Inter Media and Communication S.p.A

As the issuer of

€300,000,000 4.875% Senior Secured Notes due 2022

€75,000,000 4.875% Senior Secured Notes due 2022

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

For the fiscal year ended 30 June 2021

Date: 28 October 2021

Contents

GENERAL INFORMATION

INTRODUCTION

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

TeamCo is owned by Grand Tower S.à r.l. (68.55%), International Sports Capital S.p.A. ("ISC") (31.05%) and other minority shareholders (0.40%). Our direct majority shareholder Grand Tower S.à r.l. ("Grand Tower") is a new entity created in the context of the financing plan closed at shareholder level on 20th May 2021 (please refer to paragraph "UPDATE ON THE HOLDCO FINANCING PLAN (MAY 2021") and is fully owned by another new entity Grand Sunshine S.à r.l. which is fully owned by Great Horizon S.à r.l. ("Great Horizon").
Great Horizon is part of the Suning Holdings Group Co., Ltd. ("Suning"), a Chinese corporate group with businesses in a variety of sectors. ISC is owned by LionRock Capital ("LionRock"), an experienced private equity investor based in Hong Kong.

TeamCo, with a history dating back to 1908, is one of the leading European football clubs and one of the top football clubs in Italy. TeamCo is the only club to have played every season in Italy's top football league, known as Serie A, since the league's inception in 1929, and is the only club in Serie A that has never been relegated to a league with a lower standing. Inter has won 31 domestic trophies (including nineteen Serie A championships, seven Domestic Cup titles and five Super Cup titles), three UEFA Champions League titles, three UEFA Cup titles, two Intercontinental Cups and one FIFA Club World Cup. In 2010 Inter became the first Italian team to complete the "Continental Treble" by winning the titles in Serie A, TIM Cup and UEFA Champions League all in the same season. Since 2000, Inter has won the Serie A championship five consecutive times, from 2005/2006 to 2009/2010 and in the last sporting season (2020/2021).

CORPORATE BOARDS, MANAGEMENT AND AUDITORS

MediaCo Board of Directors (appointed on October 28, 2021)

Zhang Kangyang	President & Director
Alessandro Antonello	Executive Director
Yang Yang	Non-Executive Director
Zhu Qing	Non-Executive Director
Lorenzo Mauro Banfi	Non-Executive Director (Independent Director)

MediaCo Senior Management

Zhang Kangyang	Chairman
Alessandro Antonello	Chief Executive Officer – Corporate
Giuseppe Marotta	Chief Executive Officer - Sport
Javier Zanetti	Vice President
Andrea Accinelli	Chief Financial Officer (appointed on October 4, 2021)
Matteo Pedinotti	Chief Communications Officer
Luca Danovaro	Chief Marketing Officer
Piero Ausilio	Chief Sport Officer

MediaCo Board of Statutory Auditors (appointed on October 28, 2021)

Luca Alessandro Padula	Chairman
Roberto Cassader	Auditor
Simone Biagiotti	Auditor
Fabrizio Piercarlo Bonelli	Alternate Auditor
Antonio Ricci	Alternate Auditor

MediaCo Independent Auditors

Deloitte & Touche S.p.A.

MEDIACO REFINANCING TRANSACTION AND FURTHER FINANCING (DECEMBER 2017 AND JULY 2020)

Senior Secured Notes due 2022 issued in December 2017

On December 14th, 2017, MediaCo priced its offering of €300.0 million in aggregate principal amount of 4.875% Senior Secured Notes due 2022 (the "Existing Notes").

The Existing Notes represent the first MediaCo high yield bond placed with the international capital markets to a broad base of institutional investors by an Italian football group.

The purpose of this transaction (the "Refinancing Transaction"), closed on December 21st, 2017, was to use the €300 million proceeds, net of fees and expenses in respect of the Refinancing Transaction, together with certain excess cash included in secured accounts associated with the previous bank facility (i) to repay all amounts outstanding under the previous bank facility, (ii) to repay all amounts outstanding under a bank facility used by TeamCo, and (iii) for TeamCo's general corporate purposes

Through the Refinancing Transaction we have extended the maturity profile of the TeamCo group's debt, while enhancing the group's financial flexibility with a financing structure enabling the group to pursue its long-term strategic goals.

Senior Secured Notes due 2022 issued in July 2020

On July 24th, 2020, MediaCo priced an offering of €75.0 million in aggregate principal amount of new 4.875% Senior Secured Notes due 2022 (the "New Notes") at an issue price of 93%.

The New Notes were issued on July 31st, 2020 pursuant to the same indenture of the Existing Notes (the Indenture") and form a single class, under the Indenture, with the Existing Notes for all purposes under the Indenture, including, without limitation, waivers, amendments and all other matters which are not specifically designated for any applicable series. However, the New Notes are not fungible for U.S. federal income tax purposes with the Existing Notes and do not have the same ISINs and common codes as the Existing Notes.

The proceeds of the New Notes, net of fees and expenses, including OID, in respect of the offering of the New Notes, have been used to fund TeamCo's general corporate purposes and to fund the secured accounts as a result of the increased size of the principal amount of indebtedness outstanding following the issuance of the New Notes.

UPDATE ON THE HOLDCO FINANCING PLAN (MAY 2021)

On May 20, 2021 and June 25, 2021, respectively, Grand Tower extended loans of €50.0 million and €25.0 million to Inter (the "HoldCo Loans") in order to finance the Group's liquidity needs. The HoldCo Loans were financed using certain proceeds from a financing (the "HoldCo Financing") made available to HoldCo by certain private lenders.

UPDATE ON THE REFINANCING PROCESS

We expect to start the refinancing process of the Senior Secured Notes due 2022 (together with the TeamCo RCF) in the coming months. This will be a separate process not related to the HoldCo financing plan.

NEW JERSEY SPONSORSHIP CONTRACTS

After the expiration of the contract with Pirelli (our previous jersey sponsorship) on June 30, 2021 (after 26 years of relationship – i.e. longest in the European football history), since July 1, 2021 we have secured jersey sponsorship fees for a total fixed amount of:

- Fiscal year ending June 30, 2022: €26M
- Fiscal year ending June 30, 2023; €29M
- Fiscal year ending June 30, 2024: €31M
- Fiscal year ending June 30, 2025: €30M

through signing new contracts with the following partners: Socios Services Limited, Zytara Labs LLC and Lenovo PC HK Limited.

Below a brief description of each of these agreements (which also include variable remuneration which could further increase the amounts above reported).

<u>Agreement with Socios Services Limited</u>

In July 2021 Socios.com became our new Global Main Jersey Partner for the 2021/2022 sporting season.

The club has marked the start of this new partnership by promoting, in September 2021, the launch of $INTER Fan Token. Accordingly, in addition to the 2021/2022 sponsorship contact, we have signed a four-years Fan Token IP License Agreement (expiring on June 30, 2025) setting out the sharing mechanism of the revenues generated by the fan token sale and trading.

<u>Agreement with Zytara Labs LLC</u>

In September 2021, a €85M four-years product partnership agreement we signed with Zytara Labs, with support from the DigitalBits Foundation. As part of this partnership, DigitalBits becomes the “Official Global Cryptocurrency” and Zytara becomes the “Official Global Digital Banking Partner” for Inter.
In the 2021/2022 sporting season, the brand DigitalBits is on the sleeve of our main jersey (becoming the first sleeve sponsor in the history of the club). In addition to the fixed fee, the sponsorship contract includes certain bonuses related to the sporting performance of the team.

Agreement with Lenovo PC HK Limited
Since July 1, 2021, Lenovo, our Global Technology Partner, has become our new back-of-shirt sponsor for the 2021/2022, 2022/2023 and 2023/2024 sporting seasons (contract expiring on June 30, 2024). This represents an upgrade of our partnership started in 2019 as back-of training kit shirt sponsor.

GENERAL UPDATE ON SPONSORSHIP CONTRACTS

As of current date contracted sponsorship fees for the fiscal year ending June 30, 3022 are in the region of €61M (including jersey sponsorships described in the previous paragraph). The table shows the list of our current sponsorship agreements, highlighting new signed contracts (8) and renewed contracts renewed (8) starting from July 1, 2021:

Sponsor	Product Category	Expiration Date	New/ Renewed since 1 July 2021
Global Sponsors			
Socios.com	Fan Token	June 2025	New (replacing Pirelli as main jersey sponsor until June 2022)
Nike	Apparel	June 2024	
Suning	Electronics	June 2022	
Lenovo	IT Hardware	June 2024	New (upgrade from training to main jersey back)
Zytara /Digitalbits	Digital Banking & Financial Products & Services	June 2025	New (absorbing the product category previously assigned to Credit Agricole)
Pirelli	Tyres	June 2024	New (from jersey to global partner)
EA Sports	Video Games	June 2024	
Acronis	Cyber Protection	June 2022	
Volvo	Cars	June 2022	Renewed
Starcasinò	Sport news / Entertainment	June 2023	
Locauto	Car rental	June 2022	
Snaipay	E-Wallet	June 2022	
Frecciarossa (Trenitalia)	Train	June 2022	
Esprinet (Nilox)	Overboard	June 2022	
Manpower	Staffing	June 2024	Renewed
A2A	Energy	June 2023	Renewed
Gatorade	Beverage	June 2022	Renewed
Simfred (Pop Caffè)	Coffe	June 2023	New
La Molisana	Pasta	June 2023	Renewed
Fratelli Beretta	Food	June 2023	Renewed
S. Bernardo	Water	June 2022	
Gattinoni	Travel	June 2023	Renewed
Technogym	Gym equipment	June 2022	
Sixtus	Physiotherapy Equipment	June 2023	New
Lifebrain	Medical Laboraties	June 2022	New
Regional Sponsors			
BOE United Technology	On line gaming	June 2024	New (replacing SDY)
LD Sports	Infotainement	June 2023	
Riello	Heating systmes	December 2023	
Moutai	Spirits	October 2021	

We note that Beijing IMedia Advertising Co. Ltd in June 2021 exercised their contractual right to withdraw from the Sponsorship Agency and Consultancy Agreement signed with MediaCo on May 25th, 2018, effective from July 1st, 2021.

UPDATE ON SERIE A AUDIOVISUAL RIGHTS FOR THE 3-YEARS PERIOD 2021-2022 / 2023-2024

The domestic rights have been assigned for an annual value of 927M (€840 million DAZN and €87M Sky). The international rights have been assigned for an amount of €190M (Infront and CBS), with the rights for the MENA region still to be assigned.

Considering the estimated outcome in respect of the assignment for the MENA area and the €60M annual saving in respect of the agency fee previously paid to Infront, the expectation is to have total annual resources to be distributed among the clubs lower by no more than 5% - 10% compared to previous cycle expiring June 30, 2021.

Based on the distribution model in place, we expect a minimum guaranteed amount of €70M (in a worst scenario of last position in the 2021/2022 Serie A ranking) which increases up to €91M in case of 2021/2022 Serie A victory (all the amounts exclude any VAT assigned to MediaCo with the receivable).

UPDATE ON UEFA PRIZE MONEY FOR THE 3-YEARS PERIOD 2021-2022 / 2023-2024

UEFA has defined the available resources for the competitions of the 3-years period 2021-2022 / 2023-2024. Based on the distribution model in place, we expect a minimum guaranteed amount in the region of €48M in a worst scenario of last position in the 2021/2022 UCL Group Stage with consequent no access to following rounds of either UCL or UEL. This amount can increase depending on the progression of the team in the competitions (either UCL or UEL).

UPDATE ON THE EUROPEAN SUPER LEAGUE PROJECT

On April 19th 2021, Inter and other top eleven European clubs announced the creation of a new super league (the "ESL Project"). Shortly after the original announcement, the six English founding member clubs of the ESL Project announced their intention to withdraw from the project and, as a result, on April 21, 2021, Inter also announced its intention to withdraw from the ESL Project.

Following the withdrawal, Inter and eight other founding members committed to work with UEFA (the "Nine Members") to establish a revised form of the current European competitions (the "UEFA Commitment Declaration") to be approved by UEFA and organized under the authority and regulations of UEFA. As part of such commitment, the Nine Members have undertaken, inter alia, (i) to cease any plans for new pan-European competitions; (ii) to donate, as a gesture of goodwill, an aggregate of €15 million to be used for the benefit of children, youth and grassroots football in local communities across Europe, including the UK, (iii) to be subject to a withholding of 5% of the revenues they would have otherwise received from UEFA club competitions for the season 2023/2024; and (iv) to agree to be subject to sanctions in the range of €50 million and €100 million in case of failure to comply with any such commitments. UEFA subsequently confirmed that no further sanctions would be taken against Inter in connection with its involvement in the ESL Project as a result of Inter signing the UEFA Committed Declaration. In addition, UEFA, recently stated that they would not request any payments offered by the Nine Members in the UEFA Commitment Declaration for so long as a court proceeding remains pending in Madrid which temporarily stays UEFA disciplinary measures opened against the remaining three founding members of the ESL Project who did not sign the UEFA Commitment Declaration. Moreover, we cannot exclude that we may be subject to claims for contractual breach or other damages or sanctions in relation to our withdrawal from the ESL Project, and such claims could be material and could significantly affect our business, results of operations and cash flow

FINANCIAL INFORMATION

INTRODUCTION

The financial information presented in this section is sourced from and based on the audited financial statements of MediaCo for the fiscal year ended June 30, 2021 (the "Annual Financial Statements").

The Annual Financial Statements and related Audit Opinion are attached to this document under Appendix 1.

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

In preparing the financial information presented in this document, however, MediaCo reclassified and renamed certain Italian GAAP line items in line with international format.

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

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

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

FORWARD-LOOKING STATEMENTS

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

INCOME STATEMENT

The following table sets forth Income Statement data for MediaCo for the fiscal year ended June 30, 2021 compared with the fiscal year ended June 30, 2020. The Income Statement data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with Generally Accepted Accounting principles (GAAP) in other countries or International Financial Reporting Standards (IFRS).

	For the twelve months ended June 30	
(in thousands of €)	**2020**	**2021**
Revenue	85,578	108,519
Other Income	323	5,203
Total revenue	85,901	113,722
Personnel costs	3,284	3,137
Cost of services	11,470	11,858
Other operating costs	633	730
Write-downs of trade receivables	519	40,383
Depreciation and amortization	18,205	18,212
Provisions for risks and charges	4,193	3,091
Total operating costs	38,304	77,411
Operating profit	**47,597**	**36,311**
Net financial expenses	(8,417)	(11,123)
Profit before tax	**39,180**	**25,188**
Income taxes	(11,574)	(9,135)
Profit for the period	**27,607**	**16,053**

BALANCE SHEET

The following table sets forth the Balance Sheet data for the issuer as at June 30, 2021 compared with June 30, 2020. The Balance Sheet data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with GAAP in other countries or IFRS

	As at	
(in thousands of €)	June 30 2020	June 30 2021
Non-current assets		
Intangible assets	268,886	365,487
Property, plant and equipment	234	170
Financial assets	10,410	13,142
Loan to parent company	169,971	242,515
Trade receivables	-	-
Prepaid expenses	14	3
Non-current Assets	**449,515**	**621,317**
Current assets		
Financial assets	29	480
Loan to parent company	-	-
Trade receivables	80,619	43,597
Trade receivables from parent companies and their affiliated	8,127	7,472
Tax receivables	0	100
Deferred tax assets	1,789	11,543
Other receivables	7	6
Prepaid expenses	120	95
Cash at bank and on hand	16,898	28,343
Current Assets	**107,588**	**91,637**
Total Assets	**557,103**	**712,954**

(in thousands of €)	As at June 30 2020	As at June 30 2021
Liabilities and Shareholders' equity		
Shareholders' equity		
Share capital	500	500
Reserve	105,124	187,777
Retained earnings	4,088	4,114
Profit for the period	27,607	16,053
Total Shareholders' equity	**137,318**	**208,444**
Non-current Liabilities		
Deferred tax liabilities	29,120	59,187
Other provisions	4,439	3,338
Provisions for employee severance indemnities	263	360
Existing and New Notes	275,659	335,870
Deferred income	10,894	13,544
Non-current Liabilities	**320,376**	**412,299**
Current Liabilities		
Existing and New Notes	6,900	9,080
Trade payables	4,745	3,716
Trade payables to parents companies and their affiliated	25,788	46,065
Dividends Payable	52,952	18,831
Tax Payables	345	2,542
Social security payables	207	177
Other payables	170	410
Accrued expenses	79	83
Deferred income	8,224	11,306
Current Liabilities	**99,409**	**92,210**
Total Liabilities and Shareholders' equity	**557,103**	**712,954**

CASH FLOW STATEMENT

The following table sets forth Cash Flow Statement data for MediaCo for the fiscal year ended June 30, 2021 compared with the fiscal year ended June 30, 2020. The Cash Flow data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with GAAP in other countries or IFRS.

	For the fiscal year ended June 30	
(in thousands of €)	**2020**	**2021**
Profit for the period	27,607	16,079
Current taxes	14,616	20,824
Net Financial Expenses	8,426	11,120
Profit for the period before taxes and interest	50,649	48,022
Depreciation and amortization	18,206	18,212
Write-downs/(release/uses) of trade receivables	319	40,383
Employee severance indemnities	15	97
Accrual for risks and charges	4,193	2,899
Deferred tax assets and liabilities	(3,043)	(11,680)
Cash flow from operating activities before changes in working capital	70,339	97,933
Increase in trade and other receivables	26,575	(6,806)
Increase/(Decrease) in trade and other payables	(300)	2,657
Other variations in net working capital	7,416	5,771
Cash flow from operating activities after changes in working capital	104,030	99,555
Taxes paid	(2,576)	(1,850)
Interest and other financial expenses paid	(14,401)	(17,272)
A. Cash flow from operating activities	**87,052**	**80,432**
	-	-
Investments in Intangible Assets	(30)	(75)
Investments in Property, Plant and Equipment	(85)	(1)
B. Cash flow from investing activities	**(115)**	**(76)**
New finance (New Notes)		66,078
Repayment of Senior Secured Notes 2022 (Existing and New Notes)	(6,550)	(8,702)
Intercompany loans	(30,801)	(61,376)
Debt service account	79	(3,184)
Capital/dividend distributions	(48,432)	(61,727)
C. Cash flow from financing activities	**(85,704)**	**(68,912)**
Increase/(Decrease) cash and cash equivalents (A ± B ± C)	**1,234**	**11,445**
Cash at bank and on hand at the beginning of the period	**15,664**	**16,898**
Cash at bank and on hand at the end of the period	**16,898**	**28,343**

UPDATE ON THE MAIN IMPACTS OF THE COVID-19 PANDEMIC

SPORTING SEASON

After the regular completion of the all the national and international competitions of the sporting seasons 2019/2020 and 2020/2021, also the national and international competitions of the sporting season 2021/2022 have been regularly started, in full compliance with the agreed technical protocols and restrictions relating to Covid-19 pandemic.

ACCOUNTING SHIFT

The shift of the last part of the 2019/2020 sporting season to the first two months of the fiscal year ending June 30, 2021 (i.e. July and August 2020), and the consequent shift of the official start of the 2020/2021 sporting season from July 1, 2020 to September 1, 2020, resulted in a shift in the recognition of a portion of Direct and Indirect Revenue of MediaCo (no material impact on operating costs) from the fiscal year ended June 30, 2020 to the fiscal year ended June 30, 2021(mainly to the first quarter)

Accordingly, the Annual Financial Statements ended June 31, 2021 have been affected as follows:

- Sponsorship Revenue
    - Recognition in the Income Statement of a portion of certain Sponsorship Revenue relating to the sporting season 2019-2020 – this relates to those contracts whose recognition in the Income Statement of the fiscal year ended June 30, 2020 was interrupted for three months from March 1st, 2020 to May 31st, 2020, with the residual contractual fee accounted for on a linear basis in the period June 1st, 2020 – August 31st, 2020
    - Recognition, in the Income Statement, of certain performance bonuses included in Sponsorship contracts for the sporting season 2019-2020 but which were triggered in July and August 2020
- Indirect Media Revenue
    - The final settlement of Serie A Media Revenue for the sporting season 2019-2020 has been defined (and then invoiced by TeamCo and related receivables assigned

to MediaCo) in August 2020. Accordingly, this has been recognized in the Serie A Indirect Media Revenue of the Annual Financial Statements ended June 30, 2021

- The final settlement of UCL Group stage market pool and all UEFA Europa League Media Revenue from Ro16 to the final have been defined (and then invoiced by TeamCo and related receivables assigned to MediaCo) in September 2020 and November 2020. Accordingly, this has been recognized in the UEFA Indirect Media Revenue of the Annual Financial Statements ended June 30, 2021

For a better understanding of the financial performance of the fiscal year ended June 30, 2021 and for a consistent comparison with the fiscal year ended June 30, 2020, on the next pages we present a pro-forma Income Statement and a pro-forma table of Adjusted Revenue,

SPONSORSHIP REVENUE

Fiscal year ended June 30, 2021

Notwithstanding the potential for future impacts of the pandemic, in the 2020/2021 sporting season we were able to sign seven new partnerships (EA Sports, Snaipay, Starcasinò, Acqua San Bernardo, SDY, LD Sports and Riello) for a total annual value, in the fiscal year ending June 30, 2021, in the region of €5.0 million and to renew some partnerships expired at the end of the sporting season 2019/2020 (such as Volvo, Gatorade, Tecnogym and Gazzetta dello Sport).

On the other side, in the fiscal year ended June 30, 2021:

- we agreed to grant contractual reductions in the region of €11M as compensation of contractual benefits that we could not provide due to Covid restrictions in place (in particular referring to closed Stadium)
- we booked write-downs of trade receivables for €39.3 million relating to international regional partners which, due to the strong disruptive impact of the pandemic on their business, declared their inability to exploit our sponsorship rights and to pay – partially or in full - their outstanding contractual fees.

Fiscal year ending June 30, 2022

With the start of the new sporting season (2021/2022) we have already launched eight new partnerships and we have renewed eight partnerships which expired at the end of the sporting season 2020/2021 (for more details please refer to what described on the previous pages- sections “New Jersey Sponsorship contracts” and “General update on Sponsorship contracts”.

SERIE A INDIRECT MEDIA REVENUE

- Sporting season 2019/2020

(in thousands of €)	Total Amount (incl. Vat)	Collected	O/S
Serie A 2019-2020_Installments invoiced and related receivables assigned post appearance of Covid-19 outbreak			
in the fiscal year ended June 30, 2020 (April 2020) (6th installment)	**4,575**	(4,575)	-
shifted to the fiscal year ending June 30, 2021 (August 2020) (final settlement installment) *	**8,130**	(8,130)	-
Total	**12,706**	**(12,706)**	-

* amount defined based on final second position of the team in the Serie A 2019/2020 terminated on August 1st, 2020

As shown by the table above, as at June 30, 2021 we have collected all the receivables relating to Indirect Serie A Revenue for the sporting season 2019-2020. This after that, in the period since our Q2 Report, Sky Italy has provisionally paid in full all outstanding amounts (for approx. €8 million) relating to their portion of the 2019-2020 installment due after the beginning of the pandemic.
In this respect, Lega Serie A obtained an injunction against Sky Italia, which was challenged by the latter. Subsequently, with an order on February 12, 2021, pending the challenge procedure, the Court of Milan declared the injunction provisionally enforceable against Sky Italia, and scheduled the next hearing for the proceeding in the coming months. In the Annual Financial Statements ended June 30, 2021 we have prudentially accrued a provision of €3M to cover the potential risk of reimbursement in the next months of a portion of the amount collected from Sky which could result from the judicial procedure.

- Sporting season 2020/2021

None of the installments in respect of the sporting season 2020/2021 have been contested by the broadcasters.

UEFA INDIRECT MEDIA REVENUE

- Sporting season 2019/2020

The achievement of the 2019-2020 UEFA Europa League final after the re-start of the competition in August 2020 and the definition of final amount of the UCL market pool, has generated additional Revenue for an amount of €19.4 million, of which (i) €13.1 million settled in September 2020 and collected in October 2020 and (ii) €6.3 million settled and collected in November 2020.

Such amount already reflects a reduction of €2.1 million following UEFA’s cut of prize money (with regard to the sporting season 2019-2020) to take into consideration the loss of rights revenue and ticketing and hospitality revenue of the finals which were staged behind closed doors.

- Sporting season 2020/2021

UEFA has spread the financial impact of the losses incurred from the sporting season 2019/20 in the following five sporting seasons until the sporting season 2023/24.

Based on the detailed distribution mechanism for the calculation communicated by UEFA, we expect a reduction of €2.4 million to the amounts contractually due in the sporting season 2020-2021 (reduction that will be applied in the coming weeks with the final settlement installment of the prize money due for the 2020-2021 sporting season). This means that, with regard to the participation to UCL Group Stage finished in December 2020, compared to an amount due for €51.5 million (including performance bonuses achieved in respect of single matches), we except to receive an amount in the range of €49.5 million (of which €48.0 million already collected to the date of this report).

MAIN IMPACTS AT TEAMCO LEVEL

The main financial impact of the pandemic at TeamCo level relate to the loss in ticketing revenue due to matches played behind closed doors (or with severely restricted numbers) since the end of February 2020.

- Sporting season 2020/2021

The sporting season 2020/2021 has been played with stadiums closed or only open to a restricted number of people. As a result, we have not put for sale any season or match day tickets. We estimate a negative impact on revenue and cash in the region of €60M.

- Sporting season 2021/2022

The 2021/2022 sporting season has started with stadium opened at 50% capacity until mid-October. Capacity has been now increased up to 75%.

MANAGEMENT'S DISCUSSION AND ANALYSIS

KEY PERFORMANCE INDICATORS

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

Adjusted Revenue

The following table details Adjusted Revenue for the fiscal year ended June 30, 2021 compared with the fiscal year ended June 30, 2020. As described in the initial pages of this report, for a better understanding and a consistent comparison of the performance, the table also shows pro-forma numbers which restate amounts relating to the sporting season 2019-2020 shifted to the fiscal year ended June 30, 2021.

	For the twelve months ended June 30					
(in thousands of €)	2020 Reported	Shifted to FY21	2020-Pro-forma	2021 Reported	Shifted from FY20	2021-Pro-forma
A. Direct Media Revenue	16,110	422	16,532	15,934	(422)	15,512
B. Other Income	323		323	5,203	-	5,203
C. Sponsorship Revenue	69,468	19,009	88,478	92,585	(19,009)	73,576
D. Total Revenue (A+B+C)	**85,901**	**19,431**	**105,333**	**113,722**	**(19,431)**	**94,291**
E. Serie A Indirect Media Revenue *	101,569	8,130	109,700	136,328	(8,130)	128,198
F. UEFA Indirect Media Revenue *	42,544	19,356	61,900	67,325	(19,356)	47,969
G. Adjusted Media Revenue (A+E+F)	**160,223**	**27,908**	**188,131**	**219,587**	**(27,908)**	**191,679**
B. Other Income	323	-	323	5,203	-	5,203
C. Sponsorship Revenue	69,468	19,009	88,478	92,585	(19,009)	73,576
Adjusted Revenue (G+B+C)	**230,015**	**46,917**	**276,932**	**317,375**	**(46,917)**	**270,458**

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

Our Adjusted Revenue increased by €87.4 million or 38.0% to €317.4 million for the fiscal year ended June 30, 2021 from €230.0 million for the fiscal year ended June 30, 2020, while, on a pro-forma basis, we record a €6.5 million decrease (-2.3%) (with pro-forma Adjusted Revenue amounting to € 270.5 million compared to €276.9 million). Main pro-forma adjustments relate to the following amounts removed from the fiscal year ended June 30, 2021 and reallocated to the fiscal year ended June 30, 2020:

- shift of Sponsorship Revenue for €19.0 million from fiscal year ended June 30, 2020, including (i) annual fees relating to the sporting season 2019/2020, whose recognition has been deferred to the months of July and August 2021 and (ii) performance bonuses included under sponsorship contracts triggered in the months of July and August 2021

- shift of Serie A Indirect Media Revenue for €8.1 million relating to the assignment of receivables resulting from the final installment of the 2019-2020 sporting season made in August 2020 (amount defined after the end of the league)

- shift of UEFA Indirect Media Revenue for €19.4 million relating to the assignment of receivables resulting from the final settlement of UCL Group stage market pool and all UEFA Europa League Media Revenue from Ro16 to the final made in September 2020 and November 2020 after the end of the UEFA competitions

In the below paragraphs we explain in detail the reasons of the net increase of our Adjusted Revenue

Direct Media Revenue

On a pro-forma basis, Direct Media Revenue decreased by €1.0 million or 6.2% to €15.5 million for the fiscal year ended June 30, 2021 from €16.5 million for the fiscal year ended June 30, 2020. This decrease is fully related to the fact that in the same period of prior year we recognized a revenue of €1M for the distribution in China of the thematic channel Inter TV for the previous fiscal year (2018/2019), having signed the related contract in January 2020.

Other Income

Other Income increased by €4.9 million or 1,511% to €5.2 million for the fiscal year ended June 30, 2021 from €0.3 million for the fiscal year ended June 30, 2020 mainly due to the recognition of a €4.3 million revenue relating to a sleeve sponsorship contract signed in June 2020 but immediately terminated in the first months of the fiscal year ended June 30, 2021 due to the sponsor's failure to comply in full with its contractual payment obligations. This revenue has been recognized based on an assessment made in respect of the judicial procedure in progress and considering that the outstanding receivable of €2.0 million relating to this contract is fully covered by a provision already accrued as at June 30, 2020 under the line "Other provisions" (and reclassified under provision for doubtful accounts as at June 30, 2021).

Sponsorship Revenue

Sponsorship Revenue increased by €23.1 million or 33.3% to €92.6 million for the fiscal year ended June 30, 2021 from €69.5 million for the fiscal year ended June 30, 2020, while, on a pro-forma basis, they decrease by €14.9 million or 16.8% (with pro-forma Sponsorship Revenue amounting to €73.6 million compared to €88.5 million). This is detailed on the following table:

	For the twelve months ended June 30					
(in thousands of €)	2020 Reported	Shifted to FY21	2020-Pro-forma	2021 Reported	Shifted from FY20	2021-Pro-forma
Shirt	11,491	12,893	24,384	24,963	(12,893)	12,070
Technical	9,677	2,823	12,500	16,173	(2,823)	13,350
EU/Global	12,046	2,881	14,928	18,286	(2,881)	15,405
Regional and naming rights	36,255	411	36,666	33,162	(411)	32,750
Sponsorship Revenue	**69,468**	**19,009**	**88,478**	**92,585**	**(19,009)**	**73,576**

- Shirt

The €12.3 million (or -50.5%) decrease in Shirt Sponsorship Revenue, looking at pro-forma numbers, is mainly a result of:

  - the consent fee agreed in favor of the shirt sponsor (reducing the related sponsorship fee) for obtaining the right to include the logo of a new sponsor on one of the sleeves of our team's jerseys starting from the 2020/2021 season
  - the reduction to 2020/2021 base fees agreed in respect of contractual benefits that we could not provide due to Covid restrictions in place (in particular referring to closed Stadium)
  - the lower contractual performance bonuses triggered in the sporting season 2020/2021 compared to the sporting season 2019/2020 when the team achieved the final of UEL competition (In 2020/2021 the team did not access to UEL after finishing in last position of UCL Group Stage)

These reductions have only been partially offset by higher value of the base fee of the sponsorship packages for the sporting season 2020/2021.

- Technical

The €0.9 million (or 6.8%) increase in Technical Sponsorship Revenue, looking at pro-forma numbers, is a result of a contractual performance bonus triggered in the fiscal year ended June 30, 2021 relating to the victory of the 2020/2021 Serie A.

- EU/Global & Regional and naming rights

On a *pro forma* basis:

- EU/Global Sponsorship Revenue increased by €0.5 million (+3.2%) driven by new contracts signed for the sporting season 2020/2021, some of them for a value higher than historical level
- Regional and Naming rights Sponsorship Revenue decreased by €3.9 million (- 10.7%) mainly due to some reduction agreed in respect of contractual benefits that we could not provide due to Covid restrictions in place (in particular referring to closed Stadium).

Serie A and UEFA Indirect Media Revenue

On a *pro forma* basis:

- Serie A Indirect Media Revenue increased by €18.5 million or 16.9% to €128.2 million for the fiscal year ended June 30, 2021 from 109.7 million for the fiscal ended June 30, 2020. This increase is mainly due to (i) advance payments received in Q4 of the fiscal year ended June 30, 2021 in respect of Media Revenue for the sporting season 2021/2022 and (i) the positive impact on the portion of 2020/2021 Media Revenue assigned to us as a result of the victory of 2020/2021 Serie A.

- UEFA Indirect Media Revenue decreased by €13.9 million (-22.5%) to €48.0 million for the fiscal year ended June 30, 2021 from €61.9 million for the fiscal year ended June 30, 2020 mainly due to the non-access to 2020/2021 UEL competition compared to the UEL final reached in the sporting season 2019/2020. This negative impact has been partially mitigated by higher market pool received in the fiscal year ended June 30, 2021 as a consequence of improved final position in Serie A 19/20 compared to Serie A 18/19 (2nd vs. 4th), being one of the drivers for the allocation of market pool share to each club.

Cash Available for Debt Service

The following table sets forth Cash Available for Debt Service for the fiscal year ended June 30, 2021 compared with the fiscal year ended June 30, 2020.

	For the tvelwe months ended June 30	
(in thousands of €)	2020	2021
Sponsorship Revenue		
- Shirt & Technical	21,167	41,136
- Shirt	11,491	24,963
- Technical	9,677	16,173
- EU/Global	12,046	18,286
- Regional and naming rights	36,255	33,162
Direct Media Revenue	16,110	15,934
Other Income	323	5,203
Total revenue	**85,901**	**113,722**
Indirect Media Revenue		
- Serie A Indirect Media Revenue *	101,569	136,328
- UEFA Indirect Media Revenue *	42,544	67,325
Adjusted Revenue	230,015	317,375
Change in Current/Non current operating assets **	32,235	(1,167)
Cash Inflows	**262,250**	**316,208**
Personnel costs	(3,284)	(3,137)
Cost of services	(11,470)	(11,858)
Other costs	(4,516)	(3,276)
Adjusted Tax Expenses	(2,588)	(3,612)
Change in Current/Non-current operating liabilties **	5,995	7,820
Adjusted Services Agreement Fees	6,100	6,100
Cash Outflows	**(9,764)**	**(7,963)**
Cash Available for Debt Service	252,486	308,245

**Represented based on actual cash value (incl. VAT where applicable) of Media Revenue assigned from TeamCo to MediaCo for the fiscal year ended June, 30*
*** change represented excluding impact of Write-downs of trade receivables and other non-cash items*

Cash Available for Debt Service increased by €55.8 million or 22.1% to €308.2 million for the fiscal year ending June 30, 2021 from €252.5 million for the fiscal year ended June 30, 2020, driven by the €54.0 million increase in cash inflows (while cash outflows overall remained stable in the region of €8 / €9 million).

The increase in cash inflows is driven by higher Adjusted Revenue for €87.4 million which, as described in the previous section, has been significantly affected by the shift of the last part of the 19/20 sporting season.

This growth has been partially mitigated by a less favorable impact from Change in operating assets (- € 33.4 million) (largely related to Trade Receivables) mainly resulting from a different collection size and timing of International Sponsorship contracts: in fact, in the fiscal ended June 30, 2021 related receivables increased by €4.4 million (excluding non-cash impact from Write-downs of trade receivables), while in prior fiscal year they decreased by €40.1 million. The resulting negative impact of €44.5 million mainly relates to the fact that in the fiscal year ended June 30, 2020, we collected an amount of €76.2 million (mainly related to outstanding receivables from prior years), while in the fiscal year ended June 30, 2021, collections amounted to €33.1 million

For an update on collection status of international Sponsorship contracts, we present the following table:

(in thousands of €)	Value	Outstanding at 30 June 2021	Outstanding at date of this report
Revenues booked in fiscal year ended 30 June 2017	74,808	-	-
Revenues booked in fiscal year ended 30 June 2018	87,629	-	-
Revenues booked in fiscal year ended 30 June 2019	89,095	12,800	11,800
Revenues booked in fiscal year ended 30 June 2020	36,255	25,976	25,976
Revenues booked in fiscal year ended 30 June 2021	33,162	25,000	25,000
Total	**320,949**	**63,776**	**62,776**

The table highlights that in the period July 1st, 2016 – June 30th, 2021, we booked cumulative revenues of €320.9 million, collecting, to date, €258.2 million (80.4%), of which €1.0 million has been received since July 1, 2021.

With regards to the €62.8 million remaining outstanding, we booked write-downs of trade receivables for €39.3 million (composed of the expected loss of €32.8 million plus a €6.5 million discount on receivables expected to be collected in the next fiscal years), following confirmation from our counterparties regarding their inability to fully repay the outstanding balance.
We will remain in regular contact with the counterparties to monitor any evolution of current expectations.

Historical Debt Service Coverage Ratio ("DSCR")

In the fiscal year ended June 30, 2021:

- Cash Available for Debt Service amounted to €308.2 million
- Payments for Debt Service amounted to € 26.0 million

Accordingly, the DSCR is 11.88. The calculation is summarized in the table below:

Currency (€ 000)	For the Fiscal Year ended June 30, 2021
Aggregate Inflows	316,208
Aggregate Outflows	(7,963)
Cash Available for Debt Service	**308,245**
Mandatory Amortisation	8,702
Interest paid	17,248
Debt Service Payments (Existing + New Notes)	**25,950**
Debt Service Coverage Ratio	**11.88**

Pro-forma Debt Service Coverage Ratio ("Pro-forma DSCR")

The DCSR pro-forma for the 12 months from July 1, 2021 to June 30, 2022 is 7.50 as presented in the table below:

Currency (€ 000)	Twelve months ending June 30, 2022
Aggregate Inflows	214,182
Aggregate Outflows	17,579
Pro-forma Estimated Look- Forward Cash Available for Debt Service	**196,603**
Mandatory Amotization	9,080
Interest Expense	17,124
Pro-forma Estimated Look- Forward Debt Service Payments (Existing + New Notes)	**26,204**
DSCR Pro-forma	**7.50**

The DCSR pro-forma has been calculated as follows:

Inflows:

- Sponsorship Revenue: largely based on contracted revenues to date plus a smaller portion based on the current pipeline
- Direct Revenue: based on contracted revenues to date
- Serie A Indirect Media Revenue: based on expected amount of total available resources at central level to be allocated to Inter assuming final 3rd position in the 21/22 Serie A ranking
- UEFA Indirect Media Revenue: based on expected amount of total available resources at central level to be allocated to Inter assuming final 3rd position in the 21/22 UCL Group Stage followed by UEL Quarter-final exit

Outflows:

- Based on current run-rate and latest opex and tax budget.

RESULTS OF OPERATIONS

The following table sets forth Income Statement data for MediaCo for the fiscal year ended June 30, 2021 compared with the fiscal year ended June 30, 2020. The Income Statement data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with Generally Accepted Accounting principles (GAAP) in other countries and International Financial Reporting Standards (IFRS).. As described on the initial pages, for a better understanding and a consistent comparison of the performance, the table also shows pro-forma numbers which restates the impact of amounts relating to the sporting season 2019-2020 shifted to the fiscal year ended June 30, 2021,

	For the twelve months ended June 30					
(in thousands of €)	2020 Reported	Shifted to FY21	2020-Pro-forma	2021 Reported	Shifted from FY20	2021-Pro-forma
Revenue	85,578	19,431	105,010	108,519	(19,431)	89,087
Other Income	323	-	323	5,203	-	5,203
Total revenue	85,901	19,431	105,333	113,722	(19,431)	94,291
Personnel costs	3,284	-	3,284	3,137	-	3,137
Cost of services	11,470	141	11,611	11,858	(141)	11,717
Other operating costs	633	-	633	730	-	730
Write-downs of trade receivables	519	-	519	40,383	-	40,383
Depreciation and amortization	18,205	-	18,205	18,212	-	18,212
Provisions for risks and charges	4,193	-	4,193	3,091	-	3,091
Total operating costs	38,304	141	34,253	77,411	(141)	77,270
Operating profit	**47,597**	**19,290**	**71,080**	**36,311**	**(19,290)**	**17,021**
Net financial expenses	(8,417)	-	(8,417)	(11,123)	-	(11,123)
Profit before tax	**39,180**	**19,290**	**62,663**	**25,188**	**(19,290)**	**5,898**
Income taxes	(11,574)	(5,382)	(16,956)	(9,135)	5,382	(3,753)
Profit for the period	**27,607**	**13,908**	**45,708**	**16,053**	**(13,908)**	**2,145**

Revenue. Revenues for the fiscal year ended June 30, 2021 increased by €27.8 million or 32.4% to €113.7 million from €85.9 million for the fiscal year ended June 30, 2020, while, on a pro-forma basis, they decreased by €11.0 million or - 10.5% (from €105.3 million to €94.3 million) mainly due to the reduction in Shirt Sponsorship Revenue (refer to the Section "Adjusted Revenues" for more details).

Personnel costs. Personnel costs for the fiscal year ended June 30, 2021 decreased by €0.1 million (or – 4.5%) to €3.1 million from €3.3 million for the fiscal year ended June 30, 2020, due to saving measures taken after the start of the pandemic.

Cost of services and Other operating costs. Cost of services and other operating costs are overall in line with prior fiscal year with certain restrictions and saving measures taken after the start of the pandemic offsetting resources allocated to the new crest project undertaken in the fiscal year ended June 30, 2021 (with the launch, at the end of March 2021, of the new logo, which is used starting from the 2021/22 season).

Write-downs of trade receivables. Write-downs of trade receivables for the fiscal year ended June 30, 2021 increased by €39.9 million or 7,675.3% to €40.4 million from €0,5 million for the fiscal year ended June 30, 2020. This increase is mainly related to the €39.3 million write-down made in respect of International Sponsorship contracts as previously explained in the paragraph “Cash Available for Debt Service”.

Depreciation and amortization. Depreciation and amortization for the fiscal year ended June 30, 2021 is in line with prior fiscal year at €18.2 million.

Provisions for risks and charges. The €3.1 million accrual made in the Income Statement of the fiscal year ended June 30, 2021 results from an assessment of the risk of reimbursement in the next months of a portion of the amount collected from Sky in respect of 2019/2020 Serie Indirect Media Revenue (risk related to the judicial procedure in progress as described on previous pages). The €4.2 million accrual made in prior fiscal was related to risks relating to (i) potential future reductions of contractual fees for the sporting season 2019-2020 in respect of the negative impacts of Covid-19 outbreak on the full ability to comply with our contractual obligations and (ii) the litigation arisen in respect of the sleeve sponsorship contract signed in June 2020 and terminated shortly thereafter.

Net Financial expenses. Net Financial expenses for the fiscal year ended June 30, 2021 increased by €2.7 million or 32.2% to €11.1 million from €8.4 million for the fiscal year ended June 30, 2020 mainly due to the combined opposite effect of:

- Increase in interest expense (including amortization of OID and transaction fees) by €6.5 million relating to the New Notes
- higher interest income by €3.4 million (€11.2 million vs. €7.7 million) accrued on the Intercompany Loans granted to TeamCo due to increased value of the loaned amount (as described on the next pages commenting Balance Sheet and Cash Flow Statement).

Income taxes. Income taxes for the fiscal year ended June 30, 2021 decreased by €2.4 million or 21.1% to €9.2 million from €11.6 million for the fiscal year ended June 30, 2020. On a pro-forma basis, they decreased by €13.2 million or - 77.9% (from €17.0 million to €3.8 million). This is related to the decrease in Profit Before Tax mainly affected by the write-downs of trade receivables (on which, from a tax perspective, we accrued deferred tax assets).

Profit for the period. For the reasons described above, Profit for the period for the fiscal year ended June 30, 2021 decreased by €11.5 million or -41.9% to €16.1 million from €27.6 million for the fiscal year ended June 30, 2020. On a pro-forma basis, Profit for the period decreased by €43.6 million (or – 95.3%) mainly due to the write-downs of trade receivables.

CASH FLOW

The following table sets forth Cash Flow Statement data for MediaCo for the fiscal year ended June 30, 2021 compared with the fiscal year ended June 30, 2020. The Cash Flow data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with GAAP in other countries and IFRS

	For the fiscal year ended June 30	
(in thousands of €)	**2020**	**2021**
Profit for the period	27,607	16,079
Current taxes	14,616	20,824
Net Financial Expenses	8,426	11,120
Profit for the period before taxes and interest	50,649	48,022
Depreciation and amortization	18,206	18,212
Write-downs/(release/uses) of trade receivables	319	40,383
Employee severance indemnities	15	97
Accrual for risks and charges	4,193	2,899
Deferred tax assets and liabilities	(3,043)	(11,680)
Cash flow from operating activities before changes in working capital	70,339	97,933
Increase in trade and other receivables	26,575	(6,806)
Increase/(Decrease) in trade and other payables	(300)	2,657
Other variations in net working capital	7,416	5,771
Cash flow from operating activities after changes in working capital	104,030	99,555
Taxes paid	(2,576)	(1,850)
Interest and other financial expenses paid	(14,401)	(17,272)
A. Cash flow from operating activities	**87,052**	**80,432**
	-	-
Investments in Intangible Assets	(30)	(75)
Investments in Property, Plant and Equipment	(85)	(1)
B. Cash flow from investing activities	**(115)**	**(76)**
New finance (New Notes)		66,078
Repayment of Senior Secured Notes 2022 (Existing and New Notes)	(6,550)	(8,702)
Intercompany loans	(30,801)	(61,376)
Debt service account	79	(3,184)
Capital/dividend distributions	(48,432)	(61,727)
C. Cash flow from financing activities	**(85,704)**	**(68,912)**
Increase/(Decrease) cash and cash equivalents (A ± B ± C)	**1,234**	**11,445**
Cash at bank and on hand at the beginning of the period	**15,664**	**16,898**
Cash at bank and on hand at the end of the period	**16,898**	**28,343**

Cash flow from operating activities. Cash flow from operating activities for the fiscal year ended June 30, 2021 decreased by €6.6 million or - 7.6% to €80.4 million from €87.1 million for the fiscal year ended June 30, 2020 with:

- the €27.6 million increase in Cash flow from operating activities before changes in working capital (mainly generated by the shift of the sporting seasons) more than offset by the €33.4 million increase in trade and other receivables (mainly a result of different collection size and timing of International Sponsorship contracts).
- A €2.9 million increase in Interest and other financial expenses paid mainly affected by €3.3 million interest paid on the New Notes.

For more details, please refer to the section "Cash Available for Debt Service" on the previous pages

Cash flow from investing activities. Cash flow from investing activities for the fiscal year ended June 30, 2021 amounted to €76 thousand (compared to €115 thousand in the prior period), remaining immaterial in respect of our business.

Cash flow from financing activities. Cash flow from financing activities for the fiscal year ended June 30, 2021 amounted to negative €68.9 million compared to negative €85.7 million in prior period.

The negative amount of €68.9 million is composed as follows:

- Net Inflows of €66.1 million from the issuing of the New Notes
- Total Outflows of €135.0 million, broken down as follows:
  - Filling of the debt reserve account related to the New Notes (€3.2 million)
  - Intercompany Loans provided to TeamCo (€61.4 million, mainly through cash collected upon the issuing of the New Notes)
  - Payment of dividends to the immediate parent companies (€61.7 million, of which €21.7 million to TeamCo and €40.0 million to BrandCo)
  - Payment of mandatory amortization of Existing and New Notes (€8.7 million)

Both dividends and Intercompany loans (together with payments made under the Tax Consolidation Regime) are provided to TeamCo as a permitted distribution under the waterfall rules defined by the Refinancing Transaction.

Net change in cash and cash equivalent. Net change in cash and cash equivalent for the fiscal year ended June 30, 2021 increased by €10.2 million or 827.6% to €11.4 million from €1.2 million for the fiscal year ended June 30, 2020, for the reasons described above.

BALANCE SHEET

The following table sets forth the Balance Sheet data for the issuer as at 30 June 2021 compared with 30 June 2020. The Balance Sheet data presented in this document have been prepared using the data included in the audited financial statements of Inter Media & Communication S.p.A. prepared for statutory purposes according to Italian law and Italian GAAP (the Annual Financial Statements). The Annual Financial Statements do not conform with GAAP in other countries and IFRS

Assets:

	As at	
(in thousands of €)	June 30 2020	June 30 2021
Non-current assets		
Intangible assets	268,886	365,487
Property, plant and equipment	234	170
Financial assets	10,410	13,142
Loan to parent company	169,971	242,515
Trade receivables	-	-
Prepaid expenses	14	3
Non-current Assets	**449,515**	**621,317**
Current assets		
Financial assets	29	480
Loan to parent company	-	-
Trade receivables	80,619	43,597
Trade receivables from parent companies and their affiliated	8,127	7,472
Tax receivables	0	100
Deferred tax assets	1,789	11,543
Other receivables	7	6
Prepaid expenses	120	95
Cash at bank and on hand	16,898	28,343
Current Assets	**107,588**	**91,637**
Total Assets	**557,103**	**712,954**

Non-current assets. Non-current assets increased by €171.8 million from €449.5 million at June 30, 2020 to €621.3 million at June 30, 2021 driven by:

- The €96.6 million net increase in Intangible Assets which is a result of:
    - Revaluation of €114.7 million (€89.6million relating to the Brand and €25.0 million relating to the TV Archive) performed exploiting the option pursuant to art. 110of Legislative Decree no. 104/2020 converted in Law no. 126 of

October 13, 2020. Such revaluation has been performed with the support of an independent expert and has passed the impairment test.
   - amortization of the period for €18.1 million
- the €72.6 million increase in Loans to parent company, of which €61,4 million relating to new Intercompany Loans provided to TeamCo (as previously described) and €11.2 million to accrual of interest income.
- The €2.7 million increase in Financial Assets relating to the Debt Reserve Accounts for the New Notes

Current assets. Current assets decreased by €16.0 million from €107.6 million at June 30, 2020 to €91.6 million at June 30, 2021 driven by the €37.0 million decrease in Trade receivables which has been mainly generated by the €40.4 million write-down booked as at June 30, 3021 as explained on the previous pages. This has been partially mitigated by:

- The €11.4 million increase in Cash at bank and on hand due to positive net cash flow generated in the period (as previously explained in the paragraph "Cash Flow Statement")

- The €9.9 million increase in Deferred tax assets following the accrual made in respect of the write-down of trade receivables.

Below a summary of Trade receivables, showing the impact at June 30, 2021 of the increase in the Provision for Doubtful accounts

(in thousands of €)	As at June 30 2020	As at June 30 2021	Var.
Trade receivables (incl. from parent companies and affiliated)			
Naming Rights and Sponsorship Agreement	4,107	-	(4,107)
Other International/Regional Sponsorship Agreements	55,283	63,776	8,493
Trade Receivables relating to International/Regional Sponsorship Agreements - Gross	**59,390**	**63,776**	**4,386**
Other trade receivables - Gross	32,107	27,676	(4,431)
(Provision for doubtful accounts)	(2,752)	(40,383)	(37,631)
Total Trade receivables (incl. from parent companies and affiliated)	**88,745**	**51,069**	**(37,676)**

For more details on status of collections relating to international/regional Sponsorship Agreements, please refer to the paragraph 'Cash Flow Available for Debt Service' on the previous pages.

Liabilities:

(in thousands of €)	As at June 30 2020	June 30 2021
Liabilities and Shareholders' equity		
Shareholders' equity		
Share capital	500	500
Reserve	105,124	187,777
Retained earnings	4,088	4,114
Profit for the period	27,607	16,053
Total Shareholders' equity	**137,318**	**208,444**
Non-current Liabilities		
Deferred tax liabilities	29,120	59,187
Other provisions	4,439	3,338
Provisions for employee severance indemnities	263	360
Existing and New Notes	275,659	335,870
Deferred income	10,894	13,544
Non-current Liabilities	**320,376**	**412,299**
Current Liabilities		
Existing and New Notes	6,900	9,080
Trade payables	4,745	3,716
Trade payables to parents companies and their affiliated	25,788	46,065
Dividends Payable	52,952	18,831
Tax Payables	345	2,542
Social security payables	207	177
Other payables	170	410
Accrued expenses	79	83
Deferred income	8,224	11,306
Current Liabilities	**99,409**	**92,210**
Total Liabilities and Shareholders' equity	**557,103**	**712,954**

Shareholders' equity. Shareholders' equity increased by €71.1 million from €137.3 million at June 30, 2020 to €208.4 million at June 30, 2021 due to the combined opposite effect of:

- (positive) the €82.7 million net impact of the revaluation of intangible assets made at June 30, 2021. Such net impact is composed as follows:
  - €114.7 million revaluation of Brand and TV Archive
  - € (32.0) million accrual of deferred tax assets
- (positive) the €16.1 million Net Profit of the period.

- (negative) the distribution in kind as a dividend of the €27.6 million net profit of the fiscal year ended June 30, 2020 to its immediate shareholders (TeamCO and BrandCo).

Non-current liabilities. Non-current liabilities increased by €91.9 million from €320.4 million at June 30, 2020 to €412.3 million at June 30, 2021 mainly due to:

- the impact of the New Notes (accounted based on the "Amortized Cost" accounting principle).
- The €30.1 million increase in Deferred tax liabilities driven by the accrual made upon the revaluation of intangible assets (as previously described)

Current liabilities. Current liabilities decreased by €7.2 million from €99.4 million at June 30, 2020 to €92.2 million at June 30, 2021 mainly due to the combined opposite effect of:

- (decrease) €34.1 million decrease in Dividends payables resulting from the combined opposite effect of:
  - (decrease) €61.7 million payments of dividends made in the fiscal year (€21.7 million to TeamCo and €40.0 million to BrandCo,, as already described).
  - (increase) the resolution of the Shareholders' Meeting held on October 27th, 2020 for distributing in kind as a dividend the €27.6 million net profit of the fiscal year ended June 30, 2020

- (increase) €20.2 million increase in trade payables to parent companies and their affiliated. This mainly relates to the increase in payables due to TeamCo in respect of the assignment of media rights receivables not yet distributed at the balance sheet date (+€20.0 million from €15.9 million to €35.9 million)

- (increase) €3.1 million increase in Deferred income mainly relating to installments of sponsorship contracts already invoiced in June 2021 but relating to following fiscal years

- (increase) €2.1 million increase in Existing and New Notes, resulting from the issuance of New Notes in July 2020 interest expense accrued for the period January 1, 2021 – March 31, 2021 (after the payment of the installment due in December 2020)

- (increase) €2.2 million in Tax Payables mainly due to the accrual of €3.6 million IRAP (Regional Income Tax) for the fiscal year ended June 30, 2021, net of €1.9 million IRAP payments made in the same fiscal year

CAPITAL EXPENDITURES

At €76 thousand, the level of capital expenditure was not considered material for the period under review.

NET FINANCIAL POSITION

The following table sets forth the Net Financial position data for the issuer as at 30 June 2021 (€303.0 million) compared with 30 June 2020 (€255.2 million)

	As at	
(in thousands of €)	**June 30 2020**	**March 31 2021**
Cash at bank and on hand	**16,898**	**28,343**
Current financial assets	29	480
Current financial receivables	**29**	**480**
Senior Secured Notes 2022 - current portion	(6,900)	(9,080)
Current financial liabilities	**(6,900)**	**(9,080)**
Net current financial assets/(liabilties)	**10,027**	**19,743**
Senior Secured Notes 2022	(275,659)	(335,870)
Financial Assets	10,410	13,142
Non-current financial liabilties	**(265,250)**	**(322,728)**
Net financial position	**(255,223)**	**(302,985)**

As shown by the table, the €47.8 million net increase in Net Financial position has been driven by the issuance of the New Notes in July 2020.

The €11.4 million increase in Cash at bank and on hand is due to positive net cash flow generated in the period (as previously explained in the paragraph “Cash Flow Statement”)

RISK FACTORS

In addition to the risk factors described in the Offering Memorandum, and not updated herein, we note the specific risks related to current pandemic situation, for which we refer to the section “Update on the main impacts of the Covid-19 pandemic” as well as the impact of collection timing of sponsorship contracts and termination of key sponsorship contracts with international sponsors, discussed elsewhere in this report.

TEAMCO UPDATE

SPORTING PERFORMANCE

After the most recent matches of 2021/2022 sporting season played as of October 27, 2021, the team is currently:

- 3rd in the Serie A table (after 10 matches), seven points behind the team in 1st position;
- 3rd in the UCL Group Stage (after 3 matches), two points behind the team leading the Group. We remind that UCL Group stage is composed 32 clubs in 8 Groups of 4 clubs: the top two teams in each Group will qualify to Round of 16 and with third place being admitted to the Round of 32 of the UEFA Europa League.

The team will start to play the domestic Cup ("Coppa Italia") in January 2022 starting from the Round of 16.

TRANSFER MARKET SUMMARY

The main players signed in the transfer market windows affecting the current fiscal year ending June 30, 2022 are:

Summer 2021:

- Calhanoglu (free transfer)
- Dzeko (from Rome)
- Dumfries (from PSV)
- Correa (from Lazio)
- Vanheusden (from Standard Liege)

The main players who left TeamCo in the transfer market windows affecting the current fiscal year ending June 30, 2022 are:

Summer 2021:

- Hakimi (sold to PSG)
- Lukaku (sold to Chelsea)
- Lazaro (on loan to Benfica)
- Vanheusden (on loan to Genoa)
- Joao Mario (early contract termination)
- Nainggolan (early contract termination)

We finally note that on June 3, 2021 Simone Inzaghi was appointed new head coach of the first team until June 2023 after an agreement was reached with Antonio Conte (former head coach) on May 26, 2021 for the termination of his contract by mutual consent.

SHAREHOLDER LOANS AND RCF DRAW DOWN

As described in the Offering Memorandum, TeamCo received in the past few years a number of shareholder loans (and related parties' loans). In addition, in the fiscal year ended June 30, 2021:

- TeamCo received new shareholder loans for a total amount of €75.0 million after the closing of the holdco financing plan on May 20, 2021 (as described on the initial pages of this report)
- an amount of €132.1 million has been converted from shareholder loans into equity reserve accounts (of which €15.0 million relating to shareholder loans provided during the fiscal year ended June 30, 2021)

The outstanding amount in the TeamCo balance sheet as at June 30, 2021 is €60.0 million (all related to shareholder loans provided during the last fiscal year), plus accrued interest for €16.3 million (of which €0.3 million related to shareholder loans provided during the last fiscal year).

As at June 30, 2021, TeamCo had a cash drawn down under its Revolving Credit Facility of €50.0 million.

FINANCIAL FAIR PLAY POSITION

In October 2021 we submitted to UEFA our calculations in respect of the Financial Fair Play (FFP) break-even requirement as at June 30, 2021. In view of the significant discussions underway at institutional level regarding the reform of the current regulations, we may be asked by UEFA to provide additional information and be subject to hearings before the Club Financial Control Body (the "CFCB"). Due to the wide range of disciplinary measures potentially imposed by the CFCB as well as the application of the proportionality principle required by its procedural rules when considering the relevant facts and circumstances contributing to a deviation from FFP rules, we are not yet in a position to formulate expectations at this stage regarding the actual outcome of the hearings, including regarding the potential failure to fulfil the breakeven rule.

FURTHER EXPLANATORY NOTES AND BASIS OF PREPARATION

BASIS OF PRESENTATION

The financial information presented in this document is sourced from and based on the audited financial statements of MediaCo for the fiscal year ended June 30, 2021 (the “Annual Financial Statements”). The independent auditor is Deloitte & Touche S.p.A..

SIGNIFICANT ACCOUNTING POLICIES

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

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

The accounting policies adopted in preparing the Annual Financial Statements are the same as for the previous fiscal year and therefore reference should be made to the Financial Statements for the fiscal year ended June 30, 2020 for further considerations.

Italian GAAP differs in certain aspects from IFRS. For a discussion of the differences between Italian GAAP and IFRS, please refer to the Offering Memorandum in “Annex A: Summary of Certain Differences between Italian GAAP and IFRS.”
Here, we notice that:

- In preparing the financial information presented in this document, MediaCo reclassified and renamed certain Italian GAAP line items in line with international format.
- Italian GAAP has recently been modified in order to take into account changes introduced in the Italian law governing financial statements by Decree No. 139 of August 18, 2015, which implemented Directive 34/2013/UE of the European Parliament and of the European Council on annual financial statements, consolidated financial statements and related reports of certain types of undertakings, with the aim, among other things, to align certain differences between Italian GAAP and IFRS. Such provisions were adopted in the Annual Financial Statements retrospectively beginning in the fiscal year ended June 30, 2015.

Use of estimates

For Annual Financial Statements preparation, it is necessary that the Management make estimates and assumptions which have effects on the values of assets and liabilities accounted for the Balance Sheet and even on potential assets and liabilities at the Annual Financial Statements date. The estimates and assumptions used are based on experience and on other relevant factors. For this reason, the final results could therefore differ from these estimates. The estimates and assumptions are reviewed periodically and the effects of each of their variation are reflected on the income statement in the year when the estimate is revised (if this review has effects only in the current year), or also in subsequent years (if the review has effects on both the current and future years). The Balance Sheet items that are affected by these assumptions, are the bad debt reserve, the provisions for risks and charges and the evaluation of the recoverable value of property, plant and equipment and intangible assets (impairment test). The impairment test carried out as of June 30, 2021 did not highlight any requirement of impairment.

GUARANTEES, COMMITMENTS AND CONTINGENT LIABILITIES

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

SUBSEQUENT EVENTS OCCURRED AFTER JUNE 30, 2021

The Shareholders' Meeting of MediaCo held on October 28th, 2021 has approved the Annual Financial Statements of the fiscal year ended June 30, 2021 and the distribution in kind as a dividend of the €16.1 million net profit to its immediate shareholders (TeamCo and BrandCo).

In addition to this and to what is already described in this document, and in particular in the section “General Information”, there are no further matters to be highlighted occurring between July 1st, 2021 and the current date.

APPENDIX 1 – ANNUAL FINANCIAL STATEMENTS

Please refer to separate file provided with this document