

COMPANIES & MARKETS

# Tottenham's game plan questioned as losses grow amid relegation fight

Decline in on-pitch performances prompts scrutiny of commercial success enjoyed under ex-chair Levy

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LONDON

Tottenham Hotspur will travel across London tonight for one of the most financially consequential games in football history.

Victory against rivals Chelsea would guarantee Spurs maintaining its place in the Premier League after the club's worst season in more than 50 years.

Defeat would leave the door open to relegation and a potential drop in revenue of up to £270m next year alone.

Spurs' plight belies its longstanding reputation as one of the game's most shrewdly run clubs under former executive chair Daniel Levy, who was ousted last year by majority owners the Lewis family.

Over the course of his 25-year tenure, Levy garnered a reputation for overseeing a lean, frugal operation – former Manchester United manager Sir Alex Ferguson once said that negotiating with him was more painful than his hip replacement.

Levy's latter years though were characterised by wasteful spending on players and worsening performances on the pitch. The spectre of relegation is prompting a reassessment of his legacy and bringing fresh scrutiny of Tottenham's substantial debts and widening losses.

The club, the ninth biggest in the world by revenues, has spent £1.26bn on new players since 2019, the fourth highest outlay by any European club and more than European champions Paris Saint-Germain, according to estimates from Transfermarkt. Its net transfer spend of €853m over that period is lower than only that of Arsenal and Manchester United. The net amount Spurs owed to other clubs for players stood at £240m last summer.

"I don't think the quality of players they've bought has been poor," said Omar Chaudhari at data consultancy Twenty First Group. "[But] there's clearly a cultural issue where players have got worse after going there."

Levy's exit marked an abrupt end to one of sport's most enduring alliances, going back to when he and Bahamas-based billionaire Joe Lewis took control of the club in 2001. Under the leadership of Levy, who still owns just over a quarter of the club, Spurs went from being a mid-table team to one that regularly finished in the top six.

Levy, who has kept a low profile since his departure, told the BBC last week that "because of where we are in the league" he felt "a lot of engines" but that he remained optimistic the club would stay up. Relegation would leave him as a minority owner of a less valuable club and dependent on the Lewis family to turn it around.

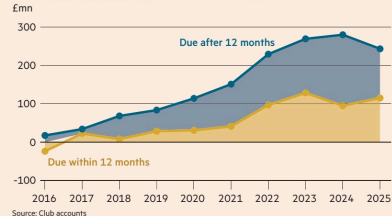
Levy's crowning achievement was the construction of the £1bn Tottenham Hotspur Stadium, which stages American football games and big music concerts, helping Spurs develop a US-style business model in which growth is driven by income from non-footballing activities.

Tottenham's annual revenue has grown from £460m pre-pandemic to £565m in its last financial year. Its commercial income hit £276.7m in 2024-25, which was more than league leaders Arsenal.

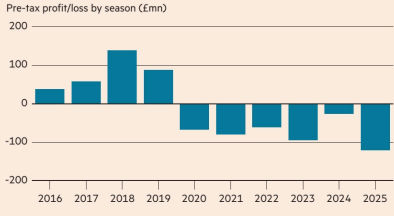
Over the past five years, however, Spurs have reported cumulative pre-tax losses of £382.8m. Net debt, comprised largely of borrowing that funded



Tottenham's transfer debt exceeds £200m



The club has recorded a loss in each of the past six years



Mathys Tel of Tottenham reacts to a missed chance against Leeds United this month.

Below, former executive chair Daniel Levy

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the stadium, stands at just over £850m – among the highest of any club.

Lewis, who moved his holding in the club into a trust to Levy, largely left the running of Spurs to Levy for much of the past 25 years. His descendants are taking a much more hands-on approach.

Central figures at Spurs include Lewis's children, Vivienne and Charles, and his grandson-in-law Nick Beucher.

The club set up a five-person board following Levy's departure under non-executive chair Peter Carrington, a longtime family associate. It is run day to day by chief executive Vinai Venkatesham, appointed last summer.

People close to the club said Spurs executives have been attempting a turnaround that is akin to "fixing the plane while keeping it in the air" – a phrase

that has become a mantra internally. The Lewis family's assessment is that Levy's focus on the commercial operations and a potential sale of the club in 2024 led to a neglect of the sporting side.

Someone who knows Levy disputed this characterisation, saying that money generated from the commercial division was fed back into the first team.

The person said that the club had long been in need of additional investment to compete at the highest level and pointed to Levy's ultimately fruitless search for new shareholders in 2024.

Levy said at the time that "to continue to invest in the teams and undertake future capital projects, the club requires a significant increase in its equity base".

While the Lewis family had been open to offers for Spurs, which has an estimated enterprise value of £3.65bn according to consultancy Football Benchmark, people familiar with their thinking insist they are now committed for the long term. Soon after Levy's departure the club cut ties with Rothschild, the bank overseeing talks with potential investors, and said that it had rejected takeover approaches.

Levy, the Lewis family and the club declined to comment.

The family was preparing to inject significant additional funds this summer, on top of £135m pumped in over the past two years, the people said.

Those funds could be sorely needed. Analysts at Ampere Sports estimate

that if Spurs were relegated its revenue would drop as much as 45 per cent compared with the 2024-25 season, or by up to £270m, driven mainly by a fall in television income.

Hopes are rising that Spurs can avoid the drop, thanks to signs of improvement under Roberto De Zerbi, the club's third head coach this season. The team has been unbeaten in four games and is out of the relegation zone with a slim two-point cushion above West Ham United. Both clubs will have one game left to play after tonight's fixture.

Some blame the decline in performances at Spurs on Levy's tight control over the wage bill. People close to Spurs said that there will be a new approach to transfers and wages in future regardless of whether the club stays in the Premier League.

The person familiar with Levy's position said he had to work within the confines of Spurs' finances, which were hit hard by the pandemic at a time when it needed to generate cash to service its debt. During Levy's tenure the Lewis family did not inject the capital required to compete with the likes of Manchester City and Chelsea, the person added.

Former head coach Ange Postecoglou, who was hired and fired by Levy, took a less sympathetic view. In an interview on YouTube show The Overlap this year he said: "When you look at the expenditure, particularly in the wage structure, they're not a big club."

Spurs executives have been attempting a revival that is akin to 'fixing the plane while keeping it in the air'

Technology

## AI slop puts strain on hacking reward schemes

JAMIE JOHN

Companies that pay hackers to find flaws in their software are being inundated with low-quality reports generated by AI, forcing some to suspend the programmes.

Businesses running "bug bounty" schemes have long relied on independent security researchers to spot vulnerabilities. The rise of AI tools, however, is now overwhelming them with spurious submissions.

Bugcrowd, whose customers include OpenAI, T-Mobile and Motorola, said the number of reports it received more than quadrupled over a three-week period in March, with most proving to be false.

Curly, a tool widely used to transfer data across the internet, suspended its paid bug bounty programme in January citing an "explosion in AI slop reports" and lower-quality submissions.

Cyber security experts say advances in generative AI are reshaping the economics of bug bounty programmes.

While the tools enable experienced researchers to find flaws more quickly, they are also lowering the barrier to entry, triggering a flood of automated or erroneous submissions.

The big increase in poor-quality AI reports was "quickly becoming a major problem", said Ross Mckerchar, chief information security officer at cyber security group Sophos. "Bug bounties are going to stay [but] they're going to have to change."

Bug bounties have grown in popularity since the early 2000s, with schemes offering six-figure payouts for the biggest discoveries. Google's programme disbursed a total of \$17m last year, up from \$7.5m in 2021. It paid its largest individual reward of \$605,000 in 2022 to a user who spotted a vulnerability in its Android mobile operating system.

Mckerchar said the rise in poor-quality submissions came from both amateurs trying to find bugs and existing researchers who were "sometimes getting led on by the [AI] agents". He added there was a "third cohort"

of "experienced AI builders" who had developed automated "end-to-end scanning and submission systems" that were "creating absolute carnage".

Curly's creator Daniel Stenberg wrote in a blog post that the "never-ending slop" had taken "a serious mental toll to debug" and sometimes also a long time to debunk.

Software group Nextcloud suspended its bug bounty programme last month because of the "massive increase of low-quality reports".

Anthropic last month launched Mythos, its new cyber AI model, which it says can find software flaws faster than humans.

HackerOne, whose bug-reporting platform serves Goldman Sachs, Google and the US Department of Defense, said it had "introduced new agentic validation capabilities" this year to "help organisations manage high volumes of findings", such as those generated by models such as Mythos. The group said that submissions had jumped 76 per cent in the year to March.

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- Since December 2022, UBG Uniper Beteiligungsholding GmbH (the "Shareholder"), a limited liability company wholly owned by the Federal Republic of Germany, represented by the Federal Ministry of Finance (the "Bund"), has been the majority shareholder of Uniper SE ("Uniper") with a stake of approx. 99.12% (the "Government Stake").
- Uniper is an entity listed on the regulated market of the Frankfurt Stock Exchange (Prime Standard). Further information on Uniper may be obtained from the company's ongoing and regular financial reports and other capital markets disclosures.
- The Bund has committed to reduce the Government Stake to a shareholding of no more than 25% plus one share by the end of 2028 at the latest (the "Exit Commitment") as part of the European Commission's state aid decision of 20 December 2022 (SA.103791). The Bund intends to retain 25% plus one share.

- In this context the Bund is assessing the feasibility of options to fulfil the Exit Commitment, including options for a sale through public (Re-PO) or private markets (M&A).
- To date, no final decision has been made on the scope, timing or form of a potential transaction, and any process to conclude a potential transaction will be conducted in an open, transparent and non-discriminatory manner.
- Parties interested in participating in a private market M&A transaction are invited to register their interest in writing by submitting a letter of intent ("LoI") until 12.00 (CEST) on 12 June 2026.

For further information regarding the substance and form of the LoI, interested parties should direct their inquiries to UBS Europe SE ("UBS") and J.P. Morgan Securities plc ("J.P. Morgan") via the following email address: [of-interest\\_in\\_uniper@ubs.com](mailto:of-interest_in_uniper@ubs.com); [interest\\_in\\_uniper@jpmorgan.com](mailto:interest_in_uniper@jpmorgan.com).

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