

**5. Sports intangible assets**

The heading "Sports intangible assets" includes player acquisition rights, as well as other items of a similar nature. The breakdown of this heading in the consolidated balance sheet 2023/24 and 2022/23 financial year has been as follows:

**June 30, 2024:**

	Thousands of euros			
	Balances as of 06/30/2023	Additions and endowments	Derecognitions, disposals and decreases	Balances as of 06/30/2024
<b>Cost:</b>				
Football	572.416	53.679	(153.669)	472.426
Basketball	1.100	2.170	(845)	2.425
Handball	1.350	40	(600)	790
Roller hockey and others	501	30	(200)	331
Advances and others	550	-	(550)	-
<b>Total cost</b>	<b>575.917</b>	<b>55.919</b>	<b>(155.864)</b>	<b>475.972</b>
<b>Accumulated depreciation:</b>				
Football	(320.335)	(80.340)	150.045	(250.630)
Basketball	(549)	(1.213)	845	(917)
Handball	(868)	(228)	420	(676)
Roller hockey and others	(490)	(12)	200	(302)
<b>Total accumulated depreciation</b>	<b>(322.242)</b>	<b>(81.793)</b>	<b>151.510</b>	<b>(252.525)</b>
<b>Deterioration:</b>				
Football	(2.466)	(14.946)	12.697	(4.715)
Advances and others	(730)	-	730	-
<b>Total impairment</b>	<b>(3.196)</b>	<b>(14.946)</b>	<b>13.427</b>	<b>(4.715)</b>
<b>Net total</b>	<b>250.479</b>	<b>(40.820)</b>	<b>9.073</b>	<b>218.732</b>

**June 30, 2023:**

	Thousands of euros			
	Balances as of 06/30/2022	Tickets and equipment	Departures, cancellations or reductions	Balances as of 06/30/2023
<b>Cost:</b>				
Football	620.693	162.863	(211.140)	572.416
Basketball	1.295	725	(920)	1.100
Handball	1.025	325	-	1.350
Roller hockey and others	501	-	-	501
Advances and others	10.550	-	(10.000)	550
<b>Total cost</b>	<b>634.064</b>	<b>163.913</b>	<b>(222.060)</b>	<b>575.917</b>
<b>Accumulated depreciation:</b>				
Football	(372.089)	(88.078)	139.832	(320.335)
Basketball	(1.006)	(463)	920	(549)
Handball	(559)	(309)	-	(868)
Roller hockey and others	(465)	(25)	-	(490)
<b>Total accumulated depreciation</b>	<b>(374.119)</b>	<b>(88.875)</b>	<b>140.752</b>	<b>(322.242)</b>
<b>Deterioration:</b>				
Football	(3.188)	(24.161)	24.883	(2.466)
Advances and others	(10.550)	(180)	10.000	(730)
<b>Total impairment</b>	<b>(13.738)</b>	<b>(24.341)</b>	<b>34.883</b>	<b>(3.196)</b>
<b>Net total</b>	<b>246.207</b>	<b>50.697</b>	<b>(46.425)</b>	<b>250.479</b>

Player acquisition rights will be considered as an expense in the coming years, without considering the effect of impairment provisions, according to the following estimate:

	Thousands of euros	
	06/30/2024	06/30/2023
<b>Season:</b>		
2023-2024	-	77.114
2024-2025	84.340	74.795
2025-2026	79.420	68.026
2026-2027*	39.857	33.740
2027-2028 onwards	19.830	-
<b>Total</b>	<b>223.447</b>	<b>253.675</b>

\* As of June 30, 2023, it corresponds to the expenditure of the 2026-2027 season and subsequent years.

The additions for the year correspond to the acquisition of the federative rights of players for an amount of 55,919 thousand euros (163,913 thousand euros at June 30, 2023).

As of June 30, 2024, and 2023, there are contingent liabilities derived from the agreements reached with clubs for the acquisition of the federative rights of players who belong to the first team, which are subject to compliance with a series of conditions. The probability of occurrence depends on uncertain events in the future, with the maximum amount payable based on the contractual agreements applicable at the end of the year ended June 30, 2024, being 98 million euros (69 million euros in the year ended on June 30, 2023). Likewise, there are agreements with clubs over which the Club has contingent collection rights in relation to players sold or loaned for a maximum amount of 32 million euros (47 million euros in the year ending June 30, 2023).

Additionally, preferential rights are maintained over certain players and others of a similar nature in the amount of 550 thousand euros (zero thousand euros at June 30, 2024).

The derecognitions for this year correspond mainly to the sale of players that have generated a net profit of 67,411 thousand euros recorded in the heading "Results from disposals and others" of the attached consolidated income statement (net profit of 12,137 thousand euros in the year ended June 30, 2023). Additionally, during the current financial year, the contracts of several players have been terminated, resulting in a loss of 166 thousand euros (56,596 thousand euros in the year ended June 30, 2023).

Likewise, the heading "Profit from disposals and others" of the attached income statement includes other profit amounting to 11,527 thousand euros (2,429 thousand euros in the year ended June 30, 2023), basically generated by way of collections from variables for the sporting performance agreed in different contracts for the sale of federative rights and for the transfers to other clubs of players who were part of the Club in previous years.

The Club's Board of Directors is not aware of any situations that require the recording of impairments of a significant amount at June 30, 2024 and June 30, 2023, in addition to those recorded in the attached consolidated annual accounts. Given the characteristics of these assets and the limitations derived from the non-existence of a regulated market for their valuation, as well as the possibility of applying objective mathematical methods to determine their recoverable value, this is determined individually for each player and the entire available squad considering, among others, sporting and economic parameters of the season and competitions. In this sense, macroeconomic parameters such as interest rate fluctuations and inflation are not key factors in estimating signs of deterioration in these assets.

The average duration of the employment contracts of the squad to be registered in the Spanish Professional Football League is 5 years from their signature

As of June 30, 2024 and 2023, there are fully depreciated items amounting to 786 thousand and 141,349 thousand euros, respectively.

Players are hired through an employment contract under Royal Decree 1006/1985, of 26 June, which regulates the special employment relationship of professional athletes, under the general regime.

The income from the loan and training of players recorded under the heading "Other operating income" in the consolidated profit and loss account for the 2023/24 financial year amounts to 2,250 thousand euros (5,265 thousand euros in the 2022/23 financial year) (Note 18.2).

As of June 30, 2024 and 2023, there are no intangible sports assets pledged or with ownership restrictions.