



FIRST-HALF 2022/23

FINANCIAL REPORT

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MANAGEMENT REPORT ON THE FIRST HALF OF 2022/23

Revenue for the first half of 2022/23 (1 July to 31 December) totalled €134.8 million, up €18.7 million or 16% from €116.1 million in H1 2021/22. All components of revenue increased, even though the club did not qualify for a European cup competition in 2022/23, reflecting the attractiveness of OL and its brand, as well as the quality of its infrastructure for hosting major events.

Nevertheless, EBITDA was a loss of €23.7 million. The following factors had a strong impact: (i) the club did not participate in any European competition this season, (ii) expenses related directly to revenue rose along with revenue, (iii) operating expenses rose, in particular electricity as a result of the international and inflationary context and (iv) personnel costs rose, tied to summer 2022 transfer activity and government aid on payroll taxes in 2021/22 (€37 million related to the Covid crisis).

Throughout the first half of the financial year, OL Groupe continued to advance on its strategic projects and in particular on the construction of the LDLC Arena, which is scheduled to begin operations at the end of 2023.

In parallel, on 19 December 2022, Eagle Football finalised the acquisition of 77.49% of the share capital of OL Groupe from OL Groupe's principal historical shareholders (Pathé, IDG Capital and Holnest), and subscribed to a reserved capital increase of €86 million (incl. fees). The composition of the Company's Board of Directors has been changed to reflect the change in its shareholder structure.

1-1 FIRST-HALF REVENUE

On-pitch performance

The men's professional team's 8th place ranking in Ligue 1 at the end of the 2021/22 season deprived it of a berth in a European cup competition for the 2022/23 season. As of 31 December 2022, Olympique Lyonnais was in 8th place in Ligue 1 (vs 13th as of 31 December 2021).

As of 31 December 2021, after the group stage of the Europa League, the club had qualified for that competition's round of 16.

First-half 2021/22 total revenue: €134.8m
(€116.1 million in H1 2021/22, i.e. up €18.7m, or 16%)

in € m (1 July to 31 December)	31/12/2022	31/12/2021	Chg.	% chg.
Ticketing	15.8	14.1	1.6	12%
<i>of which French Ligue 1 and other matches</i>	15.5	10.4	5.1	50%
<i>of which European matches</i>	0.3	3.7	3.5	-93%
Media and marketing rights	37.7	30.5	7.2	23%
<i>of which LFP/FFF</i>	36.6	16.1	20.5	127%
<i>of which UEFA</i>	1.1	14.4	-13.3	-92%
Sponsoring - Advertising	19.0	17.4	1.6	9%
Brand-related revenue	11.1	9.1	2.0	22%
<i>of which derivative products</i>	6.4	6.2	0.2	3%
<i>of which other brand-related revenue</i>	4.7	2.9	1.8	64%
Events	7.4	3.8	3.7	97%
<i>of which seminars and stadium tours</i>	3.4	3.0	0.4	12%
<i>of which major events</i>	4.1	0.8	3.3	422%
Revenue excluding player trading	91.0	75.0	16.1	21%
Revenue from sale of player registrations	43.8	41.2	2.6	6%
Total revenue (1)	134.8	116.1	18.7	16%

(1) APM (Alternative Performance Measure) introduced on 30 June 2020 - "Total revenue" corresponds to both non-player trading revenue and revenue from the sale of player registrations.

Ticketing receipts: up €1.6 million or 12%
(H1 2022/23: €15.8m; H1 2021/22: €14.1m)

In the first half of 2022/23, ticketing receipts rose by €1.6 million or 12%, despite the absence of a European cup competition. They included a record amount for a Ligue 1 match (OL/PSG) in September 2022 and also reflected higher revenue from OL Reign, who have been playing their matches at Lumen Field since the start of 2022.

All Ligue 1 revenue indicators advanced: average revenue per match was €2 million (vs €1.3 million in H1 2021/22), average revenue per spectator was €41.5 (vs €36.1 in H1 2021/22), and the average gross margin was 48.5% (vs 43.9% in H1 2021/22). The number of Ligue 1 season ticket holders also rose, by 11% to 21,280 (vs 19,091 in H1 2021/22). The average attendance for Ligue 1 matches at Groupama Stadium was 47,777 (vs 37,370 in H1 2021/22), twice the average of Ligue 1 clubs (vs 1.7x in H1 2021/22).

Media and marketing rights: up €7.2 million or 23%
(H1 2022/23: €37.7m; H1 2021/22: €30.5m)

Even though the club is not competing in any European cup in 2022/23, media and marketing rights rose €7.2 million or 23% to €37.7 million in the first half of 2022/23 (vs €30.5 million in H1 2021/22), because the club received the first payment of LFP/CVC financial assistance (€16.5 million)*, recognised under LFP/FFF media and marketing rights.

In the year-earlier period, UEFA media rights totalled €14.4 million, reflecting OL's participation in the group stage of the 2021/22 Europa League competition.

Excluding the impact of LFP/CVC financial assistance, LFP/FFF media rights totalled €20.1 million in the first half of 2022/23 (vs €16.1 million in H1 2021/22), reflecting OL's better Ligue 1 ranking than a year earlier (8th vs 13th) and the new breakdown of international media rights.

**Reminder: the LFP has created a commercial subsidiary, with CVC Capital Partners investing €1.5 billion for a 13% stake. The transaction was closed at the end of July 2022. The governing body of Ligue 1, of Ligue 2 and the Board of Directors of the LFP approved the breakdown of the €1.18 billion to be paid to the clubs (spread over several financial years), including a total of €90 million to be paid to Olympique Lyonnais. In August 2022, OL Groupe received an initial payment of €16.5 million. Subsequent payments are set to take place in July 2023 (€23.5 million) and later in the 2023/24 financial year (€50 million), provided the planned transactions between the LFP and CVC Capital Partners are completed.*

Sponsoring and advertising revenue: up €1.6 million or 9%
(H1 2022/23: €19.0m; H1 2021/22: €17.4m)

Sponsoring-Advertising revenue rose again (by 9%) to €19.0 million, a record high for the first half, demonstrating the continued attractiveness of the OL brand, despite the club's absence from European cup play this season.

Brand-related revenue: up €2.0 million or 22%
(H1 2022/23: €11.1m; H1 2021/22: €9.1m)

Brand-related revenue also set a new record in the first half of 2022/23, at €11.1 million, up 22% from €9.1 million in H1 2021/22. It was underpinned by good performance on derivative products and fees earned with regard to concerts held in the summer of 2022.

Events: up €3.7 million or 97%
(H1 2022/23: €7.4m; H1 2021/22: €3.8m)

The Events business also set a new record of €7.4 million in revenue, owing in particular to three major musical events held before a sold-out Groupama Stadium crowd during the summer of 2022: Rammstein on 8 & 9 July and the Rolling Stones on 19 July, attracting a total of more than 150,000 spectators. Revenue from the "Major events" business thus totalled €4.1 million in the first half, vs €0.8m in H1 2021/22 (France-Finland match in September 2021).

At the same time, the Seminars/stadium tours activities posted revenue of €3.4 million (up 12% from H1 2021/22), exceeding their pre-Covid record.

Revenue from sale of player registrations: up €2.6 million or 6%

(H1 2022/23: €43.8m; H1 2021/22: €41.2m)

During the first half of 2022/23, Olympique Lyonnais transferred Lucas Paquetá to West Ham for €35.7 million and Léo Dubois to Galatasaray for €2.4 million. The Club also received high sell-on fees and loan payments, totalling €5.7 million.

During the year-earlier period, Olympique Lyonnais had recognised €41.2 million in proceeds from the sale of player registrations, including the transfers of Joachim Andersen to Crystal Palace (€16.6 million), Maxwell Cornet to Burnley (€11.5 million), Jean Lucas to Monaco (€8.7 million), and Melvin Bard to Nice (€3.0 million). The club had also recognised sell-on fees received on previous transfers plus various other payments, totalling €1.3 million.

As of 31 December 2022, the market value of the men's professional team was estimated at €255 million*, implying potential capital gains on player assets estimated at nearly €200 million.

**OL market value, based on Transfermarkt and CIES*

The OL Academy continues to be a strategic pillar of the Group, representing a pool of talent and a source of future revenue. It has been in the top four in Europe for the last 11 years (2012 to 2022). OL has been ranked as the third-best training club in Europe for the last three years, behind Real Madrid and Barcelona (CIES Football Observatory – October 2022).

Transactions with Eagle Football completed

On 19 December 2022, Eagle Football¹, controlled by John Textor, acquired 39,201,514 OL Groupe shares at a price of €3 per share and 789,824 OL Groupe OSRANes at a price of €265.57 per OSRANE from OL Groupe's main historical shareholders (Pathé, IDG Capital and Holnest, hereinafter the "Sellers").

On the same day, Eagle Football also subscribed to a reserved capital increase of OL Groupe for a total of €86 million (the transactions described above are hereinafter referred to together as the "Transaction"). This capital increase was approved by shareholders at their General Meeting of 29 July 2022 and implemented by the Board of Directors on 19 December 2022.

As a result, Eagle Football now holds 77.49% of the share capital of OL Groupe on a non-diluted basis (78.40% of share capital on a fully-diluted basis) and in concert with Holnest, 86.63% of the share capital on a fully-diluted basis².

Breakdown of equity as of 31/12/22

31/12/2022	Number of shares	%	Number of voting rights	%	Number of OSRANes	%	Number of fully-diluted shares	% of fully-diluted shares
Eagle Football	67,868,180	77.49%	67,868,180	77.49%	789,824	79.29%	137,785,769	78.40%
Holnest	0	0.00%	0	0.00%	163,569	16.42%	14,479,618	8.24%
Treasury shares	2,166,584	2.47%	0	0.00%	0	0.00%	2,166,584	1.23%
Free float	17,545,173	20.03%	19,717,631	22.51%	42,700	4.29%	21,325,105	12.13%
TOTAL	87,579,937	100.00%	87,585,811	100.00%	996,093	100.00%	175,757,076	100.00%

The composition of the Company's Board of Directors has been changed to reflect the change in its shareholder structure.

(The Company has published several press releases about the transaction with Eagle Football, most recently on 19 December 2022; the transaction was also detailed in the Company's Universal Registration Document 2021/22.)

¹"Eagle Football Holdings Bidco Ltd", a company governed by English law and indirectly controlled by John Textor.

² Fully-diluted percentages are calculated by assuming that all OL Groupe OSRANes are converted into shares at the conversion rate applicable until 30 June 2023 inclusive, i.e. 88.523 shares for each OSRANE.

1-2 COMPONENTS OF NET PROFIT

Simplified, consolidated first-half income statement

in € m	H1 2022/23	% of rev.	H1 2021/22	% of rev.	Change	% Change
Revenue (excl. player trading)	91.0		75.0		16.1	21%
Gains on sale of player registrations	31.2		20.3		10.9	54%
Revenue from sale of player registrations	43.8		41.2		2.6	6%
Residual value of player registrations	-12.6		-20.9		8.3	-40%
Total revenue (APM) (1)	134.8	100%	116.1	100%	18.7	16%
External purchases and expenses	-56.6	42%	-42.8	37%	-13.8	32%
Taxes other than income taxes	-3.1		-2.8		-0.3	11%
Personnel costs	-86.2	64%	-34.9	30%	-51.3	147%
EBITDA	-23.7	-18%	14.7	13%	-38.5	NS
Net depreciation, amortisation & provisions (2)	-26.2		-33.8		7.6	-22%
Other ordinary income and expenses	-1.8		-1.1		-0.7	59%
Operating profit/loss	-51.8	-38%	-20.2	-17%	-31.6	156%
Net financial expense	-9.5		-7.8		-1.8	23%
Pre-tax profit/loss	-61.3	-45%	-28.0	-24%	-33.4	119%
Income tax expense	1.0		0.5		0.5	97%
Share in net profit/loss of associates	-0.4		0.0		-0.4	NA
Net profit/loss	-60.7	-45%	-27.4	-24%	-33.2	121%
Net profit/loss attributable to equity holders of the parent	-60.2	-45%	-27.1	-23%	-33.1	122%

(1) APM (Alternative Performance Measure) introduced on 30 June 2020 - "Total revenue" corresponds to both non-player trading revenue and revenue from the sale of player registrations.

(2) of which depreciation, amortisation & provisions excl. player registrations

-10.4 -9.7 -0.7 -7%

of which depreciation, amortisation & provisions, player registrations

-15.9 -24.1 8.3 34%

EBITDA: €-23.7 million

(H1 2022/23: €-23.7m; H1 2021/22: €14.7m)

External purchases and expenses totalled €56.6 million during the first half of 2022/23, up €13.8 million or 32% from €42.8 million in H1 2021/22, reflecting growth in the business (Events, derivative products, etc.) as well as the overall inflationary context, which impacted operating expenses. The cost of electricity, in particular, rose fivefold during the half-year period. Operating expenses also included fees related to the transaction with Eagle Football, which totalled €2.7 million.

Personnel costs rose to €86.2 million from €34.9 million in H1 2021/22, an increase of €51.3 million or 147%. In H1 2021/22, personnel costs were reduced by €37.1 million in financial assistance from the French government, as employer payroll charge exemptions were uncapped and aid was extended to companies affected by the Covid-19 crisis. After restatement of the H1 2021/22 assistance, personnel costs increased by €14.2 million, or 20%, principally reflecting an increase of €11.2 million related to players transferred in and contract extensions (Lacazette, Tolisso, Tagliafico, Lepenant, Caqueret, etc.). Excluding players and coaches, personnel costs increased by €2.2 million, reflecting an increase in the average size of the workforce and salary increases related to inflation and post-Covid recovery.

It is estimated that the club's absence from European cup play this season cost OL Groupe ca. €15 million in EBITDA during the first half. EBITDA thus totalled €-23.7 million in H1 2022/23, vs €+14.7 million in H1 2021/22.

Operating profit/loss

(H1 2022/23: €-51.8m; H1 2021/22: €-20.2m)

Net depreciation, amortisation & provisions totalled €26.2 million during the period, down €7.6 million from €33.8 million in H1 2021/22, principally reflecting player trading in the summer of 2022 (amortisation of player registrations). As a result, OL Groupe posted an operating loss of €51.8 million in H1 2022/23, €31.6 million greater than the loss reported in H1 2021/22.

Net financial expense

(H1 2022/23: €9.5m; H1 2021/22: €7.8m)

Net financial expense totalled €9.5 million, up €1.8 million from €7.8 million in H1 2021/22.

The change derived principally from the following factors: (i) accelerated recognition of €1.6 million in structuring costs related to the debt paydown of €50 million in December 2022 (related in turn to the closing of the transaction with Eagle Football), (ii) interest of €0.4 million on drawdowns under the revolving credit facility, (iii) initial interest of €1 million on the second government-guaranteed loan (PGE) granted in December 2020, together with an increase in Euribor, and (iv) initial interest of €1 million on the Recovery Bonds (OR) and perpetual subordinated bonds (TSDIs) issued during the previous financial year as part of the Arena financing.

The closing of the Eagle Football transaction had an overall impact of €2.5 million on the financial expense of the first half of 2022/23.

In addition, in H1 2021/22, there was a €2.2 million expense to finance player registration receivables.

Notwithstanding these changes between 2021/22 and 2022/23, net financial expense principally included, in both periods, interest on long-term loans and bonds related to the financing of the stadium, interest on the first PGE granted in July 2020, as well as financial expense on leases.

Net profit/loss (Group share): €-60.2 million

(H1 2022/23: €-60.2m; H1 2021/22: €-27.1m)

The pre-tax loss for H1 2022/23 totalled €61.3 million (vs €28.0 million in H1 2021/22), and the Group share of the net loss was €60.2 million (vs €27.1 million in H1 2021/22).

1-3 SIMPLIFIED, CONSOLIDATED BALANCE SHEET AND DEBT

Condensed balance sheet*

ASSETS (in €m)	31/12/2022	30/06/2022	EQUITY & LIABILITIES (in €m)	31/12/2022	30/06/2022
Player registrations	56.4	73.3	EQUITY (INCL. NON-CONTROLLING INTERESTS)³	103.5	78.1
Property, plant & equipment ¹	417.5	384.0	Infrastructure bank and bond borrowings ⁴	114.5	160.5
Other non-current assets	3.5	6.1	Other borrowings and financial liabilities ⁵	300.0	222.9
TOTAL NON-CURRENT ASSETS	477.4	463.4	TOTAL FINANCIAL LIABILITIES	414.6	383.4
Deferred taxes	5.7	4.8	Provisions	2.6	2.7
Player registration receivables	72.8	40.2	Player registration payables	38.3	55.8
Other current assets ²	112.3	115.8	Other liabilities	18.9	21.8
Cash and cash equivalents	18.2	27.5	Current liabilities	108.6	109.9
TOTAL ASSETS	686.4	651.6	TOTAL EQUITY AND LIABILITIES	686.4	651.6
¹ including the impact of IFRS 16			³ of which TSDI (excl. structuring costs)		
of which Stadium NBV	306.0	307.9	⁴ of which recovery bonds (excl. structuring costs)		
of which training ground NBV	16.4	16.6	⁵ including the impact of IFRS 16		
of which OL Academy NBV	8.6	9.2	of which RCF drawdowns (gross excl. structuring costs)	17.0	0.0
of which Arena NBV	80.7	44.8	of which "PGE" borrowings (gross excl. structuring costs)	169.0	169.0
of which other NBV	5.8	5.5	of which Arena property lease debt (gross excl. structuring costs)	76.9	42.9
² of which funds advanced by OL Groupe under the Arena property lease	40.7	40.7	of which shareholder loan (gross)	21.0	0.0

* Simplified presentation, not IFRS-compliant

Player registration assets were down €16.9 million to €56.4 million (vs €73.3 million as of 30 June 2022), reflecting player trading during the 2022 summer transfer window as well as amortisation. As of 31 December 2022, the market value of the men's professional team was estimated at €255 million (market value estimated by OL, based on Transfermarkt and CIES)³, implying that potential capital gains were still high; they were estimated at nearly €200 million.

Property, plant & equipment totalled €417.5 million, an increase of €33.5 million from €384.0 million as of 30 June 2022, principally reflecting progress on the construction of the LDLC Arena (increase of €36 million during H1 2022/23), which is to be delivered at the end of 2023.

Shareholders' equity (including non-controlling interests) totalled €103.5 million as of 31 December 2022, up €25.4 million, reflecting (i) the reserved capital increase of €83.3 million net (€86 million including fees) subscribed by Eagle Football on 19 December 2022 and (ii) the first-half loss. Shareholders' equity totalled €78.1 million as of 30 June 2022.

Infrastructure bank and bond debt (stadium and arena) declined by €46.0 million to €114.5 million (vs €160.5 million as of 30 June 2022), reflecting debt paydown of €50 million in December 2022 as a result of the transaction with Eagle Football and of commitments made to bank lenders in connection therewith.

Other borrowings and financial liabilities totalled €300.0 million, up €77.1 million (from €222.9 million as of 30 June 2022), reflecting a €+34 million increase in Arena lease obligations, in accordance with progress on construction, a shareholder loan from Eagle Football of €21 million and a €17 million drawdown on the revolving credit (RCF) line.

Net debt

(in €m)	31/12/2022	30/06/2022	Change
Cash and DSRA	18.2	27.5	-9.3
Bank overdrafts	-0.2	-0.2	0.1
Cash and cash equivalents	18.0	27.3	-9.2
Other financial assets (funds advanced under the property lease)	40.7	40.7	0.0
Infrastructure bank and bond borrowings	-114.5	-160.5	46.0
Other financial liabilities ⁽¹⁾	-299.9	-222.6	-77.2
Debt net of cash	-355.6	-315.1	-40.5
Player registration receivables	72.8	40.2	32.7
Player registration payables	-38.3	-55.8	17.5
Net player registration payables	34.6	-15.7	50.2
Debt net of cash, including player registration receivables/payables	-321.1	-330.8	9.7
<i>(1) of which RCF drawdowns (gross excl. structuring costs)</i>	<i>-17.0</i>	<i>0.0</i>	<i>-17.0</i>
<i>of which "PGE" borrowings (gross excl. structuring costs)</i>	<i>-169.0</i>	<i>-169.0</i>	<i>0.0</i>
<i>of which Arena property lease debt (gross excl. structuring costs)</i>	<i>-76.9</i>	<i>-42.9</i>	<i>-34.0</i>
<i>of which shareholder loan (gross)</i>	<i>-21.0</i>	<i>0.0</i>	<i>-21.0</i>

As of 31 December 2022, cash totalled €18 million (€27.3 million as of 30 June 2022). The Group also had undrawn RCF availability of €83 million, meaning that it could mobilise more than €100 million in cash.

Debt net of cash, excluding player registration payables and receivables, stood at €355.6 million as of 31 December 2022 (vs €315.1 million as of 30 June 2022).

The balance of receivables less payables on player registrations improved by €50.2 million and switched to a net receivable of €34.6 million as of 31 December 2022 (vs a net payable of €15.7 million as of 30 June 2022).

Debt net of cash, including net receivables on player registrations, improved slightly to €321.1 million as of 31 December 2022, down 3% from €330.8 million as of 30 June 2022.

As of 31 December 2022, OL Groupe benefited from a "covenant holiday" granted by its bank and bond lenders.

³ OL market value, based on Transfermarkt and CIES

1-4 PLAYER TRANSFERS AND LOANS

Revenue from sale of player registrations in H1 2022/23 (€ m)

Name	Club	Date	IFRS amount
Lucas Paquetá	West Ham	Aug-22	35.7
Léo Dubois	Galatasaray	Jul-22	2.4
Lenny Pintor	Saint Étienne	Aug-22	0.0
Total transfers (3 players)			38.1
Incentives and sundry			5.7
Revenue from sale of player registrations			43.8

Player loans (out) until 30 June 2023

Name	Club	Terms
Camilo Reijers	Cuiabá Esporte Clube (Brazil)	Loan => 31/12/2022 - €2.9m purchase option + 30% sell-on fee on any future transfer
Abdoulaye Ndiaye	SC Bastia	Loan with no fee and no purchase option
Habib Keita	Courtrai (Belgium)	loan with no purchase option
Yaya Soumaré	Bourg Peronnas	Loan with incentives
Cenk Özkaçar	Valencia (Spain)	Loan fee of €0.5m + €5m purchase option
Tino Kadewere	Mallorca	Loan fee of €0.4m, bonus included + €8.5m purchase option + 20% on any future capital gain
Youssef Koné	Ajaccio	Loan with no fee and no purchase option
Florent Da Silva	Volendam (Netherlands)	Loan with no fee and no purchase option

Acquisition of player registrations (€ m)

Name	Club	Date	Duration	IFRS amount
Nicolas Tagliafico	Ajax	Jul-22	3 years	5.3
Johann Lepenant	Caen	Jul-22	5 years	4.6
Saël Kumbédi	Le Havre	Aug-22	3 years	1.0
Achraf Laaziri	FUS Rabat	Jul-22	4 years	0.2
Total transfers (4 players)				11.1
Incentives and sundry				1.0
Total acquisitions				12.1

Free agents signed

Name	Club	End date
Rémy Riou	Caen	Jun-24
Alexandre Lacazette	Arsenal	Jun-25
Corentin Tolisso	Bayern	Jun-27
Pathé Mboup	Dakar Sacré Cœur	Jun-24
Dejan Lovren	Zenit St Petersburg	Jun-25

1-5 RISK FACTORS

In general, risk factors are indicated in the 2021/22 Universal Registration Document (pages 7-13), available online at investisseur.olympiquelyonnais.com.

These factors were supplemented and/or updated in the Addendum to the Prospectus that the Company published on 20 December 2022 so that the 28,666,666 shares newly issued to Eagle Football on 19 December 2022 could be admitted to trading.

They were supplemented again and updated as follows, in light of the closing of the Transaction with Eagle Football on 19 December 2022 (detailed in Chapter 1.1):

Risks related to the influence of the main shareholders and/or to the departure of key personnel on the Group's activities and strategy

The Group's success depends to a large extent on the work and expertise of its chairman, as well as of its executives and sporting and technical staff. If one or more of the Group's managers with extensive expertise in the Group's markets were to leave, or if one or more of them decided to reduce or terminate their involvement with the Group, the Group could encounter difficulties in replacing them. This could hamper its activities and could affect its ability to meet its targets.

As a result of Eagle Football taking control of the Group, as announced on 20 June 2022 and realised on 19 December 2022, the principal shareholders of the Company have changed. Pathé (shareholder since 1999) and IDG Capital (shareholder since 2016) have exited the share capital.

Nevertheless, Holnest, Jean-Michel Aulas's holding company and family office, has retained a stake in the Company via OSRANES representing 8.24% of the share capital of the Company on a fully-diluted basis. On 19 December 2022, Eagle Football and Holnest signed a shareholder agreement to act in concert (*the principal terms and conditions of this agreement were disclosed to the AMF in accordance with regulations – see D&I222C2757*).

In this context, certain corporate governance changes took place. Nevertheless, the agreements between Eagle Football and Holnest call for OL Groupe to pursue its strategy under the direction of Jean-Michel Aulas, whose term as Chairman & CEO will be renewed for at least three years (subject to certain conditions, in particular that Holnest retains at least 5% of the share capital). In addition, Holnest and OL Groupe signed a new management assistance agreement that came into effect on 1 January 2023 for a three-year term (see Chapter 1.7). Jean-Michel Aulas has also joined Eagle Football's board of directors to support its growth and development and that of all the clubs in which Eagle Football has invested.

In addition, under the shareholder agreement between Eagle Football and Holnest, the majority of the members of the Board of Directors will be appointed by Eagle Football. Holnest will be able to appoint two full members and four non-voting members for as long as the Company remains listed.

Lastly, Eagle Football has indicated that it does not wish to change the management team, that it wants to pursue OL Groupe's principal strategies and that it does not intend to change OL Groupe's operating model, apart from changes occurring in the ordinary course of business. In addition, certain key OL Groupe employees will receive bonuses to encourage them to remain in the Group.

Risks related to the shareholder structure and the New Shares issued on 19 December 2022

Risk factors related to the New Shares are presented below in order of importance, determined on the basis of their negative impact on the Group and the probability of their occurrence. These risks are also detailed in the Prospectus dated 22 July 2022, as supplemented by the Addendum dated 20 December 2022, related to the admission to trading of the 28,666,666 new ordinary shares issued to Eagle Football.

An important new shareholder holds a significant percentage of the Company's share capital

The Transaction constitutes a major change in the Company's shareholder structure.

As a result of the Transaction (including the issuance of New Shares), Eagle Football now holds 78.40% of the Company's share capital (on a fully-diluted basis before 30 June 2023), making it the Company's largest shareholder. Consequently, inasmuch as the Company's existing shareholders did not take part in the capital increase and that OL Groupe's principal historical shareholders (Holnest, Pathé and IDG) have sold most or all of their holdings to Eagle Football, the Transaction significantly reduced the number of shares and voting rights they hold, as well as their influence on the Company. Holnest's stake has been reduced to 8.24% of the Company's share capital (on a fully-diluted basis before 30 June 2023), via the OSRANes it holds, and Pathé and IDG Capital no longer hold any shares in the Company.

As the Company's principal shareholder, Eagle Football may exercise a significant influence on the decisions submitted to a vote of shareholders, such as the appointment or removal of executives or the approval of annual financial statements (subject to the rights granted to Holnest under the Shareholder Agreement between Eagle Football and Holnest).

The closing of the Transaction also brought about a change in the composition of the Board of Directors, the majority of whose members are now appointed by Eagle Football. Under the agreements with Eagle Football, the directors related to Pathé and IDG Capital and the two directors related to Holnest resigned following the closing of the Transaction, and nine directors nominated by Eagle Football were appointed on an interim basis to replace the directors who resigned.

Consequently, as a result of the Transaction, Eagle Football can also exercise a significant influence on the decisions submitted to a vote of the members of the Board of Directors (subject to the rights granted to Holnest under the Shareholder Agreement between Eagle Football and Holnest).

As detailed above, the Company's senior management has remained unchanged, and Eagle Football has indicated its intention to pursue the Company's strategy.

Risks of significant fluctuation in the liquidity and volatility of the Company's shares

Over the last few years, stock markets have experienced significant fluctuations that have often been unconnected with the earnings of the companies whose shares are traded, in particular during the Covid-19 crisis and as a result of the war in Ukraine. Market fluctuations and economic conditions could increase the volatility of the Company's shares. The market price of the Company's shares could fluctuate significantly, in reaction to various factors and events, including risk factors relative to the Group, as well as the liquidity of the market for the Company's shares.

The financial markets are affected by numerous factors, such as the supply and demand for shares, general economic and political conditions, interest-rate and inflation trends and forecasts, changes in monetary policy, raw material prices, changes in investor perception and exceptional events (such as terrorist attacks or natural disasters), public health conditions related to Covid-19 and developments in the war in Ukraine. Each of these factors could influence the market price of the shares and OSRANes issued by OL Groupe.

In addition, Eagle Football's stake in the Company's share capital could limit the liquidity of the Company's shares and OSRANes (Eagle Football holds, in concert with Holnest, 86.63% of the share capital on a fully-diluted basis before 30 June 2023).

Nevertheless, in accordance with applicable regulations, Eagle Football will file a public cash tender offer for all of the Company's shares and OSRANes not held in concert with Holnest, so as to offer liquidity to the Company's shareholders at a price of €3 per share and to the holders of the Company's 789,824 OSRANes at a price of €265.57 per OSRANE.

1-6 CHANGES IN PRINCIPAL AGREEMENTS DURING THE FIRST HALF

SPONSORSHIP AGREEMENT WITH ALILA PROMOTION

Following the agreement signed with Alila Promotion for the 2016/17 and 2017/18 seasons, then the 2018/19 and 2019/20 seasons, and then the 2020/21 and 2021/22 seasons, the agreement was renewed for three additional seasons, i.e. until 30 June 2025. The Alila Promotion brand will be visible on the back of the men's first team shirts during French Ligue 1 home and away matches. The agreement provides for brand visibility in the stadium and on social media to complement the shirt display.

SPONSORSHIP AGREEMENT WITH IDEAL PNEU

On 14 September 2022, Olympique Lyonnais signed a sponsorship agreement for four seasons (2022/23 to 2025/26) with La Plateforme Idéal (LPI), or Idéal Pneu.

LPI is visible on the left breast pocket of the women's shirts during Arkema D1 matches. The agreement also provides for LPI brand visibility in the stadium and on social media to complement the shirt display, as well as for hospitality services.

SPONSORSHIP AGREEMENT WITH KEOLIS

Following various agreements since the 2015/16 season, the agreement with Keolis was renewed at similar terms and conditions for two additional seasons, i.e. until 30 June 2024. The Keolis brand is visible on the left leg of the women's team shorts during women's French Division 1 matches, and the brand is displayed in various places in Groupama Stadium.

SPONSORSHIP AGREEMENT WITH LD FORMATION

On 22 August 2022, Olympique Lyonnais signed a sponsorship agreement with LD Formation for three seasons (2022/23 to 2024/25). LD Formation is visible on the front breast pocket of Academy youth team shirts during national and regional championship matches. The agreement also provides for LD Formation brand visibility in the stadium and on social media to complement the shirt display, as well as for hospitality services.

SPONSORSHIP AGREEMENT WITH MASTERCARD

On 3 April 2019, Olympique Lyonnais signed a sponsorship agreement with Mastercard for three seasons (2019-2022), under which Mastercard could use the individual image of certain women's team players, and benefited from brand visibility in the stadium and on social media, as well as from hospitality services. At the end of the 2019/20 season, the two parties signed an amendment granting additional rights to Mastercard, which now has its logo on the front of the women's team's shirts.

Under a contract dated 1 July 2022, the Parties agreed to extend the sponsorship agreement for three additional seasons (from 1 July 2022 to 30 June 2025) with extended rights, including, in particular, visibility on the front of the women's team's shirts during Champions League matches.

SPONSORSHIP AGREEMENT WITH NAF NAF

Starting in 2022/23, NAF NAF is a major sponsor of the Olympique Lyonnais women's team for three seasons (2022/23 to 2024/25). NAF NAF is visible on the upper back of the women's team shirts during Arkema D1 matches. The agreement also provides for NAF NAF brand visibility in the stadium and on social media to complement the shirt display, as well as for hospitality services.

SPONSORSHIP AGREEMENT WITH SWORD

On 12 July 2018, Olympique Lyonnais signed a sponsorship agreement with Sword SA for three seasons (2018/19 to 2020/21). The Sword SA brand was visible in the right breast pocket position of the women's first team shirts during French Division 1 home and away matches, and also appears on their shirt front during Champions League matches. The agreement provided for brand visibility in the stadium and on various media to complement the shirt display.

After the 2020/21 season, the terms and conditions for execution of the agreement were amended, especially to take the Covid-19 pandemic into account. The agreement was renewed for the 2021/22 season, with similar terms.

For the 2022/23 season, Sword will no longer have shirt display visibility.

SPONSORSHIP AGREEMENT BY INTERMEDIARY WITH UBER EATS

As part of the sponsorship agreement between the French Professional Football League (LFP) and UBER providing for the association of the UBER EATS brand with French Ligue 1 for the 2022/23 season, the LFP wanted UBER to enjoy marketing rights, with visibility in the Olympique Lyonnais stadium.

Consequently, Olympique Lyonnais and the LFP agreed to grant UBER stadium visibility services for all Ligue 1 matches. UBER also benefits from brand visibility on social media.

1-7 PRINCIPAL TRANSACTIONS WITH RELATED PARTIES

The principal transactions with related parties during the first half of the financial year are detailed below.

Shareholder agreement

Holnest and Eagle Football signed a shareholder agreement (the "Shareholder Agreement") as of the date of the Acquisition of Shares, i.e. 19 December 2022.

Among other things, the Shareholder Agreement provides that (i) a majority of the members of the Board of Directors be appointed by Eagle Football, starting on the date of the Acquisition of Shares, ii) Jean-Michel Aulas will remain in his position as Chairman & CEO of Olympique Lyonnais Groupe for at least three years starting from completion of the Acquisition of Shares provided certain conditions are met (including that Holnest holds at least 5% of the share capital) and (iii) the signatories to the Shareholder Agreement will be subject to restrictions on the transfer of the Company's shares.

Jean-Michel Aulas's term could be terminated early under certain conditions (including a €10 million payment by OL Groupe to Holnest to terminate the New Management Assistance Agreement described below).

In addition, Jean-Michel Aulas has joined Eagle Football's board of directors to support its growth and development and that of all the clubs in which Eagle Football has invested.

In accordance with the Sale Agreement and the Shareholder Agreement, the following directors resigned on 19 December 2022 following the realisation of the Acquisition of Shares: Gilbert Giorgi, Tony Parker, Alexandre Quirici, Qiang Dai, Jianguang Li, Anne-Laure Camus-Julienne, Ardavan Safaee, Eduardo Malone and Arnaud Pavéc. The following directors were appointed on an interim basis to replace the directors who have resigned: John Textor, Mark Affolter, Jean-Pierre Conte, Jamie Dinan, Ron Friedman, Camille Lagache, Durcesio Mello, Alexander Bafer, Shahrads Tehrani. In addition, Jean-Paul Revillion has resigned from his position as non-voting director, and Gilbert Giorgi was appointed on an interim basis as a non-voting director.

The shareholder agreement between Holnest, Pathé and IDG Capital was terminated when the Acquisition of Shares was realised, on 19 December 2022.

Management Assistance Agreement

Holnest and Olympique Lyonnais signed a new management assistance agreement on 19 December 2022. The agreement calls for Holnest to continue assisting OL Groupe's senior management, in particular in the areas of strategy, business development, marketing and financing (the "New Management Assistance Agreement"). This regulated agreement was submitted to a prior vote of the Board of Directors of Olympique Lyonnais Groupe (the directors tied to Holnest did not take part in the vote).

The New Management Assistance Agreement came into effect on 1 January 2023, and the existing management assistance agreement, dated 31 October 1999, was terminated as of 31 December 2022. Holnest thus benefited from its fixed and variable remuneration under the existing contract until 31 December 2022.

The New Management Assistance Agreement will remain in effect so long as Jean-Michel Aulas is Chairman & CEO of Olympique Lyonnais Groupe.

Under the New Management Assistance Agreement, Holnest will receive an annual fee of €2 million (excl. VAT), and if applicable, a fee-based objective of up to €1 million (excl. VAT) and a variable fee of 1% (excl. VAT) of the Group's consolidated EBITDA, weighted in accordance with the terms and conditions of the New Management Assistance Agreement.

Shareholder loan

Eagle Football extended a shareholder loan of €21 million to OL Groupe, subordinated to existing financing, as of the date the transaction was closed.

Please see also Note 10.1 to the condensed consolidated first-half 2022/23 financial statements, found on page 55 of this report.

1-8 APPROVAL OF THE CONDENSED CONSOLIDATED FIRST-HALF FINANCIAL STATEMENTS

OL Groupe's condensed, consolidated first-half 2022/23 financial statements were approved by the Board of Directors on 14 February 2023.

1-9 FOOTBALL RESULTS AS OF 31 DECEMBER 2022

Men's team	
Ligue 1	8 th
European cup	-

Women's team	
Division 1	2 nd
Champions League	Group stage: 2 nd Quarter-final qualification (March 2023)

1-10 EVENTS SINCE 1 JANUARY 2023

OL Groupe was particularly active during the winter transfer window, transferring Malo Gusto, a player trained at OL, to Chelsea for €30 million + €5 million in incentives, which strengthened 2022/23 EBITDA. The player will remain at OL on loan until the end of the season. A certain number of players were on loan to other clubs until the end of the season.

- PLAYER TRANSFERS

Sales of player registrations since 1 January 2023 (€ m)

Name	Club	Date	Amount
Malo Gusto	Chelsea (player to remain at OL on loan until 30/06/2023)	Jan-23	€30m + €5m in incentives

Player loans (out) until 30 June 2023

Name	Club	Terms
Florent Da Silva	Volendam (Netherlands)	Loan with no purchase option
Karl Toko Ekambi	Rennes (France)	Loan fee of €1.5m + up to €1m in incentives, no purchase option
Romain Faivre	FC Lorient	Loan fee of €1 million, no purchase option
Camilo Reijers	Molenveld (Belgium)	Loan with no purchase option
Jeff Reine-Adélaïde	Troyes	Loan with no purchase option
Julian Pollersbeck	Lorient	Loan with no purchase option
Damien Da Silva	Melbourne (Australia)	Loan with no purchase option

Transfers in

Name	Club	Contract ends	Terms
Dejan Lovren	Zenit St Petersburg	2025	No transfer payment
Amin Sarr	Heerenveen (Netherlands)	2027	€11 million + up to €1 million in incentives + 10% of the gain on any future transfer
Jeffinho	Botafogo (Brazil)	2027	€10m + up to €2.5m in incentives

Contract terminations

Name	Club
Mateus Tetê	Leicester

- SPONSORSHIP AGREEMENTS

SPONSORSHIP AGREEMENT WITH JP LABALETTE AND COLLECTEAM

On 25 January 2023, Olympique Lyonnais signed a sponsorship agreement with JP Labalette and Collecteam (Collecteam group) for 3.5 sports seasons (from 1 January 2023 to 30 June 2026). JP Labalette has been designated as a “Major Sponsor of the Olympique Lyonnais Women’s Team” and Collecteam as a “Major Sponsor of Olympique Lyonnais”. Collecteam will enjoy visibility for its “SOS Malus” brand on the women’s team’s uniforms, specifically the left sleeve, then the shorts starting with the 2023/24 season. The agreement also includes visibility in the stadium, on the training ground and on social media, as well as hospitality services.

1-11 FOOTBALL RESULTS AS OF 14 FEBRUARY 2023

	MEN'S TEAM	WOMEN'S TEAM
LEAGUE CHAMPIONSHIP	9th place in Ligue 1	1st place in D1
EUROPEAN COMPETITION	-	CHAMPIONS LEAGUE Qualified for quarter-final Chelsea (21 or 22 and 29 or 30 March 2023).
COUPE DE FRANCE	Qualified for quarter-final Grenoble (28 February 2023)	Qualified for quarter-final Reims (4 or 5 March 2023)

1-12 OUTLOOK FOR THE SECOND HALF OF 2022/23 AND THE MEDIUM TERM

OL Groupe reaffirms its on-the-pitch goals for the 2022/23 and subsequent seasons. It will rely on its fundamentals, including the OL Academy, to recapture a European berth in 2023/24.

There is already a wealth of events scheduled for Groupama Stadium, starting in the spring of 2023, including the following concerts: Depeche Mode (31 May 2023), Muse (15 June 2023), Mylène Farmer (23 & 24 June 2023), Red Hot Chili Peppers (11 July 2023). Other sporting events are also planned: the World Supercross French Grand Prix Lyon 2023, five Rugby World Cup matches (September/October 2023) and football matches (men's and women's) as part of the 2024 Paris Olympic Games.

Construction of the LDLC Arena, 100% assumed by OL Groupe, is continuing on schedule. Construction began in January 2022, and the arena is expected to enter service at the end of 2023. Programming has been officially launched, with a Shaka Ponk concert set for 2 February 2024. Other shows have also been confirmed.

OL Groupe also reiterates its medium-term objectives, which are to achieve the following by 2025/26: (i) total revenue in the region of €400-420 million (scenario includes a Champions League qualification and player trading) and (ii) EBITDA in excess of €90 million. These objectives also include net debt of less than €180 million by 2025/26 (scenario wherein the balance of stadium debt is refinanced over seven years from 1 July 2024).

As of 14 February 2023, OL Groupe was not involved in any dispute that could significantly jeopardise its business or the sporting objectives it has set for the 2022/23 financial year.

Reminder: having acquired a majority stake in the share capital of the Company on 19 December 2022, Eagle Football will file a simplified public tender offer for the remaining shares of OL Groupe as soon as possible, in accordance with applicable regulations, at €3 per share and €265.57 per OSRANE, on behalf of the concert group comprised of itself and Holnest.

CONDENSED CONSOLIDATED FIRST-HALF 2022/23 FINANCIAL STATEMENTS

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The consolidated financial statements comprise the financial statements of the Company, Olympique Lyonnais Groupe SA (10 avenue Simone Veil, 69150 Décines-Charpieu, France), and those of its subsidiaries. The Group has been built essentially around its professional football team. As an extension of this activity, Group subsidiaries are active in sporting events and entertainment, as well as in complementary businesses that generate additional revenue.

The consolidated financial statements were approved by the Board of Directors on 14 February 2023.

Unless otherwise indicated, the Group's financial statements and notes are presented in thousands of euros (€ 000).

HIGHLIGHTS

The principal events of the first half of the 2022/23 financial year were as follows:

- **Transaction with Eagle Football**

On 19 December 2022, Eagle Football, controlled by John Textor, acquired 39,201,514 OL Groupe shares at a price of €3 per share and 789,824 OL Groupe OSRANes at a price of €265.57 per OSRANE from OL Groupe's main historical shareholders (Pathé, IDG Capital and Holnest).

At the same time, Eagle Football subscribed to an OL Groupe reserved capital increase of €86 million (share premium included) totalling 28,666,666 shares.

On 22 July 2022, the French Financial Market Authority (AMF) assigned approval no. 22-319 to the prospectus for the admission of 28,666,666 new shares to trading on the Euronext Paris regulated market, to be issued as part of a capital increase with waiver of shareholders' preferential subscription rights and reserved for Eagle Football Holding LLC or any subsidiary company. The new reserved shares were admitted to trading on the Euronext Paris regulated market on 21 December 2022 (AMF approval no. 22-498 of 20 December 2022 on the addendum to the prospectus of July 2022).

Eagle Football is now the Group's principal shareholder, with 77.49% of the shares on a non-diluted basis.

- **Early repayment of the long-term bank loan**

The Company has made a partial, €50 million early repayment of its long-term bank loan. As of 31 December 2022, the outstanding principal was €45.2 million.

- **Shareholder loan**

Eagle Football has granted a shareholder loan of €21 million with a maturity of six years. Repayment and interest are capitalised.

- **Acquisition of player registrations**

Nicolas Tagliafico from Ajax Amsterdam for €4.2 million.

Alexandre Lacazette from English club Arsenal, as a free agent.

Corentin Tolisso from German club Bayern Munich, as a free agent.

Johann Lepenant from Caen for €4.25 million, plus a potential €2.5 million bonus and a sell-on fee of 10% of any future capital gain.

- **Player loans**

Tino Kadewere loaned to Mallorca for €400 thousand, with a purchase option.

Cenk Özkaçar loaned to Valencia for €500 thousand, with a purchase option.

- **Sale of player registrations**

Lucas Paquetá to English club West Ham for a total of €61.63 million, including bonuses of €18.68 million spread over the five years of the player's contract, plus an additional sell-on fee of 10% of any future capital gain.

Léo Dubois to Turkish club Galatasaray for €2.5 million, plus a potential €1 million bonus and a sell-on fee of 10% of any future capital gain.

As a reminder, the following major events took place during the previous financial year:

- **Naming**

Groupama Rhône-Alpes Auvergne will continue to lend its name to the stadium for an additional three-year period, i.e. until 31 July 2025.

- **Arena Naming**

On 6 December 2021, as part of the development of OL Groupe's future events arena at OL Vallée in Décines, OL Groupe and the LDLC group signed a naming agreement (LDLC Arena) covering the future multi-purpose arena for eight years from its opening.

- **Agreement with Live Nation**

As part of the construction of the events arena on the OL Vallée site, OL Groupe and Live Nation signed a 15-year commercial agreement on 15 October 2021 that will begin with delivery of the arena, planned for the end of 2023, with an exit option exercisable after the first ten years. Under this non-exclusive agreement, Live Nation, world leader in concerts and shows, will bring a dense schedule of international artists to the new venue created by OL Groupe. The agreement will include a guaranteed minimum. The agreement also includes an eSports component, which will round out the programme of sporting events scheduled in the Arena.

- **Sale of property rights**

The last batch of building rights was sold in December 2021 for €3 million, as part of the All In Tennis Academy located at OL Vallée, and included a capital gain €1.3 million, recognised in the income statement under "Other ordinary income and expenses".

- **Capital increase**

In July, OL Groupe recognised the last transaction enabling players, staff and managers of its professional teams to convert part of their June 2021 remuneration into OL Groupe shares. This programme was recognised in the accounts as at 30 June 2021 for a total of €0.2 million (including share premium and net of costs).

- **Arena financing and creation of OL Vallée Arena**

OL Groupe finalised the financing of the events arena, named the "LDLC Arena". The contract to design and build the LDLC Arena was awarded to the Populous architectural firm and Citinea, a subsidiary of Vinci Construction France. The building permit was granted on 25 October 2021. Land acquisition was finalised on 2 May 2022, thereby lifting the last remaining suspensive conditions of the design/construction contract signed with Citinea. Construction began in January 2022, and the arena is expected to enter service at the end of 2023.

100% backed by OL Groupe via its subsidiary, OL Vallée Arena, created in March 2022 (capital of €21 million, comprising 2,100,000 shares with a nominal value of €10), the investment totals €141 million and will be financed as follows:

- equity (€51 million):
 - €10.5 million in perpetual subordinated bonds ("TSDIs") issued by OL Groupe to several investors (including Holnest). See Note 10.1.
 - €18.5 million in Recovery Bonds ("ORs") issued by OL Groupe to certain "France Relance" ("France Recovery") bond funds, with repayment at maturity in eight years. See Note 8.3.
 - €22 million in OL Groupe cash resources.

- property lease (€90 million net):

OL Vallée Arena, a 100% subsidiary of OL Groupe, signed a 15-year, amortising property lease agreement with a group of five top-tier banks on 2 May 2022. The agreement provides for a residual value of 20%.

- **Sale of player registrations**

During the 2021/22 financial year, Olympique Lyonnais achieved player trading revenues of a cumulative amount of €92.1 million. The players transferred included Bruno Guimaraes to Newcastle (€32 million), Joachim Andersen to Crystal Palace (€16.6 million), Jean Lucas to Monaco (€8.7 million), Maxwel Cornet to Burnley (€11.5 million), Xherdan Shaqiri (€6.7 million) and Melvin Bard (€3 million). The Club also received sell-on fees of €13 million on previous transfers (the impact of capital gains on the sale of player registrations is indicated in Note 6).

- **Acquisition of player registrations**

During the 2021/22 financial year, Olympique Lyonnais acquired Xherdan Shaqiri for €7.5 million and Romain Faivre for €16 million, which translated into an increase in intangible assets related to player registrations, and free agent Jérôme Boateng from Bayern Munich.

PRESENTATION OF THE FINANCIAL STATEMENTS

The condensed consolidated first-half financial statements have been prepared in accordance with IAS 34 “Interim financial reporting” and on the basis of the IFRSs and their amendments and interpretations published by the International Accounting Standards Board (IASB), as adopted by the European Union and that are mandatory from the first day of the financial year. These statements are accompanied by a selection of explanatory notes.

The first-half financial statements do not include all of the information and notes that are presented with the annual financial statements. For this reason, these consolidated first-half financial statements should be read in conjunction with the consolidated financial statements for the financial year ended 30 June 2022.

INCOME STATEMENT

(in € 000)	Note	H1 2022/23	% of Rev.	H1 2021/22	% of Rev.
Revenue excluding player trading	4.1	91,032	100%	74,957	100%
Gains on sale of player registrations	4.2	31,196	34%	20,313	27%
Purchases used during the period		-26,905	-30%	-22,466	-30%
External costs		-29,704	-33%	-20,358	-27%
Taxes other than income taxes		-3,140	-3%	-2,828	-4%
Personnel costs	5.2	-86,209	-95%	-34,869	-47%
EBITDA		-23,730	-26%	14,749	20%
Net depreciation, amortisation & provisions	7.3	-26,248	-29%	-33,805	-45%
Other ordinary income and expenses		-1,813	-2%	-1,141	-2%
Operating profit/loss		-51,791	-57%	-20,197	-27%
Net financial expense	8.6	-9,538	-10%	-7,773	-10%
Pre-tax profit/loss		-61,330	-67%	-27,971	-37%
Income tax expense	9.1	1,020	1%	517	1%
Share in net profit/loss of associates		-362	0%	17	0%
Net profit/loss		-60,672	-67%	-27,436	-37%
Net profit/loss attributable to equity holders of the parent		-60,190		-27,137	
Net profit/loss attributable to non-controlling interests		-482		-299	
Net profit/loss per share (in €)		-0.94		-0.46	
Diluted net profit/loss per share (in €)		-0.40		-0.19	

STATEMENT OF COMPREHENSIVE INCOME (in € 000)					
Actuarial gains/losses on pension obligations	5.4	0		204	
Gain/loss related to non-current assets held for sale		0		30	
Gain/loss related to current assets held for sale		0			
Items that cannot be reclassified into net profit/loss		0		234	
Fair value of hedging instruments		1,813		0	
Corresponding deferred taxes		0		0	
Items to be reclassified into net profit/loss		1,813		0	
Comprehensive income		-58,859		-27,202	
Comprehensive income/loss attributable to equity holders of the parent		-58,377		26,906	
Comprehensive income/loss attributable to non-controlling interests		-482		-296	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Balance Sheet – Assets

Net amounts (in € 000)	Note	31/12/2022	30/06/2022
Intangible assets			
<i>Goodwill</i>	6.1	1,919	1,919
Player registrations	6.1	56,417	73,287
Other intangible assets	6.1	1,592	2,130
Property, plant & equipment	6.2	328,691	334,489
Right-of-use assets	6.2	88,812	49,511
Other financial assets	8.1	51,752	50,134
Receivables on sale of player registrations (portion > 1 year)	4.3, 8.4, 8.5	44,440	16,979
Investments in associates	4.7	3,833	3,943
Income tax receivable	4.8	1,197	1,197
Deferred taxes	9.2	5,697	4,786
Non-current assets		584,350	538,374
Inventories	4.4	3,956	2,390
Trade receivables and assets related to customer contracts	4.3	27,959	32,282
Receivables on sale of player registrations (portion < 1 year)	4.3, 8.4, 8.5	28,394	23,183
Current assets held for sale	1	0	2,057
Other current assets, prepayments and accrued income	4.5, 8.4	23,563	25,805
Cash and cash equivalents	8.2, 8.4	18,204	27,534
Current assets		102,076	113,253
TOTAL ASSETS		686,427	651,627

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Balance sheet – Equity and liabilities

Net amounts (in € 000)	Note	31/12/2022	30/06/2022
Share capital	10.1	133,122	89,535
Share premiums	10.1	163,277	123,504
Reserves and retained earnings	10.1	-282,680	-231,323
Other equity	10.1	148,110	148,120
Net profit/loss attributable to equity holders of the parent		-60,190	-54,090
Equity attributable to equity holders of the parent		101,639	75,746
Non-controlling interests		1,822	2,314
Total equity		103,461	78,060
Infrastructure bond borrowings	8.3, 8.4, 8.5	68,776	68,646
Infrastructure bank borrowings	8.3, 8.4, 8.5	44,261	83,722
Borrowings and financial liabilities (portion > 1 year)	8.3, 8.4, 8.5	167,386	150,912
Player registration payables (portion > 1 year)	8.3, 8.4, 8.5	15,728	20,867
Non-current lease liabilities	8.3	85,849	47,294
Other non-current liabilities	8.3, 8.4	18,886	20,115
Provision for pension obligations	5.4	2,505	2,341
Non-current liabilities		403,391	393,898
Provisions (portion < 1 year)	7.1	137	314
Financial liabilities (portion < 1 year)			
Bank overdrafts	8.3, 8.4, 8.5	163	243
Infrastructure bond borrowings	8.3, 8.4, 8.5	1,501	194
Infrastructure bank borrowings	8.3, 8.4, 8.5		7,974
Current lease liabilities	8.3	2,569	1,768
Other borrowings and financial liabilities	8.3, 8.4, 8.5	44,055	22,664
Trade payables & related accounts	4.6, 8.4	33,113	31,940
Tax and social security liabilities	4.6, 8.4	31,400	32,974
Player registration payables (portion < 1 year)	8.3, 8.4, 8.5	22,556	34,964
Liabilities directly related to current assets held for sale	1	0	1,649
Other current liabilities and deferred income	4.6, 8.4	44,081	44,984
Current liabilities		179,575	179,668
TOTAL EQUITY AND LIABILITIES		686,427	651,627

CASH FLOW STATEMENT

(in € 000)	31/12/2022	31/12/2021
Net profit/loss	-60,672	-27,436
Share in net profit/loss of associates	362	-17
Depreciation, amortisation & provisions	26,248	33,805
Other non-cash income and expenses	-54	-329
Capital gains on sale of player registrations	-31,196	-20,313
Gains on sale of other non-current assets	36	-1,093
Income tax expense	-1,020	-517
Pre-tax cash flow	-66,296	-15,900
Income tax paid	3	18
Net cost of debt	8,570	6,108
Trade and other receivables	24,831	22,629
Trade and other payables	-18,176	-45,257
Change in working capital requirement	6,655	-22,628
Net cash from operating activities	-51,068	-32,402
Acquisition of player registrations net of change in liabilities	-29,660	-49,782
Acquisition of other intangible assets	-244	-461
Acquisition of property, plant & equipment	-3,431	-7,148
Acquisition of non-current financial assets	-443	-669
Sale of player registrations net of change in receivables	11,112	65,574
Disposal or reduction in other non-current assets	965	4,499
Net cash from investing activities	-21,701	12,013
Capital increase and share premium, net of expenses	83,349	
New bank borrowings	17,000	
Shareholder loan	21,000	
Interest paid	-5,226	-4,338
Interest paid on lease liabilities	-552	-157
Repayment of borrowings	-50,603	-4,984
Repayment of lease liabilities	-1,449	-1,318
Acquisition of treasury shares	0	-338
Net cash from financing activities	63,520	-11,135
Opening cash balance	27,291	69,248
Change in cash	-9,250	-31,524
Closing cash balance	18,041	37,723

(in € 000)	31/12/2022	31/12/2021
Cash	18,204	37,727
Bank overdrafts	-163	-4
Closing cash balance	18,041	37,723

Detail of cash flows related to the acquisition of player registrations

(in € 000)	31/12/2022	31/12/2021
Acquisition of player registrations	-12,112	-8,258
Player registration payables as of 31/12/22	38,284	
Player registration payables as of 30/06/22	-55,832	
Player registration payables as of 31/12/21		44,948
Player registration payables as of 30/06/21		-86,472
Acquisition of player registrations net of change in liabilities	-29,660	-49,782

Detail of cash flows related to the sale of player registrations

(in € 000)	31/12/2022	31/12/2021
Proceeds from the sale of player registrations	43,784	41,184
Player registration receivables as of 31/12/22	-72,834	
Player registration receivables as of 30/06/22	40,162	
Player registration receivables as of 31/12/21		-18,703
Player registration receivables as of 30/06/21		43,093
Sales of player registrations net of change in receivables	11,112	65,574

CHANGE IN WORKING CAPITAL REQUIREMENT

Change in trade and other receivables

(in € 000)	Changes during the period
Trade receivables	4,087
Deferred income and accruals	16,030
Trade receivables	20,117
Assets held for sale	2,057
Other assets	4,220
Other receivables	6,277
Inventories	-1,563
Inventories	-1,563
Trade and other receivables	24,831

Trade and other payables

(in € 000)	Changes during the period
Trade payables	3,824
Prepayments and accrued income	-1,843
Trade accounts payable	1,981
Liabilities directly related to current assets held for sale	-1,649
Other liabilities	-18,508
Other financial liabilities	-20,157
Trade and other payables	-18,176

STATEMENT OF CHANGES IN EQUITY

(in € 000)	Equity attributable to								Total equity
	equity holders of the parent							non-controlling interests	
	Share capital	Share premiums	Treasury shares	Reserves and retained earnings	Other equity	Profit/loss recognised directly in equity	Total attributable to equity holders of the parent		
Equity at 30/06/2021	88,891	123,567	-4,711	-223,011	138,011	-4,163	118,585	3,236	121,822
Net profit/loss				-54,090			-54,090	-926	-55,016
Fair value of hedging instruments						-86	-86		-86
Actuarial gain/loss						252	252	56	308
Gain/loss related to current assets held for sale						11	11	1	12
Comprehensive income	0	0	0	-54,090	0	177	-53,913	-869	-54,782
Dividends									0
Capital increase	644	-63					580	0	580
TSDIs					10,500		10,500		10,500
Change in OSRANes				59	-390		-331		-331
Share-based payments						418	418		418
Shares held in treasury			-244			34	-210		-210
Currency translation adjustment						-447	-447	-53	-500
Changes in the scope of consolidation						588	588		588
Other						-25	-25		-25
Equity at 30/06/2022	89,535	123,504	-4,955	-277,043	148,120	-3,417	75,746	2,314	78,060
Net profit/loss				-60,190			-60,190	-482	-60,672
Fair value of hedging instruments						1,813	1,813		1,813
Actuarial gain/loss							0		0
Gain/loss related to current assets held for sale							0		0
Comprehensive income				-60,190		1,813	-58,377	-482	-58,859
Dividends									0
Capital increase	43,587	39,773					83,360	0	83,360
TSDIs							0		0
Change in OSRANes					-10		-10		-10
Share-based payments						570	570		570
Shares held in treasury							0		0
Currency translation adjustment						258	258	30	288
Other						92	92	-41	51
Equity at 31/12/2022	133,122	163,277	-4,955	-337,233	148,110	-684	101,639	1,822	103,461

ACCOUNTING METHODS

The accounting methods applied are identical to those applied to the full-year financial statements dated 30 June 2022, with the exception of the standards, amendments and interpretations that became mandatory as of 1 July 2022 and are presented below in a series of explanatory notes:

- Improvement in 2018-20 standards (IAS 41, "Taxation in fair value measurements"; IFRS 1, "Subsidiary as a first-time adopter"; IFRS 9, "Fees in the '10%' test for derecognition of financial liabilities"; IFRS 16, "Lease incentives".
- Amendments to IAS 16, "Property, plant & equipment – proceeds before intended use";
- Amendments to IAS 37, "Onerous contracts – cost of fulfilling a contract";
- Amendments to IFRS 3, "Reference to the conceptual framework";

These amendments were not applicable or did not have an impact on the Group's financial statements.

In addition, the Group has opted not to bring forward the application of standards, amendments and interpretations adopted by the European Commission (or that could have been applied in advance) that will come into effect after the closing date.

The standards, amendments, and interpretations adopted by the IASB that will come into effect in future financial years are as follows:

- Texts adopted by the IASB, not yet adopted by the EU, but applicable retroactively to 2021, because they interpret texts already adopted, which will come into force in financial years opening on or after 1 January 2023:
 - Amendment to IAS 1, "Classification of liabilities as current or non-current – postponement of effective date to January 2023";
 - Amendments to IAS 1 and to IFRS practice statement 2, "Disclosure of accounting policies";
 - Amendments to IAS 8, "Definition of accounting estimates";
 - Amendments to IAS 12, "Deferred tax related to assets and liabilities arising from a single transaction";
 - Amendments to IFRS 10 and IAS 28, "Sale or contribution of assets between an investor and its associate or a joint venture."
 - IFRS 17, "Insurance contracts"

OL Groups is currently analysing the impact of these changes.

There are no accounting principles contrary to IFRS standards mandatory for financial years beginning on or after 1 July 2022 and not yet adopted at the European level, which would have had a material impact on the financial statements for the financial period under review.

In certain cases, these rules have been adapted to the specific requirements of interim financial statements.

The information disclosed in the notes to the first-half financial statements relates to the significant items, transactions and events needed to understand the changes in the financial condition and performance of the Group.

The results of the first half of the financial year are therefore not representative of those that can be expected for all of 2022/23.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: SCOPE OF CONSOLIDATION

Companies for which the Group directly or indirectly has exclusive control are fully consolidated.

Companies over which the Group directly or indirectly has significant influence, particularly because it holds more than 20% of the voting rights, are accounted for using the equity method.

A list of the companies included in the Group's scope of consolidation and the corresponding consolidation method is provided below:

Company	Head office Company no.	Activity	Number of months consolidated	% Control 31/12/22	% Interest 31/12/22	% Control 30/06/22	% Interest 30/06/22	
OLYMPIQUE LYONNAIS GROUPE SA	Lyon 421577495	Holding company	6					--
COMPANIES OWNED BY OLYMPIQUE LYONNAIS GROUPE								
Olympique Lyonnais SASU	Lyon 385071881	Sports club	6	100	100	100	100	FC
AMFL SAS	Lyon 788746212	Medical centre	6	51	51	51	51	FC
OL Loisirs Développement SAS	Lyon 832341143	Services and consulting	6	100	100	100	100	FC
OL REIGN	Seattle	Sports club	6	89.5	89.5	89.5	89.5	FC
OL Group LLC	Seattle	All business activities	6	100	100	100	100	FC
Olympique Lyonnais LLC	Seattle	All business activities	6	100	100	100	100	FC
OL Production SAS	Lyon 853249464	Shows & entertainment	6	50	50	50	50	FC
OL VALLÉE ARENA	Lyon 911259158	Shows & entertainment	6	100	100	100	100	FC
Asvel Basket SASP	Lyon 388883860	Sports club	6	33.33	33.33	33.33	33.33	EM
LE TRAVAIL RÉEL SAS (2)	Lyon 852695741	Human resources	6	23.14	23.14	26	26	EM
LE FIVE OL (3)	Lyon 888434628	Sports complex	6	49	49	N/A	N/A	EM
LYON ASVEL FÉMININ	Lyon 534560552	Sports club	0	9.34	9.34	9.34	9.34	NC
GOL DE PLACA	Brazil	Sports club	0	10	10	10	10	NC
SPECIAL-PURPOSE ENTITIES (1)								
OL Association	Lyon 779845569	Association	6					FC

FC: Full consolidation - EM: Equity method - NC: Not consolidated

(1) Entities controlled by the Group by virtue of a contract, agreement or clause in the entity's articles of association are fully consolidated, even if the Group does not own any of the entity's share capital (special-purpose entities).

(2) During the half-year period, Le Travail Réel carried out two capital increases in which OL Groupe did not participate, thereby reducing OL Groupe's ownership interest.

(3) Le Five OL, a company whose main purpose it to operate and manage a futsal arena, was established on 27 July 2020. The share capital totalled €436,500 and was composed of 436,500 shares. It was 90%-held by OL Groupe and 10%-held by Le Five. When the company was created and the shareholder agreement signed, OL Groupe planned to exit the company's capital gradually by selling its shares to Le Five. This exit was scheduled to take place in two stages, at 12 and 24 months from June 2021, and the first stage was completed on 8 July 2022, when OL Groupe sold 41% or 178,965 of the company's shares. As OL Groupe now holds only 49% of the shares, Le Five OL was accounted for by the equity method in the first-half financial statements. The assets and liabilities that were presented as "held for sale" as of 30 June 2022 are therefore no longer presented on the balance sheet.

Closing dates

All Group companies close their accounts on 30 June each year except for OL Reign and Le Travail Réel (31 December). Financial statements for these entities have been prepared for the period from 1 July to 31 December.

NOTE 2: USE OF ESTIMATES

In preparing financial statements that comply with the IFRS conceptual framework, management is required to make estimates and assumptions that affect the amounts shown in the financial statements. The key items affected by estimates and assumptions are impairment tests of intangible assets with a finite or indefinite lifetime, deferred taxes, and provisions. These estimates are based on the assumption that the entity is a going concern and are calculated using available information. Estimates may be revised if the circumstances on which they were based should change or if new information becomes available. Actual results may differ from these estimates.

For the first-half financial statements, valuations have been established as if the interim period were a stand-alone period. The notes presented below reiterate the principles for determining certain balance sheet and income statement line items.

NOTE 3: OPERATING SEGMENTS

Pursuant to IFRS 8, "Operating Segments", an operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses and satisfies the following conditions:

- its operating results are reviewed regularly by the entity's chief operating decision-maker to take decisions about resources to be allocated to the segment and to assess its performance;
- discrete financial information is available for the segment.

The Group has not identified any material, distinct business segments within the meaning of this standard. To this end, the Group presents information in Note 4.1 breaking down revenue by nature and activity and detailing sales of player registrations.

The operation of Groupama Stadium is not considered a distinct business segment since it cannot be separated from the sporting activities developed around the professional football team, owing in particular to the size of its facilities, the attractiveness of the venue and the sources and amounts of revenue.

NOTE 4: OPERATING ACTIVITIES

Note 4.1: Revenue excluding player trading

Revenue recognition

IFRS 15 defines a five-step model for recognising ordinary revenue from contracts with customers:

- Identify the contract;
- Identify the various performance obligations, i.e. the list of distinct goods or services that the seller has promised to supply to the customer;
- Determine the overall transaction price for the contract;
- Allocate the overall transaction price to each performance obligation;
- Recognise revenue when a performance obligation has been satisfied.

Revenue recognition is tied to the performance obligation for each type of contract.

Revenue is measured and recognised as follows:

- **Sponsoring - Advertising (including partnerships):**

The terms of sponsoring agreements indicate the amounts to be recognised for each half-year period.

- **Media and marketing rights:**

- *LFP (French Professional Football League – Ligue 1) and FFF (French Football Federation)*

This category of revenue arises from the Club's participation in the French league and cup competition. At the start of the season, the Board of Directors of the League defines the amounts to be allocated to the clubs for the current season and the method of allocation.

These amounts are recognised as the season progresses and matches are played.

- *UEFA / Champions League revenue*

The triggering event for UEFA / Champions League revenue is the Club's participation in this European competition. Receipts depend on the stage the Club reaches in the competition, as set out in UEFA's financial memorandum for the season in question.

The amount of H1 2022/23 UEFA media rights represented a remainder from the 2021/22 season, as the club did not qualify for this competition this season.

- Brand-related revenue includes revenue relating to the sale of merchandising products, use of licences and infrastructure, as well as signing fees. Signing fees are recognised when a distinct performance obligation has been satisfied or are spread over the term of the contract to which they relate in the absence of a distinct performance obligation.
- Revenue from ticketing is tied to the football season and is recognised when the games are played. The performance obligation is realised when the games are played. Season tickets sold for the coming season are recorded as deferred income.
- Events revenue derives from the new additional businesses developed since Groupama Stadium entered service. It includes concerts, non-football sporting events, conventions, B2B seminars and corporate events, stadium tours, etc. Revenue is recognised when the services are provided.

Breakdown of revenue excluding player trading

Breakdown of revenue by category

Revenue broke down as follows:

(in € 000)	H1 2022/23	H1 2021/22
Media and marketing rights (LFP-FFF)	36,604	16,097
Media and marketing rights (UEFA)	1,106	14,448
Ticketing	15,752	14,103
Sponsoring – Advertising	19,014	17,415
Events	7,449	3,788
Brand-related revenue (1)	11,107	9,106
Total revenue	91,032	74,957

LFP/FFF media rights corresponded to OL's 8th place standing in the French Ligue 1 as of 31 December 2022 (vs 13th place the previous year). The increase in these media rights derived from financial assistance the LFP received when it created its commercial subsidiary and CVC acquired a stake in it. An amount of €1.18 billion was reserved for the clubs, to be spread over several financial years, and an initial payment of €16.5 million was made in August 2022. This assistance has enabled the clubs to offset revenue losses they have suffered since the start of the Covid-19 pandemic and to make favourable investments in the development and competitiveness of French football.

UEFA media rights corresponded to a remainder from the 2021/22 season.

(1) Brand-related revenue

(in € 000)	H1 2022/23	H1 2021/22
Derivative products	6,408	6,248
Image-related revenue	424	312
Other (1)	4,275	2,547
Brand-related revenue	11,107	9 106

(1) This line item corresponds principally to receipts from concerts that took place in July 2022.

Breakdown of revenue

(in € 000)	31/12/2022	31/12/2021
OL Groupe France	87,179	72,831
OL Groupe United States	3,853	2,126
	91,032	74,957

Note 4.2: Gains on sale of player registrations

Sales of player registrations (sale of intangible assets) do not meet the definition of revenue and are presented within other income on a specific line labelled "Gains on sale of player registrations".

Revenue from sale of player registrations

Proceeds from the sale of player registrations are recognised as of the date the transfer agreement is approved by the League, which corresponds to the date on which control is transferred. In the event such approval does not apply, the date at which the League was informed of the signature of the transfer agreement prevails. Sell-on fees and other contingent fees are recognised when the condition precedent is met. So long as the condition precedent is not met, the contingent fee is recognised as an off-balance-sheet item.

Customer contracts do not include a financing component, with the exception of receivables related to the settlement of player transfer agreements (settlements over 1-5 years).

Discounting of proceeds from the sale of player registrations totalled €622 thousand as of 31 December 2022.

(in € 000)	H1 2022/23	H1 2021/22
Terrier Martin	450	475
Lucas Paquetá	35,730	
Dubois Léo	2,375	
Özkaçar Cenk	481	
Kadewere Tino	300	
Solet Oumar		389
Gouiri Amine	3,150	
Andersen Joachim		16,625
Lovren Dejan		9
Lucas Jean		8,721
Cornet Maxwel	528	11,489
Bard Melvin		3,000
Martins Perreira Christopher	765	245
Maolida Myziane		77
Belfodil Ishak		8
Ghezzal Rachid		146
Other	5	2
Revenue from sale of player registrations	43,784	41,184
(in € 000)	H1 2022/23	H1 2021/22
Revenue from sale of player registrations	43,784	41,184
Residual value of player registrations	-12,588	-20,872
Gains on sale of player registrations	31,196	20,313

The gain primarily relates to the sale of Lucas Paquetá's player registration.

Note 4.3: Trade receivables and assets related to customer contracts

Trade receivables and assets related to customer contracts

Receivables are initially measured at fair value, which is usually their face value. These receivables are discounted if their due date is more than six months hence. The discount rate used is the Euribor and/or BTAN rate for the maturity of the receivable.

The principal customers (revenue > 10% of consolidated total) are the LFP (French professional football league) and the sports marketing company Lagardère Sports.

In accordance with the principles defined in IFRS 9, provisions on customer receivables are recognised to account for expected losses and are determined according to the following model:

- Doubtful accounts, i.e. those with a high risk of non-payment: provisions recognised on a case-by-case basis;
- Customers for which indications of impairment have been identified (late payments, disputes, etc.): individual provisions if there are payments more than 12 months past due.
- Customers without any indication of impairment as of the closing date: provisions for expected losses are recognised on a case-by-case basis, taking into account both quantitative and qualitative information about the customer, its rating, etc. No provisions have been recognised, as the probability of non-payment is considered to be immaterial.

Trade receivables and assets related to customer contracts broke down as follows:

(in € 000)	31/12/2022	30/06/2022
Trade receivables	28,247	32,334
Provision for bad debts	-288	-52
Trade receivables and assets related to customer contracts	27,959	32,282

(in € 000)	31/12/2022	30/06/2022
Player registration receivables	72,834	40,162
Provisions on player registration receivables		
Net player registration receivables	72,834	40,162
of which less than 1 year	28,394	23,183
of which more than 1 year	44,440	16,979

Receivables on player registrations broke down as follows:

(in € 000)	31/12/2022		30/06/2022	
	current	non-current	current	non-current
Receivables on registrations sold in 2017/18			3,000	
Receivables on registrations sold in 2020/21	335		383	285
Receivables on registrations sold in 2021/22	17,674	16,396	19,800	16,694
Receivables on registrations sold in 2022/23	10,386	28,044		
Total player registration receivables (gross)	28,394	44,440	23,183	16,979
	72,834		40,162	

Receivables on player registrations primarily included the balance of transfers in 2021/22 (€21 million for B. Guimarães, €4.3 million for J. Lucas, €4.2 million for X. Shaqiri and €4 million for M. Cornet) and in 2022/23 (€33.4 million for L. Paquetá and €2.5 million for A. Gouiri).

Discounting of player registration receivables totalled €575 thousand as of 31 December 2022.

Note 4.4: Inventories

Under IAS 2, "Inventories", the acquisition cost of inventories includes the purchase price, transport and handling costs, and

other costs directly attributable to the acquisition of the finished goods, less any price reductions, rebates or financial discounts.

Inventories of goods held for resale are measured at their weighted average unit cost. This value is compared to the net realisable value (estimated sale price of the products). The inventory is measured at the lower of the two values. An impairment loss may be taken against obsolete, defective or slow-moving goods.

OL Groupe inventories are related to the Merchandising business unit and to the OL Reign subsidiary. These inventories solely comprise goods held for resale.

(in € 000)	31/12/2022	30/06/2022
Inventories	4,057	2,494
Provisions on inventory	-101	-104
Net inventories	3,956	2,390

Note 4.5: Other current assets

Other current assets, prepayments and accrued income broke down as follows:

(in € 000)	31/12/2022	30/06/2022
Turnover tax	10,289	11,143
Income tax receivables	1,310	1,176
Other tax receivables	9	441
Social security receivables	73	83
Other current assets	6,851	9,775
Accruals and prepayments	5,031	3,188
Total other current assets	23,563	25,805
Provisions on other assets		
Net other assets	23,563	25,805

Note 4.6: Other current liabilities

(in € 000)	31/12/2022	30/06/2022
Trade payables	33,113	31,940
Tax and social security liabilities	31,400	32,974
<i>of which tax liabilities</i>	<i>10,930</i>	<i>15,674</i>
<i>of which social security liabilities</i>	<i>20,470</i>	<i>17,300</i>
Other current liabilities, deferred income and accruals	44,081	44,984
<i>of which liabilities on non-current assets and other liabilities</i>	<i>9,938</i>	<i>20,872</i>
<i>of which customer credit notes</i>	<i>282</i>	<i>6,282</i>
<i>of which deferred income</i>	<i>33,860</i>	<i>17,830</i>
Total current liabilities	108,594	109,898

The change in other liabilities relates to concert receipts collected on behalf of producers at certain concerts and paid over to them.

The change in customer credit notes resulted from customers' use of credit notes issued by the Group in the context of the Covid-19 crisis.

Deferred income, related principally to the seasonality of certain activities, included €5.6 million in French media rights, €3.9 million in season tickets for the second half of the season and for future seasons, €3.1 million in receipts for events in future seasons, €7.3 million in sponsoring receipts and €12.6 million in signing fees.

Note 4.7: Investments in associates

Associates are companies in which the Group exercises significant influence over financial and operating policies, but which it does not control. Associates are recognised on the consolidated statement of financial position using the equity method.

Equity method

The equity method requires the investment in an associate or joint venture to be initially recognised at cost and adjusted thereafter for the Group's share of the associate's or joint venture's profit or loss and, if applicable, other comprehensive income. Goodwill related to these entities is included in the carrying amount of the investment.

(in € 000)	31/12/2022	30/06/2022
Opening balance	3,943	3,929
Dividends		
Changes in the scope of consolidation	252	-25
Other		
Share in net profit of associates	-362	39
Write-down of shares		
Closing balance	3,833	3,943

Note 4.8: Non-current income tax receivable

The Amended Finance Law of 19 July 2021 made the carryback mechanism more flexible by allowing companies, where applicable, to carry back their losses for the first financial year ending between 30 June 2020 and 30 June 2021 to offset the profit declared during the previous three financial years. The offset amount is not capped.

This item therefore includes an income tax receivable of €1,197 thousand in respect of a loss carryback request as of 30 June 2021.

This receivable may be used for the payment of income tax until 30 June 2026 and will be refunded at the end of this period if it has not been used.

NOTE 5: EXPENSES AND EMPLOYEE BENEFITS

Note 5.1: Employee numbers

The average number of employees in the Group, broken down by company, was as follows:

	31/12/2022	31/12/2021
Olympique Lyonnais Groupe	142	128
Olympique Lyonnais SAS	278	253
OL Association	147	141
OL Production	0	1
OL Vallée Arena	1	
OL Reign	36	28
Total	602	550

Note 5.2: Personnel costs

(in € 000)	H1 2022/23	H1 2021/22
Payroll (1)	-65,261	-54,053
Social security charges (1)	-20,948	19,184
TOTAL	-86,209	-34,869

(1) Including the expense under the bonus share plan presented in Note 5.5. The significant change derived from the impact of payroll charge exemptions and assistance totalling €37 million.

Note 5.3: Senior management remuneration

Senior management remuneration broke down as follows:

- Short-term benefits (excluding employer's share):
 - The ten members of the senior management team received €2,216 thousand (€1,036 thousand fixed, €1,161 thousand variable, and €19 thousand in benefits-in-kind, i.e., the use of vehicles).
 - In H1 2021/22, these benefits totalled €1,439 thousand for the ten members of the management team.

The Chairman & CEO receives no remuneration from OL Groupe apart from directors' fees.

The Chairman & CEO of OL Groupe receives remuneration for his professional activities at Holnest, an investment and management holding company.

Note 5.4: Pension obligations

(in € 000)	31/12/2022	30/06/2022
Present value of opening commitments	2,341	2,457
Interest expense	37	17
Service cost during the financial year	128	292
Benefits paid	-1	0
Impact of changing the method of allocating costs		-282
Plan amendment		
Projected present value of closing commitments	2,505	2,484
Actuarial gain/loss for the financial year		-143
Present value of closing commitments	2,505	2,341

The data presented are based on a projection calculated by the Group's actuary for the year-end 2021/22 financial statements.

Note 5.5: Share-based payments

On 15 February 2022, the Group implemented a bonus share plan. The plan is composed of two tranches and grants its beneficiaries shares in the Company provided they meet service and performance conditions.

This plan falls within the scope of IFRS 2.

In accordance with IFRS 2 "Share-based payment", the Company recognises an expense for benefits granted to employees of the Company under the bonus share plan.

The fair value of the benefit granted is set at the grant date. It was recognised in personnel costs during the vesting period, with the offsetting entries being posted to a special reserve account.

The expense was calculated over the period taking into account the probability of achieving the planned objectives and the beneficiaries being employed at the vesting date. At the end of the vesting period the cumulative total of the benefits recognised will be held in reserves.

In the consolidated financial statements, the commitment is determined based on an estimated number of shares that will vest, measured at the share price on the grant date. The expense is then deferred over the duration of the plan.

Plan characteristics for tranche 1	
Grant date	15/02/2022
Vesting date	15/02/2023
Share price on grant date	2.01 €
Maximum number of shares that can be granted	207,000
Vesting period	1 year
Vesting conditions	Service condition
Performance condition	Performance assessed on the consolidated cash level as at 31 May 2022 for the financial year 2021/22 in relation to the final budget approved by the Board of Directors

Plan characteristics for tranche 2	
Grant date	15/02/2022
Vesting date	15/02/2024
Share price on grant date	2.01 €
Maximum number of shares that can be granted	523,000
Vesting period	2 years
Vesting conditions	Service condition
Performance condition	Performance assessed on consolidated EBITDA and revenue for the financial year 2022/23 the consolidated cash level as at 31 May 2023 for the financial year 2022/23 in relation to the final budget approved by the Board of Directors

By the end of the 2021/22 financial year, 207,000 shares had been granted on the basis of the performance conditions for the tranche 1 plan.

Total costs and allocation thereof

The total expense of the plan, and the expense recognised for the period, are presented below, based on the fair value per share and the number of bonus shares granted, and assuming performance criteria are achieved:

Fair value per share	2.01 €
Total expense	1,760,760 €
of which total employer contributions	293,460 €
Expense recognised in H1 2022/23	569,655 €

NOTE 6: PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

Note 6.1: Goodwill and other intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance, held with a view to its use, from which future economic benefits are expected to flow to the entity.

a) Goodwill

Business combinations are accounted for using the purchase method in accordance with IFRS 3. The amended IFRS 3, “Business Combinations”, is applied to all acquisitions carried out on or after 1 July 2009.

On first-time consolidation of a company, the company’s assets and liabilities are measured at their fair value.

Any difference between the purchase cost of the shares and the overall fair value of identified assets and liabilities as of the acquisition date is accounted for as goodwill.

The fair values and goodwill may be adjusted during a period of one year after acquisition. If the purchase cost is less than the fair value of identified assets and liabilities, the difference is recognised immediately in the income statement.

As required by IFRS 3 “Business combinations” and IAS 36 as amended, goodwill is not amortised. As goodwill is an intangible asset with an indefinite useful life, it is tested for impairment annually in accordance with IAS 36, as amended (see below for a description of the procedures for implementing impairment tests).

b) Player registrations

Player registrations meet the definition of an intangible asset. They are capitalised at their acquisition cost, which is discounted if the payment is deferred over more than six months (the acquisition cost is equal to the purchase price plus costs incidental to and directly related to the transaction). The discount rate used is the Euribor and/or BTAN rate for the maturity of the receivable.

The registration is recognised as an asset from the date on which the Group deems the transfer of ownership and risk to be effective. These conditions are deemed to be met on the date the transfer agreement is approved by the League, or on the date it is signed if such approval is not applicable.

Player registrations are amortised on a straight-line basis over the term of the initial contract (typically 3 to 5 years). If a contract is extended, the related external costs are included in the value of the registration, and the amortisation charge is recalculated on the basis of the new residual term.

Sell-on fees provided for in transfer deals usually require the fulfilment of certain conditions. Sell-on fees are capitalised if there is a strong probability that the conditions for payment will be met, with an offsetting entry in liabilities. Otherwise, sell-on fees are disclosed as contingent liabilities and capitalised when the conditions are met.

Special features of certain transfer agreements

Certain transfer agreements may provide for retrocession of part of the proceeds of a future transfer. This sell-on fee may be paid to the transferred player, the agent or the player's original club. At the time of the transfer, if these sell-on fees are paid to the player they are recorded as personnel costs; If they are paid to the agent or to the club they are offset against the proceeds from the sale of player registrations.

Existing transfer agreements that provide for a fixed sell-on fee are disclosed as contingent liabilities at the financial year-end. If this amount is calculated as a percentage of the transfer fee or the capital gain realised, then no calculation can be made.

Impairment of non-financial assets related to player registrations

Assets with a finite lifetime, such as player registrations, are tested for impairment whenever there is an indication that their value may be impaired. A further write-down (in addition to scheduled amortisation) is then recognised if the carrying value exceeds the recoverable amount.

Impairment tests are performed based on the following three criteria:

- For player registrations held with the intent to sell, the estimated or known sale price, net of selling fees, is compared to the contract's carrying value, and a write-down may be recognised where necessary;
- If an event occurs that could have an impact on the useful life of the contract (early termination of the player's contract, irreversible disability, etc.), it may be amortised ahead of schedule;
- Indications of impairment are determined on two levels:
 - At the team level, an overall assessment of value in use is made by comparing the Club's discounted cash flows to the cumulative carrying value of all player registrations.
 - At the individual player level, potential impairment is assessed using various criteria including the player's appearance record.

The cash flows underpinning these tests are projected by management based on various scenarios, taking into account assumptions that the Club will participate in European competitions, finish near the top of the Ligue 1 table and that the player registration sales strategy will continue.

c) Future media rights

Future media rights are initially measured at fair value and are not amortised. They are tested for impairment at the close of each subsequent financial year.

d) Purchased software

Purchased software is amortised over three to five years.

e) Impairment of non-financial assets other than player registrations

According to IAS 36 "Impairment of Assets", the recoverable amount of property, plant & equipment and intangible assets must be tested as soon as indications of impairment appear.

- Intangible assets with an indefinite life (goodwill and future media rights), which are not amortised, are tested for impairment at least once a year. Losses in the value of goodwill are irreversible. The goodwill recognised in the balance sheet is not material.
- An impairment loss is recognised when the carrying amount of an asset is higher than its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use.
- Assets with a finite useful life are tested for impairment whenever there is an indication that their value may be impaired. A further write-down (in addition to scheduled amortisation) is then recognised if the carrying value exceeds the recoverable amount.

An impairment loss was not deemed to be reasonably likely to occur in any of the scenarios under consideration.

Goodwill

Movements during the period were as follows:

(in € 000)	30/06/2022	Increases	Decreases	31/12/2022
Olympique Lyonnais SASU	1,866			1,866
OL Reign	53			53
TOTAL	1,919	0	0	1,919

Other intangible assets

Movements during the period were as follows:

(in € 000)	30/06/2022	Increases	Increases through reclassification	Decreases through reclassification	Transfers out	31/12/2022
Concessions, patents and media rights	3,292	244	86		-124	3,498
- of which right-of-use assets	124				-124	0
Intangible assets in progress	555			-555		0
Amortisation of concessions and patents	-1,717	-303			114	-1,906
- of which right-of-use assets	-114				114	0
Other intangible assets	2,130	-59	86	-555	-10	1,592

Intangible assets - Player registrations

Player registrations: movements during the period

Movements during the period were as follows:

(in € 000)	30/06/2022	Increases	Increases through reclassification	Decreases through reclassification	Transfers out	31/12/2022
Player registrations	187,323	12,112			-48,828	150,607
Player registrations in effect						
Amortisation of player registrations (1)	-114,035	-15,883			35,729	-94,189
Impairment of player registrations (2)						
Player registrations	73,287	-3,771	0	0	-13,099	56,417

(1) The analysis performed did not lead to a change in the useful life of player registrations as of 31 December 2022.

(2) The impairment tests on player registrations did not reveal a loss in value during the period. No impairment was recognised as of the opening date.

Player registration expiry schedule

The player registration expiration schedule (in terms of net carrying value) is as follows:

(in € 000)	Net value as of 31/12/22	Net value as of 30/06/22
Contracts expiring in 2023	2,393	10,893
Contracts expiring in 2024	24,581	30,711
Contracts expiring in 2025	12,378	17,156
Contracts expiring in 2026	12,909	14,527
Contracts expiring in 2027	4,157	
Total player registrations	56,417	73,287

Note 6.2: Property, plant & equipment

a) Property, plant & equipment

Property, plant & equipment are measured at cost (purchase price, transaction costs and directly attributable expenses). They have not been revalued.

As required by IAS 16, buildings are accounted for using the component approach.

The Group does not use the fair value of its non-financial assets to determine their recoverable amount, apart from assets held for sale.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, as estimated by the Company:

- Buildings (including long-term leases) 25-50 years
- Building improvements 3 to 10 years
- Computer equipment 3 and 4 years
- Office equipment 5 years
- Office furniture 8 years
- Machinery and equipment 5 years
- Vehicles 3 to 5 years

Residual values are considered to be either not material or not reliably determinable.

In accordance with IAS 23, borrowing costs directly attributable to the construction of property, plant & equipment are included in their cost.

Investment grants, in particular the €20 million attributed during the 2011/12 financial year as part of the stadium financing, have been recognised as deferred income and thus deferred over the depreciation period applicable to the stadium.

b) Leases

Lease accounting rules since 1 July 2019, in accordance with IFRS 16:

Under IFRS 16, there is no longer any distinction for lessees between finance leases and operating leases, as was previously made under IAS 17.

A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases covered by this definition are accounted for as presented below, unless they fall within the scope of one of the exemptions provided for by the standard (leases with a lease term of 12 months or less and/or underlying asset has a low value).

In practice, property leases account for the bulk of the restatements required. For contracts not restated as leases, rent payments continue to be booked as operating expenses.

Contracts falling within the scope of IFRS 16 are recognised using the following rules.

Upon lease commencement the Company recognises a right-of-use asset and a lease liability. The asset and the liability are reported on separate lines of the balance sheet.

The lease liability is measured at the present value of the lease payments payable over the lease term.

Present value is determined using the rate implicit in the contract in the case of finance leases, and in other cases, the incremental borrowing rate calculated for each country, according to the lease term. The incremental borrowing rate is a rate that reflects the profile of the lease payments.

The lease term is the period for which the lease is enforceable, i.e. the non-cancellable period plus any periods covered by an extension option if the Group is reasonably certain it will exercise that option plus periods covered by a termination option if the Group is reasonably certain not to exercise that option.

In practice, the terms adopted for the principal property leases are:

An enforceable period of nine years (3/6/9-year commercial leases): non-cancellable period of three years and certainty of exercising the extension options after three and six years.

The various leases do not contain any early termination options, nor are there any provisions likely to require the lessors to pay the Group a non-negligible amount should the lease not be renewed at the end of the non-cancellable period. Similarly, there is no financial incentive for either party not to terminate the lease.

Lease payments consist of fixed payments, variable payments that depend on an index or a rate and exercise prices of purchase options that the lessee is reasonably certain to exercise. In practice, most payments are fixed, there are no purchase options and no non-negligible penalties are provided for should the lease be terminated by the lessor.

Deferred taxes:

The right-of-use asset is measured using the cost model as follows: cost less accumulated depreciation and impairment, adjusted, where necessary, for any lease revaluations. No impairment and no lease revaluations were recognised.

In the case of an attractive purchase option, the right-of-use assets are amortised according to the same rules that would be applied if the Group owned the asset (see above). Unless there is a purchase option, the right-of-use assets are amortised over the term of the lease as presented above.

Fixtures and fittings related to leases are depreciated over a period that is, in practice, close to the term of the lease as defined above.

The Group has not identified any situations in which it is a lessor nor any sale-and-leaseback transactions.

Impairment testing:

Based on the analysis performed, no assets related to leases were identified that would need to be tested separately from a CGU.

Pending the anticipated clarifications of how to conduct impairment tests incorporating the IFRS 16 restatement and given the multiple practical difficulties identified, the Group continued to perform impairment testing during the year, firstly on a pre-IFRS 16 basis, and, secondly, on an approximate basis including the right-of-use asset and the lease liability in the carrying value of each CGU, without changing projected cash flows.

There were no CGUs that had a recoverable amount close to their carrying value as of 31 December 2022 and also held leases.

Movements during the period were as follows:

(in € 000)	30/06/2022	Increases	Increases through reclassification	Decrease through reclassification	Decreases	31/12/2022
Buildings and improvements	444,176	405	401		-18	444,964
- of which right-of-use assets	20,347					20,347
Work-in-progress: Stadium	417	695		-137		975
Work-in-progress: Groupama OL Training Center	293	81		-302		72
Work-in-progress: OL Academy	13	18				30
Work-in-progress: Arena (1)	44,803	36,670			-773	80,700
- of which right-of-use assets	42,923	35,324				78,246
Work-in-progress: OL Vallée	1	202				203
Work-in-progress: IT development	97	44			-79	62
Equipment and facilities	18,522	6,407	38		-161	24,806
- of which right-of-use assets	6,843	5,767			-150	12,460
Gross amounts	508,322	44,522	439	-439	-952	551,812
Buildings and improvements	-114,921	-8,839			18	-123,741
- of which right-of-use assets	-18,882	-1,073				-19,955
Equipment and furniture	-9,401	-1,281			117	-10,565
- of which right-of-use assets	-1,719	-683			117	-2,286
Accumulated depreciation	-124,321	-10,120			135	-134,306
Net amounts	383,999	34,402	439	-439	-817	417,503

(1) The Arena work-in-progress corresponds to the progress of work falling within the scope of IFRS 16, i.e. €78.2 million as of 31 December 2022.

Note 6.3: Contingent liabilities (operating activities)

6.3.1 : Player-related commitments

Player-related commitments given

(in € 000)	Up to 1 year	1-5 years	More than 5 years	31/12/2022	30/06/2022
Conditional commitments to clubs related to the acquisition of player registrations (1)	7,450	7,475		14,925	14,300
Conditional commitments to agents related to player registrations (2)	3,950	3,514		7,464	6,825
Conditional commitments to players and staff as part of player registrations (3)				0	0
Total	11,400	10,989	0	22,389	23,795

(1) Commitments made to clubs as part of the sale of player registrations primarily corresponded to additional sell-on fees to be paid in the future. They are typically contingent on the player remaining with the Club and specific on-field performance objectives being achieved.

(2) Commitments made to agents as part of the sale of player registrations are typically contingent on the player remaining with the Club and only concern those agents of players not presented as balance sheet assets.

(3) Commitments made as part of staff and players' employment contracts are typically contingent on the player remaining with the Club and specific sporting performance objectives being achieved. They correspond to the maximum amount committed, based on the assumption that all the related conditions are met.

Players loaned out with a purchase option will re-join the squad in the event the purchase option is not exercised at the end of the loan period.

In connection with the acquisition of certain players, commitments have been made to pay a percentage of the amount of a future transfer to certain clubs or players (see Note 6.1).

As of 31 December 2022, there were no payables on player registrations secured by bank guarantees.

Player-related commitments received

(in € 000)	Up to 1 year	1-5 years	More than 5 years	31/12/2022	30/06/2022
Commitments related to the sale of player registrations with conditions precedent (1)	19,476	19,885		39,361	30,000
Total	19,476	19,885	0	39,361	30,000

(1) Commitments related to the sale of player registrations included commitments made as part of transfer agreements providing for contingent payments to the Club after the transfer in the event certain performances are achieved.

6.3.2 : Commitments related to financing agreements

Commitments related to the refinancing of virtually all of the Group's bank and bond debt as of 30 June 2017

As part of the refinancing of virtually all of the bank and bond debt, the following commitments were implemented as of the signing date, i.e., 30 June 2017:

- Commitments given by certain Group entities, represented by collateral with a maximum total value of €271.5 million, corresponding to the full amount of borrowings;
- Commitments given by certain Group members, represented by signature guarantees with a maximum total value of €287 million (can replace but not supplement the above collateral).

OL SASU covenants

The Group must maintain three ratios applicable to all of the debt instruments subscribed for under the overall refinancing of the Group's debt (including the long-term bank and bond debt). For more detail, please refer to Note 11.3. "Refinancing of virtually all of the bank and bond debt as of 30 June 2017".

Commitments related to financing the construction of the Groupama OL Training Center and the Academy

The Group entered into the following commitments as part of the construction of the training centre and Academy:

- A €14 million lien on the OL Academy (maturing in less than five years),
- Transfer of Groupama Rhône-Alpes Auvergne naming and OL Association partnership receivables: the committed amount as of 31 December 2022 was €5.5 million.

Commitments related to financing the LDLC Arena

As part of the financing of the LDLC Arena, the following commitments were implemented as of the signing date of the instruments:

- Commitments given by certain Group entities, represented by collateral with a maximum total value of €4.25 million;
- Commitments given by certain Group members, represented by signature guarantees with a maximum total value of €14.1 million (can supplement the above collateral).

As a reminder, the commitment to the lender for the financing of the LDLC Arena is €90 million (net).

OL Groupe covenants

The Recovery Bonds ("Obligations Relance") agreement is governed by a debt ratio applicable to the Group (ratio of consolidated gross debt to consolidated equity) that is calculated every six months with a ceiling of 5. The Group was in compliance with this ratio as of 31 December 2022.

6.3.3 : Other commitments

Commitments received

(in € 000)	Up to 1 year	1-5 years	More than 5 years	31/12/2022	30/06/2022
Clawback provision		2,192		2,192	2,192

The clawback provision relates to:

- Lyon Asvel Féminin, following a loan write-off in the 2020/21 financial year. The balance as of 31 December 2022 was €979 thousand.
- Lyon Asvel Masculin, following a €1,213 thousand loan write-off as of 30 June 2022.

Other commitments given

(in € 000)	Up to 1 year	1-5 years	More than 5 years	31/12/2022	30/06/2022
Services payable	11,830	36,337	33,858	82,025	87,347
Other commitments given	2,552	1,674	44	4,270	5,021
Total	14,382	38,011	33,902	86,295	92,368

Commitments given correspond to guarantees made as part of service contracts. Service agreements that do not grant the right to use an underlying asset.

NOTE 7: OTHER PROVISIONS AND CONTINGENT LIABILITIES

In accordance with IAS 37, provisions are recognised based on a case-by-case analysis of the probable risk and expense. A provision is made when management becomes aware of an obligation (legal or constructive) arising from past events, the settlement of which is expected to result in an outflow of resources without equivalent compensation. Provisions are classified as non-current or current depending on the expected timing of the risk or expense. Non-current provisions are discounted if the impact is material.

These are primarily provisions for disputes. Provisions, in particular those relating to labour disputes, are determined using management's best estimate based on the expected risk and following consultation with the Group's lawyers.

Note 7.1: Provisions for risks excluding tax-related uncertainties

(in € 000)	30/06/2022	Increases	Decreases		31/12/2022
			Used	Unused	
Provisions for disputes and litigation	306	102	-151	-128	129
Provisions for other risks	8				8
Total	314	102	-151	-128	137

These are short-term provisions (less than one year) and correspond to the coverage of social and commercial risks.

No provisions for tax uncertainties were recognised based on the application of IFRIC 23. Where appropriate, provisions would now be recognised for tax payable under liabilities.

Note 7.2: Other contingent assets and liabilities

As of 31 December 2022, the Group had not identified any contingent assets or liabilities.

Note 7.3: Net depreciation, amortisation & provisions

(in € 000)	31/12/2022	31/12/2021
Depreciation, amortisation & provisions on intangible assets and PP&E	-10,189	-9,752
Net provisions for retirement bonuses	-127	-134
Other risk provisions, net	177	22
Net provisions on current assets	-225	49
Exceptional provisions on non-current assets		148
Amortisation of non-current assets: player registrations	-15,883	-24,140
Provisions on player registrations		
TOTAL	-26,248	-33,805

NOTE 8: FINANCING AND FINANCIAL INSTRUMENTS

Note 8.1: Non-current financial assets

The Group classifies its non-current financial assets into the following categories: Equity investments and related receivables, other financial assets (mostly pledged mutual funds, investment grants, deposits, guarantees and holdbacks), receivables on sales of player registrations and income tax receivables (portion > 1 year).

For equity investments in unconsolidated subsidiaries, OL Groupe has elected to recognise changes in fair value as “equity” that can or cannot be reclassified into net profit/loss. This classification reflects the objectives for which these investments are held, as they are not held for treasury investment purposes, but as an investment intended to further the Group’s strategy.

For unlisted securities, acquisition cost has been considered to be the best estimate of fair value in exceptional cases where the Group does not have reliable and recent information.

Movements during the period were as follows:

(in € 000)	30/06/2022	Increases	Decreases	31/12/2022
Other financial assets	50,134	1,618		51,752
Gross amounts	50,134	1,618	0	51,752
Impairment				
Net amounts	50,134	1,618	0	51,752

As of 31 December 2022, this line item comprised funds of €40.7 million advanced to the lender in connection with the construction of the Arena and payments relating to construction efforts and equity investments in unconsolidated subsidiaries.

Note 8.2: Cash and cash equivalents

Detail of cash and cash equivalents

Cash and cash equivalents include cash on hand and in bank current accounts.

In the case of pledged mutual fund units, these securities are reclassified as other financial assets (current or non-current). Changes in fair value are recognised as financial income or expense.

(in € 000)	Historical cost as of 31/12/22	Market value as of 31/12/22	30/06/2022
Cash	18,204	18,204	27,304
Marketable securities			230
Total	18,204	18,204	27,534

There are no investments pledged as collateral or subject to restrictions.

Note 8.3: Current and non-current financial liabilities

a) Non-current financial liabilities

Loans are classified as non-current liabilities except when their due date is less than 12 months hence, in which case they are classified as current liabilities. All contracts are interest-bearing.

Borrowings are measured at amortised cost using the effective interest method as defined by IFRS 9.

The Group received written confirmation before 31 December 2022 from its lenders that they had granted a covenant holiday as of the 31 December 2022 test date (waiving the requirement for OL Groupe to comply with the ratios), so that the ratios as of that date would not cause an event of default.

Consequently, the Company was not obliged to comply as of 31 December with the financial and liquidity ratios stipulated in the credit agreement.

Given that the default clause did not apply as of 31 December 2022, OL Groupe has presented its financial liabilities under non-current liabilities in line with its contractual requirements.

A detailed description of the clauses in the credit agreements is set out in Note 11.3.

b) Detail of financial liabilities and other non-current liabilities

Current and non-current financial liabilities and other non-current liabilities broke down as follows:

(in € 000)	31/12/2022	30/06/2022
Current financial liabilities	48,288	32,844
<i>excl. infrastructure financing</i>	44,218	22,908
<i>excl. infrastructure financing related to lease liabilities</i>	2,569	1,768
<i>related to infrastructure financing</i>	1,501	8,168
<i>infrastructure financing related to lease liabilities</i>	0	0
Non-current financial liabilities	385,158	370,689
Financial liabilities excl. infrastructure financing	176,084	156,066
<i>of which related to lease liabilities</i>	8,698	5,154
Financial liabilities related to infrastructure financing	190,188	194,508
<i>of which infrastructure</i>	44,261	83,722
<i>of which infrastructure bond borrowings</i>	68,776	68,646
<i>of which related to lease liabilities (1)</i>	77,151	42,140
Other non-current liabilities	18,886	20,116
<i>of which deferred income related to CNDS subsidy</i>	15,744	15,990
<i>of which loan swap</i>	228	634
<i>of which deferred income related to OL Academy and Museum subsidies</i>	1,781	1,903
<i>of which social security liabilities settlement plan</i>	1,133	1,589
Total	433,446	403,533

(1) The change derives from the recognition of debt as work progresses on the Arena, in compliance with IFRS 16.

(in € 000)	30/06/2022	Increases / New borrowings	Repayment of borrowings	Other changes	31/12/2022
Infrastructure bond borrowings	68,840			1,437	70,276
Infrastructure bank borrowings	91,696		-50,000	2,565	44,261
Borrowings and financial liabilities	173,577	17,000	-603	398	190,372
Shareholder loan		21,070			21,070
Total	334,112	38,070	-50,603	4,400	325,979

Summary of financial liabilities (reconciliation with Note 8.5)

(in € 000)	31/12/2022	up to 1 year	1-5 years	more than 5 years
Credit lines (RCF)	16,781		16,781	
Groupama loan for OL Training Center and OL Academy	4,078	1,165	2,913	
PGE 1 and seasonal PGE	169,422	42,799	126,622	
Shareholder loan	21,070			21,070
Lease liabilities	11,267	2,569	6,981	1,717
Bank overdrafts and other financial liabilities	254	254		
Financial liabilities excl. infrastructure financing	222,872	46,787	153,297	22,787
Infrastructure borrowings	44,261		44,261	
Bond borrowings	70,276	1,501	50,671	18,104
Lease liabilities	77,151			77,151
Financial liabilities related to infrastructure financing	191,688	1,501	94,932	95,255
Other non-current liabilities	18,886		4,871	14,015
Total	433,446	48,288	253,100	132,057

Non-current liabilities primarily comprise:

- The CNDS investment subsidy, recognised as long-term deferred income, totalling €15.7 million as of 31 December 2022 (€15.9 million as of 30 June 2022);

Reminder: Investment grants, in particular the €20 million attributed during the 2011/12 financial year as part of the Groupama Stadium financing, have been recognised as deferred income. These amounts are brought into the income statement in accordance with the depreciation schedule of the asset financed, starting on the date the asset is delivered.

As of 31 December 2022, financial debt on the balance sheet bearing interest at variable rates totalled €332.8 million (PGE loan, seasonal PGE loan, long-term loan, variable-rate loans, shareholder loans and overdrafts), vs €307.3 million as of 30 June 2022, while debt bearing interest at fixed rates totalled €81.8 million, vs €76.2 million as of 30 June 2022.

c) Bank guarantees

As of 31 December 2022, there were no bank guarantees relating to player registrations.

d) Maturity schedule of financial liabilities related to player registrations

(in € 000)	31/12/2022	up to 1 year	1-5 years	more than 5 years
Player registration payables	38,284	22,556	15,728	

e) Lease liabilities

(in € 000)	31/12/2022	up to 1 year	1-5 years	more than 5 years
Lease liabilities	88,418	2,569	6,981	78,868
Total	88,418	2,569	6,981	78,868

The increase related to the recognition of the debt with the lender for the LDLC Arena in function of the progress of the work.

f) Liabilities on acquisitions

(in € 000)	31/12/2022		30/06/2022	
	current	non-current	current	non-current
Payables on acquisitions in 2015/16			900	
Payables on acquisitions in 2017/18	512		512	
Payables on acquisitions in 2018/19			140	
Payables on acquisitions in 2019/20	5,641		11,139	5,574
Payables on acquisitions in 2020/21	2		7,852	24
Payables on acquisitions in 2021/22	12,542	11,664	14,421	15,269
Payables on acquisitions in 2022/23	3,859	4,065		
Total player registration payables	22,556	15,729	34,964	20,867
	38,284		55,831	

g) Non-discounted financial liabilities

Undiscounted financial obligations (at nominal value) by maturity date are as follows:

(in € 000) 31/12/2022	Up to 1 year	1-5 years	More than 5 years
Infrastructure bond borrowings		51,000	18,500
Infrastructure borrowings (1)		45,243	
PGE loans	42,259	126,777	
Long-term line of credit and bank borrowings	1,206	3,016	
Credit lines (1)		17,000	
Shareholder loan			21,000
Total	43,465	243,036	39,500

(1) Outstandings do not include interest, as these credit lines are at variable rates.

Note 8.4: Fair value of financial instruments

Hedging instruments

To reduce its exposure to interest-rate risk under the €136 million bank loan, Olympique Lyonnais SASU implemented a new €81 million hedging programme in the form of caps (guaranteed maximum rate) that will remain in force until 30 June 2023, thereby satisfying the coverage ratio in the loan documentation.

To reduce its exposure to interest-rate risk under the €90 million Arena lease, OL Vallée implemented a hedging programme in late-June / early-July 2022. It covers 60% of the outstanding principal and has a term of six years from the projected opening date of the Arena, in accordance with the leasing contract's coverage covenant. In addition, the company has also hedged the interest-rate risk on a principal amount of €30 million for the duration of the construction phase.

Fair value of financial instruments

The Group only has level 1 financial assets (marketable securities), i.e. whose prices are listed on an active market. Level 2 financial instruments (fair value based on observable inputs) relate to swap agreements and loan agreements, while the level 3 instruments (fair value based on unobservable inputs) relate to unconsolidated, unlisted securities.

The IFRS 13 analysis did not reveal the need to recognise an adjustment for counterparty risk (risk of non-payment of financial assets) or for own credit risk (risk on financial liabilities).

The breakdown of financial assets and liabilities according to the special IFRS 9 categories and the comparison between carrying values and fair values are given in the table below (excluding social security and tax receivables & liabilities).

(in € 000)	Fair value hierarchy	Assets at fair value through profit or loss	Cash flow hedge	Receivables, payables and loans, at amortised cost	Net value as of 31/12/22	Fair value as of 31/12/22
Player registration receivables				72,834	72,834	72,834
Other non-current financial assets				51,752	51,752	51,752
Trade receivables				27,959	27,959	27,959
Other current assets				6,851	6,851	6,851
Cash	1	18,204			18,204	18,204
Financial assets		18,204	0	159,396	177,600	177,600
Infrastructure bond borrowings	2			70,277	70,277	70,277
Infrastructure borrowings	2			44,261	44,261	44,261
Other financial liabilities				300,022	300,022	300,022
Player registration payables				38,284	38,284	38,284
Trade payables				33,113	33,113	33,113
Other non-current liabilities	2		228		228	228
Other current liabilities				10,220	10,220	10,220
Financial liabilities		0	228	496,177	496,405	496,405

Note 8.5: Debt net of cash

Debt net of cash (or, in certain circumstances, cash net of debt) represents the balance of financial liabilities, cash and cash equivalents and player registration payables and receivables. Net debt totalled €321,066 thousand as of 31 December 2022 (€330,813 thousand as of 30 June 2022).

(in € 000)	31/12/2022 Total consolidated	30/06/2022 Total consolidated
Cash and DSRA	18,204	27,534
Bank overdrafts	-163	-243
Cash and cash equivalents (cash flow statement)	18,041	27,291
Other financial assets (funds advanced under the property lease)	40,740	40,740
Infrastructure bond borrowings	-70,277	-68,840
Infrastructure borrowings (1)	-44,261	-91,696
Non-current financial liabilities	-146,316	-150,912
Shareholder loan (2)	-21,070	0
Other current financial liabilities	-44,055	-22,664
Lease liabilities (3)	-88,418	-49,063
Debt net of cash	-355,616	-315,144
Player registration receivables (current)	28,394	23,183
Player registration receivables (non-current)	44,440	16,979
Player registration payables (current)	-22,556	-34,964
Player registration payables (non-current)	-15,728	-20,867
Debt net of cash, including player registration receivables/payables	-321,066	-330,813

(1) €50 million partial repayment of the long-term bank debt following the transaction with Eagle Football.

(2) €21 million shareholder loan from Eagle Football. Interest for the period totalled €70 thousand and will be capitalised over the six-year term of the loan.

(3) The change corresponds principally to progress on the construction of the Arena.

Note 8.6: Net financial expense

(in € 000)	H1 2022/23	H1 2021/22
Revenue from cash and cash equivalents	25	
Interest on credit facilities	-8,573	-6,088
Interest rate hedging gains/(losses)	-69	-20
Discounting of player registration receivables/payables	47	
Net cost of debt	-8,570	-6,108
Financial provisions net of reversals	0	157
Other financial income and expense	-968	-1,822
Other financial income and expense	-968	-1,665
Net financial expense	-9,538	-7,773

The OSRANE bonds do not generate any financial expense, as the coupons are paid in OL Groupe shares that will be delivered when the bonds are redeemed (see Note 10.1).

Note 8.7: Commitments pertaining to the financing of the Group's operations

Lines of credit, guarantees and covenants

RCF line

The Group's financial resources include revolving credit facility (RCF), initially of €73 million, granted to OL SASU as part of the refinancing signed with the Group's banking partners on 28 June 2017. The size of this line was then increased on 26 July 2019 to €100 million until 30 June 2024.

The facility bears interest at Euribor for the term of the drawdown plus a negotiated margin, and includes commitments typical of this type of agreement via security arrangements common to all of the short- and long-term debt (€271.5 million).

(in € 000)	Up to 1 year	1-5 years	More than 5 years	31/12/2022	30/06/2022
Bank agreements, amount available		100,000		100,000	100,000
Of which used via drawdowns		17,000		17,000	0

PGE Loans

To cope with the effects of the Covid-19 pandemic and to bolster its cash holdings, OL Groupe arranged its first PGE (government-guaranteed loan) of €92.6 million on 23 July 2020. With the adjustments to the government measures, OL Groupe arranged a second €76.4 million season-long PGE loan on 18 December 2020, increasing the total size of its PGE facilities to €169 million.

The main terms and conditions of these two loan agreements are similar:

- 12-month bullet loan, with the option at the repayment date in year one of conversion into a loan repayable in semi-annual instalments;
- no guarantee other than the 90% guarantee provided by the government (remaining 10% covered by the banks);
- cost of the government-guarantee set at 0.5% in year 1, 1% in years 2-3 and 2% in years 4-6;
- 0% interest in year 1, then indexed from year 2 to the lenders' funding costs (no additional margin) + Euribor

The agreements related to these financing arrangements include commitments on the part of Olympique Lyonnais SASU in the event of accelerated maturity that are customary for this type of financing (restrictions on additional debt, cross-default clauses, no change in ownership). Since the PGE loans are provided by the same lenders as the stadium loan (tranche A and revolving credit facility), no financial ratios were laid down in the PGE loan agreements (but a periodic review clause was added should the stadium loan be repaid in full before the PGE loans reach maturity).

In addition, in accordance with the initial contractual stipulations at the end of the 12-month subscription period, OL set the following terms with its lenders:

- in the spring of 2021, the amortisation schedule for its first PGE (€92.6 million) was deferred for another year and the repayment was spread over four years starting in January 2023;
- at the end of the summer of 2021, the amortisation schedule for its second PGE (€76.4 million) was deferred for another year and the repayment was spread over four years starting in June 2023.

Covenants

The Group must maintain three financial ratios applicable to all of the debt instruments subscribed for under the overall refinancing of the Group's debt (including the RCF) (see Note 11.3).

NOTE 9: INCOME TAXES

Note 9.1: Breakdown of income tax and tax reconciliation

Breakdown of income tax

(in € 000)	H1 2022/23	H1 2021/22
Current tax	137	247
Tax-loss carryback receivable		
Deferred tax	884	269
Total income tax expense	1,020	517

Reconciliation of tax expense

(in € 000)	H1 2022/23	%	H1 2021/22	%
Pre-tax profit	-61,330		-27,971	
Income tax at the standard rate	15,333	-25.00%	7,412	-26.50%
Effect of permanent differences	586	-0.96%	-201	0.72%
Tax credits	137	-0.22%	302	-1.08%
Rate effect	1,446	-2.36%	279	-1.00%
Uncapitalised tax-loss carryforwards	-16,418	26.77%	-7,461	26.67%
Other	-63	0.10%	186	-0.66%
Total income tax expense	1,020	-1.66%	517	-1.85%

Note 9.2: Deferred taxes

As required by IAS 12, deferred taxes are recognised on all timing differences between the tax base and carrying value of consolidated assets and liabilities (except for goodwill) using the variable carryforward method.

Deferred tax assets are recognised when it is probable that they will be recovered in the future.

Deferred tax assets and liabilities are not discounted to present value. Deferred tax assets and liabilities are netted off within the same tax entity, whether a company or tax consolidation group. Deferred taxes calculated on items recognised in other comprehensive income are taken to equity. Deferred tax assets and liabilities are presented as non-current assets and liabilities.

Tax-loss carryforwards are capitalised when it is probable that they can be set off against future profits or against deferred tax liabilities or by taking advantage of tax planning opportunities. Future results are based on the most recent forecasts by management, limited to five years.

The Group did not recognise any deferred tax assets on losses in accordance with ESMA's July 2019 recommendation.

The following table shows a breakdown of deferred tax assets and liabilities by type:

(in € 000)	30/06/2022	Impact on profit/loss	Impact on reserves	31/12/2022
Tax-loss carryforwards	0			0
Deferred taxes related to player registrations	-1,439	-96		-1,535
Other deferred tax assets (1)	6,225	980	27	7,232
Deferred tax assets	4,786	884	27	5,697
Deferred tax liabilities	0			0
Net amounts	4,786	884	27	5,697

As of 31 December 2022, unrecognised deferred tax assets totalled €74.3 million (calculated at a tax rate of 25%).

- (1) Deferred taxes recognised directly in other comprehensive income were related to the impact of recognising the hedging instruments related to Groupama Stadium financing at market value and to actuarial gains and losses on retirement bonuses. The balance was principally composed of the timing difference triggered by removing the €20 million investment grant revenue related to the construction of Groupama Stadium and recognised in the accounts of Olympique Lyonnais SASU from the consolidated statements (€4.2 million as of 31 December 2022).

NOTE 10: EQUITY

The statement of changes in equity is given in the first section: financial statements.

Note 10.1: Share capital

Share capital is composed of ordinary shares and has changed as follows.

The Company is not subject to any special regulatory requirements in relation to its capital. Certain financial ratios required by banks may take equity into account. The Group's management has not established a specific policy for the management of its capital. The Company favours financing its development through equity capital and external borrowing.

For the monitoring of its equity, the Company includes all components of equity and does not treat any financial liabilities as equity (see Note 8.3).

As of 31 December 2022, following the capital increase subscribed by Eagle Football, the share capital of OL Groupe comprised 87,579,937 shares with a par value of €1.52, totalling €133,121,099.

As previously reported, as of 30 June 2022, OL Groupe's share capital was comprised of 58,904,589 shares with a par value of €1.52, totalling €89,534,571.

(in € 000)	31/12/2022	30/06/2022
Number of shares	87,579,937	58,904,589
Par value in €	1.52	1.52
Share capital	133,122	89,535

	Number of shares	Par value in €	Share capital (in €000)	Share premiums
As of 30 June 2022	58,904,589	1.52	89,535	123,504
Changes	28,675,348		43,587	39,773
As of 31/12/22	87,579,937	1.52	133,121	163,277

The changes were composed of two capital increases: 8,682 shares to redeem OSRANes and 28,666,666 shares subscribed by Eagle Football.

These transactions increased capital by €43.6 million and the share premium account by €39.8 million, net of costs.

Each share confers one vote. Nevertheless, double voting rights are granted to fully paid-up shares that have been registered with the Company for at least two years in the name of the same shareholder.

Shares held in treasury

The Group has put in place a policy to buy back its own shares in accordance with a mandate given to the Board of Directors by shareholders at the Annual Shareholders' Meeting. The main objective of the share buyback programme is to support the market

in Olympique Lyonnais Groupe shares as part of a liquidity contract. This contract includes OL Groupe shares, mutual fund investments and cash.

Shares held in treasury under this contract are deducted from equity at their acquisition cost.

Cash and other securities included in the liquidity contract are recognised under “Other financial assets”. Revenue and expenses related to the sale of treasury shares (e.g., gain or loss on sale, impairment, etc.) do not pass through the income statement. Their after-tax amounts are charged directly to equity.

OL Groupe SA reserves

Reserves broke down as follows:

(in € 000)	31/12/2022	30/06/2022
Legal reserves	2,907	2,772
Regulated reserves	37	37
Other reserves	130	130
Retained earnings	39,861	37,292
Total reserves	42,936	40,232
Other Group reserves	-325,616	-271,555
Total reserves	-282,680	-231,323

Other equity

“Other equity” is composed of the following items:

(in € 000)	31/12/2022	30/06/2022
OSRANes	137,610	137,620
TSDI (1)	10,500	10,500
Total other equity	148,110	148,120

(1) Following implementation of the LDLC Arena financing, perpetual subordinated bonds (TSDIs) were issued during the financial year. These TSDIs were issued for a total of €10.5 million. They bear interest at an annual rate of 7%. Interest is paid at the issuer's discretion. As the TSDIs have no maturity date and no mandatory cash outflow, they are classified as “other equity”.

The balance is presented here after the few repayments recognised in previous financial years and in H1 2022/23. Details of the equity financing are provided in the annual universal registration document.

OSRANE bonds

Equity financing for Groupama Stadium was carried out by Olympique Lyonnais Groupe on 27 August 2013, via the issuance of subordinated bonds redeemable in new or existing shares (OSRANes). The issue comprised 802,502 bonds with a total par value of €80,250,200 or €100 per bond, maturing on 1 July 2023. Holnest (formerly ICMI) and Pathé, the Company's principal shareholders, subscribed for 328,053 bonds and 421,782 bonds, respectively. Net proceeds from the bond issue totalled approximately €78.1 million after issuance costs and can be found in the “Other equity” line item in the consolidated balance sheet.

The bonds were originally scheduled to be fully amortised on 1 July 2023, when they will be redeemed in OL Groupe shares. Each bond, with a par value of €100, will be redeemed for 63.231 new or existing OL Groupe shares. Early redemption terms, at the request of the Company and/or of the bondholders, also exist.

Initial interest on the bonds is paid exclusively in the form of OL Groupe shares. The amount will vary depending on the redemption date, and will be equal to 2.81 OL Groupe shares per year, or a maximum of 28.103 shares if paid until maturity. Interest will be paid in full at the redemption date.

Proceeds of the OSRANE issue have been fully recognised in equity, as they will be redeemed (principal and interest) only through the issuance (or exceptionally through allocation) of a specific number of shares. This number will depend on the date on which subscribers request redemption, which they can do at any time while the OSRANes are outstanding.

Interest payments, to be made only in the form of shares (the number of which will depend on the redemption date, as detailed above) will have no impact on equity after issuance of the OSRANes. (This is because the interest payments will give rise to a higher number of shares, which will not affect consolidated equity.)

The bonds will amortise normally and fully on 1 July 2023 and will be redeemed in OL Groupe shares. Owing to the capital increase in 2015 and the change in the conversion ratio, each bond, with a par value of €100, will be redeemed for 63.231 new or existing OL Groupe shares. Early redemption terms, at the request of the Company and/or of the bondholders, also exist.

The bonds will be remunerated at maturity via the granting of 28.103 new or existing OL Groupe shares. Early remuneration terms, at the request of the Company and/or of the bondholders, also exist.

At the Combined Shareholders' Meeting of 15 December 2016, it was decided that 200,208 OSRANes (subordinated bonds redeemable in new or existing shares) would be issued with waiver of preferential subscription rights and reserved for IDG European Sports Investment Ltd.

The issue was divided into two tranches.

As part of the first tranche, on 23 December 2016 IDG European Sports Investment Ltd subscribed for 60,063 new reserved bonds totalling €18.3 million (including OID).

As part of the second and final tranche, on 27 February 2017 IDG European Sports Investment Ltd subscribed for 140,145 new reserved bonds totalling €42.79 million (including OID).

On 19 December 2022, Eagle Football, controlled by John Textor, acquired 789,824 OL Groupe OSRANes at a price of €265.57 per OSRANE from OL Groupe's main historical shareholders (Pathé, IDG Capital and Holnest).

As of 31 December 2022, there were 996,093 outstanding OSRANes, after accounting for redemptions in various financial years.

Notes on related parties

Details of the relationships between the Group, Eagle Football Holdings Bidco Limited (England and Wales), Holnest (10 rue des Archers – Lyon) and their subsidiaries and other related parties are as follows:

- OSRANes: as of 31 December 2022, Holnest held 163,569 bonds (327,138 as of 31 December 2021), with a value of €16.4 million; Eagle Football held 789,824 bonds, with a value of €78.9 million. These amounts are recognised in "Other equity".
- Recharges of management fees by Holnest: €800 thousand (€550 thousand in H1 2021/22).
- Re invoicing of fees to Eagle Football: €1,161 thousand as of 31 December 2022.
- Eagle Football shareholder loan: €21m.
- As part of the 30 June 2017 refinancing, Holnest subscribed to new bonds totalling to date €10.7 million (107 bonds).

Note 10.2: Earnings per share

In accordance with IAS 33, basic earnings per share are calculated by dividing net profit by the weighted average number of shares taking into account changes during the period and treasury shares held at the closing date of the financial year. Diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the parent by the weighted average number of shares outstanding, increased by all potentially dilutive ordinary shares (OSRANes). In the event of a loss, diluted earnings per share are equal to non-diluted earnings per share, in accordance with the standard.

	H1 2022/23	H1 2021/22
Number of shares at end of period	87,579,937	58,898,591
Average number of shares	63,690,842	58,719,540
Number of treasury shares held at end of period	321,824	408,620
Pro-rata number of shares to be issued (OSRANes)	85,377,948	85,392,776
Consolidated net profit		
Net profit attributable to equity holders of the parent (in €m)	-60.19	-27.14
Diluted net loss attributable to equity holders of the parent (in €m)	-60.19	-27.14
Net loss per share attributable to equity holders of the parent (in €)	-0.94	-0.46
Diluted net profit per share attributable to equity holders of the parent (in €)	-0.40	-0.19
Net dividend		
Total net dividend (in €m)		
Net dividend per share (in €)		

NOTE 11: RISK MANAGEMENT POLICIES

Note 11.1: Exchange-rate risks

The Group is not exposed to exchange rate risks to any significant extent in the course of its business.

Note 11.2: Liquidity risks

The Group has the resources to finance its operations: a €100 million syndicated revolving credit facility (RCF) granted to OL SASU, maturing on 30 June 2024.

Current financial assets were less than current liabilities as of 31 December 2022. The Group had unused capacity of €83 million as of 31 December 2022 under its line of credit, however, as indicated in Note 8.7. The Company has carried out a specific review of its liquidity risk and considers that it is able to meet its future repayment obligations over the next 12 months.

Note 11.3: Loan agreements

Syndicated operating credit line

1) Refinancing of virtually all of the bank and bond debt as of 30 June 2017

On 30 June 2017, the Group finalised the refinancing of virtually all of its bank and bond debt.

This refinancing was structured around three debt instruments granted to or issued by Olympique Lyonnais SASU:

a) a long-term bank credit agreement with an initial amount of €136 million, divided into two tranches: (i) a tranche A of €106 million, of which 50% is repaid in instalments and 50% at maturity after seven years; and (ii) a tranche B of €30 million to be repaid at maturity after seven years. As of 30 June 2022, the outstanding principal on this long-term bank loan was €95.2 million;

b) a €51 million bond issue, repayable at maturity after seven years.

c) a five-year revolving credit facility (RCF) of €73 million, available for short-term needs and renewed twice, thereby extending the maturity date to 30 June 2024.

In addition, the maximum drawdown under OL Groupe's RCF was raised at the end of July 2019 from €73 million to €100 million, until the final maturity of the refinancing agreement on 30 June 2024. This increase was unanimously approved by all bank lenders, who will cover the €27 million increase in their lending commitments in proportion to their initial share in the facility.

The three debt instruments granted to or issued by Olympique Lyonnais SASU as of 30 June 2017 are governed by three ratios applicable to the Group: (i) a gearing ratio (net debt to equity) calculated every six months with a ceiling of 1.30, declining to 1 starting on 31 December 2020, (ii) a loan to value ratio (net debt divided by the sum of the market value of player registrations

and the net book value of the Group's property, plant & equipment) calculated every six months with a ceiling of 40%, declining to 35% starting on 31 December 2020, and (iii) a debt service coverage ratio calculated every six months on a rolling 12-month period, with a threshold of 1 (with the proviso that if the ratio is less than 1, it will be considered as met if the cash on the Group's balance sheet, net of drawdowns under the RCF and of any credit amount in the reserve account, is greater than €20 million).

Because the Covid-19 pandemic changed (i) its debt profile (via two government-guaranteed "PGE" loans) and (ii) its level of equity, the Group received written confirmation before 31 December from its lenders that they had granted a covenant holiday as of the 31 December 2022 test date (waiving their right to enforce it and thus dropping the requirement for OL Groupe to comply with the ratios), so that the ratios as of that date would not trigger an event of default.

The lenders under these three debt instruments (the expiry date of the security interests is exactly the same as that of the June 2017 refinancing, i.e., 30 June 2024) benefit from a common set of security interests. Specifically, they hold a first lien on the stadium, the land on which it was built, the 1,600 underground parking spaces, the land corresponding to the 3,500 outdoor parking spaces and the areas leading to the stadium. In addition, the following assets have been pledged to the lenders: the shares OL Groupe holds in Olympique Lyonnais SASU, certain bank accounts of Olympique Lyonnais SASU and various accounts receivable held by Olympique Lyonnais SASU. OL Groupe also guarantees that its subsidiary Olympique Lyonnais SASU will adhere to the obligations under its financing arrangements.

The following security interests and guarantees have been granted to the lenders in return for an increase in the RCF commitment ceiling:

- €73 million to €100 million: a commitment to grant a second mortgage on the stadium (the mortgage is registered only if an event of default occurs);
- certain second-tier security interests (securities accounts, certain bank accounts and receivables of OL SASU; OL Groupe guarantee).

The agreements related to these financing arrangements include commitments on the part of Olympique Lyonnais SASU in the event of accelerated maturity that are customary for this type of financing. In particular, these include restrictions on the amount of additional debt, cross default clauses and stability in the shareholder structure of Olympique Lyonnais SASU and OL Groupe.

To reduce its exposure to interest-rate risk under the €136 million bank loan, Olympique Lyonnais SASU implemented a new €81 million hedging programme in the form of caps (guaranteed maximum rate) that will remain in force until 30 June 2023, thereby satisfying the coverage ratio in the loan documentation.

Based on the €136 million long-term bank financing and the €51 million bond issue, Olympique Lyonnais SASU has an average long-term financing rate, from the date of the refinancing, of around 4.35%. This rate is subject to change, depending on trends in benchmark rates (2.70% if the two government-guaranteed loans (PGEs) are taken into account).

2) Training centre and OL Academy

The estimated total construction cost of the new training centre and OL Academy was around €30 million.

Financing for these investments was covered by:

- A bank credit agreement signed by OL Groupe and OL Association on 12 June 2015 in the amount of €14 million and with a 10-year maturity with Groupama Banque (now Orange Bank). Outstandings under this facility totalled €4.2 million as of 31 December 2022.
- The loan agreement includes a covenant requiring that the ratio between the value of assets pledged as collateral and the outstandings under the loan, calculated annually, must be greater than or equal to 90%.
- Two finance leases, together totalling €3.6 million.
- An equity contribution of around €11.1 million.
- A subsidy of €1.3 million from the Rhône-Alpes Regional Council.

3) PGE loan

To help it contend with the business slowdown caused by the Covid-19 pandemic and to bolster its cash holdings, the Group arranged two government-guaranteed loans (PGEs) totalling €169 million via its Olympique Lyonnais SASU subsidiary: a €92.6 million loan on 23 July 2020 and then a €76.4 million loan on 18 December 2020.

Other than the government guarantee, no other security has been provided for these loans.

The two loan agreements include commitments by Olympique Lyonnais SASU and accelerated maturity scenarios that are customary for this type of financing and are in line with the documentation for the stadium loan.

Outstandings under this facility amounted to €169 million at 31 December 2022 (as the first two years benefit from a capital repayment exemption) and have an average annual interest rate of around 1.76%, subject to future changes in benchmark rates.

4) Financing for the LDLC Arena

On 2 May 2022, the Group finalised the financing of its flagship project to construct an events arena (the LDLC Arena). 100% backed by OL Groupe via its subsidiary, OL Vallée Arena, the investment totals €141 million and will be financed through a combination of:

1) Equity/near-equity of €51 million, broken down as follows:

- a) €10.5 million in perpetual subordinated bonds (“TSDIs”) issued by OL Groupe to several investors (including Holnest, Jean-Michel Aulas’s family office). These bonds have no maturity date, and interest is paid at the discretion of the issuer (subject to prior approval of the Board of Directors). The TSDIs, issued pursuant to Article L.228-97 of the French Commercial Code, are recognised as near-equity in the Group’s consolidated financial statements;
- b) €18.5 million in Recovery Bonds (“Obligations Relance” or “ORs”) issued by OL Groupe to certain recovery bond funds, with repayment at maturity in eight years. These bonds are part of the French government’s support programme for French companies, called “France Relance”. Socially-responsible investment funds that meet the criteria for the programme benefit from a government guarantee. The French government considers these bonds as near-equity (deeply subordinated debt), but the ORs are recognised in the consolidated financial statements as liabilities, because interest is paid periodically and the principal is to be repaid at maturity.
- c) €22 million in OL Groupe resources.

The €40.7 million in funds advanced indicated in paragraph 2) below derived from this package of €51 million.

2) Property lease agreement totalling €90 million net (the gross amount of €130.7 million is made up of €40.7 million in funds advanced by OL Vallée Arena and €90 million from the bank lenders). This 15-year, amortising agreement, with a residual value of 20%, was signed by OL Vallée Arena, a 100% subsidiary of OL Groupe, with a group of five top-tier banks.

The average annual interest rate on this total financing arrangement of €141 million will be around 3.2%, subject to future changes in benchmark rates.

To reduce its exposure to interest-rate risk under the €90 million lease, the OL Vallée Arena implemented a hedging programme in late-June/early-July 2022. It covers 60% of the outstanding principal and has a term of six years from the projected opening date of the Arena, in accordance with the leasing contract’s coverage covenant. In addition, the company has also hedged the interest-rate risk on a principal amount of €30 million for the duration of the construction phase.

The Recovery Bonds (“Obligations Relance”) agreement is governed by a debt ratio applicable to the Group (ratio of consolidated gross debt to consolidated equity) that is calculated every six months with a ceiling of 5. The Group has also committed to placing €4.25 million in escrow between now and 31 March 2023 for the benefit of the holders of the Recovery Bonds (to remain in effect until 30 June 2026, subject to certain conditions).

Under the property lease agreement, a common set of security interests and guarantees were granted to the lenders, including a pledge of the property lease agreement, a pledge of the €40.7 million funds advanced, a pledge of OLVA’s shares for the duration of the agreement for an amount limited to 10% of the cumulative amount of the net lease payments (excl. VAT) and a €14.1 million guarantee from OL Groupe, to remain in effect for the entire duration of the property lease agreement.

In addition, the TSDIs, Recovery Bonds and property lease agreement include commitments on the part of OL Groupe and OL Vallée Arena in the event of accelerated maturity that are customary for this type of financing.

Note 11.4: Market risk

Interest-rate risk

The Group has riskless, very low-volatility, interest-bearing funding sources, and it invests its available cash in investments that earn interest at variable short-term rates. In this context, the Group is subject to changes in variable rates and examines this risk regularly.

Hedging programme related to the Groupama Stadium and the LDLC Arena

After that date, a new €81 million hedging programme was put in place in the form of caps (maximum rate guarantee) that will remain in force until 30 June 2023, thereby satisfying the coverage ratio in the loan documentation.

To reduce its exposure to interest-rate risk under the €90 million Arena lease, OL Vallée implemented a hedging programme in late-June / early-July 2022. It covers 60% of the outstanding principal and has a term of six years from the projected opening date of the Arena, in accordance with the leasing contract's coverage covenant. In addition, the company has also hedged the interest-rate risk on a principal amount of €30 million for the duration of the construction phase.

With tests having proven the effectiveness of this instrument, the mark-to-market value of €1,813 thousand, net of tax, was recognised in other comprehensive income in the Group's H1 2022/23 financial statements.

Note 11.5: Risks related to Groupama Stadium

Management of risks related to the financing of Groupama Stadium

The three debt instruments granted to or issued by Olympique Lyonnais SASU under the 30 June 2017 refinancing are governed by three types of ratios, as detailed in Note 11.3. Failure to adhere to one of these ratios could trigger accelerated maturity of the related loans, which might significantly affect the Group's medium-term outlook.

Because the Covid-19 pandemic changed (i) its debt profile (via two government-guaranteed "PGE" loans) and (ii) its level of equity, the Group received written confirmation before 31 December from its lenders that they had granted a covenant holiday as of the 31 December 2022 test date (waiving their right to enforce it and thus dropping the requirement for OL Groupe to comply with the ratios), so that the ratios as of that date would not trigger an event of default.

Outstandings under the €14 million, 10-year loan destined to partially cover investments relating to the new training centre and OL Academy, signed by OL Groupe and OL Association on 12 June 2015 with Groupama Banque (now Orange Bank) totalled €4.2 million as of 31 December 2022.

The loan agreement contains a covenant requiring that the ratio between the value of assets pledged as collateral and the outstandings under the loan, calculated annually, must be greater than or equal to 90%.

Failure to adhere to this ratio could trigger accelerated maturity of the loan, which might also significantly affect the Group's medium-term outlook.

NOTE 12: EVENTS SUBSEQUENT TO CLOSING

Sale of player registrations

Malo Gusto was transferred to Chelsea for €35 million, including €5 million in incentives, but will remain on loan to OL until 30 June 2023.

Acquisitions of player registrations

Dejan Lovren was acquired from Russian club Zenith Saint Petersburg for €2 million.

Amin Saar was acquired from Dutch club Heerenveen for €11 million plus potential incentives of up to €1 million and a sell-on fee of 10% of the capital gain on any future transfer.

Jeffinho was acquired from Brazilian club Botafogo for €10 million plus up to €2.5 million in incentives.

Player loans

Karl Toko Ekambi was loaned to Rennes for €1.5 million, with no purchase option, plus potential incentives of up to €1 million depending on Rennes's performance in Ligue 1 and on the number of matches in which the player appears.

Romain Faivre was loaned to Lorient until 30 June 2023 for €1 million, with no purchase option.

Camilo Reijers de Oliveira was loaned to Molenbeek with no purchase option.

Jeff Reine-Adélaïde was loaned to Troyes with no purchase option.

Julian Pollersbeck was loaned to Lorient with no purchase option.

Damien Da Silva was loaned to Melbourne Victory.

Olympique Lyonnais terminated the loan of Mateus Tetê, who has signed with Leicester.

STATEMENT OF RESPONSIBILITY FOR THE FIRST-HALF FINANCIAL REPORT

I hereby certify, that to the best of my knowledge, the condensed consolidated financial statements for the half-year period under review have been prepared in accordance with applicable accounting standards and present a true and fair view of the assets, financial position and results of the Company and of its consolidated group of companies and that the corresponding management report presents a true and fair picture of the significant events that occurred during the first six months of the financial year, their impact on the first-half financial statements, the principal transactions between related parties, as well as a description of the principal risks and uncertainties for the remaining six months of the year.

Décines, 15 February 2023

Jean-Michel Aulas

Chairman and Chief Executive Officer

REPORT OF THE STATUTORY AUDITORS ON THE FINANCIAL INFORMATION FOR THE HALF-YEAR PERIOD

From 1 July to 31 December 2022

To the shareholders,

In compliance with the assignment you entrusted to us at your Annual Shareholders Meeting, and pursuant to Article L.451-1-2 III of the French Monetary and Financial Code, we have:

- -conducted a limited examination of the condensed consolidated financial statements of Olympique Lyonnais Groupe, covering the period from 1 July to 31 December 2022, as attached to this report;
- verified the information disclosed in the management report for the first half of the year.

Preparation of these condensed consolidated first-half financial statements is the responsibility of the Board of Directors. Our responsibility is to express a conclusion about these financial statements based on our limited review.

I - Conclusion about the financial statements

We conducted our limited review in accordance with French professional standards.

A limited review of interim financial statements consists in obtaining information from the senior managers responsible for accounting and financial matters and analysing it. A review of this type is less extensive than that required for an audit performed in accordance with French professional standards. As a result, a limited review can provide only a moderate level of assurance that the financial statements taken together do not include any significant anomalies, less than that which would be obtained from an audit.

Based on our limited review, nothing has come to our attention that would cause us to question the compliance of the condensed consolidated first-half financial statements with IAS 34, the IFRS regarding interim financial reporting, as adopted by the European Union.

Specific verification

We have also examined the information contained in the management report on the condensed consolidated first-half financial statements that were the subject to our limited review.

We have no observations to make as to the fairness of this information or its consistency with the condensed consolidated first-half financial statements.

The Statutory Auditors

Mazars

Lyon, 15 February 2023

Emmanuel Charnavel

Partner

Arnaud Fleche

Partner

Cogeparc

Lyon, 15 February 2023

Anne Brion Turck

Partner



investisseur.olympiquelyonnais.com
investisseurs@ol.fr

GROUPE STADIUM
10 avenue Simone Veil CS 70712 – 69153 Décines cedex France
Tél : 04 81 07 55 00 – 421 577 495 RCS LYON