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May 13, 2024

Navigating Soccer's Financial Field



Pictured: Euro 2024 Ball – UEFA European Cup (AKA "Euro") Commences June 2024 in Germany

Insights & Investment Opportunities

Companies	Ticker		Price		Exchange
Borussia Dortmund	(BVB	-	€ 4.05	-	Frankfurt)
Juventus FC SpA	(JUVE	-	1.96	-	Milan)
Manchester United PLC	(MANU	-	$16.04	-	NYSE)

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I. GLOBAL SOCCER INDUSTRY OVERVIEW

Soccer is the most popular sport in the world, with an estimated 4 billion fans globally. Overall, the soccer market is dynamic and highly competitive, driven by passionate fan bases and lucrative commercial opportunities. In this report, we will explore key aspects of the soccer industry, specifically focusing on Europe's renowned "Big 5" leagues, offering insights into their unparalleled influence and economic significance. Additionally, it's crucial for the scope of this report to define the Union of European Football Associations (UEFA), one of the six continental bodies under the FIFA umbrella that govern global soccer. UEFA acts as the governing body for the "Big 5" Leagues and comprises fifty-five national association members, including seven outside of Europe, such as Turkey and Israel. Alongside UEFA, these six global confederations host other major soccer leagues worldwide including Major League Soccer (CONCACAF), Saudi Pro League (AFC), Argentine Primera Division (CONMEBOL), Campeonato Brasileiro Serie A (CONMEBOL), Chinese Super League (AFC), and Liga MX (CONCACAF). There have been notable advancements in leagues beyond Europe's renowned Big 5, exemplified by the North American MLS. Since the arrival of Lionel Messi, widely regarded as one of the greatest players in history, there has been a surge in interest and a substantial increase in club valuations. In forthcoming reports, we will delve deeper into the dynamics of leagues and clubs outside Europe.

Table 1 **Top 25 Global Soccer Leagues by 2022E Revenue (€ millions)**

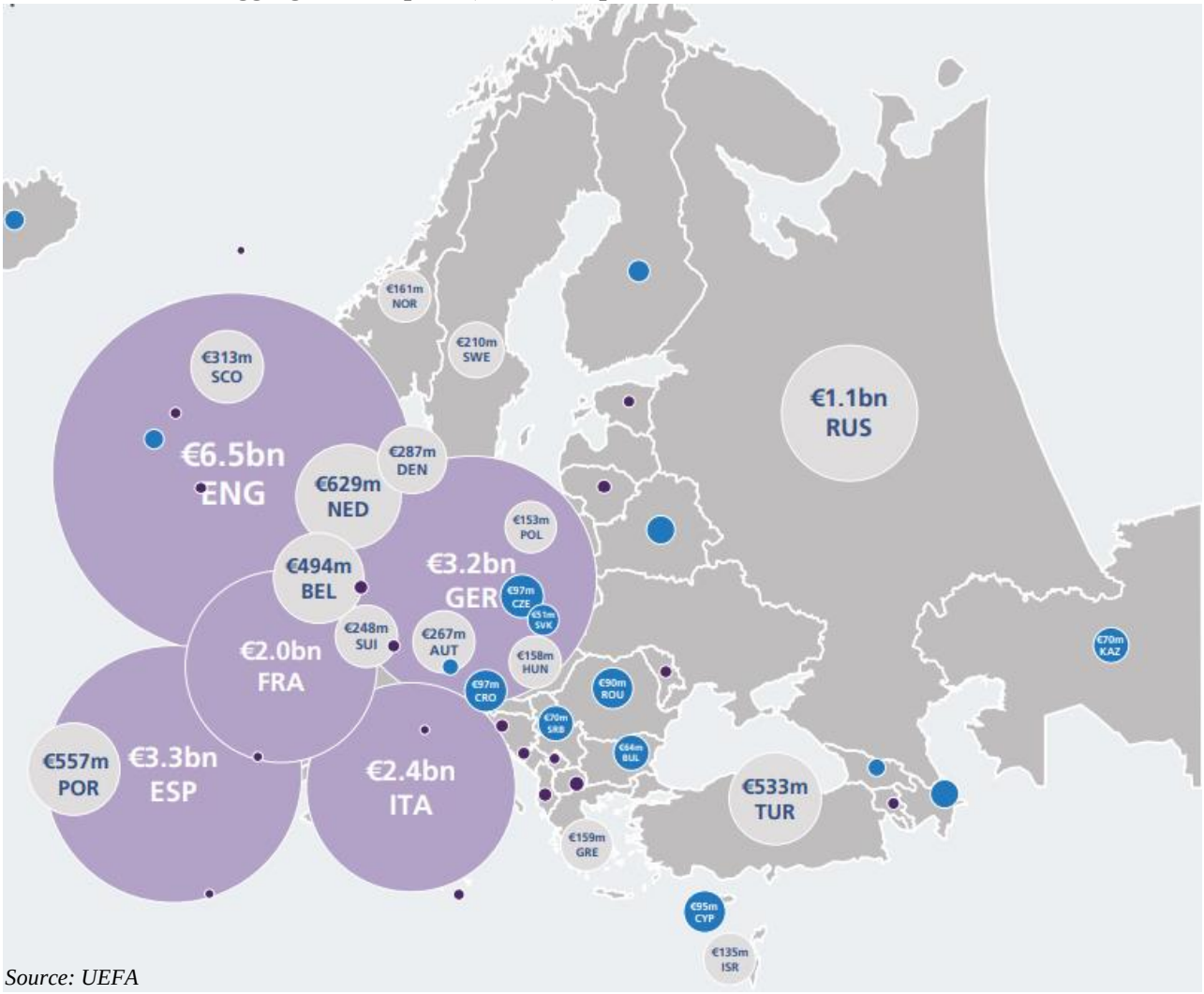
Rank	League	Country	League Revenue	Contitental Confederation
1	Premier League	England	€ 6,453	UEFA
2	La Liga	Spain	3,300	" "
3	Bundesliga	Germany	3,200	" "
4	Serie A	Italy	2,420	" "
5	Ligue 1	France	2,000	" "
6	Major League Soccer	USA/Canada	1,550	CONCACAF
7	Campeonato Brasileiro Série A	Brazil	1,120	CONMEBOL
8	Russian Premier League	Russia	1,050	UEFA
9	2. Bundesliga	Germany	868	" "
10	Football League Championship	England	800	AFC
11	J1 League	Japan	670	UEFA
12	Everdise	Netherlands	629	" "
13	Primeira Liga	Portugal	557	" "
14	Liga MX	Mexico	555	CONCACAF
15	Süper Lig	Turkey	533	UEFA
16	Pro League	Belgium	494	" "
17	Primera División	Argentina	490	CONMEBOL
18	Liga de Segunda División	Spain	395	UEFA
19	Serie B	Italy	355	" "
20	Ligue 2	France	318	" "
21	Scottish Premiership	Scotland	313	" "
22	Danish Superliga	Denmark	287	" "
23	K League 1	South Korea	285	AFC
24	Football Bundesliga	Austria	267	UEFA
25	J2 League	Japan	266	AFC

Source: League Annual Reports, Deloitte & Gabelli Funds

II. EUROPE'S "BIG 5" LEAGUES & CLUBS

Soccer leagues around the world vary in terms of popularity and financial strength. Leagues such as the English Premier League, La Liga in Spain, Bundesliga in Germany, Serie A in Italy, and Ligue 1 in France are the most prominent and lucrative leagues globally (known as the "Big 5"). The "Big 5" leagues house clubs like Manchester United, Manchester City, Liverpool, Real Madrid, Barcelona, Bayern Munich, Inter Milan and Juventus which are some of the most valuable and recognizable brands in the sport. Moreover, they attract the world's top talent, consistently reflected in the FIFA FIFPRO Men's World Starting 11 awards, where players from these leagues dominate. Since the award's inception in 2005, no player outside of a major European league has been selected, with only two exceptions, both of which transferred to a team in the "Big 5" Leagues mid-season.

Exhibit 1 **Aggregate European (UEFA) Top-Division Club Revenue in 2022**



Source: UEFA

Table 2 **Europe's "Big 5" 2022 Revenue Breakdown**

Metric (€,m)	Premier League	LaLiga	BUNDESLIGA	SERIE A	LIGUE 1
Domestic TV Revenue	€ 3,029	€ 1,461	€ 1,048	€ 1,022	€ 500
Other Revenues	2,030	1,187	1,603	849	909
Gate Receipts	894	432	301	218	355
UEFA Revenue	500	470	376	257	231
Total League Revenue	**€ 6,453**	**€ 3,550**	**€ 3,328**	**€ 2,346**	**€ 1,995**

Source: UEFA & Gabelli Funds

English Premier League: The Premier League is the highest level of the English football league system. Contested by 20 clubs, it operates on a system of promotion and relegation with the English Football League. It is the most financially lucrative soccer league in the world, with the highest total revenue, ticket sales, domestic TV rights and squad costs. The most recognizable clubs are Arsenal, Chelsea, Liverpool, Manchester United, Manchester City and Tottenham. England is also home to six out of the top ten most valuable soccer teams in the world (according to Forbes). Manchester United (MANU: NYSE) is the sole publicly traded club in the league.

Table 3 **2023/2024 English Premier League Clubs**

Club	Location	Stadium	Capacity	Shirt Sponsor
Arsenal	London	Emirates Stadium	60,704	Emirates
Aston Villa	Birmingham	Villa Park	42,682	BK8
Bournemouth	Bournemouth	Dean Court	11,329	Dafabet
Brentford	London	Brentford Community Stadium	17,250	Hollywoodbets
Brighton & Hove Albion	Brighton	Falmer Stadium	31,800	American Express
Burnley	Burnley	Turf Moor	21,994	W88
Chelsea	London	Stamford Bridge	40,853	Infinite Athlete
Crystal Palace	London	Selhurst Park	26,047	Cinch
Everton	Liverpool	Goodison Park	39,571	Stake.com
Fulham	London	Craven Cottage	25,700	SBOTOP
Liverpool	Liverpool	Anfield	39,571	Standard Charter
Luton Town	Luton	Kenilworth Road	11,850	Utilita
Manchester City	Manchester	City of Manchester Stadium	55,017	Eithad Airways
Manchester United	Manchester	Old Trafford	74,879	TeamViewer
Newcastle United	Newcastle upon Tyne	St James' Park	52,338	Sela
Nottingham Forest	West Bridgford	City Ground	30,445	Kaiyun Sports
Sheffield United	Sheffield	Bramall Lane	32,702	CFI Financial
Tottenham Hotspur	London	Tottenham Hotspur Stadium	62,850	AIA
West Ham United	London	London Stadium	62,500	Betway
Wolverhampton Wanderers	Wolverhampton	Molineux Stadium	32,050	AstroPay

Source: Public Data, Gabelli Funds

Exhibit 2 **Most Valuable English Premier League Teams**



Source: Public Data, Gabelli Funds, Forbes

Spanish La Liga: La Liga is the top professional division of the Spanish Football League system. The league is ranked second in terms of total revenue, ticket sales, domestic TV revenue but boasts Europe's largest soccer stadiums. La Liga houses two of the top three most valuable teams in the world, Real Madrid (1st) and FC Barcelona (3rd). Additionally, Real Madrid is the most successful soccer team on the European stage with 14 total champions league titles, far eclipsing the second-place team AC Milan which has 7 titles. There are no publicly traded clubs in La Liga. However, clubs like FC Barcelona and Real Madrid are owned by club members who elect a president to run the operations of the club.

Table 4 **2023/2024 Spanish La Liga Clubs**

Club	Location	Stadium	Capacity	Shirt Sponsor
Alavés	Vitoria-Gasteiz	Mendizorroza	19,840	LEA
Almería	Almería	Power Horse Stadium	18,331	Khaled Juffali
Athletic Bilbao	Bilbao	San Mamés	53,289	Kutxabank
Atlético Madrid	Madrid	Cívitas Metropolitano	70,460	Riyadh Air
Barcelona	Barcelona	Estadi Olímpic Lluís Companys	49,472	Spotify
Cádiz	Cádiz	Nuevo Mirandilla	21,094	Digi
Celta Vigo	Vigo	ABANCA Balaídos	24,870	Estrella Galacia
Getafe	Getafe	Coliseum	16,800	Tecnocasa
Girona	Girona	Montilivi	14,624	Gosbi
Granada	Granada	Nuevo Los Cármenes	19,336	Wiber
Las Palmas	Las Palmas	Gran Canaria	32,400	Gran Canaria
Mallorca	Palma	Mallorca Son Moix	26,020	aGEL
Osasuna	Pamplona	El Sadar	23,576	Kosner
Rayo Vallecano	Madrid	El Campo de Fútbol de Vallecas	15,105	Digi
Real Betis	Seville	Benito Villamarín	60,721	Finetwork
Real Madrid	Madrid	Santiago Bernabéu	81,044	Emirates
Real Sociedad	San Sebastián	Reale Arena	39,313	Yasuda Group
Sevilla	Seville	Ramón Sánchez-Pizjuán	43,883	None
Valencia	Valencia	Mestalla	49,430	TM Real Estate
Villarreal	Villarreal	Estadio de la Cerámica	23,500	Pamesa Ceramica

Source: Public Data, Gabelli Funds

Exhibit 3 **Most Valuable Spanish La Liga Clubs**



Source: Public Data, Gabelli Funds, Forbes

***German Bundesliga*:** The Bundesliga is Germany's primary football competition. The Bundesliga has 18 teams and operates on a system of promotion/relegation with the 2. Bundesliga. The league is ranked third in terms of total domestic TV and UEFA revenue. It is dominated by Bayern Munich, which has won 32 of 62 domestic German titles. The sole publicly traded Bundesliga team is Borussia Dortmund (BVB: XE). The Bundesliga is known for having the "50+1" rule, which in short means that the members of the club must hold 50% + 1 extra vote to have the majority vote. The fans own the majority of the club and have the ultimate say on how the club is run, eliminating the chance of an outside investor takeover.

Table 5 **2023/2024 German Bundesliga Clubs**

Club	Location	Stadium	Capacity	Shirt Sponsor
FC Augsburg	Augsburg	WWK Arena	30,660	WWK Versicherung
Union Berlin	Berlin	Stadion An der Alten Försterei	22,012	Paramount+
VfL Bochum	Bochum	Vonovia Ruhrstadion	27,599	Vonovia
Werder Bremen	Bremen	Wohninvest Weserstadion	42,100	Matthäi
Darmstadt 98	Darmstadt	Merck-Stadion am Böllenfalltor	17,650	HAIX
Borussia Dortmund	Dortmund	Signal Iduna Park	81,365	1&1/Evonik
Eintracht Frankfurt	Frankfurt	Deutsche Bank Park	58,000	Indeed.com
SC Freiburg	Freiburg im Breisgau	Europa-Park Stadion	34,700	JobRad
1. FC Heidenheim	Heidenheim	Voith-Arena	15,000	MHP
TSG Hoffenheim	Sinsheim	PreZero Arena	30,150	SAP
1. FC Köln	Cologne	RheinEnergieStadion	49,698	REWE
RB Leipzig	Leipzig	Red Bull Arena	47,069	Red Bull
Bayer Leverkusen	Leverkusen	BayArena	30,210	Barmenia Versicherungen
Mainz 05	Mainz	Mewa Arena	33,305	Kömmerling
Borussia Mönchengladbach	Mönchengladbach	Borussia-Park	54,057	Flatex
Bayern Munich	Munich	Allianz Arena	75,024	Deutsche Telecom
VfB Stuttgart	Stuttgart	MHPArena	60,449	Winamax
VfL Wolfsburg	Wolfsburg	Volkswagen Arena	28,917	Volkswagen

Source: Public Data, Gabelli Funds

Exhibit 4 **Most Valuable German Bundesliga Clubs**



Source: Public Data, Gabelli Funds, Forbes

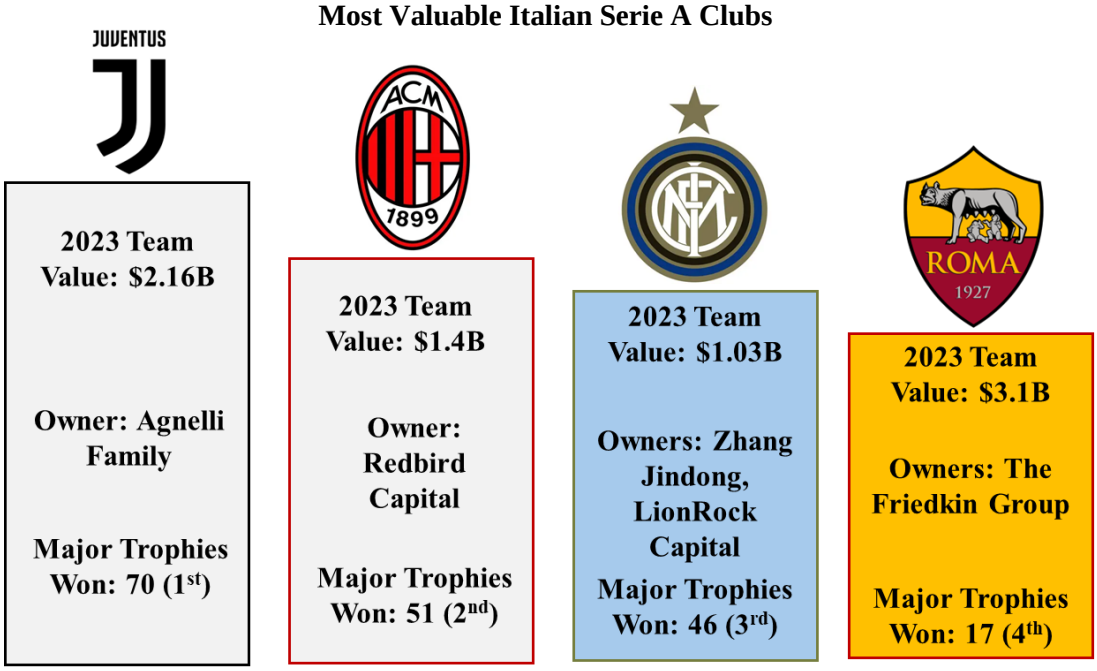
Italian Serie A: Serie A is the top league in the Italian League Football system. The League has 20 teams and as with all other major leagues operates on a system of promotion/relegation with Serie B. Serie A is ranked fourth in terms of overall revenue and domestic TV revenue. Serie A also has the second highest total squad costs and has the third largest stadium in San Siro (Milan). Serie A houses some of Europe's most successful and recognizable clubs with AC Milan (2nd in Champions League Wins), Inter Milan (7th) and Juventus (10th). Italy's most storied club, Juventus (36 league titles) is publicly traded under the ticker (JUVE: MI), although it remains majority owned by the Agnelli Family. The Roman club, S.S. Lazio is also publicly traded (SSL: MI).

Table 6 **2023/2024 Italian Serie A Clubs**

Club	Location	Stadium	Capacity	Shirt Sponsor
Atalanta	Bergamo	Gewiss Stadium	15,222	Radici Group
Bologna	Bologna	Stadio Renato Dall'Ara	36,532	Saputo Inc.
Cagliari	Cagliari	Stadio Unipol Domus	16,412	Sardegna Artigianto
Empoli	Empoli	Stadio Carlo Castellani - Computer Gross Arena	16,167	Saint-Gobain
Fiorentina	Florence	Stadio Artemio Franchi	43,118	Mediacom
Frosinone	Frosinone	Stadio Benito Stirpe	16,227	MeglioBanca
Genoa	Genoa	Stadio Luigi Ferraris	33,205	MSC Cruises
Hellas Verona	Verona	Stadio Marcantonio Bentegodi	31,713	Conforama
Inter Milan	Milan	Stadio Giuseppe Meazza	75,923	Paramount+
Juventus	Turin	Allianz Stadium Juventus	41,507	Jeep
Lazio	Rome	Stadio Olimpico	73,261	Clinica Paideia
Lecce	Lecce	Stadio Comunale Ettore Giardiniero - Via del mare	30,354	BetItaly Pay
AC Milan	Milan	San Siro Stadium	75,923	Emirates
Monza	Monza	U-Power Stadium	15,039	Motorola, U-Power
Napoli	Naples	Stadio Diego Armando Maradona	54,726	MSC Cruises
Roma	Rome	Stadio Olimpico	73,261	Riyadh Season
Salernitana	Salerno	Stadio Arechi	29,739	Civitus
Sassuolo	Sassuolo	Mapei Stadium – Città del Tricolore	21,515	Mapei
Torino	Turin	Stadio Olimpico Grande Torino	28,177	Suzuki, Fratelli Beretta
Udinese	Udine	Bluenergy Stadium	25,132	Prestipay

Source: Public Data, Gabelli Funds

Exhibit 5 **Most Valuable Italian Serie A Clubs**



Source: Public Data, Gabelli Funds, Forbes

French Ligue 1: Ligue 1 is the top level of soccer in France. Home to 18 teams, it also operates a promotion/demotion structure with Ligue 2. Ligue 1 ranks fifth in total and domestic TV revenue and third in total ticket sales. The league is currently dominated by Paris Saint-Germain, which was purchased by Qatar Sports Investments in 2011. The league's 4th most successful team Lyon is publicly traded under (OLG: FR).

Table 7 **2023/2024 French Ligue 1 Clubs**

Club	Location	Stadium	Capacity	Shirt Sponsor
Brest	Brest	Stade Francis-Le Blé	15,931	Breizh Cola
Clermont	Clermont-Ferrand	Stade Gabriel Montpied	11,980	Credit Mutuel
Le Havre	Le Havre	Stade Océane	25,178	Winamax
Lens	Lens	Stade Bollaert-Delelis	38,223	Auchan
Lille	Lille	Decathlon Arena Pierre Mauroy Stadium	50,186	RIKA
Lorient	Lorient	Stade du Moustoir	18,890	Breizh Cola
Lyon	Lyon	Groupama Stadium	59,186	Emirates
Marseille	Marseille	Orange Vélodrome	67,394	CFA CGM
Metz	Longeville-lès-Metz	Stade Saint-Symphorien	28,786	Car Avenue
Monaco	Monaco Monaco	Stade Louis II	17,000	Visit Monaco
Montpellier	Montpellier	Stade de la Mosson	32,900	Montpellier Métropole
Nantes	Nantes	Stade de la Beaujoire	37,463	Synergie
Nice	Nice	Allianz Riviera	36,178	Ineos
Paris Saint-Germain	Paris	Parc des Princes	49,691	Qatar Airways
Reims	Reims	Stade Auguste Delaune	21,684	Credit Agricole
Rennes	Rennes	Roazhon Park	29,778	Samsic
Strasbourg	Strasbourg	Stade de la Meinau	29,230	Winamax
Toulouse	Toulouse	Stadium Municipal	33,150	LP Promotion Group

Source: Public Data, Gabelli Funds

Exhibit 6 **Most Valuable French Ligue 1 Clubs**



Source: Public Data, Gabelli Funds, Forbes

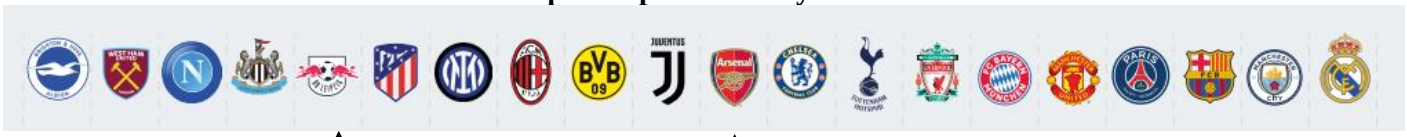
III. How Teams Like Manchester United Make Money

Soccer teams typically generate revenue through a diverse range of avenues, primarily revolving around: 1) broadcasting rights, 2) commercial activities such as sponsorships and merchandise sales, 3) gate revenues, 4) participation in club tournaments and competitions, and 5) player transfers. However, unlike many other sports (mainly the major US professional leagues), the foremost and most renowned clubs have the capacity to amass substantially greater revenues compared to their smaller counterparts, thanks to potent flywheel effects. This dynamic fosters enduring competitive advantages, exerting influence both on and off the field. Furthermore, as previously highlighted, all major European soccer leagues operate under a promotion and relegation system. When teams are demoted from the top-flight to the second-division league, they forfeit substantial earnings from broadcast rights and heightened commercial revenues. This exacerbates the gap between perennial top clubs, which rarely face relegation, and the smaller clubs.

To underscore the commanding presence of Big 5 league teams and their standing as top revenue generators, it is important to note that in 2023, the top-20 clubs by revenue experienced a remarkable 15.7% year-over-year average revenue growth, surpassing the average of 11.7% of all other early-reporting clubs. Noteworthy increases in revenue for 2023 were observed at FC Barcelona (+€176m), Paris Saint Germain (+€137m), AC Milan (+€126m), and SSC Napoli (+€120m). Among the top 20 revenue-generating clubs, nine hailed from England, four from Italy, three from Spain, three from Germany, and one from France, underscoring the exclusivity of the Big 5 leagues.

Furthermore, within this elite cohort, clubs can be categorized into three distinct segments, each defined by a significant +20% revenue leap from one ranking to the next. For instance, the 17th-ranked Newcastle FC recorded €288m in revenue for 2023, while Red Bull Leipzig, securing the 16th spot, boasted €354m (+23% more than Newcastle). A similar pattern emerges between Juventus, ranked 11th with €437m in revenue, and Arsenal in 10th place with €535m (+22% over Juventus). This delineation emphasizes how even clubs within the top 20 are stratified by revenue, showcasing the formidable advantage enjoyed by brands with rich histories and sustained on-field success. The staggering revenue disparity between leaders like Real Madrid, with €841m, and 20th-placed Brighton, with €264m, illustrates the daunting challenge smaller clubs (or even "new-money" clubs) face in closing the financial gap.

Exhibit 7 **Europe's Top 20 Clubs by 2023 Revenue**



England's Brighton & Hove saw €264M in revenue in 2023

Germany's RB Leipzig saw revenue of €354M in 2023 (23% higher than 17th place Newcastle's)

England's Arsenal saw €535M in revenue in 2023 (22% higher than 11th Place Juventus')

Spain's Real Madrid hit €841M in revenue in 2023, topping the list and slightly beating out Man City

Source: Public Data, Gabelli Funds

1) Broadcasting Rights/Revenue: Broadcasting rights are a significant revenue source for soccer leagues and clubs. Television networks, streaming platforms, and online broadcasters bid hefty sums for the rights to broadcast matches. The emergence of digital platforms has reshaped how soccer content is consumed, with platforms like Amazon and DAZN entering the market alongside traditional broadcasters. According to UEFA's 2023 financial report, on aggregate, Europe's 700+ top-division clubs reported €8.0bn of TV revenue from domestic football in 2022 – down 4% on 2019 (the last year before the pandemic) and down 0.5% on the average for the 2020 and 2021 seasons (with an average being used because some TV revenue was pushed from 2020 into 2021). Additionally, strong growth has been seen by early-reporting clubs for 2023, with 6% growth YoY in TV revenues. While it is important to note that early-reporting clubs are usually ones that performed well that season, UEFA expects a record level of TV revenue for 2023. It is important to note that growth has not been enjoyed by all leagues. For example, in 2022 there were six countries where on average clubs received more than double the TV revenue that they received in 2013 (England, Spain, Germany, Russia, Portugal and Switzerland). On the other side of the coin, in 2022 France and Turkey saw the average club receive less TV revenue than they did in 2013. England's 20 clubs reported just over €3.0bn of TV revenue in 2022, with both median and average TV revenue standing at around €150m. 18 of the top 20 clubs by TV revenue are English throughout Europe. The only two clubs ranking in the top 20 outside the English Premier League in terms of TV revenue were Real Madrid (10th) and FC Barcelona (15th).

Exhibit 8 **Big 5 League's Broadcast Deals**

Domestic Broadcasting Deals - Europe's Top 5 Leagues			
League	**Country**	**Value per Season (€,m)**	**Term Duration**
Premier League	England	€ 1,844	2022-2025
La Liga	Spain	1,194	2022-2027
Bundesliga	Germany	1,079	2021-2025
Serie A	Italy	900	2024-2029
Ligue 1	France	580	2021-2024

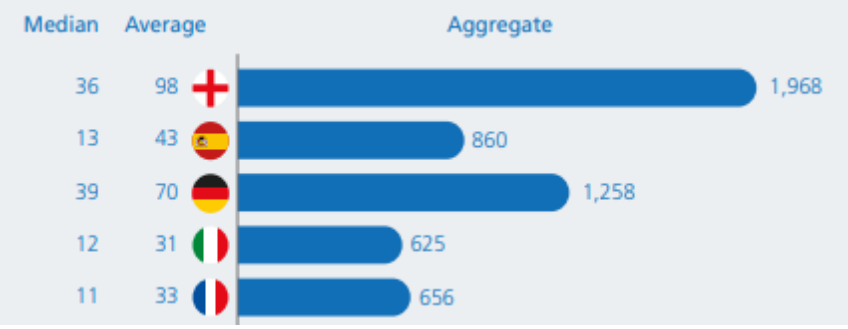
International Broadcasting Deals - Europe's Top 5 Leagues			
League	**Country**	**Value per Season (€,m)**	**Term Duration**
Premier League	England	€ 2,100	2022-2025
La Liga	Spain	1,044	2022-2027
Serie A	Italy	205	2021-2024
Bundesliga	Germany	171	2021-2025
Ligue 1	France	80	2019-2024

Source: UEFA, League Press Releases

- ***New Broadcasting Deal Notes (2024/2025 Season and Beyond):***
  - ***Italy Serie A:*** A new 5-year deal from the 2024/25 season was agreed with the two incumbent broadcasters (Sky Sports and DAZN) for a total of €4.5B The deal represents a 3% decrease in the guaranteed amount but a revenue share that could potentially lead to an increase. Serie A also adopted a market-by-market approach to selling international rights, so deals are currently under discussion.
  - ***French Ligue 1:*** New broadcasting terms are still to be determined. The league launched procurement processes in Q4 2023, but have not received sufficient interest for domestic rights. The current long-standing broadcaster Canal+ reportedly has expressed disinterest. Reports continue to circle that DAZN is in pole position to secure the domestic broadcasting rights for the 2024-2029 cycle.
  - ***English Premier League:*** The league has secured its domestic rights deal for a four-year cycle starting in the 2025/2026 season. The league went with traditional broadcasters and removed the streaming option that was previously in place for the current cycle. The reported value of the deal is 6% per year higher than the current deal (€1.95B per year) and will last a year longer than previous cycles.
  - ***German Bundesliga:*** Sale of domestic rights for 2025/2026 cycle has stalled due to ongoing discussions regarding ownership of DFL media rights. International rights discussions are ongoing on a market-by-market basis.

2) Commercial Revenue – Merchandise & Sponsorships: Licensed merchandise, encompassing jerseys, apparel, and accessories, stands as a vital revenue stream for clubs. The demand for official merchandise is propelled by an expensive global fan bases, with sales surging notably during major tournaments and events. Moreover, soccer clubs frequently secure sponsorship agreements with a diverse range of corporations, spanning sportswear manufacturers to financial institutions and airlines. These partnerships not only bolster clubs' revenue streams but also enable sponsors to tap into a worldwide audience. According to UEFA, the top-division European clubs collectively amassed a record €7.8 billion in commercial revenues in 2022, marking a 14% year-over-year increase. Within this category, sponsorship revenues saw an 8% uptick, while other commercial revenues surged by 27%, propelled by the relaxation of stadium use restrictions and enhanced merchandising revenue compared to the COVID pandemic. Early reports for 2023 indicate a continued rapid growth trajectory in commercial revenue, with a 14% year-over-year increase among early-reporting clubs, totaling €5.4 billion in 2023 compared to €4.7 billion in 2022. Notably, commercial revenue for top-flight European clubs now stands 30% higher than pre-pandemic levels witnessed in 2019. Additionally, it's worth highlighting that while English Premier League clubs led the aggregate commercial revenue list in 2022 with €1.97 billion (Exhibit 9), German clubs topped the list in terms of median commercial revenue generated per club, standing at €39 million per club compared to €36 million per club in England.

Exhibit 9 **Aggregate Commercial Revenue by Top 5 Leagues in 2022 (€m)**



Source: UEFA

Top 20 European Clubs by Commercial Revenue: In 2023, sponsorship and commercial revenue for the top 20 clubs surged by 16% year-over-year, once again surpassing the collective growth rate of the cohort. Notably, only three clubs experienced declines in commercial revenue for the year: Fenerbahçe, Inter Milan, and PSG. Meanwhile, merchandising revenue for these elite clubs skyrocketed 31% annually, while sponsorship revenue saw a commendable 14% increase. Commercial revenue outstripped TV revenues from domestic soccer by nearly twofold for the entire top 20 club cohort. However, notable exceptions exist, with Inter Milan and SSC Napoli both surpassing commercial revenue through TV distributions. Conversely, clubs like Ajax, Celtic, Fenerbahçe, and PSG boasted commercial revenues between 5 to 10 times greater than their TV revenue counterparts. Despite disparities in total revenues among the top 20 clubs, the stratification in commercial revenue is even more pronounced. For instance, Atletico Madrid's €123M in commercial revenue in 2023 exceeded the 15th-placed Ajax's by approximately 48%. Further highlighting this gap, Juventus recorded €194M in commercial revenue, representing a 45% increase over RB Leipzig, placed 12th on the list.

Exhibit 10 **Europe's Top 20 Clubs by 2023 Commercial Revenue**



Scotland's Celtic FC saw €54M in commercial revenue in 2023	*Spain's Atletico Madrid saw commercial revenue of €123M in 2023 (48% higher than 15th place Ajax)*	*Italy's Juventus saw €194M in commercial revenue in 2023 (45% higher than 12th Place RB Leipzig)*	*England's Tottenham hit €247M in revenue in 2023 (26% higher than 9th place Borussia Dortmund)*

Source: UEFA

More on Sponsorships: Soccer clubs frequently forge sponsorship alliances with corporations spanning sportswear manufacturers to financial institutions and airlines. These collaborations not only diversify revenue streams for clubs but also enable sponsors to access a global audience. Among these partnerships, main shirt sponsorships stand out as pivotal agreements between top-tier clubs and companies across various industries, aiming to leverage the exposure garnered by featuring their brands on matchday and replica shirts. Analyzing the main shirt sponsorship landscape reveals retail, professional services, and betting firms as the most prevalent sectors. Betting firms constitute 23% of all main shirt sponsors across Europe's top divisions in the 2023/24 season, representing a slight uptick from the previous season's 22% share. As of November 1, 2023, a noteworthy 93% of the 734 top-division clubs had secured a main shirt sponsor for the current season, marking a 3% increase compared to the same period in the preceding season.

Exhibit 11 Top Clubs by Main Shirt Sponsor Deals

TOP 10 MAIN SHIRT SPONSORS BY ANNUAL DEAL VALUE
CURRENTLY ACTIVE DEALS IN THE "BIG FIVE" LEAGUES

CLUB	SPONSOR BRAND	ANNUAL DEAL VALUE (EURM)	PERIOD
FC BARCELONA*	Spotify	70.0	2022-2026
REAL MADRID CF	Emirates	70.0	2022-2026
PARIS SAINT-GERMAIN FC	QATAR	68.5	2022-2027
MANCHESTER CITY FC*	ETIHAD	66.5	2023-2024
LIVERPOOL FC	standard chartered	58.6	2023-2027
ARSENAL FC	Emirates	58.4	2023-2028
MANCHESTER UNITED FC	TeamViewer	55.1	2021-2026
FC BAYERN MÜNCHEN	T	50.0	2022-2027
TOTTENHAM HOTSPUR FC	AIA	46.9	2019-2027
JUVENTUS FC	Jeep	45.0	2021-2024

Exhibit 12 Top Clubs by Kit Supplier Deals

TOP 10 KIT SUPPLIER DEALS
IN THE "BIG FIVE" LEAGUES

CLUB	KIT SUPPLIER	ANNUAL FIXED DEAL VALUE (EURM)**	PERIOD
REAL MADRID CF	adidas	120.0	2020-2028
MANCHESTER UNITED FC*	adidas	106.0	2025-2035
FC BARCELONA	Nike	105.0	2018-2024
ARSENAL FC*	adidas	87.9	2024-2030
PARIS SAINT-GERMAIN FC	Nike	80.0	2019-2032
MANCHESTER CITY FC	PUMA	76.2	2019-2029
CHELSEA FC	Nike	70.4	2017-2032
FC BAYERN MÜNCHEN	adidas	60.0	2015-2030
JUVENTUS FC	adidas	55.1	2019-2027
LIVERPOOL FC	Nike	35.2	2020-2025

Source: Football Benchmark

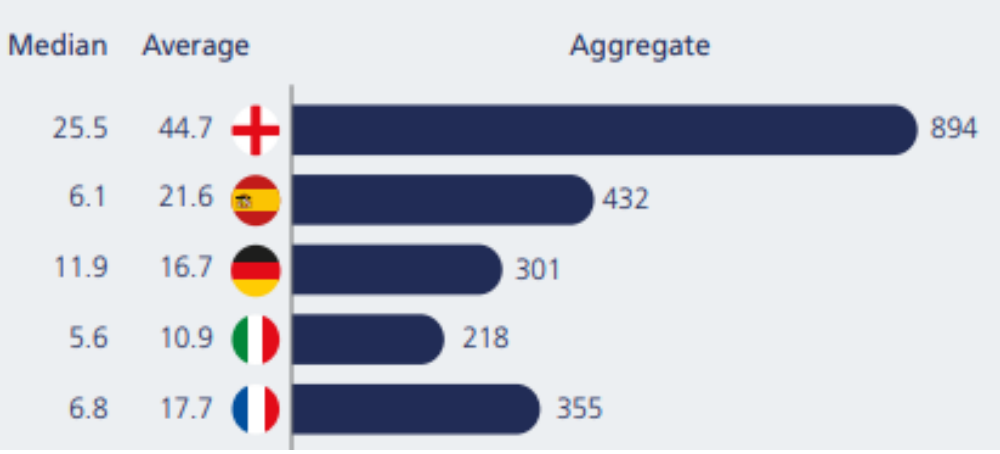
Exhibit 13 Visible Kit Sponsorship



Source: UEFA

3) Gate Revenue (Season Tickets, Ticket-related Membership Fees, Single Tickets & Matchday Concessions): In 2023, early-reporting clubs experienced a substantial surge in gate revenues, amounting to over €700 million or a 32% increase compared to the previous year. This significant growth can be attributed to the gradual lifting of pandemic-related restrictions. Notably, a record-breaking 209 million fans attended top-tier league matches across Europe during the 2022/23 season, with an additional 32 million fans attending various cup matches. The data indicates that 84% of early-reporting clubs witnessed an uptick in gate revenues in 2023. Collectively, these clubs amassed €2.6 billion in gate revenue, marking a notable 23% increase from the pre-pandemic figure of €2.1 billion recorded in 2019. England and Germany boast the highest attendance numbers by a significant margin. This is evident in their respective median gate revenues, which reach €25 million and €12 million, surpassing the €5–7 million range observed in France, Italy, and Spain.

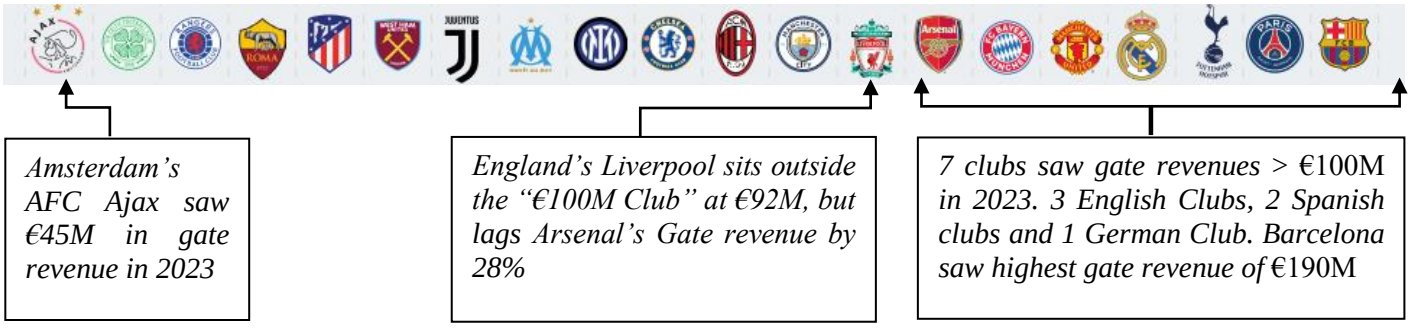
Exhibit 14 **Gate Receipts of Big 5 Division Clubs (€m)**



Source: UEFA

Top 20 European Clubs by Gate Revenue: In 2023, seven clubs in Europe saw gate revenues over €100M; Barcelona, PSG, Tottenham, Real Madrid, Manchester United, Bayern Munich and Arsenal. The largest absolute gate receipt increases were reported by Spanish and Italian clubs in 2023. Paris Saint-Germain had the highest yield per fan at €140, which can be attributable to the increasing reliance on premium seating and hospitality to drive higher fan yields. Other notable yields per fan in 2023 were Tottenham (€92), Barcelona (€91), Arsenal (€83), and Real Madrid (€83). It is interesting to note that a mainstay in previous top revenue lists, Borussia Dortmund, is not present in this top 20 list and ranks 49th in yield per fan at €26.

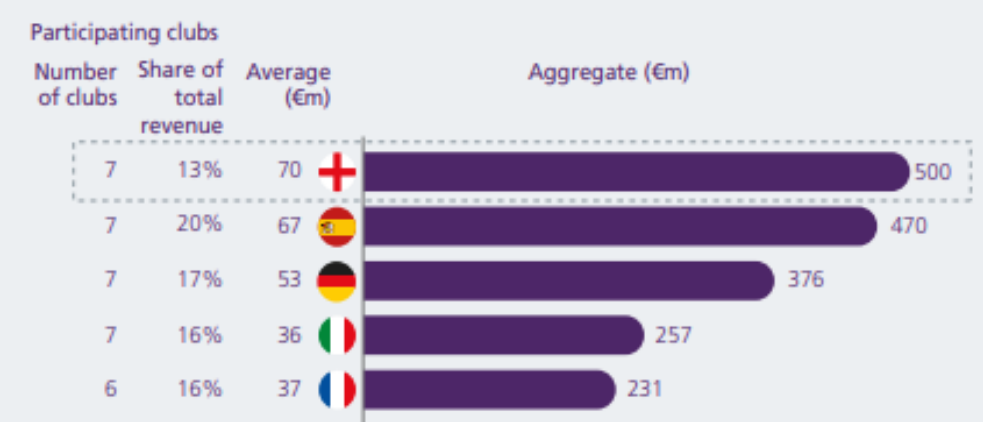
Exhibit 15 **Europe's Top 20 Clubs by Gate Revenue**



Source: UEFA

4) UEFA Club Competition Revenue: Top division clubs reported €2.9B of revenue from UEFA competitions (flat YoY). Revenue from these UEFA competitions comes in the form of prize money solidarity distributions. Revenue is derived directly from a club's on field performance (i.e. competition prize money through subsequent successes) as well as through the results of the team's country results over a five year period (see UEFA Elo Rankings for more info). UEFA club competitions revenue is set to rise again in 2024 and 2025 (UEFA notes revenue rises with each-three-year cycle). Clubs with December 2024 Fiscal Year Ends will see impacts from group-stage and qualifying-stage payments under the new 2024-2027 payment cycle, while clubs with June 2024 Fiscal Year Ends will see impacts in 2025 financials. The seven total English teams that participated in UEFA competitions saw €500M in UEFA revenue in 2022, which represented 13% of the clubs' total revenues on average. Manchester City saw the highest total UEFA revenue in 2022/2023, earning €131M, after winning the UEFA Champions League (the highest achievable UEFA Award). Historically, the most successful UEFA Competition Clubs have been Real Madrid (14 Champions League Wins), Milan (7), Liverpool (6), Bayern Munich (6) and Barcelona (5).

Exhibit 16 Top-Division Clubs' Revenue from UEFA in 2022



Source: UEFA

Exhibit 17 UEFA League Payout Structure

UEFA League Payout

(in € millions, except per share data)

Total Gross Revenue Estimate	**€ 3,500**
Less: Organizational/Administrative Costs	323
Less: Qualifying Round Payments	105
Less: Non-participating Clubs	140
Less: WCL Distribution	10
Less: UEFA Reserve	190
Less: COVID Deduction	98
Club Distributions	2,732
Share:	
Champions League & Super Cup	2,032
Europe League	465
Europa Conference League	235

Champions League Club Payout:	
Group Stage Participation	15.6
Round of 16 Qualificaiton	9.6
Quarter Final Qualificaiton	10.6
Semi-Final Qualificaiton	12.5
Finals Qualification	15.5
Winner	4.5
Total[(a)]	**€ 68.3**

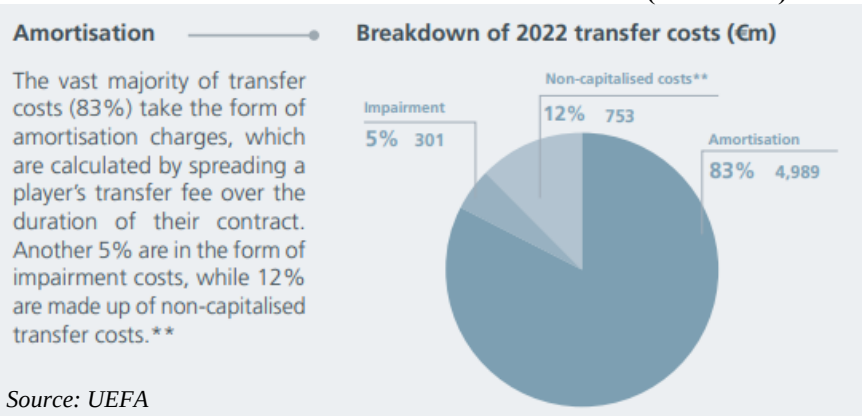
(a) Does not include Coefficient (€600.6M) or Market Pool (€300.3M) based pay. Respectiuley based off of 10-year performance and TV market.

Source: UEFA Press Release

5) The Player Transfer Market: Player transfers involve substantial sums of money, particularly for elite players. Transfer fees and player salaries contribute to the financial dynamics of the sport, with clubs competing to sign and retain top talent. According to FIFA, clubs spent a record $9.63B on international transfers in 2023, an increase of nearly 50% compared to 2022. The figure also broke the previous record set in 2019 by more than $2B. English clubs spent the most with a new record high $2.96B. The Saudi Pro League saw the second highest spend by a league with a total outlay of $970M, compared to $50M in 2022, as the league tried to entice top talent like Cristiano Ronaldo and Neymar to spur growth for the sport in the country. With the influx of wealthy new owners into the sport and subsequent war chests for player expenditures, transfer prices increased 116% over the period between 2013-2023.

Clubs' Transfer Costs & Accounting 101: UEFA defines transfer costs as a combination of amortization charges, impairment charges, non-capitalized transfer costs (mainly loan fees) and any non-capitalized agent fees. The largest part of a club's transfer costs are amortization charges, which are calculated against the original cost of the transfer with that charge being spread over the contract period. This also means that a club's transfer costs for a specific year are mainly based on its transfer history over several years, rather than that specific year. For 2022, UEFA saw €6B in total transfer costs across its leagues and expect costs to be stable in 2023 based on early-reporting clubs. In 2022, English clubs recorded a total of €1.8B in transfer costs, followed by Italian Clubs at €1B and Spanish/German Clubs in the €770M range. Thirteen top clubs reported transfer costs of over €100M (five in England, three in Spain, three in Italy, and one in France and Germany). The Big Five leagues also accounted for 82% of all-top division transfer costs in 2022, once again highlighting the muscle that comes with being in the big leagues.

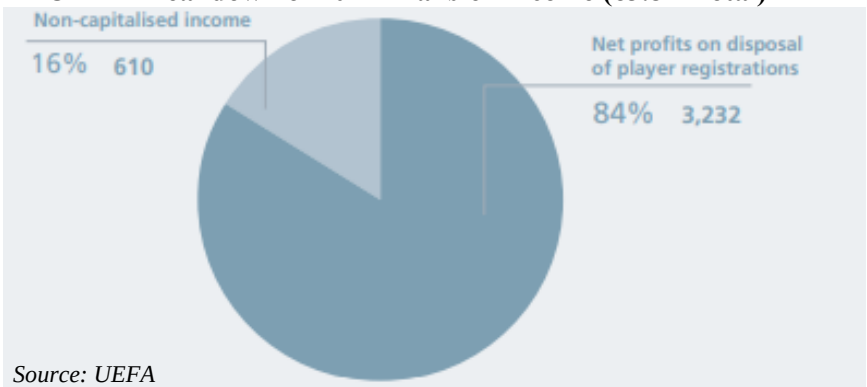
Exhibit 18 **UEFA Breakdown of 2022 Transfer Costs (€6B Total)**



Source: UEFA

Clubs' Transfer Income: Transfer income is defined as net profits on disposal of player registrations and non-capitalized income. Based on early 2023 reporting clubs, 2023 saw a 49% increase in club's transfer income vs. 2022 which clocked in at €3.8B. Transfer income in 2022. Based on those figures, 2023 saw transfer income of around €5.6B, well ahead of pre-pandemic levels (2019 saw €4.8B). English clubs are once again on the top of this list, having seen €793M in total transfer income in 2022. Italian clubs followed with €614M, while French Clubs finished third with €402M.

Exhibit 19 **UEFA Breakdown of 2022 Transfer Income (€3.8B Total)**

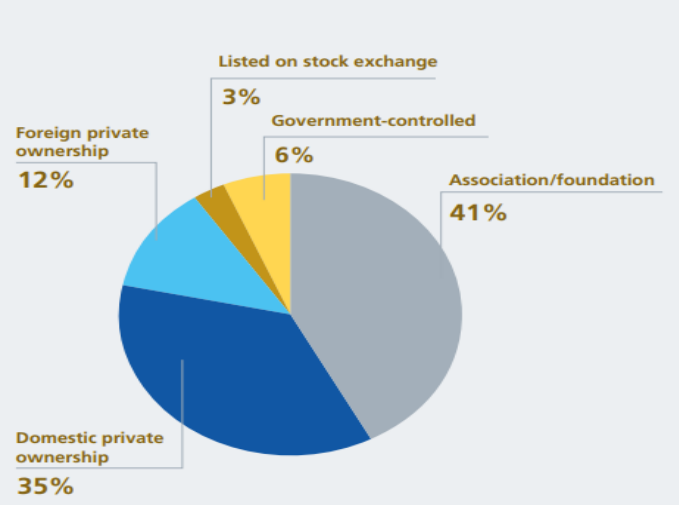


Source: UEFA

IV. OWNERSHIP IN EUROPEAN SOCCER

According to UEFA, 51% of European Soccer Clubs are privately owned while 49% are publicly owned. In UEFA's case, private ownership means that ultimate control over the club rests with one or more private individuals and/or organizations. Publicly owned clubs are controlled by a legal entity such as a public institution or association. Going even deeper, in more than 90% of privately owned cases, the clubs are limited companies (LLC's or joint stock companies) or owned by private individuals**.**

Exhibit 20 **Breakdown of European Clubs by Ownership Type**

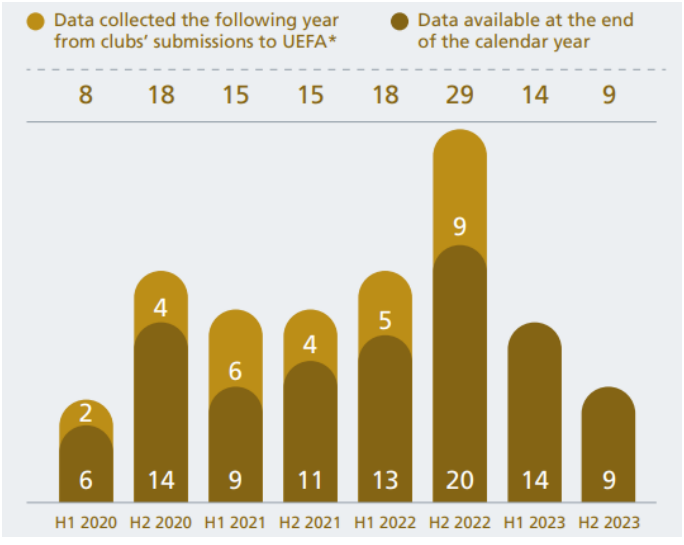


Source: UEFA

Only 3% of European Clubs are Publicly Listed (See Exhibit 27): UEFA notes that over the past 20 years, clubs that were public have tended to delist and go private. Eight clubs over the past twenty years have delisted in the UK, leaving only Manchester United left. Only seven counties have top-division clubs traded on public markets and the trend of delisting should further continue based on the current market environment.

2023 Marked a Slowdown in Top-Division Club Takeovers: The pace of investments in top-division clubs across Europe has slowed significantly when compared to previous years. 2023 saw half the amount of controlling stake investments that was seen in 2022. This decline was more pronounced in Europe's Big 5 Leagues. Only RCD Mallorca (Spain) changed ownership across the Big 5 Leagues while two relegated teams also changed ownership, Leeds United (England) and Sampdoria (Italy). This compares to five total majority ownership changes in 2022 and seven in 2021.

Exhibit 21 **Top-Flight Ownership Takeovers by Year (2020-2H'23)**



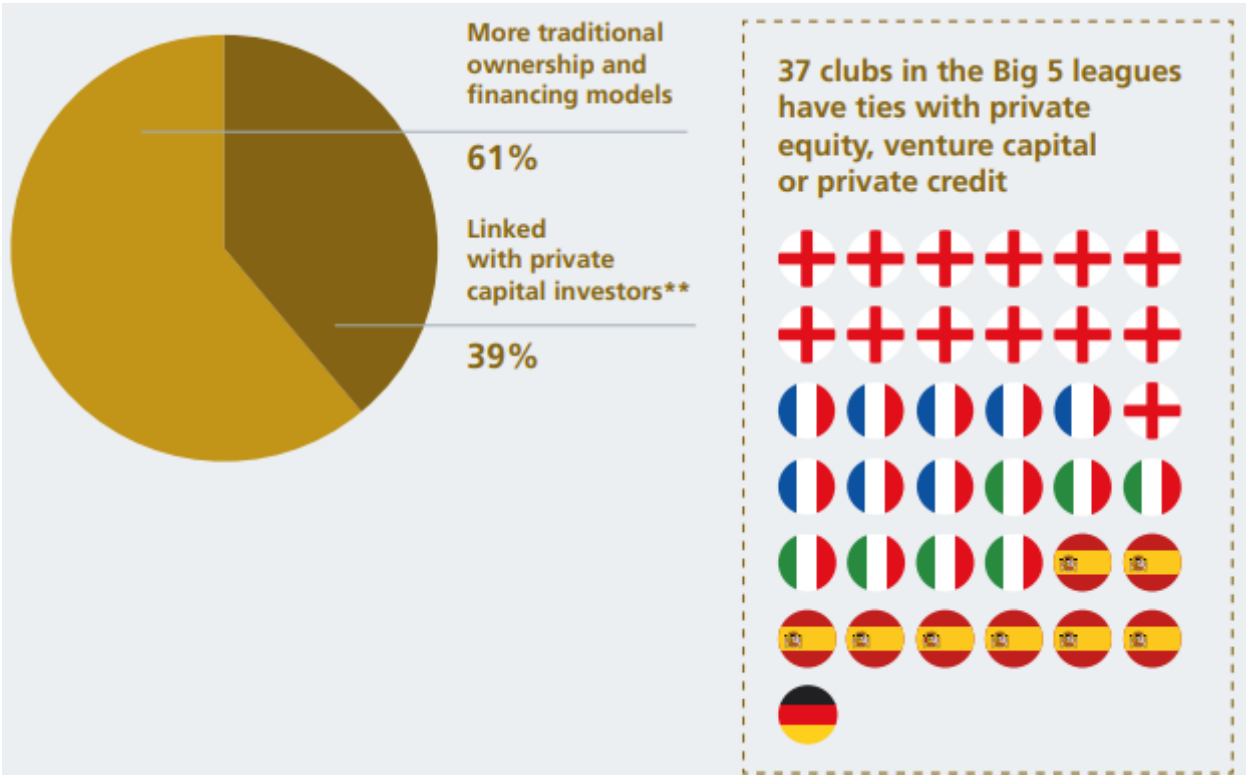
Source: UEFA

***Private Equity Ownership in Top-Flight Leagues Continues to Rise**:* The pandemic has triggered significant systemic changes in European club football and the broader sports industry. Among these changes, perhaps the most notable is the rapid evolution of clubs' ownership structures and the increasing influence of private capital investment. This transformation stems from a distinct blend of factors brought about by the pandemic's impact on the financial landscape and the consequent need for urgent cash injections to sustain businesses. The pandemic severely impacted the sports industry, leading to estimated global losses surpassing US$50 billion. Soccer experienced an unprecedented external shock due to closed stadiums and disrupted games, causing financial crises for clubs, leagues, and media companies. This crisis coincided with a time when private capital investors held significant funds, and central banks' monetary policies made affordable debt available, leading to a surge in private capital investment in the sports sector. This investment opportunity emerged because of pandemic-related disruptions, offering growth assets at discounted prices.

In European soccer, the impact of increased private capital investment has been notable, with instances of club takeovers, minority investments, and direct investment in football leagues through specialized investment vehicles. These investors, largely from the United States and comprising private equity funds, high-net-worth individuals, and asset managers, often utilize leveraged transactions involving significant debt. Moreover, many of these investors participate in multi-club investment arrangements, signaling a shift in the structure of ownership within the sport.

As a result, the Big 5 leagues have been subject to increased private capital deals. Currently, 37 out of the 96 clubs across the Big 5 Leagues this season have ties to private capital investors (private equity, credit and hybrid financing included), that equates to 39% of clubs across these leagues. England has the highest prevalence of private credit owners with 13 out of the 20 clubs (65%), followed by France, Spain and Italy. Germany only has one private capital owner as the 50+1 rule previously discussed prevents majority ownership in the clubs.

Exhibit 22 **Private Capital Investments in Europe's Big 5 Leagues**



Source: UEFA

V. SOCCER TEAM VALUATIONS

Valuations Have Surged: Due to the robust business fundamentals and the coveted status of sports franchises as trophy assets, soccer team valuations, particularly within the top five European leagues, have experienced a dramatic surge. For instance, Forbes estimates that Real Madrid of Spain now commands a staggering $6 billion valuation, marking a 19% year-over-year increase and a compounded annual growth rate (CAGR) of 6% from 2013 to 2023. Similarly, clubs like Paris Saint-Germain and Manchester City have witnessed even more robust valuation growth over the past decade, largely fueled by substantial injections of capital from newer owners hailing from the Middle East.

Table 8 Global Soccer Team Valuations 2023 (Forbes)

Team	Rank	Value ($M)	Valuation YoY (%)	Valuation CAGR 2013-2023	Location	Owners
Real Madrid	1	6,070	*19%*	*6%*	Madrid, Spain	*Club Members*
Manchester United	2	6,000	*30%*	*7%*	Manchester, England	Glazer Family, Jim Ratcliff
Barcelona	3	5,508	*10%*	*8%*	Barcelona, Spain	*Club Members*
Liverpool	4	5,288	*19%*	*23%*	Liverpool, England	John Henry, Tom Werner
Manchester City	5	4,990	*17%*	*22%*	Manchester, England	Sheikh Mansour Al Nahyan
Bayern Munich	6	4,860	*14%*	*14%*	Munich, Germany	*Club Members*
Paris Saint-Germain	7	4,212	*32%*	*29%*	Paris, France	Qatar Sports Investments
Chelsea	8	3,100	*0%*	*13%*	London, England	Todd Boehly, Clearlake Capital
Tottenham Hotspur	9	2,803	*19%*	*18%*	Tottenham, England	Joseph Lewis, Daniel Levy
Arsenal	10	2,263	*10%*	*5%*	London, England	E. Stanley Kroenke
Juventus	11	2,160	*-12%*	*12%*	Turin, Italy	Agnelli Family
Borussia Dortmund	12	1,928	*7%*	*16%*	Dortmund, Germany	Bernd Geske, Evonik Industries
Atlético Madrid	13	1,539	*3%*	*19%*	Madrid, Spain	Ares Mgmt., Miguel Gil, E. Cerezo, I. Ofer
AC Milan	14	1,404	*17%*	*4%*	Milan, Italy	RedBird Capital Partners
West Ham United	15	1079	*20%*	*17%*	London, England	D. Sullivan, D. Kretinsky, David Gold Estate
Intern Milan	16	1026	*3%*	*10%*	Milan, Italy	Zhang Jindong, LionRock Capital
LAFC	17	1000	*0%*	*NM*	Los Angeles, CA	Bennett Rosenthal, Brandon Beck, Larry Berg
LA Galaxy	18	925	*0%*	*NM*	Los Angeles, CA	Philip Anschutz
Atlanta United FC	19	850	*0%*	*NM*	Atlanta, GA	Arthur Blank
Crystal Palace	20	806	*0%*	*NM*	London, England	Josh Harris, S. Parish, D. Blitzer, Eagle Football
New York City FC	21	800	*0%*	*NM*	New York, NY	Sheikh Mansour Al Nahyan, Steinbrenner Family
Newcastle United	22	794	*0%*	*12%*	Newcastle, England	Saudi Arabia Public Investment Fund
Leicester City	23	781	*-16%*	*NM*	Leicester, England	Khun Aiyawatt Srivaddhanaprabha
Aston Villa	24	756	*1%*	*NM*	Birmingham, England	Wes Edens, Nassef Sawiris
Everton	25	744	*-21%*	*NM*	Liverpool, England	Farhad Moshiri
Olympique Lyon	26	734	*0%*	*7%*	Lyon, France	Eagle Football
AS Roma	27	724	*0%*	*10%*	Rome, Italy	The Friedkin Group
D.C. United	28	700	*0%*	*NM*	Washington D.C.	Jason Levien, Steven Kaplan
Toronto FC	29	690	*0%*	*NM*	Toronto, Canada	Rogers Comm., Bell Canada, Larry Tannenbaum
Austin FC	30	680	*0%*	*NM*	Austin, TX	Anthony Precourt, Eddie Margain

Recent Majority Stake Soccer M&A (European Leagues)

Below are some examples of noteworthy majority stake purchases in the top European leagues. Sales multiples on the deals have been on average around 4x TTM sales. There also have been many minority stake deals in the space as well. Most notably, Jim Ratcliff purchased a 25% stake in Manchester United at a $6.4B implied enterprise value, representing around a 7.7x TTM sales multiple.

Table 9 Recent Majority Stake Acquisitions in the "Big 5" Leagues

Team	Year Purchased	Price Paid ($m)	Sale Multiple	Stake Purchased	Buyer
Manchester United	2005	1500	6.2	97.3%	Glazer Family
Liverpool	2010	476	2.1	100.0%	Fenway Sports Group
AS Roma	2020	749	5.0	86.6%	The Friedkan Group
AC Milan	2021	1300	5.1	100.0%	Redbird Capital
Newcastle United	2021	415	1.7	100.0%	Public Investment Fund
Chelsea	2022	3100	5.3	100.0%	Blueco
Olympique Lyonnais	2022	939	5.2	77.5%	John Textor
Everton FC	2023	685	3.1	94.1%	777 Partners
Average Sales Multiple			**4.2**		

Source: Public Data, Gabelli Funds

GABELLI FUNDS

Recent & Speculated Major Sport Transactions

Below are some examples of noteworthy transactions in the overall sports market, which includes deals in the major US leagues such as the NBA, NFL, NHL and MLB.

Table 10 **Recent & Speculated Major Sports Transactions**

($ millions)

			Est. Rev. Multiple				
Team	**Sale Date**	**Price**	**MLB**	**NFL**	**NBA**	**NHL**	**Notes (Buyer)**
Speculated							
Texas Rangers		$3,000	8.2x				Janice Simpson possibly selling 10%
California Angels		3,000	8.1				Arte Moreno walked away
Washington Nationals		2,000	5.6				Offer from Ted Leonsis
Announced							
Baltimore Orioles	2024	$1,725	6.5x				D. Rubenstein & M. Arougheti from Angelos family
Indiana Pacers	2023	$3,470			12.6x		S. Rales purch. 15% (5% existing) with path to control
Dallas Mavericks	"	3,500			8.2x		Cuban sold 85%? to M. Adelson; retaining basketball control
Montreal Canadiens	"	2,500				10.4x	Andlauer sold 10% to controlling shareholder Molson
Charlotte Hornets	"	3,000			11.2		Michael Jordan sold majority stake to Plotkin/Schnall
Ottawa Senators	"	950				6.1	Bought by Michael Andlauer
Philadelphia Phillies	"	2,800	7.0				Stanley Middleman purchasing 16% stake
Nashville Predators	"	880				5.2	Sale to Bill Haslam
Washington Commanders	"	6,050		10.0x			Josh Harriss led group
Phoenix Suns	"	4,000			12.0		Ishiba bros purchase 57% (incl WNBA Mercury)
Cleveland Guardians	2022	1,000	3.8				David Blitzer buying 35%
Utah Jazz	"	2,250			7.5		Speculated price, Arctos Capital buying 10%
Milwaukee Bucks	"	3,500			10.0		Jimmy & Dee Haslam buying 25% from Marc Lasry
Denver Broncos	"	4,650		8.7			Rob Walton
Minnesota Timberwolves	2021	1,500			6.0		Marc Lore, Alex Rodriguez
Golden State Warriors	"	5,500			10.0		Arctos purchase of 13% minority stake
NY Mets	2020	2,400	6.6				Steven Cohen
Utah Jazz	"	1,660			6.6		Ryan & Ashley Smith
Brooklyn Nets	2019	3,300			7.4		Joe Tsai purchased remaining 50%, includes Barclay rights
KC Royals	"	1,000	4.4				John Sherman
LA Dodgers	"	3,200	6.1				5% stake sold at valuation of $2.56bn (incl 20% control discount)
Carolina Panthers	2018	2,275		5.8			John Tepper
Carolina Hurricanes	"	420				3.9	Tom Dundon purchases 52% stake
Houston Rockets	2017	2,200			7.4		Tilman Fertitta
Miami Marlins	"	1,200	5.8				Bruce Sherman (+ Derek Jeter)
Seattle Mariners	2016	1,400	5.2				Nintendo majority stake, includes RSN (team alone likely valued at $1.2bn)
Brooklyn Nets	2015	875			4.0		Onexim purchase 20% of Nets and 55% of Barclays Center for $1.7 billion
Atlanta Hawks	"	850			6.0		Antony Ressler, Grant Hill, Sara Blakely, includes Philips Arena
Buffalo Bills	2014	1,400		4.7			Terry Pegula, owner of Buffalo Sabres
LA Clippers	"	2,000			11.4		Steve Balmer
NJ Devils	2013	320				2.6	Josh Harriss (76ers owner/Apollo) & David Blitzer
LA Dodgers	2012	2,150	7.6				Guggenheim Sports
San Diego Padres	"	800	5.0				Peter O'Malley, Phil Mickelson, includes 21% RSN stake
Houston Astros	2011	610	3.1				Jim Crane
Detroit Pistons	"	325			2.2		Gores brothers
Golden State Warriors	2010	450			4.0		Peter Guber
Montreal Canadiens	2009	550				4.2	$550m for team, Bell Centre arena
Chicago Cubs	"	889	3.7				$845m for 95% of team, Wrigley field, 25% of Sportsnet
Wtd. Average			6.0x	8.4x	10.5x	7.2x	

Source: Company reports, Forbes estimates, Gabelli Funds estimates

VI. MAJOR INTERNATIONAL COMPETITION CALENDAR

***Near Term Catalyst on the Horizon**:* Events like the FIFA World Cup, UEFA European Football Championship and the Copa America attract global audiences and generate substantial revenues through broadcasting rights, sponsorships, and ticket sales.

The Boston Consulting Group (BCG) forecasts that hosting the 2026 FIFA World Cup in North America could stimulate over $5 billion in short-term economic activity. BCG's analysis indicates that individual host cities stand to gain between $160 million and $620 million in incremental economic activity. Yon De Luisa, Mexico's Bid Director, underscores the significance of the United 2026 bid, highlighting its potential to unlock substantial economic and social benefits for host cities and FIFA, thereby fostering long-term stability and advancement in global football. Hosting a unified bid presents an unprecedented opportunity to realize FIFA's new vision and leverage the economic power of the North American market to enrich the sport. The aspiration of soccer worldwide is to broaden its reach and audience in North America, particularly in the United States, the largest sports market globally. A successful and impactful World Cup in the United States in 2026 could catalyze increased interest in the sport, potentially fueling expanded fan bases and revenues, such as through jersey sales, in Europe's top leagues, thus driving up valuations.

Exhibit 23 **Major Men's International Soccer Championship Calendar**

Competition	Year	Kickoff Date	Finals Date	Host Country	Prev Champ	Stadium Locations
UEFA European Championship (Euro)	2024	14-Jun	14-Jul	Germany	Italy	Berlin, Munich, Dortmund, Stuttgart, Gelsenkirchen, Frankfurt, Hamburg, Dusseldorf, Cologne & Leipzig

Competition	Year	Kickoff Date	Finals Date	Host Country	Prev Champ	Stadium Locations
Copa América	2024	20-Jun	14-Jul	United States	Argentina	Arlington (TX), Atlanta (GA), Austin (TX), Charolette (NC), Easter Rutherford (NJ), Houston (TX), Ingelwood (CA), Santa Clara (CA), Glendale (AZ), Las Vegas (NV), Kansas City (MO), Kansas City (KS), Miami (FL) & Orlando (FL)

Competition	Year	Kickoff Date	Finals Date	Host Country	Prev Champ	Stadium Locations
FIFA World Cup	2026	11-Jun	19-Jul	Canda, United States & Mexico	Argentina	Toronto (Canada), Vancouver (Canada), New Jersey (USA), Dallas (USA), Kansas City (USA), Houston (USA), Atlanta (USA), Los Angeles (USA), Philadelphia (USA), Seattle (USA), San Francisco (USA), Boston (USA), Miami (USA), Mexico City (MX), Monterrey (MX) & Guadalajara (MX)

Source: Public Data & Gabelli Funds

Additionally, international competitions have always been proving grounds for the world's biggest stars. Many of these stars then fetch enormous transfer fees post-competition, which could further benefit Europe's top clubs. For example, after the 2014 World Cup, Colombia's James Rodriguez was sold to Real Madrid fetching an €80M transfer fee due to his performance during the competition.

Exhibit 24 **The "Power" of the FIFA World Cup**

EVENT	U.S. VIEWERSHIP	GLOBAL "REACH"
Super Bowl LVII	113.1 million	40 million (outside U.S.)
2022 World Cup final	25.8 million	1.5 billion (including U.S.)

Source: Public Data, Gabelli Funds

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May 13, 2024

Manchester United PLC (MANU - $16.04 - NYSE) *MANU Enters the Ratcliff Era*

FYE 6/30*	EBITDA*	EV/EBITDA		
2026P	£ 225 M	12.9x	Dividend: None	Current Return: Nil
2025P	212	13.6	Shares O/S:	56.6 million Class A (1 Vote)
2024E	160	18.1		114.3 " " B (10 votes)
2023A	154	18.8	52-Week Range:	$26.64 - $13.50

** Factset Consensus Estimates*

COMPANY OVERVIEW

Manchester United, headquartered in Manchester, England, is a UK-based soccer club that participates in the Premier League, the top league in professional soccer. The company primarily generates its revenue through broadcasting deals, commercial sponsorships, retail commerce, and match day sales. Having won 67 major trophies since its founding in 1878, Manchester United has developed into one of the world's leading sports and entertainment brands with a global community of 1.1 billion fans and followers. Old Trafford, the flagship stadium where Manchester United has played since 1910, has a capacity of 74,879 people and is owned directly by the team. The company has a dual class structure with 56.6 million Class A shares and 114.3 million Class B shares. The Class B shares are held by the Glazer family and Jim Ratcliff, own 51.1% and 27.69% respectively. The Glazers still have 69% of the total vote.

Investment Thesis: MANU ranks among the top soccer clubs worldwide, renowned for its historic achievements and widespread fan base. The club's new minority owner Jim Ratcliff, hailing from the club's hometown, has initiated strategic plans to restore its former glory. We expect that the club's majority owners, the Glazer Family, to sell the club entirely within the next 2-5 years, whether to Ratcliff or another buyer.

- **The Jim Ratcliff Era Begins:** In December 2023, Jim Ratcliff acquired a 25% stake in MANU for $1.65 billion, marking the culmination of an extensive strategic evaluation process that attracted interest from potential buyers like MBS. Ratcliff further solidified his commitment by injecting an additional $300 million into the club for the renovation of Old Trafford, thereby increasing his overall ownership to 27.7%. Ratcliff has also assumed full responsibility for the soccer operations at MANU, with ambitious plans to restore the club to its former greatness.

- **The Glazer Era Was…Underwhelming:** Since the Glazers' acquisition of MANU in 2005, the club's once-pervasive dominance in English and European football has waned. Much of the early success attributed to the Glazers could be traced back to the tenure of the legendary manager, Sir Alex Ferguson. During the initial years of Glazer ownership, MANU clinched the Champions League title in the 2007/2008 season and claimed the English Premier League trophy in the 2006/2007, 2007/2008, 2008/2009, 2010/2011, and 2012/2013 seasons, all under Ferguson's stewardship. However, since Ferguson's departure after the 2012/2013 season, MANU has only secured two major trophies: the FA Cup in 2015/2016 and the Europa League in 2016/2017. The recent Ratcliff deal marks a pivotal moment for the Glazers, offering them the opportunity to assess whether new leadership can revitalize operations and consequently enhance the club's value in the foreseeable future. Conversely, should Ratcliff's efforts falter, the Glazers now possess a potential scapegoat for disgruntled fans.

- **MANU is a Safe Asset Play with Increasing Sports Valuations & Probable Future Sale:** MANU's valuation is poised to thrive further, fueled by the growing allure of sports team ownership among high-net-worth individuals, private equity funds, and various investment vehicles. Moreover, the company stands to gain significantly from the escalating investment across the sports landscape, driven by expanding broadcasting rights, lucrative sponsorship deals, and heightened fan engagement. Looking ahead, we anticipate that following the conclusion of the 18-month drag-along period for Ratcliff, the Glazers will explore the possibility of selling the club once more, likely at a higher valuation. Subsequently, either Ratcliff or another prospective buyer will likely assume full ownership of the club. The drag-along clause also states that in order to sell within three years of the Ratcliff minority stake, the Glazers have to fetch and price over $33/share for the common equity, setting the stage for significant upside from these levels.

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May 13, 2024

Juventus Football Club S.P.A. (JUVE - €1.96 - MI) *Storia Di Un Grande Amore*

FYE 6/30*	EBITDA*	EV/EBITDA	
2026P	€ 120 M	8.9x	Dividend: None Current Return: Nil
2025P	109	9.8	Shares O/S: 379.1 million
2024E	3	*nm*	52-Week Range: €3.19 - €1.67
2023A	74	14.3	

** Factset Consensus Estimates*

COMPANY OVERVIEW

Juventus Football Club S.P.A., headquartered in Turin, Italy, is a professional soccer club that competes in Italy's top league, Serie A. The club was founded in 1897 and has 70 total major trophies, on both the domestic and international fronts. The club primarily generates its revenue through media rights, sponsorships, product licensing and match operations. The team owns and plays at Allianz Stadium in Turin, which has a capacity of over 41k people and is the sixth largest football stadium in Italy. Juventus is one of two Serie A teams to have ownership over its stadium. The team has been owned by the Agnelli family since 1923 through their ownership of EXOR N.V., which currently owns 247 million shares and 484 million votes, or 78% of the voting power.

Investment Thesis: Juventus, Italy's premier football institution, embodies both triumph and controversy. Majority-owned by the esteemed Agnelli family, the club commands a vast and passionate global fanbase. However, scandals, such as the Calciopoli debacle of 2006 and the recent Plusvalenza Scandal, have hurt its reputation, leading to the resignation of the entire board in 2022/2023. Nonetheless, we remain optimistic about Juventus' resurgence, as the club is poised to reclaim its former glory. Additionally, speculation regarding a potential full sale by the Agnelli family is ever present, offering investors a potential tangible catalyst.

- **Italy's Most Valuable Team:** Juventus is the eleventh most valuable soccer team in the world according to Forbes. The $2.16B valuation for 2023 calculated by Forbes stands well above the next most valuable team in Italy, AC Milan, which Forbes estimates a $1.4B valuation. As it stands, Juventus and its valuation are in a league of its own in the Italian sphere. Juventus is also Italy's most recognizable and commercial global teams with the highest brand value and social media following in the league.

- **Serie A is Making a Comeback:** Italy has secured an additional spot in next season's Champions' League group stage, courtesy of UEFA's mathematical calculation to arrive at UEFA coefficients. This achievement underscores the exceptional performance of Italian teams on the European stage in recent years. Serie A's attainment of this extra berth not only translates to increased financial gains for Italian clubs but also opens avenues for greater commercial revenue through heightened exposure in the prestigious Champions League tournament. Serie A was seen as the undisputed top league in the world and was even considered the best league era of all time during the late 1980s to the early 2000s. Virtually, anyone who was anyone played in Serie A during that period. After a lull and talent exodus post early 2000s, Serie A is making a comeback also in terms of players and player values.

- **Stadium Ownership Adds to Club's Asset Value:** Juventus owns its stadium (Allianz Stadium) in Turin. The stadium opened in 2011 and is the sixth largest soccer stadium in Italy, with over 41,500 seats. Total construction costs for the stadium were €155M. Additionally, Juventus owns its own training grounds, and carries all land and buildings at about €180M on its balance sheet.

- **Sale by Agnelli Family a Possibility:** The Agnelli family, owners of Juventus since 1923 through EXOR, have faced persistent media speculation about selling the club, most recently in September 2023. Despite their repeated assertions of no intention to sell, the resignation of the entire board, notably Chairman Andrea Agnelli, suggests a potential shift. Nevertheless, we anticipate Juventus' market value to keep climbing, possibly attracting unsolicited bids from entities eyeing ownership of Italy's premier club.

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May 13, 2024

Borussia Dortmund (BVB - €4.05 - XE) *Champions League Final 6/1*

FYE 6/30*	EBITDA*	EV/EBITDA	
2026P	€ 130 M	3.6x	Dividend: €0.06 Current Return: 1.5%
2025P	122	3.8	Shares O/S: 379.1 million
2024E	144	3.2	52-Week Range: €5.93 - €3.32
2023A	123	3.8	

** Factset Consensus Estimates*

COMPANY OVERVIEW

Borussia Dortmund headquartered in Dortmund, Germany, is, a professional soccer club that competes in Germany's top league, the Bundesliga. The club was founded in 1909 and has won numerous domestic and international titles including eight Bundesliga titles, six German Supercup titles, and one Champions League title. The firm primarily generates its revenue through media rights distribution, sponsorships and advertising, product licensing and match operations. Borussia plays its matches at Signal Iduna Park, its team owned stadium with a capacity of over 81k people; the venue is the largest stadium by capacity in Bundesliga and the fourth largest in Europe.

Investment Thesis: Borussia Dortmund, Germany's second most valuable club per Forbes, boasts an estimated worth nearing $2 billion, ranking twelfth globally and second nationally behind Bayern Munich. Known for nurturing top young talents, Dortmund relies heavily on internally developed players for success. Their commitment to player development will be highlighted in the upcoming Champions League Final against Real Madrid on June 1st, with Dortmund's squad valued at €464M compared to Real Madrid's €1B. It is a testament to their ability to compete with financial giants through talent cultivation.

- **Germany's "Football Talent Factory":** Dortmund has earned acclaim for its prowess in developing and transferring some of the world's most promising young talents. The club boasts a notable presence in the list of the top twenty-five most expensive soccer transfers of all time, having sold three players who feature prominently. These include Ousmane Dembélé, transferred to Barcelona in 2017 for €105 million (ranking 11th highest transfer fee ever), Jude Bellingham, acquired by Real Madrid for €103 million in 2023 (13th highest transfer fee ever), and Jadon Sancho, whose move to Manchester United fetched €85 million (24th highest transfer fee ever). Notably, Dortmund's tally of three top twenty-five transfers surpasses that of any other club in this elite category, with Benfica coming closest with two entries.

- **Doing More with Less:** Dortmund's extraordinary success on the European stage stands as a testament to its unparalleled commitment to player development and coaching excellence. Despite not boasting a roster brimming with high-priced superstars, the club consistently exceeds expectations. This season, Dortmund has clinched a spot in the Champions League Finals by defeating Paris Saint-Germain 2-0. It's worth noting that PSG flaunts a squad valued at €1.02 billion, whereas Dortmund's squad value stands at €464 million. In comparison, the other semi-finalists, Real Madrid and Bayern Munich, command squad market values of €1.04 billion and €930 million respectively. Dortmund is gearing up to face the epitome of football success, Real Madrid, with their €1 billion team on June 1st in London. Moreover, Dortmund has already secured €15.5M in prize money for reaching the finals and stands to win an additional €4.5M if they emerge victorious.

- **World Class Stadium Ownership:** Dortmund owns the Signal Iduna Park, a UEFA Four-Star stadium renowned for its size, accommodating up to 81,365 spectators, making it the fourth largest in Europe. This impressive venue has enabled Dortmund to claim the highest average attendance of any club worldwide, with an astonishing 81,302 attendees, followed by Bayern Munich with 75,000. Prior to the 2022/2023 season, the stadium's capacity for international games, including the Champions League, was limited to 65,829. However, the club later implemented a policy allowing fans to stand during these matches, thereby increasing the capacity and potential revenue to match that of league fixtures, reaching the full 81,365 capacity. Additionally, Dortmund currently carries the stadium and other land at €141M.

- **50+1 Rule Limits Upside, But Ownership of Germany's #2 Team is Still an Attractive Proposition:** While Germany's 50+1 rule negates any chance for a takeover of the club (unless the rule is repealed), shareholders can continue to benefit from owning a crown jewel asset of German sports, one that continues to outperform on and off the field, with attractive fundamentals and financials.

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