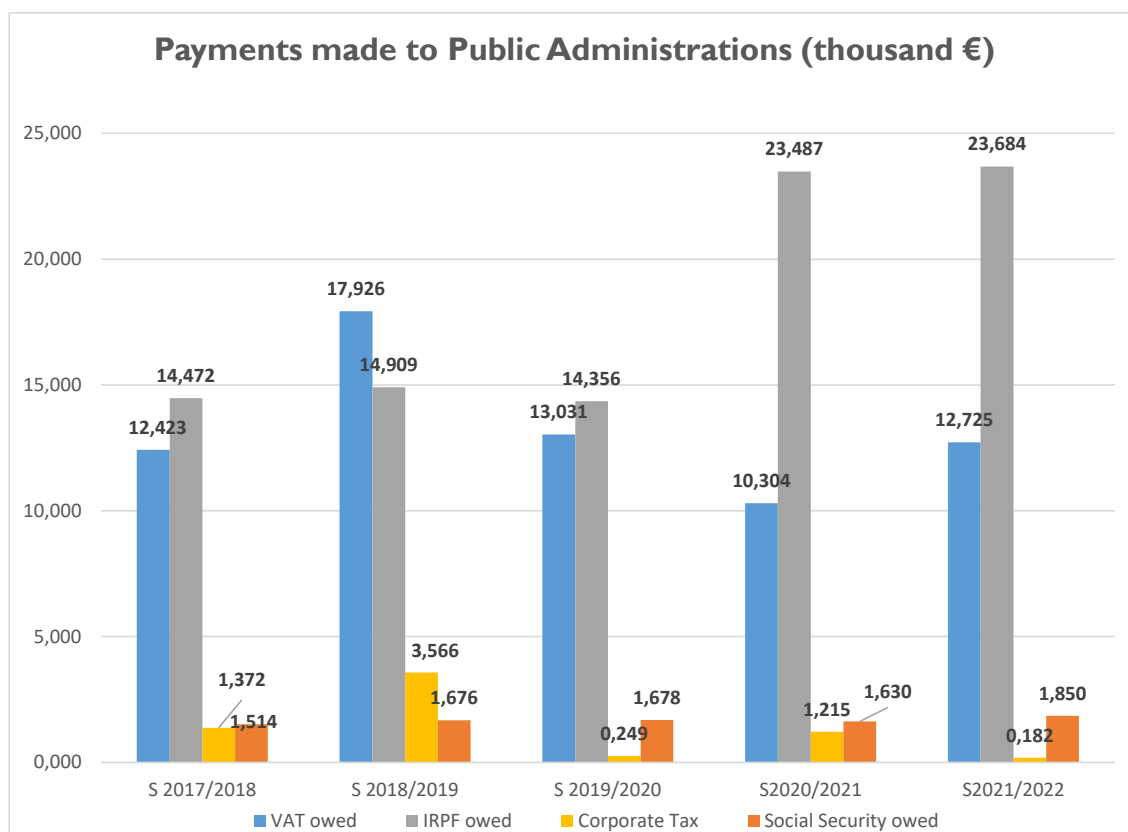




- **AMOUNT INVESTED IN FIRST TEAM PLAYERS / RELEVANT INCOME.**



- **CONTRIBUTION AND PAYMENTS TO PUBLIC ADMINISTRATIONS.**



The amount of 182 thousand euros in the 2021/2022 season corresponds to payments on account. The corporation tax refund worth 2,002,909.07 euros took place in July 2022 (in the 2020/2021 season the amount of 1,215 thousand euros corresponded to payments on account of 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.

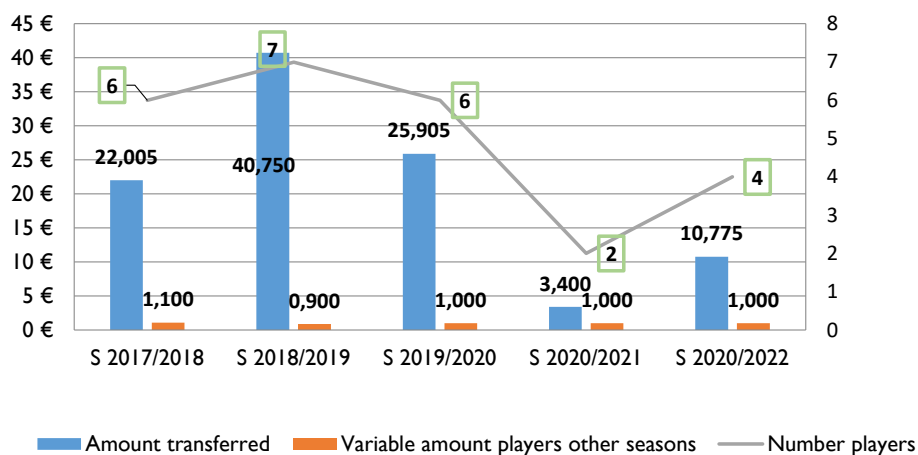
- **PLAYER TRANSFER EXPENSES.**

- In the 2021/2022 season, due to the signing of 9 loan players we incurred 638,000.00 euros and a penalty regarding the loan of one of our players to a third team represented an amount of 28,000.00 euros.
- In the 2020/2021 season, the signing of 12 loan players implied 274,150.13 euros in expenses
- In the 2019/2020 season, the signing of 8 loan players implied 3,175,074.87 euros in expenses.
- In the 2018/2019 season, the signing of 4 loan players implied 200,000.00 euros in expenses.
- In the 2017/2018 season, the signing of one loan player implied 200,000 euros in expenses.

- **SIGNINGS COMPLETED IN RECENT SEASONS.**

The variable amount for players in past seasons is due to the fact that, player acquisition agreements establish clauses that oblige the company to pay certain financial compensation in the event they are triggered, being recognised at that time, in line with the accrual principle.

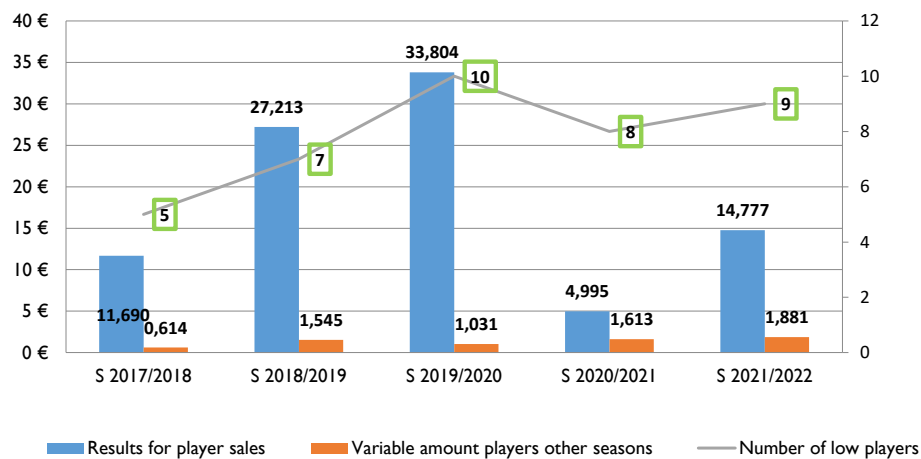
### Transfers last seasons (Thousand €)



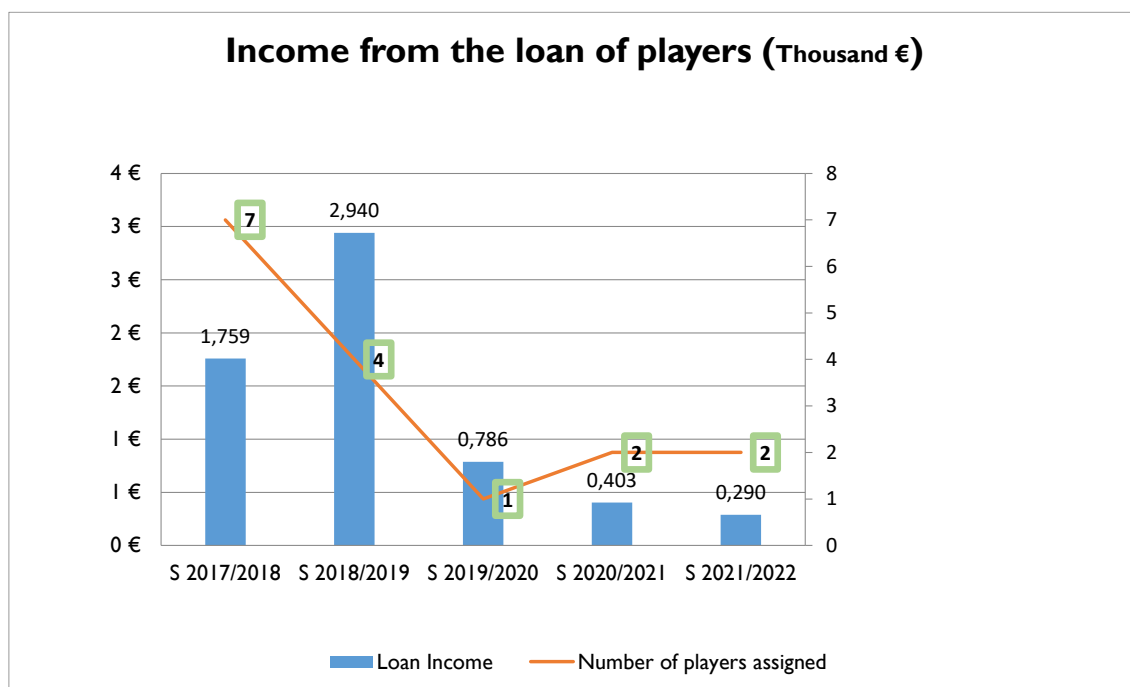
### • RESULTS FROM THE SALE OF PLAYERS.

This section includes the results from the transfer of players in the corresponding season together with the income generated in previous sales due to variable targets reached.

### Results from the sale of players (Thousand €)



- **INCOME FROM THE LOAN OF PLAYERS.**



In the 2021/2022 season, 187,285.62 euros received from UEFA for the release of players to their respective national teams was included (in the previous season, the amount totalled 1,329.53 euros).

- **SALARY CAP.**

Amount thousand €			
Season	Limit staff cost (summer market)	Limit staff cost (winter market)	Cost of workforce consumed
S 2019/2020	62,123	68,323	69,784
S 2020/2021	62,518	65,110	68,536
S 2021/2022	65,530	66,447	65,760
S 2022/2023	63,855		

At the time of reformulation of this management report LaLiga has made public the limit of cost of sports staff. This limit is the maximum amount that each club/SAD can consume during the 2022/2023 season after the summer market and includes the expenditure on players, first coach, second coach and first team fitness (enrollable template) and also includes expenditure on subsidiaries. Being for Real Club Celta the LCPD of 63.855 thousands of euros.

- **NUMBER OF UNDERAGE PLAYERS UNDER CONTRACT IN THE DIFFERENT LEVELS AND SECTIONS.**

At 30 June 2022, the number of underage players under contract in the different levels and sections was 4.

At 30 June 2021 the number of underage players under contract in the different levels and sections was 3.

At 30 June 2020 the number of underage players under contract in the different levels and sections was 7.

At 30 June 2019 the number of underage players under contract in the different levels and sections was 7.



RC**Celta**