

ANNEX Pt 12

13 November 2024, Abu Dhabi (UAE)

FEI PROFIT & LOSS STATEMENT

	2022 Actual <i>Audited</i>	2023 ACTUAL <i>Audited</i>	2024 BUDGET <i>Revised</i>	2025 BUDGET
REVENUES				
COMMERCIAL REVENUE				
Sponsorship revenue	22'824'096	25'078'913	26'047'643	27'157'795
Broadcast revenue	1'238'863	1'825'285	918'542	843'680
Digital campaigns/Services/Licensing	519'252	598'880	1'104'550	1'077'850
TOTAL COMMERCIAL REVENUE	24'582'212	27'503'078	28'070'735	29'079'325
OPERATIONAL REVENUE				
Annual subscr, GA & SF registrations	810'944	799'984	802'500	785'000
Calendar fees & organising dues	6'529'978	7'052'183	6'600'000	6'900'000
Hosting fees	1'321'999	2'727'450	763'400	913'400
Horse & Athlete registration fees	1'602'357	2'670'749	2'305'000	2'485'000
Passports & change of names	4'663'985	4'634'792	4'500'000	4'500'000
Fines & other legal contribution	1'292'295	609'860	400'000	280'000
Anti-doping & welfare	4'442'768	4'498'188	4'600'000	4'500'000
TOTAL OPERATIONAL REVENUE	20'664'325	22'993'206	19'970'900	20'363'400
NON-OPERATIONAL REVENUE				
IOC contribution	3'000'000	3'500'000	3'200'000	2'500'000
IOC/IF development programme	68'600	64'400	70'000	64'400
Rental revenue	511'572	520'774	520'000	520'000
Other revenue	227'979	130'129	95'000	85'000
Contribution from funds	2'293'043	977'066	5'255'875	3'438'996
Provision release	3'257'115	1'693'719	770'000	1'527'541
TOTAL NON-OPERATIONAL REVENUE	9'358'308	6'886'088	9'910'875	8'135'936
TOTAL NET REVENUES	54'604'845	57'382'371	57'952'510	57'578'661
EXPENSES				
COMMERCIAL EXPENSE				
Sponsorship expense	14'919'022	16'154'978	14'940'170	15'367'710
Broadcast expense	4'472'491	4'902'886	5'211'827	5'466'248
Other marketing expense	208'133	210'863	1'718'930	1'008'910
Digital	136'174	64'199	1'604'275	1'826'710
TOTAL COMMERCIAL EXPENSE	19'735'820	21'332'925	23'475'202	23'669'579
OPERATIONAL EXPENSES				
Professional fee/Consulting	4'636'956	4'399'158	4'453'474	4'341'669
Education	693'728	768'095	734'479	907'165
Printing expense	63'906	121'676	164'000	128'500
Integrity unit	266'951	222'255	250'000	100'000
Equine welfare actions				300'000
Veterinary research	37'873	119'048	466'200	460'900
Anti-doping & welfare	4'088'557	4'548'852	3'785'000	3'700'000
Solidarity	1'402'557	1'486'150	2'030'873	2'195'196
TOTAL OPERATIONAL EXPENSE	11'190'529	11'665'233	11'884'026	12'133'430
GENERAL & ADMINISTRATION EXPENSE				
Staff charges	15'498'337	15'795'964	17'113'804	17'425'495
Travel & expenses				
FEI Staff	687'371	830'941	758'418	814'905
Non-FEI staff	1'121'786	1'468'835	1'146'590	1'106'070
Facilities charges	424'451	478'604	463'000	465'500
General services	190'579	199'049	216'000	200'000
Trophies & medals	149'638	141'799	228'919	162'583
Insurance	114'349	123'757	130'000	124'150
Depreciation	202'122	239'639	285'000	260'000
Tax	126'879	156'486	100'000	140'000
Allocation to funds	556'588	365'675	95'000	93'400
Other expenses	292'596	139'556	19'500	128'550
Special projects	693'492	2'024'448	2'187'050	855'000
TOTAL GENERAL & ADMINISTRATION EXPENSE	20'058'189	21'964'754	22'743'281	21'775'653
TOTAL EXPENSES	50'984'538	54'962'911	58'102'510	57'578'661
FINANCIAL RESULTS NET	-6'117'735	1'069'835	150'000	0
NET RESULT	-2'497'428	3'489'295	0	0

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Comments to 2025 FEI budget

(all numbers in '000 CHF unless otherwise specified)

Dear President, Members of the Board, Secretary General,

Please find attached the FEI 2025 Budget.

We have assumed a favourable economic outlook with inflation stabilized across Europe and in the US, combined with the decrease of interest rates from the central banks. However, the uncertainties about energy prices remain due to the ongoing conflicts. In terms of FEI 2025 activities, we have estimated similar number of events and athletes' registrations than 2024 and 2023, considering as well that 2025 will be an EU Championships year.

- **Total commercial revenues (29'079):** On the sponsorship revenue, we budgeted according to our contracts with our sponsors. This section also includes the contribution from Ocala OC for the LLN horse transportations (250). While broadcast rights revenues are budgeted with a decrease, the incomes from digital campaigns remain well established above 1.0 mio.
- **Total operational revenues (20'363):** We have assumed in our operational revenues a number of events, as well as horse and athlete registrations, in the range of 2023-2024. Registration fees remain unchanged for 2025. In this section, we want to mention as well the reduced hosting fees for the European Championships and the lower revenues for fines and other legal contributions driven by the reduction in bio-security fines (budgeted at 100) reflecting the success of that program.
- **Total non-operational revenues (8'136):**
 - IOC Contribution (2'500): Starting with a new cycle (Paris 2024), we are proposing a yearly release of 2'500 based on the estimated contribution from IOC. This is lower than previous years as the Paris cycle shall cover 4 years (until Los Angeles 2028), compared to Tokyo 2021 with a cycle of 3 years.
 - Contribution from funds (3'439): This section reflects the expenses paid by various funds: Solidarity (1'661), IT Fund (830: Horse Digital Passport), Equine Welfare Actions (300), VET research (300), Footing research and sustainability (161), FEI online Campus (127) and IPC Fund usage (60).
 - Provision release (1'528): As per the decision to postpone the increase of athlete's registration fees to 2026, we are planning to use our provisions in order to have a balanced budget 2025.

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- **Total commercial expenses (23'670):** This budget is mirroring the assumptions indicated in the commercial revenues which include not only sponsorship expenses but also all the costs related to broadcast, marketing, digital and others (i.e. FEI Awards Gala).
 - Sponsorship expenses (15'368): Expenses are aligned with the sponsorship contracts and reflect mainly the contributions for prize money, to the Organizing Committees and it also includes the horse transportation costs for the Longines League of Nations.
The support for the World Cup Dressage (440) is part in that section as it was in the previous years.
 - Broadcast expenses (5'466): There is a slight increase due to the spending on production infrastructure for the North American League.
Other costs in this category include broadcast distribution (time-buy for LLN and NAL), broadcast and content production which includes the contract with Clip My Horse.
 - Marketing expenses (1'009): That section reflects lower costs compared to 2024 (-710) explained mainly by the one-time investments done in branding for the start of the LLN in 2024.
 - Digital (1'827): Digital campaigns and channel management remain a strategic area for the development of our sport and to create opportunities via social media.

- **Total operational expenses (12'133):** This section is planned to remain stable with the year 2024. Operational expenses include spending (300) related to Equine Welfare projects which will be financed by the new Equine Welfare Actions fund.
 - Professional fee/consulting (4'342), consists mainly of:
 - IT consulting (development of software and other applications) and hardware maintenance costs (2'286).
 - Communication (outsourcing, journalistic support, corporate photos, PR expenses) and awards (770)
 - GA contribution (200) and Legal clerks' services (275)
 - Legal fees (250), includes Jumping rules revision.
 - FEI campus development, paid by the fund (127)
 - Eventing equiratings, audit, GA, SF and other external services (434).
 - Equine Welfare Actions (300): we will now reflect in this new section all expenses related to the Equine Welfare strategic projects.
 - Anti-doping (3'700): Expenses are aligned to the volume of anti-doping testing we are expecting in 2025.
The difference between anti-doping revenues and expenses amount to 800, covering the indirect costs for the administration of that program. The FEI maintains its policy not to generate any profit from the Anti-Doping program.
 - Solidarity (2'195): The spending reflects the projects allocated by FEI Solidarity Committee to be paid in 2025 and financed by the Solidarity fund (mentioned above). Also note that the FEI is contributing 500 yearly to the operations of Solidarity.

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- **Total General & Administrative expenses (21'776)**

- Staff charges (17'425): Compared to 2024, total staff charges are 312 higher mainly driven by salary adjustments in line with next year's inflation rate.
- Travel & Expenses (1'921): This budget was kept at the same level as in 2024, despite airfare prices going up.
- Special Projects (855): This is mainly related to the Horse Digital Passport (700) and projects within the sport departments (155), such as Para-Dressage Classifier Project (60), Driving Forum and other projects (50), Youth Jumping Project (20), Vaulting (15) and Dressage (10).

Overall, we are presenting you a budget with a neutral net result which is mainly supported by the planned provision release.

Daniel Alvarez
Finance Director
12.11.2024.