Company Registration No. 03693619 (England and Wales)

SPORTFIVE GLOBAL MEDIA LTD

FORMERLY LAGARDERE SPORTS MEDIA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

UHY Hacker Young
Chartered Accountants

SPORTFIVE GLOBAL MEDIA LTD
FORMERLY LAGARDERE SPORTS MEDIA LIMITED
COMPANY INFORMATION

Directors	A de Montmorillon (Appointed 10 August 2020) N von Doetinchem (Appointed 27 May 2020)
Company number	03693619
Registered office	4th Floor Cardinal Place 80 Victoria Street London SW1E 5JL
Auditor	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

SPORTFIVE GLOBAL MEDIA LTD
FORMERLY LAGARDERE SPORTS MEDIA LIMITED
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SPORTFIVE GLOBAL MEDIA LTD
FORMERLY LAGARDERE SPORTS MEDIA LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present the strategic report for the year ended 31 December 2020.

Review of the business
The principal activity of the company is the acquisition and the distribution of Sports Media Rights.

In 2020, the COVID-19 crisis has hit the sports marketing industry with the cancelation of many sporting events. In this context, the company has managed the impacts together with its main clients, and was able to deliver Media rights in more than 50 countries.

The directors are optimistic about the future prospects of the company. Both financial key performance indicators and non-financial key performance indicators are used to manage overall business performance against targets for the year. As expected, the company had a decrease in turnover of €50.7m to €10.6m, which is mainly driven by the cyclicity of its activity (see the successful monetisation of biennial World Championship Handball events in 2019).

The Company continues to identify and acquire Sports Rights that will support its future development, both financially and strategically. The assessment of risk and uncertainty and the allocation of resource to manage the impact of this on the strategic and operational performance of the company forms a key part of management activity. The ongoing objective of the Company is to develop where market opportunities exist, whist remaining operationally efficient and cost effective.

Financial instrument risks
The company uses financial instruments including cash, trade debtors and trade creditors that arise directly from its operations. The existence of these financial instruments exposes the company to a number of financial risks, which are described in more detail below.

Liquidity risk
The company seeks to manage financial risk by ensuring sufficient liquidity by maximising interest income and minimising interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

Credit risk
The company's principal financial .assets are cash deposits, cash and trade debtors. Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board, thus the risk is limited.

The principal credit risk arises, therefore, from its trade debtors. All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Interest rate risk
The company does not have any third party borrowing, therefore, is not exposed to significant interest rate risk.

Foreign exchange risk
Where the company is exposed to changes in foreign exchange rates, for example through trade debtors in foreign currency, the company is able to mitigate this risk through available hedging facilities provided by the Group. While this facility is available, the company's primary aim is to invoice in the functional currency (EUR) so as to avoid any exposure to this risk. The majority of sales are completed in the functional currency.

On behalf of the board

DocuSigned by:
Antoine de Montmorillon
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A de Montmorillon
Director
08-03-2021

DocuSigned by:
Nick von Doetinchem
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N von Doetinchem
Director

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company continued to be that of the acquisition and distribution of Sports Media Rights.

On 29 May 2020 the company changed its name from Lagardere Sports Media Limited to Sportfive Global Media Ltd.

Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A de Montmorillon	(Appointed 10 August 2020)
N von Doetinchem	(Appointed 27 May 2020)
D White	(Resigned 27 May 2020)
U Valensi	(Resigned 26 May 2020)

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to one day's purchases, based on the average daily amount invoiced by suppliers during the year.

Auditor

UHY Hacker Young were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Strategic report
The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of the review of business and principal risks and uncertainties.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern and Covid-19
At the balance sheet date the company had net liabilities of €9,404,118 and reported a loss for the period of €187,922. At the time of approving the financial statements the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, based on the continuing support of the parent company. The directors have received a letter of support from the parent company and thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements. The company has been managing the COVID-19 impacts together with its main clients, and was able to minimize the financial consequences related to cancelation of sporting events in 2020. In the coming future, most of the sporting events will be organised with "Bubble concepts" whereby all stakeholders enter a bubble prior to the event and no spectators to allow events to continue. Our teams will continue closely monitoring the COVID-19 impacts in the coming months.

On behalf of the board

DocuSigned by:
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Director

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Nick von Doetinchem
5E4E5281FC404B4...

N von Doetinchem
Director

Date: 08-03-2021

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SPORTFIVE GLOBAL MEDIA LTD

Opinion

We have audited the financial statements of Sportfive Global Media Ltd (the 'company') for the year ended 31 December 2020 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

UHY Hacker Young
Chartered Accountants

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SPORTFIVE GLOBAL MEDIA LTD

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

UHY Hacker Young LLP
Quadrant House
4 Thomas More Square
London E1W 1YW

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF SPORTFIVE GLOBAL MEDIA LTD

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, review of correspondence with the legal team and enquiries of management in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

The financial statements for the year ended 31 December 2019 were audited by another auditor, who gave an unqualified opinion on 17 March 2020.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF SPORTFIVE GLOBAL MEDIA LTD

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Marc Waterman (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

10/3/21

Chartered Accountants
Statutory Auditor

Quadrant House
4 Thomas More Square
London
E1W 1YW

SPORTFIVE GLOBAL MEDIA LTD
FORMERLY LAGARDERE SPORTS MEDIA LIMITED
INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 €	2019 €
Revenue	3	10,574,528	61,283,130
Cost of sales		(7,891,158)	(58,178,677)
Gross profit		2,683,370	3,104,453
Administrative expenses		(2,162,295)	(4,210,854)
Operating profit/(loss)	4	521,075	(1,106,401)
Investment income	7	(24,656)	(204,452)
Finance costs	8	(49,729)	(313,496)
Profit/(loss) before taxation		446,690	(1,624,349)
Tax on profit/(loss)	9	(634,612)	(404,977)
Loss for the financial year		(187,922)	(2,029,326)

The income statement has been prepared on the basis that all operations are continuing operations.

SPORTFIVE GLOBAL MEDIA LTD
FORMERLY LAGARDERE SPORTS MEDIA LIMITED
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	€	€
Loss for the year	(187,922)	(2,029,326)
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Cash flow hedges:		
- Hedging gain arising in the year	-	18,662
Total comprehensive income for the year	(187,922)	(2,010,664)

SPORTFIVE GLOBAL MEDIA LTD
FORMERLY LAGARDERE SPORTS MEDIA LIMITED
STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 €	2020 €	2019 €	2019 €
Non-current assets					
Intangible assets	11		124,420,380		129,663,640
Investments	12		867		867
			124,421,247		129,664,507
Current assets					
Trade and other receivables falling due after more than one year	13	600,000		600,000	
Trade and other receivables falling due within one year	13	23,655,486		10,887,492	
Cash and cash equivalents		2,573,985		642,132	
		26,829,471		12,129,624	
Current liabilities					
Trade and other payables	15	41,968,838		38,432,271	
Taxation and social security		2,126,644		929,696	
Derivative financial instruments	16	-		311,862	
Contract liability and deferred income	17	30,055,875		2,447,141	
		74,151,357		42,120,970	
Net current liabilities			(47,321,886)		(29,991,346)
Total assets less current liabilities			77,099,361		99,673,161
Non-current liabilities	14		(86,503,479)		(109,021,373)
Net liabilities			(9,404,118)		(9,348,212)
Equity					
Called up share capital	19		1,168		1,168
Hedging reserve	20		-		(132,016)
Retained earnings			(9,405,286)		(9,217,364)
Total equity			(9,404,118)		(9,348,212)

SPORTFIVE GLOBAL MEDIA LTD
FORMERLY LAGARDERE SPORTS MEDIA LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2020

The financial statements were approved by the board of directors and authorised for issue on 8 March 2021 and are signed on its behalf by:

DocuSigned by: Antoine de Montmorillon 894849DDD3D7408...	DocuSigned by: Nick von Doetinchem 5E4E5281FC404B4...
A de Montmorillon	N von Doetinchem
Director	**Director**

Company Registration No. 03693619

SPORTFIVE GLOBAL MEDIA LTD
FORMERLY LAGARDERE SPORTS MEDIA LIMITED
STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital €	Hedging reserve €	Retained earnings €	Total €
Balance at 1 January 2019	1,168	(150,678)	(7,188,038)	(7,337,548)
Year ended 31 December 2019:				
Loss for the year	-	-	(2,029,326)	(2,029,326)
Other comprehensive income:				
Cash flow hedges gains	-	18,662	-	18,662
Total comprehensive income for the year	-	18,662	(2,029,326)	(2,010,664)
Balance at 31 December 2019	1,168	(132,016)	(9,217,364)	(9,348,212)
Year ended 31 December 2020:				
Loss and total comprehensive income for the year	-	-	(187,922)	(187,922)
Other movements	-	132,016	-	132,016
Balance at 31 December 2020	1,168	-	(9,405,286)	(9,404,118)

1 Accounting policies

Company information

Sportfive Global Media Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 4th Floor, Cardinal Place, 80 Victoria Street, London, SW1E 5JL. The company's principal activities and nature of its operations are disclosed in the directors' report.

On 29 May 2020 the company changed its name from Lagardere Sports Media Limited to Sportfive Global Media Ltd.

1.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared prepared under the historical cost convention, except for the revaluation of financial instruments. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- comparative narrative information;
- for financial instruments measured at fair value and within the scope of IFRS 13, the valuation techniques and inputs used to measure fair value, the effect of fair value measurements with significant unobservable inputs on the result for the period and the impact of credit risk on the fair value; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

Where required, equivalent disclosures are given in the group accounts of Sportfive TopCo GmbH. The group accounts of Sportfive TopCo GmbH are available to the public and can be obtained as set out in note 22.

1 Accounting policies (Continued)

1.2 Going concern

At the balance sheet date the company had net liabilities of €9,404,118 and reported a loss for the period of €187,922. The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, based on the continuing support of the parent company. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. The company has been managing the COVID-19 impacts together with its main clients, and was able to minimize the financial consequences related to cancelation of sporting events in 2020. In the coming future, most of the sporting events will be organised with "Bubble concepts" whereby all stakeholders enter a bubble prior to the event and no spectators to allow events to continue. Our teams will continue closely monitoring the COVID-19 impacts in the coming months.

1.3 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer. Contracts with customers do not contain a financing component.

Revenue from contracts with customers whose performance obligations are satisfied over time, is recognised by reference to stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably.

Revenue is measured at the transaction price, being the fair value of the consideration received or receivable. The transaction price is reduced for estimated customer returns, rebates and other similar allowances. Revenue is only recognised to the extent that significant reversals are not anticipated in future periods.

Revenue is accrued when it is recognised but not yet invoiced and deferred as contract liabilities when invoiced but not yet recognised.

The company recognises revenue from the following major sources:

- Sports media rights
- Delivery and technical services

1 Accounting policies **(Continued)**

The nature, timing of satisfaction of performance obligations and significant payment terms of the company's major sources of revenue are as follows:

Sports media rights
The entire revenue relating to the sporting event is recognised when the performance obligation have been served. Thus, revenue recognition is based on a specific event which corresponds to a specific date which can be clearly identified.

- One-off sales deals are recognised at the date of the event when the media rights are delivered to the customer.
- For package and volume deals, the sales value is allocated to each event and revenue is recognised based on the date of the event.
- Revenue related to seasonal events are spread over the duration of the sporting season.

Delivery and technical services
Revenue relating to technical fees invoiced to the broadcaster is recognised the same way as for the main sports media rights (as above) i.e. as at the date of the event or over the season.

1.4 Intangible assets other than goodwill
Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

- Rights and licences - over the term of the individual acquisition contracts that gives rights to the use of assets.

1.5 Impairment of tangible and intangible assets
Non-financial assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date. A reversal of an impairment loss is recognised immediately in profit or loss.

1.6 Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.7 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

The company uses the 'simplified method of expected credit losses'. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Expected credit losses are recognised when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

1 Accounting policies (Continued)

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets
Financial assets, other than those measured at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.8 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss
Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

1 Accounting policies **(Continued)**

Other financial liabilities
Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.9 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Derivatives
Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are classified as current.

Hedge accounting
Hedge accounting is applied to financial assets and financial liabilities only where all of the following criteria are met:

- At the inception of the hedge there is formal designation and documentation of the hedging relationship and the company's risk management objective and strategy for undertaking the hedge;
- The hedge relationship meets all of the hedge effectiveness requirements including that an economic relationship exists between the hedged item and the hedging instrument, the credit risk effect does not dominate the value changes, and the hedge ratio is designated based on actual quantities of the hedged item and hedging instrument.

1.11 Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies **(Continued)**

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Foreign exchange

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Key sources of estimation uncertainty

Revenue recognition

Where contracts are incomplete at the period end, revenue is recognised based on the stage of completion of the contract and estimates of the anticipated profit on those contracts. Profit is only recognised on contracts where, at the period end, profits can be foreseen with reasonable certainty. The stage of completion and anticipated profits require significant judgements by the company based on cost incurred, anticipated costs to be incurred and the revenue value of the contracts. This requires future costs to be estimated and such estimates are based on the experience of management and their expectations of future contract performance.

Impairment of intangibles

At each balance sheet date the company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. The directors make judgements as to whether impairment indicators exist and, where such indicators are identified, the recoverable amount of the assets is estimated based on the future cash flows and profitability expected to arise from the rights and licences, to determine the extent of the impairment loss. As the rights contracts are short term the cashflows are undiscounted as the impact is not material. Details of the impairment loss are set out in note 10.

3 Revenue

	2020	2019
	€	€
Revenue analysed by class of business		
Sports media rights	9,828,798	56,709,800
Host broadcasting and production	-	1,368,829
Delivery and technical services	745,730	3,204,501
	10,574,528	61,283,130

3 Revenue (Continued)

	2020	2019
	€	€
Other significant revenue		
Interest income	4,731	6,081

	2020	2019
	€	€
Revenue analysed by geographical market		
Europe	5,796,458	49,761,508
Asia	1,360,954	2,530,781
North America	1,038,428	6,888,871
South America	1,542,303	183,043
Other	836,385	1,918,927
	10,574,528	61,283,130

4 Operating profit/(loss)

	2020	2019
	€	€
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(46,200)	16,764
Fees payable to the company's auditor for the audit of the company's financial statements	36,000	72,388
Amortisation of intangible assets (included within administrative expenses and cost of sales)	4,807,184	46,112,469
Impairment of intangibe assets (included within cost of sales)	-	823,214
Restructuring costs	164,051	223,861

Exchange differences recognised in profit or loss during the year, amounted to €18,851 (2019: €367,985). Of this amount, €65,051 (2019: €351,221) is charged to the income statements after operating profit as a finance costs or as other gains and losses.

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Directors	2	3
Administration staff	6	11
Total	8	14

Their aggregate remuneration comprised:

	2020 €	2019 €
Wages and salaries	486,040	1,629,098
Social security costs	65,406	186,591
Pension costs	24,623	59,007
	576,069	1,874,696

6 Directors' remuneration

	2020 €	2019 €
Remuneration for qualifying services	50,723	-
Company pension contributions to defined contribution schemes	2,536	-
	53,259	-

Directors remuneration represents the amounts paid through the UK payroll. Directors remuneration of €142,558 was also recharged from another group entity within the management charge. In 2019, the directors were directors of a number of group companies. Their services to the company are inconsequential to their other roles therefore no remuneration is disclosed.

7 Investment income

	2020	2019
	€	€
Interest income		
Interest on bank deposits	4,731	6,081
Other income from investments		
Exchange differences on fair value hedged item	(29,387)	(210,533)
Total income	(24,656)	(204,452)

Total interest income for financial assets that are not held at fair value through profit or loss is €4,731 (2019 - €6,081).

8 Finance costs

	2020	2019
	€	€
Interest on financial liabilities measured at amortised cost:		
Interest payable to group undertakings	14,065	172,809
Other finance costs:		
Exchange differences on financing transactions	35,664	140,687
Total finance costs	49,729	313,496

9 Taxation

	2020	2019
	€	€
Current tax		
Foreign taxes and reliefs	634,612	378,633
	634,612	378,633
Deferred tax		
Origination and reversal of temporary differences	-	26,344
Total tax charge	634,612	404,977

9 Taxation (Continued)

The charge for the year can be reconciled to the profit/(loss) per the income statement as follows:

	2020	2019
	€	€
Profit/(loss) before taxation	446,690	(1,624,349)
Expected tax charge/(credit) based on a corporation tax rate of 19.00% (2019: 19.00%)	84,871	(308,626)
Effect of expenses not deductible in determining taxable profit	14,960	113,522
Adjustment in respect of prior years	(13,552)	(30,223)
Effect of change in UK corporation tax rate	-	(1,493)
Group relief	30,245	211,146
Other permanent differences	(120,576)	(3,860)
Foreign tax credits not used	634,612	408,856
Deferred tax not recognised	-	17,533
Other adjustments	4,052	(1,878)
Taxation charge for the year	634,612	404,977

10 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2020	2019
	€	€
In respect of:		
Intangible assets	-	823,214
Recognised in:		
Cost of sales	-	823,214

The impairment losses arose from reducing the carrying value of the rights and licences to their recoverable amounts. The recoverable amount is determined from the forecast future cashflows arising from the sales of sports rights.

11 Intangible fixed assets

	Rights & licences
	€
Cost	
At 31 December 2019	195,328,007
Additions - purchased	2,353,216
Disposals	(975,524)
Cancellation of events (see below)	(1,813,768)
At 31 December 2020	194,891,931
Amortisation and impairment	
At 31 December 2019	65,664,367
Charge for the year	4,807,184
At 31 December 2020	70,471,551
Carrying amount	
At 31 December 2020	124,420,380
At 31 December 2019	129,663,640

More information on impairment movements in the year is given in note 10.

The rights relate to events taking place over multiple years with payments in instalments. During 2020 a number of event were cancelled due to the Covid-19 pandemic. In accordance, with the rights contracts the costs in respect of the cancelled events were waived.

12 Investments

	Current		Non-current	
	2020	2019	2020	2019
	€	€	€	€
Investments held at amortised cost	-	-	867	867

The company has not designated any financial assets that are not classified as held for trading as financial assets at fair value through profit or loss.

Fair value of financial assets carried at amortised cost
The directors consider that the carrying amounts of financial assets carried at amortised cost in the financial statements approximate to their fair values.

12 Investments (Continued)

Movements in non-current investments

	Investments other than loans
	€
Cost or valuation	
At 1 January 2020 & 31 December 2020	867
Carrying amount	
At 31 December 2020	867
At 31 December 2019	867

13 Trade and other receivables

	Current		Non-current	
	2020	2019	2020	2019
	€	€	€	€
Trade receivables	16,770,571	7,808,414	-	-
Amount owed by parent undertaking	-	-	600,000	600,000
Amounts owed by fellow group undertakings	5,306,270	600,000	-	-
Derivative financial instruments (note 16)	47,206	-	-	-
Other receivables	12,714	-	-	-
Prepayments and accrued income	1,518,725	2,479,078	-	-
	23,655,486	10,887,492	600,000	600,000

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

14 Liabilities

		Current		Non-current	
		2020	2019	2020	2019
	Notes	€	€	€	€
Trade and other payables	15	41,968,838	38,432,271	86,503,479	109,021,373
Taxation and social security		2,126,644	929,696	-	-
Derivative financial instruments	16	-	311,862	-	-
Contract liability deferred income	17	30,055,875	2,447,141	-	-
		74,151,357	42,120,970	86,503,479	109,021,373

15 Trade and other payables

	Current		Non-current	
	2020	2019	2020	2019
	€	€	€	€
Trade payables	58,225	478,844	-	-
Amounts owed to fellow group undertakings	236,578	5,834,675	-	-
Other payables and accruals	41,674,035	32,118,752	86,503,479	109,021,373
	41,968,838	38,432,271	86,503,479	109,021,373

Non-current accruals relates to sports rights payable due to various rights holders between 2022 and 2025.

16 Derivative financial instruments

	2020	2019
	€	€
Carrying amount of financial assets		
Forward foreign currency contracts	47,206	-
Carrying amount of financial liabilities		
Forward foreign currency contracts	-	311,862

The objective of Sportfive Global Media Limited when hedging foreign exchange risk is to protect the company's results against fluctuations in foreign exchange rates, through FX Forwards and FX Swaps: this strategy consists of "locking" the current rate for a specified amount. The company is protected against unfavourable fluctuations in exchange rates, but will not benefit from favourable fluctuations. FX contracts are designated as cash flow hedges.

17 Contract liability and deferred income

	2020	2019
	€	€
Arising from contract liabilities	15,771,492	1,459,162
Arising from deferred income	14,284,383	987,979

Analysis of contract liability and deferred income

Contract liabilities and deferred income are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2020	2019
	€	€
Current liabilities	30,055,875	2,447,141

A contract liability is presented in the statement of financial position where a customer has paid an amount of consideration prior to the entity performing by transferring the related good or service to the customer.

18 Retirement benefit schemes

Defined contribution schemes

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Retirement benefit schemes (Continued)

The total costs charged to income in respect of defined contribution plans is €24,623 (2019 - €59,007).

19 Share capital

	2020	2019
	€	€
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of £1 each	1,168	1,168

20 Hedging reserve

	2020	2019
	€	€
At the beginning of the year	(132,016)	(150,678)
Gains and losses on cash flow hedges	-	18,662
Other transfers	132,016	-
At the end of the year	-	(132,016)

The hedging reserve represents the cumulative amount of gains and losses on hedging instruments deemed effective in cash flow hedges.

21 Off balance sheet commitments

At the reporting end date the company is bound by guaranteed minimum payments on long term contracts for the sale of sports right, which fall due as follows:

	2020	2019
	€	€
Within one year	3,310,046	1,820,764
Between two and five years	245,902	3,555,948
	3,555,948	5,376,712

22 Controlling party

The company's immediate parent company is Sportfive EMEA APAC SAS, which is incorporated in France.

The company's intermediate parent company is Sportfive TopCo GmbH, which is incorporated Germany. This is the largest and smallest member of the group preparing consolidated financial statements which can be obtained from Barcastrasse 5, 22087 Hamburg.

The company's ultimate controlling party is Tempus Holdings 70 S.à.r.l., Luxemburg, which is incorporated in Luxemburg.