



2022

ANNUAL REPORT

2023



FINANCIAL PERFORMANCE INDICATORS

OVERVIEW OF FINANCIAL PERFORMANCE INDICATORS

Borussia Dortmund KGaA (HGB)

EUR '000	2022/2023	2021/2022
Sales	460,983	419,646
Operating result (EBITDA)	105,665	67,349
Result from operating activities (EBIT)	400	-39,954
Net income/net loss for the year	9,101	-35,376
Cash flows from operating activities	119,983	60,716
Free cash flow	-27,801	-20,684

Borussia Dortmund Group (IFRS)

EUR '000	2022/2023	2021/2022*
Consolidated revenue	418,239	351,645
Consolidated total operating proceeds	515,355	456,886
Operating result (EBITDA)	123,220	83,826
Result from operating activities (EBIT)	16,911	-26,010
Net profit/net loss for the year	9,550	-31,888
Cash flows from operating activities	54,426	35,071
Free cash flow	-22,324	-16,293

* Change in prior-year items. Restatements in accordance with IAS 8.42.



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Dear Shareholders,

We look back on an eventful season in 2022/23. On the pitch, it was an emotional roller coaster. Languishing in sixth place going into the winter break was not where we wanted to be, but it's a fundamental aspect of who we are to believe in our strengths and push forward when we know we can make it.

That confidence paid dividends in the second half of the season, and we chalked up ten points more than FC Bayern to come within a hair's breadth of winning the title. On the one hand, missing out on goal difference alone was a bitter pill to swallow. We wanted more than anything to celebrate the title together with our fans. On the other hand, we are immensely proud of having injected some excitement back into the Bundesliga and going a long way toward boosting its appeal. Our fans reacted to our disappointment with unparalleled solidarity, and this shows just how closely they identify with BVB.

From a business viewpoint, we can look back on the past financial year with satisfaction. We have posted a profit again after emerging from the COVID-19 pandemic, which had at times put our business model to the test. We are confident that these figures herald a return to our former strength and that the most difficult economic period in more than 15 years is now well and truly behind us. From an economic standpoint, the key takeaway is that our business model is fully functional again now that the pandemic-related restrictions have been lifted. A glance at the figures shows that the appeal and reach of Borussia Dortmund has emerged from the pandemic unscathed. BVB's highest ever consolidated revenue figure adjusted for transfers is an impressive testament to this.

This result is ultimately thanks to the efforts of all our staff, the loyalty of our fans and the trust placed in us by you, our shareholders. That spirit underscores the unrivalled solidarity of the BVB family. It shows we have it in us to achieve great things – both on the pitch and in business – if we stand together. In this context, as one of the region's biggest employers, we are proud not to have resorted to redundancies or furloughs at any time during the pandemic. For our employees, we were a guarantee of stability in uncertain times. This omnipresent solidarity gives us strength, and we can look to the future with great confidence. There are many challenges ahead, but we will face them with heads held high. Being one of Europe's elite and financially sound football clubs and creating unforgettable moments in Dortmund has and always will be our long-term goal.


On and off the pitch, we go into the new season with confidence and look forward to sharing new experiences together in the stadium!



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director



Carsten Cramer
Managing Director



REPORT OF THE SUPERVISORY BOARD

For Borussia Dortmund GmbH & Co. KGaA ("Borussia Dortmund", "BVB" or the "KGaA"), the 2022/2023 financial year brought a "return to normal" where the business was concerned, and on the pitch provided the most exciting title race the Bundesliga has seen for years. Despite being equally matched on points, it was goal difference that ultimately sealed BVB's fate and saw the title slip from its grasp. All the same, it is fair to say that the nail-biting end to the last Bundesliga match day and the emotional roller coaster for football fans everywhere was down to BVB alone.

Borussia Dortmund generated consolidated total operating proceeds (consolidated revenue plus gross transfer proceeds generated) of approximately EUR 515.4 million and consolidated revenue of approximately EUR 418.2 million in financial year 2022/2023. The figure for revenue excludes transfers and is the highest in BVB's history. Borussia Dortmund GmbH & Co. KGaA posted its first profit since the outbreak of the COVID-19 pandemic, with the consolidated net profit for the financial year ended amounting to approximately EUR 9.6 million. The return to profit is an expression of Borussia Dortmund's financial stability and strength – even in comparison with Europe's leading clubs – but it is not a foregone conclusion. There were by all means encouraging developments such as the relaxing of COVID restrictions, with spectators free to return to the stands with hardly any conditions attached. Nevertheless, global economic woes such as the war in Ukraine, the energy crisis and rising inflation as well as European interest rate policy prevented a more marked economic recovery.

Despite missing out on becoming Bundesliga champions, Borussia Dortmund again qualified directly for the group stage of the 2023/2024 UEFA Champions League, thereby meeting a key objective for the season. Borussia Dortmund chalked up 46 points in the second half of the season, one of the strongest performances in the club's history. This and the development of both young players and the club's top performers are clear evidence of head coach Edin Terzić's very successful work in his first full season at BVB. After many years of trying to find the right person for the job, Borussia Dortmund now has full confidence heading into the new 2023/2024 season.

COMPOSITION AND ACTIVITIES OF THE SUPERVISORY BOARD AND AUDIT COMMITTEE

The members of the Supervisory Board during the reporting period were: Mr Christian Kullmann (Chairman of the Supervisory Board), Mr Ulrich Leitermann (Deputy Chairman of the Supervisory Board), Ms Judith Dommermuth, Ms Silke Seidel, Mr Matthias Bäumer (appointed by the court from 8 March 2023), Mr Bernd Geske, Mr Bjørn Gulden (until 31 December 2022), Mr Bodo Löttgen, Dr Reinhold Lunow and Prof. Bernhard Pellens.

In the 2022/2023 financial year, the Supervisory Board closely monitored the status and development of the Company and the Group. It exercised all of the rights and duties incumbent upon it by virtue of the law and the Articles of Association.

The full Supervisory Board met four times during the 2022/2023 financial year (on 26 September 2022, 21 November 2022, 20 March 2023 and 6 June 2023). Of those meetings, two (on 26 September 2022 and 6 June 2023) were held in hybrid form (some members attended in person and some via video conference) and two (on 21 November 2022 and 20 March 2023) were held in person only.

Furthermore, written resolutions were circulated and adopted by the Supervisory Board on two occasions: firstly, on 15 September 2022 in the context of expanding the audit engagement to include the 2021/2022 remuneration report, and secondly, on 17 February 2023 in the context of an application to the court to appoint Mr Matthias Bäumer as a member of the Supervisory Board to replace Mr Bjørn Gulden, who had stepped down as at 31 December 2022.

All resolutions were adopted in accordance with the provisions of the Articles of Association and the relevant law.

During the reporting period, the Supervisory Board received regular, timely and comprehensive oral and written reports from the management within the meaning of § 90 of the German Stock Corporation Act (Aktiengesetz, "AktG"). The Supervisory Board reviewed the reports submitted to it for plausibility, and, where necessary, discussed them with the management. These reports focused on the development of the business, the Company's and the Group's liquidity, earnings and financial position, corporate planning (specifically, financial, investment and personnel planning), the risk position and risk management within the Company and the Group, the new developments to be expected in sustainability reporting, as well as strategic issues. In addition, management kept the Supervisory Board and the Audit Committee up-to-date on developments in a financial reporting enforcement procedure conducted by the Federal Financial Supervisory Authority (BaFin).

Moreover, the Supervisory Board received written reports in the intervals between its meetings. These reports and the subsequent discussion and verification thereof also dealt with the interim financial reports (i.e., the half-yearly financial report and quarterly financial reports). Moreover, the Chairman of the Supervisory Board was in regular contact with the management outside of meetings; he was kept regularly apprised of current developments in the business and major business transactions and advised on strategic and budgetary issues as well as the Company's business

development, risk position, risk management and compliance issues. The management fulfilled its duty to keep the Supervisory Board informed in a complete, continuous and timely manner.

The Supervisory Board advised and monitored the general partner and its managing directors on the management of the Company, including in matters relating to sustainability. The reports of the management and the Supervisory Board's enquiries and deliberations formed a basis for this function. The Supervisory Board considers the management of the Company to be in compliance with the law and in proper order, it deems the internal control system, risk management system and internal audit system to be effective, and attests to the Company's corporate organisation and economic viability. Reports and consultations concerned in particular athletic performance in the 2022/2023 season.

In the reporting period, the Supervisory Board also adopted resolutions on the rules of procedure for the Audit Committee, on commissioning an external assurance engagement on the Company's separate non-financial Group report for financial year 2022/2023 (§ 111 (2) sentence 4 in conjunction with § 278 (3) AktG), on commissioning external support for the evaluation of the Supervisory Board and the Audit Committee, and on engaging the auditor of the annual and consolidated financial statements to audit the 2022/2023 remuneration report.

During the reporting year, the Supervisory Board also reviewed the accounting and financial reporting and preparations for the Annual General Meeting in the previous year, specifically its proposals for resolutions and nominations for election for that Annual General Meeting. Part of this review involved ascertaining the independence of the auditor, taking into consideration the additional services rendered by it, prior to resolving to propose it for election. The Supervisory Board's activities also covered the terms of engagement and the fee agreement, the audit focal points and engaging the auditor elected by the previous year's Annual General Meeting.

In the reporting period, the members of the Audit Committee of the Supervisory Board were Prof. Bernhard Pellens as Chairman of the Committee, Mr Ulrich Leitermann as Deputy Chairman, and Ms Silke Seidel. The Audit Committee performed the tasks entrusted to it by law and pursuant to the Rules of Procedure for the Audit Committee. It held four in-person meetings in the reporting period of the 2022/2023 financial year (on 6 September 2022, 8 November 2022, 1 March 2023 and 30 May 2023). The agenda and focus of the meetings included the annual and consolidated financial statements as at 30 June 2022, the management reports for the Company and the Group for the 2021/2022 financial year, the dependent company report of the general partner for the 2021/2022 financial year and the separate non-financial Group report for the 2021/2022 financial year. The Audit Committee received a corresponding report from the representatives of the auditor on each of these matters. Other matters in this context included preparations for decisions of the Supervisory Board on the "September 2022 Declaration of Conformity", on the Supervisory Board's report to the Annual General Meeting for the 2021/2022 financial year, on the remuneration report for the 2021/2022

financial year, and on the Supervisory Board's proposal to the 2022 Annual General Meeting on the election of the auditor for the annual and consolidated financial statements for the 2022/2023 financial year. The latter included reviewing the quality of the statutory audit, the terms of engagement for the proposed statutory auditor, and the independence of the proposed statutory auditor in consideration of its statement of independence and any services provided or to be provided in addition to the statutory audit services. Talks were held with representatives of the statutory auditor to discuss risks to the statutory auditor's independence and the safeguards implemented and documented by the statutory auditor to mitigate those risks. Other agenda items for Committee meetings included the half-yearly and quarterly financial reports, receipt of the report from Deloitte GmbH Wirtschaftsprüfungsgesellschaft on the review of the 2022/2023 half-yearly financial report, adoption of the resolution on pre-approval of non-audit services provided by the statutory auditor in accordance with Article 5(4) of the EU Audit Regulation and § 319a (3) HGB for the 2022/2023 financial year, determination of the audit focal points for the audit of the annual and consolidated financial statements for the 2023/2024 financial year, risk management in the 2022/2023 financial year, reports on the risk and compliance management system, ICS and Internal Audit, ESG management, the 2023 risk inventory, on developments in sustainability reporting and on the result of the evaluation of audit quality by the Audit Committee, as well as discussions with the auditor on various topics, in particular the assessment of audit risk, the audit strategy and audit planning, and the results of the audit. The managing director of the general partner responsible for financial affairs, representatives of the auditor and managers from the Company's respective corporate divisions were on hand to present reports and answer questions on individual matters discussed at Committee meetings. The Chairman of the Committee maintained regular contact with the representatives of the auditor on the progress made in the audit and reported back to the Committee on this subject. He also reported on the work of the Audit Committee at each subsequent meeting of the Supervisory Board. In addition, the Supervisory Board received the respective recommendations for resolutions from the Committee within the scope of its assigned areas of responsibility.

2022/2023 ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS

The annual financial statements for Borussia Dortmund GmbH & Co. KGaA and the consolidated financial statements as at 30 June 2023 and the management report for the Company and the Group management report (each of which comprising the explanatory report on disclosures made pursuant to § 289a and § 315a HGB) were prepared and submitted in due time by the management of the general partner and were audited, along with the bookkeeping system by the auditor, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf ("Deloitte"), in accordance with the statutory provisions, and were each issued an unqualified audit opinion. With respect to the risk early warning system, the auditor found that the management had taken the appropriate measures as required under § 91 (2) AktG, particularly with respect to establishing a monitoring system suited towards identifying risks early on which may jeopardise the Company as a going concern.

The annual and consolidated financial statements, the combined management report for the Company and the Group containing the risk report and the corresponding audit reports were submitted to all members of the Supervisory Board in due time. These and the remuneration report for the reporting period were deliberated in detail, discussed and reviewed in the presence of representatives of the auditor at a meeting of the Audit Committee on 12 September 2023 and by the Supervisory Board at its meeting on 25 September 2023. At that meeting, the auditors reported on and discussed the key findings of their audit, including those relating to the accounting-related internal control and risk management system. The auditor and the management responded to questions raised.

The Supervisory Board concurred with the auditors' findings and, subsequent to its own review work prepared by the Audit Committee of the Supervisory Board, did not raise any objections. After an appropriate review, this also included the remuneration report in accordance with § 162 in conjunction with § 278 (3) AktG for the reporting period. At its meeting on 25 September 2023, the Supervisory Board approved the annual financial statements of Borussia Dortmund GmbH & Co. KGaA as at 30 June 2023 as well as the consolidated financial statements as at 30 June 2023.

Moreover, the Supervisory Board – on the basis of the work of its Audit Committee – performed its own review of the report on relationships with affiliated companies (dependent company report) for the 2022/2023 financial year prepared by the general partner pursuant to § 312 AktG. The dependent company report was also audited by the auditor, who issued the following opinion:

"Having conducted a proper audit and assessment, we hereby confirm that

1. the factual information in the report is correct
2. the consideration paid by or to the Company in connection with the legal transactions listed in the report was not inappropriately high."

The auditor's report on the audit of the dependent company report had also been submitted to the Supervisory Board. These documents were discussed and reviewed by the Supervisory Board and prior to that by its Audit Committee at the aforementioned meetings, with the auditor and the management in attendance. Upon concluding its review, the Supervisory Board did not raise any objections to the declaration by the general partner at the conclusion of the dependent company report. The Supervisory Board noted with approval the findings of the audit of the dependent company report by the auditor.

The Borussia Dortmund Group is also required to prepare a separate report on the non-financial aspects of its activities for the 2022/2023 financial year. In line with the statutory options and as in the four preceding financial years, the general partner has chosen to prepare a separate non-financial Group report pursuant to § 315b (3) HGB that is not part of the Group management

report, and to make this permanently available on the Company's website. The Supervisory board engaged Deloitte to provide limited assurance over the separate non-financial Group report. Deloitte issued a limited assurance report based on this engagement. This means that, based on the work it performed and the evidence it obtained, nothing had come to Deloitte's attention that caused it to believe that the separate non-financial Group report for the period from 1 July 2022 to 30 June 2023 had not been prepared, in all material respects, in accordance with § 315b and § 315c, in conjunction with § 289c to §289e HGB. The separate non-financial Group report and the review report prepared by Deloitte were presented to the Supervisory Board and its Audit Committee. After discussing the topic at its meeting convened to approve the financial statements on 25 September 2023 and the meeting of the Audit Committee held in advance on 12 September 2023 to prepare for that discussion, the Supervisory Board concurred with the findings of Deloitte's limited assurance engagement and raised no objections to the separate non-financial Group report based on the findings of its own review.

The Supervisory Board proposes to the Annual General Meeting that the annual financial statements of Borussia Dortmund GmbH & Co. KGaA as at 30 June 2023 be adopted. In the annual financial statements (separate financial statements) prepared in accordance with German commercial law (HGB) as at 30 June 2023, the Company reported net retained profits of EUR 0.00. The entire net profit of EUR 9,100,272.85 reported for the financial year ended 30 June 2023 has been used to offset part of the EUR 161,517,367.70 in accumulated losses brought forward from the prior year. After appropriating the net profit for the year, the accumulated losses brought forward were further offset by transferring EUR 147,662,397.01 from the other revenue reserves and EUR 4,754,697.84 from the capital reserves. The other revenue reserves were fully depleted and EUR 207,648,620.89 remains in the capital reserves. The Supervisory Board approved these withdrawals from reserves to offset the loss. This earnings situation means that, for the reporting period, the general partner and the Supervisory Board are not able to make a proposal to the Annual General Meeting on the appropriation of net profit, or to recommend that it resolve to distribute a dividend. This nevertheless lays a foundation to enable a dividend to be distributed from any net profit generated in the 2023/2024 financial year.

Moreover, the Supervisory Board proposes that the Annual General Meeting ratify the actions of the general partner, Borussia Dortmund Geschäftsführungs-GmbH, for the 2022/2023 financial year.

CORPORATE GOVERNANCE

With the exception of one absence, all members of the Supervisory Board attended all Supervisory Board meetings and all members of the Audit Committee attended all Audit Committee meetings. After rounding, the attendance rate amounts to 97.92%. The attendance of individual members at meetings was as follows:

- Ms Judith Dommermuth, Ms Silke Seidel Mr Bernd Geske, Mr Christian Kullmann, Mr Ulrich Leitermann, Mr Bodo Löttgen, Dr Reinhold Lunow and Prof. Bernhard Pellens attended all four Supervisory Board meetings (attendance rate of 100% each).
- Ms Silke Seidel, Prof. Bernhard Pellens and Mr Ulrich Leitermann furthermore attended all four meetings of the Audit Committee (100% attendance rate).
- Mr Bjørn Gulden attended one of the two meetings held prior to his departure from the Supervisory Board on 31 December 2022 (50% attendance rate).
- Following his court-ordered appointment to the Supervisory Board on 8 March 2023, Mr Matthias Bäumer attended both of the subsequent Supervisory Board meetings (100% attendance rate).

The Supervisory Board and the management of the general partner also dealt with issues of corporate governance during the reporting period.

The Supervisory Board also met regularly without the members of the general partner's management in the reporting period. With respect to the audit of the financial statements for financial year 2022/2023, the Audit Committee also consulted with the representatives of the auditor without the presence of members of the general partner's management.

The members of the Supervisory Board were and are provided with appropriate assistance upon taking up their positions and when participating in further or continuing education, which they are generally required to perform on their own responsibility. For instance, the Company offered a continuing education event for the Supervisory Board during the reporting period on the topic of sustainability-related reporting requirements. All members of the Supervisory Board were provided with a trade journal (including online content) for educational purposes.

Following preliminary consultations at the preceding meeting, on 26 June 2023 the Supervisory Board circulated and adopted the current Declaration of Conformity at the same time as the resolution on the Declaration of Conformity, which relates to the German Corporate Governance

Code in the version dated 28 April 2022 (published in the Federal Gazette (Bundesanzeiger) on 27 June 2022). The full Declaration of Conformity is permanently available online at <http://aktie.bvb.de/eng>, under "Corporate Governance". Additional information and explanations can be found in the corporate governance declaration, which is also permanently published on the Company's website.

PERSONNEL MATTERS

Mr Bjørn Gulden submitted his resignation from the Supervisory Board on 16 November 2022 with effect as at 31 December 2022. He had been a member of the Supervisory Board since 27 November 2014. The resignation is due to Mr Bjørn Gulden's departure from PUMA SE at the end of 2022. The Supervisory Board thanks Mr Gulden for his work and the expertise that he brought to bear at Borussia Dortmund. At the request of the general partner, which was approved by the Supervisory Board, the Local Court (Amtsgericht) of Dortmund appointed Mr Matthias Bäumer, General Manager BU Teamsport at PUMA SE, Herzogenaurach, to replace Mr Gulden as a member of the Company's Supervisory Board as at 8 March 2023 for a term of office to end at the next Annual General Meeting of the Company.

The Supervisory Board would like to express its gratitude to the management, the Works Council and all employees for their enduring commitment and hard work.

The Supervisory Board also wishes to thank Borussia Dortmund's business partners, shareholders and fans for their trust.

Dortmund, 25 September 2023

The Supervisory Board



Christian Kullmann
Chairman of the Supervisory Board

EXECUTIVE BODIES AND CORPORATE STRUCTURE

EXECUTIVE BODIES

BV. BORUSSIA 09 E.V. DORTMUND

Chairman

Dr Reinhold Lunow	President
Silke Seidel	Vice President
Bernd Möllmann	Treasurer

BORUSSIA DORTMUND GMBH & CO. KGAA

Supervisory Board

Christian Kullmann	Chairman
Chairman of the Executive Board of Evonik Industries AG, Essen	
Ulrich Leitermann	Deputy Chairman
Chairman of the Managing Boards of group parent companies of the SIGNAL IDUNA Group, Dortmund	
Bernd Geske	
Managing partner of Bernd Geske Lean Communication, Meerbusch	
Judith Dommermuth	
Managing partner of JUVIA Verwaltungs GmbH, Cologne	
Bjørn Gulden	(until 31 December 2022)
Chief Executive Officer of PUMA SE, Herzogenaurach (until 31 December 2022)	
Dr Reinhold Lunow	
Medical Director of Praxisklinik Bornheim, Bornheim	
Silke Seidel	
Senior Executive at Dortmunder Stadtwerke Aktiengesellschaft and Managing Director of Hohenbuscher Beteiligungsgesellschaft mbH, Westfalentor 1 GmbH and Dortmund Logistik GmbH, all in Dortmund	
Bodo Löttgen	
Member of the North Rhine-Westphalia Landtag detective chief inspector (Kriminalhauptkommissar) (ret.), public administration graduate	
Prof Dr Bernhard Pellens	
Professor of International Corporate Accounting at Ruhr University Bochum, Academic Director of the Institute of Management (ifu) at Ruhr University Bochum and Honorary Professor at Tongji University in Shanghai, China	
Matthias Bäumer	(since 08 March 2023)
General Manager BU Teamsport, PUMA SE, Herzogenaurach	

BORUSSIA DORTMUND GESCHÄFTSFÜHRUNGS-GMBH

Management

Hans-Joachim Watzke	Managing Director (Chairman)
Thomas Treß	Managing Director
Carsten Cramer	Managing Director

CORPORATE STRUCTURE**BORUSSIA DORTMUND GMBH & CO. KGAA**

100.00%	BVB Stadionmanagement GmbH
100.00%	BVB Merchandising GmbH
100.00%	BVB Event & Catering GmbH
100.00%	besttravel dortmund GmbH
100.00%	BVB Asia Pacific Pte. Ltd.
100.00%	BVB Fußballakademie GmbH
33.33%	Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH

BVB SHARES

SHARE PRICE PERFORMANCE

During the reporting period for the 2022/2023 financial year (1 July 2022 to 30 June 2023), the performance of BVB shares was influenced by mixed news, both on and off the pitch. There were by all means encouraging developments, such as the relaxing of COVID restrictions, with spectators free to return to the stands with hardly any conditions attached, and also sporting success, such as the closest Bundesliga title race in years. Nevertheless, the long shadow was cast by global economic woes, such as the war in Ukraine, the energy crisis, rising inflation and the changes in European monetary policy, and the championship being snatched from the club's grasp on the last match day, prevented any sharper rise in the share price.

(Unless indicated otherwise, the following data is based on the closing price of shares in XETRA trading in BVB shares; where necessary, figures have been rounded up to the nearest hundredth.)

The shares in Borussia Dortmund GmbH & Co. KGaA kicked off the new 2022/2023 financial year at EUR 3.56 on 1 July 2022 (previous year: EUR 6.24), where they remained until halfway through the month. On 7 July 2022, BVB shares were listed at EUR 3.62 and on 19 July 2022 at EUR 3.60. During the remainder of July 2022, the price of BVB shares fluctuated between EUR 3.60 and EUR 3.80. BVB shares traded at EUR 3.84 at the start of the season on 1 August 2022. On 19 August 2022, the Company announced the preliminary figures for the 2021/2022 financial year (see ad hoc disclosure from the same date), with consolidated total operating proceeds up EUR 98.3 million to EUR 456.9 million and consolidated revenue up EUR 17.4 million to EUR 351.6 million. Consolidated earnings before taxes (EBT) amounted to EUR -33.4 million (previous year: EUR -73.2 million); consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 80.8 million (previous year: EUR 39.0 million). On that date, BVB shares closed the trading day at EUR 4.30. BVB shares traded at EUR 3.91 on 31 August 2022. The share price slipped to EUR 3.69 on 15 September 2022 following two consecutive losses, and this trend continued during the international break through to the end of September 2022, with the other contributing factors being the general market downturn due to the war in Ukraine, the onset of the economic changes referred to above and the ensuing expectations of a recession. BVB shares traded at EUR 3.67 on 20 September 2022, EUR 3.53 on 22 September 2022, EUR 3.03 on 23 September 2022, EUR 3.20 on 26 September 2022 and EUR 3.33 on 30 September 2022.

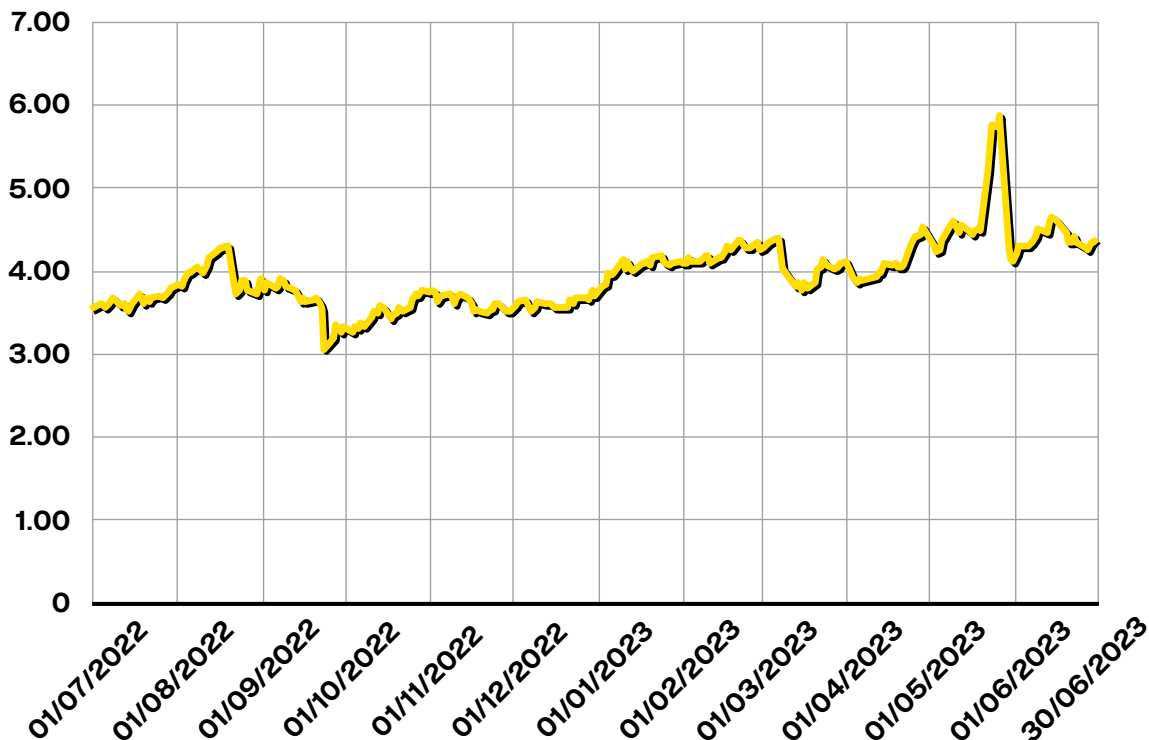
On 3 October 2022, BVB shares were listed at EUR 3.27 and on 6 October 2022 at EUR 3.37. The share price rose in October on the back of one victory and a draw in the UEFA Champions League, an exciting 2:2 draw against FC Bayern Munich and the team advancing to the third round of the DFB Cup. BVB shares traded at EUR 3.45 on 10 October 2022, EUR 3.59 on 13 October 2022, EUR 3.57 on 20 October 2022, EUR 3.73 on 26 October 2022 and EUR 3.75 on 31 October 2022. On 1 November 2022, BVB shares were listed at EUR 3.78 and on 3 November 2022 at EUR 3.64. On 4 November 2022, Borussia Dortmund GmbH & Co. KGaA released the preliminary first quarter figures for financial year 2022/2023 (see ad hoc disclosure from the same date). The capital market reacted positively to the news. On that day, BVB shares closed at EUR 3.69 and on the next trading day, 7 November 2022, at EUR 3.74. A patchy performance in the Bundesliga and the earlier winter break due to the FIFA World Cup in Qatar saw the share price languish over the rest of November and beyond, despite the fact that BVB was set to remain in the running in all competitions going into the winter break, in particular to reach the round of 16 in the UEFA Champions League. BVB shares traded at EUR 3.68 on 14 November 2022, EUR 3.60 on 15 November 2022, EUR 3.53 on 16 November 2022 and EUR 3.51 on 18 November 2022. BVB shares traded at EUR 3.50 on 21 November 2022, the date of the Annual General Meeting. The subsequent and at times volatile movements in the share price seen in December were due to general trends on the capital markets. BVB shares traded at EUR 3.58 on 1 December 2022, EUR 3.53 on 7 December 2022, EUR 3.60 on 13 December 2022, EUR 3.66 on 21 December 2022, EUR 3.68 on 23 December 2022, and EUR 3.78 on 29 December 2022. The BVB shares ultimately closed out the 2022 calendar year at EUR 3.70 on 30 December 2022.

The BVB shares kicked off calendar year 2023 at EUR 3.83 on 2 January 2023 before hitting EUR 4.14 on 9 January 2023. The shares traded at EUR 4.17 on 20 January 2023, EUR 4.10 on 27 January 2023 and EUR 4.09 on 31 January 2023. Buoyed by an unbeaten streak in the Bundesliga, DFB Cup and the first leg of the round of 16 of the UEFA Champions League, the share price continued a steady rise in February 2023. On 2 February 2023, the shares traded at EUR 4.17, and rose to EUR 4.20 on 8 February 2023 and EUR 4.27 on 17 February 2023, the publication day for the preliminary semi-annual figures (see ad hoc disclosure from the same date). The capital markets welcomed the fact that Borussia Dortmund had managed to increase its consolidated revenue and earnings year on year. The shares traded at EUR 4.38 on 20

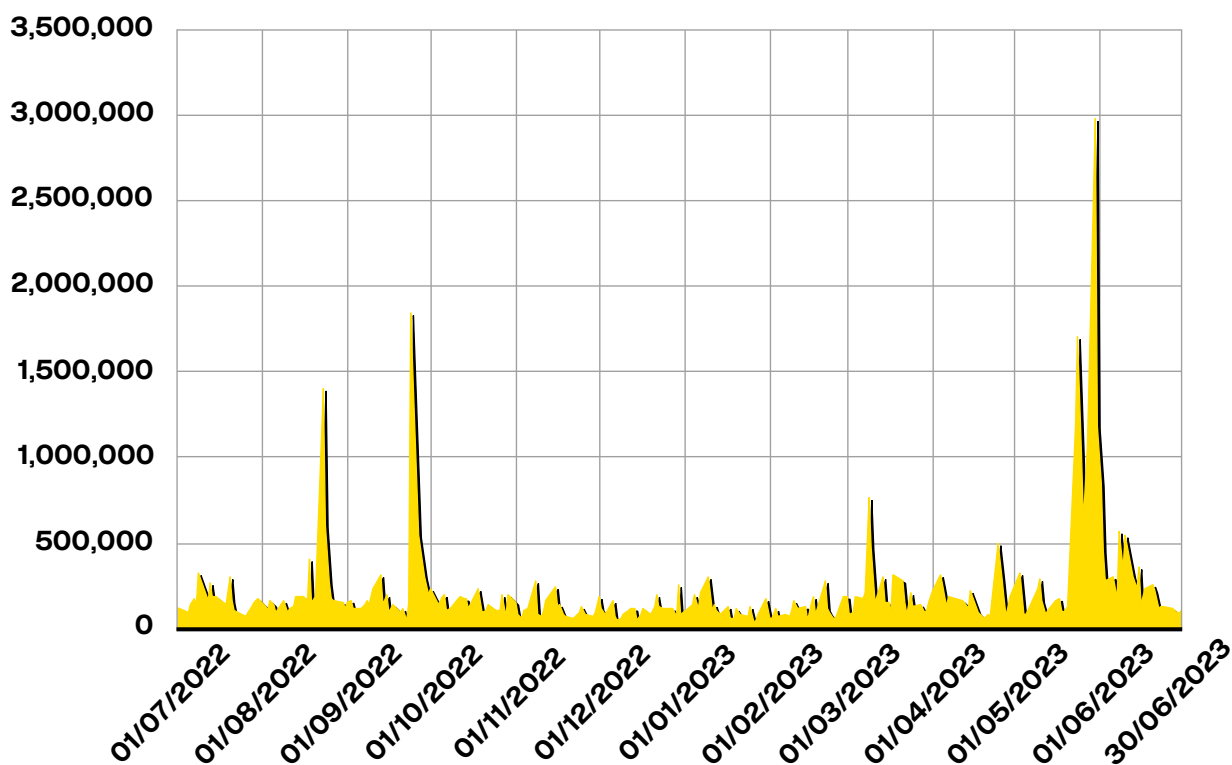
February 2023. Thanks to a victory in the first leg of the round of 16 in the UEFA Champions League, this price level was sustained in the period that followed. BVB shares traded at EUR 4.40 on 6 March 2023. They were then knocked back following the team's defeat in the return leg for the round of 16 and elimination from the UEFA Champions League. On the following day, 8 March 2023, the shares traded at EUR 4.03 before dropping to EUR 3.80 on 17 March 2023. BVB shares traded at EUR 3.87 on 20 March 2023, EUR 4.13 on 23 March 2023, EUR 4.04 on 27 March 2023 and EUR 4.11 on 31 March 2023.

Losses to FC Bayern Munich and RB Leipzig initially saw the shares lose ground in April 2023. On 3 April 2023, BVB shares were listed at EUR 3.91 and on 6 April 2023 at EUR 3.88. However, two victories and a draw in April 2023 opened up the chance for BVB to win the Bundesliga, with a positive knock-on effect on the share price. BVB shares traded at EUR 4.09 on 17 April 2023, EUR 4.32 on 24 April 2023 and EUR 4.53 on 28 April 2023. On 5 May 2023, the Company announced its preliminary figures for the third quarter (see ad hoc disclosure from the same date). On that day, BVB shares were listed at EUR 4.39 and on the following day at EUR 4.54. Three further wins in the Bundesliga kept BVB in the running, and a victory on the final match day would have seen Borussia Dortmund crowned champions. This expectation caused the share price to rally in the week preceding the season finale on match day 34. The BVB shares traded at EUR 4.48 on 19 May 2023, EUR 5.20 on 22 May 2023, EUR 5.76 on 24 May 2023 and EUR 5.88 on 26 May 2023, which also marked the high for the reporting period. Regrettably, Borussia Dortmund was unable to muster more than a draw on the final match day and the silverware once again made its way to Munich. This caused the share price to lose significant ground. On 29 May 2023, the BVB shares closed the trading day at EUR 4.29 before sliding to EUR 4.13 on 31 May 2023. On 7 June 2023, the Company announced the imminent transfer of Jude Bellingham to Real Madrid (see ad hoc disclosure from the same date). On that day, BVB shares were listed at EUR 4.34 and on the following day at EUR 4.42. The share price experienced further short-term gains in the period that followed. On 9 June 2023, BVB shares were listed at EUR 4.52 and on 14 June 2023 at EUR 4.65. However, it was not possible to maintain this price level until the end of the reporting period. BVB shares traded at EUR 4.46 on 19 June 2023, EUR 4.41 on 22 June 2023 and EUR 4.36 on 28 June 2023. The reporting period ended with the BVB shares trading at EUR 4.37 on 30 June 2023 (previous year: EUR 3.58).

SHARE PRICE PERFORMANCE (IN EUR)



REVENUE (SHARES)



Share capital and shareholder structure

Borussia Dortmund GmbH & Co. KGaA's share capital amounts to EUR 110,396,220 divided into the same number of no-par value shares. The shareholder structure of Borussia Dortmund GmbH & Co. KGaA was as follows as at 30 June 2023:

- Bernd Geske: 8.24%
- Evonik Industries AG: 8.19%
- SIGNAL IDUNA: 5.98%
- PUMA SE: 5.32%
- Ralph Dommermuth Beteiligungen GmbH: 5.03%
- Ballspielverein Borussia 09 e.V. Dortmund: 4.61%*
- Free float: 67.24%

The shareholding marked "*" is officially included in the free float.

Shareholdings by members of governing bodies

As at 30 June 2023, the members of management held a total of 11,695 no-par value shares in the Company. As at the same date, the members of the Supervisory Board held a total of 9,092,009 no-par value shares. As at 30 June 2023, members of management and the Supervisory Board held a total of 9,103,704 no-par value shares, which corresponds to more than 1% of the shares issued by Borussia Dortmund GmbH & Co. KGaA.

Investor relations

The aim of our Company's Investor Relations organisation is to obtain an appropriate valuation of BVB shares on the capital market. This is achieved by pursuing ongoing and open communication with all market participants. Investor Relations forms an ideal interface between institutional investors, financial analysts and private investors. The Company seeks to justify the confidence placed in it by investors and the public through immediate and transparent communication of its financial results, business transactions, strategy, and risks and opportunities. We are committed to communications principles such as openness, continuity, equal treatment and credibility, which make it possible to develop a long-term rapport based on trust with market participants and to ensure a true and fair view of the Company.

We therefore use online communication as our main form of communications, as this offers the best basis for providing all interested parties with equal access to up-to-date information. Because this information is highly pertinent, Borussia Dortmund maintains an investor relations webpage, "BVB Share" which is available online at www.bvb.de/aktie and

<http://aktie.bvb.de/eng>. All annual and interim financial reports are available for download at this site. Mandatory disclosures and announcements under capital market law, such as ad hoc disclosures, corporate news, and manager transactions (formerly directors' dealings) are published here in a timely manner. At the same time, our service provider, EQS Group AG (DGAP), Munich, ensures that these notices are distributed throughout Europe. Further detailed information, such as investor presentations and in-depth information on implementing the recommendations of the German Corporate Governance Code, is provided on our website. The information is available in German and, for the most part, in English as well.

Another objective of ours in financial year 2022/2023 was to continue to foster communication with the capital markets. The Annual Press Conference on the preliminary figures of the 2021/2022 financial year was held in Dortmund on 19 August 2022. The Company also held an analyst conference on the same day in Frankfurt am Main. Both of these were held as "hybrid" events. During the reporting period, the Company also took part in roadshows with capital market representatives on 20 September 2022 as part of the "Berenberg and Goldman Sachs Eleventh German Corporate Conference" and on 14 March 2023 and 20 June 2023 in virtual format with Edison, as well as group or one-on-one virtual meetings and conference calls.

The Company is also pleased to be included in the research coverage of the following firms:

- Frankfurt Main Research AG, Frankfurt am Main
Most recent research update: 7 June 2023, Recommendation: "Buy" (previously: "Buy")
Target price: EUR 5.00 (previously: EUR 5.00);
- Hauck & Aufhäuser Privatbankiers AG, Hamburg
Most recent research update: 8 June 2023, Recommendation: "Buy" (previously: "Buy")
Target price: EUR 5.50 (previously: EUR 5.20);
- Joh. Berenberg, Gossler & Co. KG ("Berenberg"), Hamburg
Most recent research update: 7 June 2023, Recommendation: "Buy" (previously: "Buy")
Target price: EUR 6.00 (previously: EUR 6.00);
- GSC Research GmbH, Düsseldorf
Most recent research update: 30 May 2023, Recommendation: "Buy" (previously: "Buy")
Target price: EUR 5.50 (previously: EUR 5.50);
- Edison Research Investment Ltd., London, UK
Most recent research update: 17 May 2023, Recommendation: "n/a"

Individual studies and research updates that our Company is entitled to publish are available online at www.bvb.de/aktie and <http://aktie.bvb.de/eng> under "BVB Share", sub-heading "Capital Market View".

Stifel Europe Bank AG was our Company's designated sponsor during the reporting period.

CORPORATE GOVERNANCE REPORTING

Our Company believes it is essential for corporate governance to be clearly structured and effective. Corporate governance embodies a responsible and transparent system of checks and balances designed to ensure a continued focus on sustainable value creation. Efficient cooperation between the management and the Supervisory Board, the preservation of shareholder interests, and open and transparent corporate communications are vital aspects of sound corporate governance. This is the guiding principle for the Company's Supervisory Board and for the management of Borussia Dortmund Geschäftsführungs-GmbH in its capacity as the general partner of Borussia Dortmund GmbH & Co. KGaA.

GENERAL INFORMATION ON CORPORATE GOVERNANCE AT BORUSSIA DORTMUND GMBH & CO. KGAA

German stock corporation law sets out the statutory framework of corporate governance. Pursuant to § 161 AktG, the executive board and the supervisory board of a listed company are required to submit each year a declaration as to whether and to what extent that company has complied (retrospective) or will comply (forward-looking) with the recommendations of the "Government Commission of the German Corporate Governance Code" contained in the German Corporate Governance Code as published in the official section of the electronic Federal Gazette. Although companies may opt to deviate from the Code, they are then obligated to disclose this on an annual basis, providing an explanation for their non-compliance ("comply or explain"). This option exists to ensure that companies are able to meet industry- or company-specific requirements. A well-founded deviation from a recommendation of the Code may be in the interest of sound corporate governance.

The Code is generally reviewed once annually and amended as required. It reflects basic statutory guidelines concerning the management and supervision of listed German companies as well as internationally and nationally recognised standards for sound and responsible corporate governance. In addition to formulating best practices for management, the Code is intended to ensure that corporate governance in Germany is transparent and open to scrutiny and to promote confidence in the management and supervision of listed German companies amongst international and national investors, customers, employees and the public.

A large number of the Code's recommendations (expressed using the word "shall") are intended exclusively for German stock corporations (Aktiengesellschaft, "AG"), meaning that they are either not applicable at all or must at best be applied mutatis mutandis to partnerships limited by shares (Kommanditgesellschaft auf Aktien, "KGaA"), i.e., our Company as well.

A KGaA is a hybrid corporate form combining elements of a German stock corporation and a limited partnership (Kommanditgesellschaft). It is a separate legal entity whose share capital is divided into shares which are held by at least one shareholder (the general partner) that has unlimited liability against creditors of the Company and limited partners (Kommanditaktionäre) that are not personally liable for the debts of the company (§ 278 (1) AktG).

The key differences between a KGaA and a German stock corporation can be characterised as follows:

- Borussia Dortmund GmbH & Co. KGaA does not have an executive board. Instead, the general partner, Borussia Dortmund Geschäftsführungs-GmbH, is solely responsible for its management and representation. This German limited liability company (Gesellschaft mit beschränkter Haftung, "GmbH") is in turn represented by one or more managing directors; its sole shareholder is Ballspielverein Borussia 09 e.V. Dortmund.
- The rights and duties of the KGaA's Supervisory Board, which is appointed by the Annual General Meeting, are limited. Specifically, it has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements. Nor is the Supervisory Board authorised to adopt internal rules of procedure or a list of transactions requiring its consent on behalf of the general partner. Rather, such rights and duties are vested in the governing bodies of Borussia Dortmund Geschäftsführungs-GmbH, namely its Advisory Board and the Executive Committee created by the Advisory Board.
- Additional features specific to the KGaA's Annual General Meeting are set forth primarily in §§ 285 and 286 (1) AktG and in the Company's Articles of Association.

As a consequence, a Declaration of Conformity in accordance with § 161 AktG must be submitted by the management of the general partner and the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA, taking into account the specific characteristics of the KGaA's legal form and the provisions of the Articles of Association.

In our assessment, the following recommendations of the Code are not applicable (including mutatis mutandis) to the specific characteristics of the KGaA legal form and the provisions of the Company's Articles of Association:

- The Code makes various recommendations to the Supervisory Board in respect of executive board remuneration, namely G.4, G.8 and G.13 of the Code. The Code makes a large number of other recommendations to the Supervisory Board in respect of the remuneration system for executive board members and/or the structure of their individual remuneration. As follows from the justification to the Code given by the Government Commission, all of these recommendations are based, either in substance or method, on the statutory provisions for a German stock corporation (Aktiengesellschaft) under § 87 (1) of the German Stock Corporation Act (Aktiengesetz, "AktG") and/or § 87a AktG, which entered into force on 1 January 2020. These statutory provisions are not applicable to our Company – either directly or mutatis mutandis – on account of its legal form, which we believe was a conscious decision on the part of the legislator. As such, recommendations G.1 to G.3, G.5 to G.7, G.9 to G.13, G.15 and G.16 of the Code are likewise not applicable to our Company. By contrast, Article 7 of the Company's Articles of Association stipulates that the general partner has a right to reimbursement of the staff and materials expenses

incurred by it in the course of managing the Company, plus a commission amounting to 3% of the net profit for the year generated by the Company. Otherwise, the fixed and variable remuneration for the Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH was and is resolved by the Executive Committee formed by that company, which also reviews the Managing Directors' employment agreements for appropriateness and compliance with standard market practice when entering into or extending them. For practical reasons, the recommendations of the Code with respect to the remuneration system for executive board members and/or executive board pay, and on the role of the Supervisory Board, which in some respects are considered to be over-regulation, have not been and will not be applied on a voluntary basis by the Executive Committee.

- In the interest of transparency, we nevertheless continue to disclose the remuneration of the individual Managing Directors of our Company's general partner, Borussia Dortmund Geschäftsführungs-GmbH, on a voluntary basis in the notes to the annual and consolidated financial statements; otherwise, reference is made to the remuneration report prepared for financial year 2022/2023 in accordance with § 162 in conjunction with § 278 (3) AktG.

Despite the specific characteristics of our Company's legal form, however, the following recommendations of the Code are applied mutatis mutandis or in modified form, which we do not consider a deviation from the Code:

- Long-term succession planning within the meaning of recommendation B.2, first half-sentence of the Code is the responsibility of the Managing Directors of the Company and – given that the Supervisory Board has no authority to appoint or dismiss personnel – the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH. This planning takes place in regular dialogue between the management and the Executive Committee, which determine profiles of skills and expertise for management personnel based on the corporate strategy and internal corporate structure and management, and monitor relevant internal and external candidates. In this respect, scouting is something we use not just to find talented new footballers, but also in our human resource planning. Efforts are also ongoing within the Company to nurture up-and-coming management talent, for example by means of further education. The Company can also rely on its network and on outside service providers where necessary to recruit externally. The Executive Committee also acts to ensure sufficient diversity when staffing the management (recommendation B.1 of the Code).
- In the case of the first-time appointment of Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH, the Executive Committee follows the recommendation B.3 of the Code, whereby executive board members at stock corporations should be appointed for a maximum of three years.
- We consider the President of the Executive Committee, Dr Reinhold Lunow, who addresses the remuneration of the Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH, to be independent within the meaning of the recommendation C.10 sentence 1 of the Code.

- In application mutatis mutandis of the recommendation D.6 of the Code, a regular time slot is reserved at Supervisory Board meetings for discussions without the Managing Directors of the general partner.
- Given that the Supervisory Board has no authority to appoint and dismiss Managing Directors of Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their service agreements, not it but rather the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH is responsible for consenting to sideline activities of the Managing Directors of the general partner within the meaning of recommendation E.3 of the Code.

The Declaration of Conformity must be made permanently available to shareholders on the Company's website. It is published on the investor relations website, <http://aktie.bvb.de/eng>, under "Corporate Governance". In addition, the Declaration of Conformity submitted in July 2023, as reproduced below, is an integral part of this corporate governance declaration.

While the Company's corporate governance report presented here is published as part of the corporate governance declaration (on the Company's website <http://aktie.bvb.de/eng> under "Corporate Governance"/"Corporate governance declaration"), the corporate governance reports for the 2017/2018 and previous financial years were published in the annual reports for the respective financial years. These are available on our investor relations website <http://aktie.bvb.de/eng>, under "Publications".

Appropriateness and effectiveness of the internal control system, the compliance system and the risk management system

By taking an integrated governance, risk and compliance approach, management created a control framework for BVB aimed at an appropriate and effective internal control and risk management system. This was the intention behind creating the Compliance & Risk Management department, the internal control system (ICS) and Internal Audit and forming an Audit Committee from among the ranks of the Supervisory Board. In this context, independent monitoring and audits are also conducted, in particular by virtue of the audits conducted by Internal Audit and its reports to management and the Audit Committee of the Supervisory Board and by virtue of other external audits.

The internal control system (ICS) at the BVB Group includes controls and monitoring activities to ensure the effectiveness and efficiency of business processes, the propriety of the accounting and conformity of our activities with laws and guidelines. The ICS covers all material business processes and also includes controls beyond the accounting process. Our ICS provides for process-integrated and process-independent monitoring measures. These measures include both automated and manual controls such as:

- dual control;
- segregation of execution and approval functions;
- access controls to buildings and departments.

Based on its involvement with the internal control and risk management systems and the reports by Internal Audit, Management is not aware of any facts or circumstances that would suggest those systems as a whole are not appropriate and effective.

Transparency, reference to the Company's website

The Company provides the limited liability shareholders, shareholders' associations, financial analysts and the general public regular notifications regarding the position of the Company and on material business developments.

In particular, we publish ad hoc disclosures and corporate news on our website, as well as voting rights notifications and managers' transactions notifications submitted to us, information on the shareholder structure, the current version of the Articles of Association and the financial calendar.

The financial calendar includes the dates for key Company events, and can be accessed online at <http://aktie.bvb.de/eng>, under "Financial Calendar".

As in previous years, the Annual Press Conference on the "preliminary" figures of the previous financial year will be streamed live so that the general public may watch the conference online in real time.

The previous year's Annual General Meeting was convened in due and proper form and held in person on 21 November 2022. In compliance with the German Corporate Governance Code, the reports and documents required by law were made available for inspection; these were given to the limited liability shareholders upon request and were published on the Company's website together with the agenda. The resolutions on all agenda items were approved, with votes in favour ranging between 88.82% and 99.98% of the votes cast.

The next Annual General Meeting of Borussia Dortmund GmbH & Co. KGaA is scheduled for 27 November 2023.

The half-yearly and other interim financial reports shall be published at the intervals recommended in the Code. The Company will provide further details via ad hoc announcements. The consolidated financial statements, the Group management report and the interim financial reports are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the member states of the EU. The annual financial statements and management report of Borussia Dortmund GmbH & Co. KGaA were and will continue to be prepared in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch, "HGB") and the German Stock Corporation Act (Aktiengesetz, "AktG").

Our Company stands for more than "just" football and takes its corporate social responsibility into account. A first, voluntary sustainability report covered the 2016/2017 financial year, i.e. the period from 1 July 2016 to 30 June 2017, and was based on the Global Reporting Initiative (GRI) Standards (Core option). The sustainability reports for subsequent financial years (i.e., from the 2017/2018 financial year onwards) also contain a separate non-financial Group report in accordance with § 315b (3) HGB, and many of the aspects it covers and disclosures it contains also relate to compliance and risk management. The sustainability reports are published online at <https://aktie.bvb.de/eng> under "Corporate Governance"/"Sustainability Report".

Moreover, we publish analysts' recommendations and research studies on our website <http://aktie.bvb.de/eng>, under "BVB Share"/"Capital Market View", in order to facilitate communication with market participants.

Customers, fans and the public alike can also find additional information on the Company – including e.g. CVs and overviews of the key duties of Supervisory Board members as well as further information on the managing directors of the general partner – at <http://aktie.bvb.de/eng>.

A considerable number of publications on our website have been and will continue to be made available in English.

The most recent resolution, adopted by the Annual General Meeting on 2 December 2021, on the remuneration of the members of the Supervisory Board and/or on their remuneration system in accordance with § 113 (3) in conjunction with § 278 (3) AktG is publicly accessible on our website <https://aktie.bvb.de/eng/> under "Corporate Governance"/"Remuneration System Supervisory Board". The remuneration report for the previous financial year and the auditor's report in accordance with § 162 in conjunction with § 278 (3) AktG is made publicly accessible on the website <https://aktie.bvb.de/eng/> under "Corporate Governance"/ "Remuneration Report".

The notes to the annual and consolidated financial statements and the management report contain further disclosures on the remuneration of the general partner and the members of the Supervisory Board, and the Annual Report contains disclosures on the ownership of Company shares by the general partner and members of its management and by the members of the Supervisory Board. Due to the specific characteristics of the KGaA legal form, there is still no legal obligation to disclose the remuneration of individual Managing Directors of the general partner of the Company, Borussia Dortmund Geschäftsführungs-GmbH. Nonetheless, as referred to above, in the interest of transparency, we have presented the remuneration of individual Managing Directors in the notes to the annual and consolidated financial statements on a voluntary basis.

DECLARATION OF CONFORMITY

by the management and by the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA in accordance with § 161 AktG dated 26 July 2023

In accordance with § 161 of the German Stock Corporation Act (Aktiengesetz, "AktG"), the management of the general partner (Borussia Dortmund Geschäftsführungs-GmbH) and the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA declare that since the last Declaration of Conformity was submitted on 26 September 2022, Borussia Dortmund GmbH & Co. KGaA complied and will continue to comply with the recommendations of the German Corporate Governance Code (the "Code") in the version dated 28 April 2022 (published in the Federal Gazette (Bundesanzeiger) on 27 June 2022), with the exception of the following deviations (please note that numerous recommendations of the Code, in particular those pertaining to the remuneration system for executive board members and/or executive board pay, are not applicable due to the specific characteristics of our Company's legal form as a partnership limited by shares (Kommanditgesellschaft auf Aktien, "KGaA"); the respective disclosures and explanations are given in the corporate governance declaration):

Re recommendation B.4: As in the past, the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH will continue to decide on the reappointment of its Managing Directors, including, even in the absence of special circumstances, prior to the end of one year before the end of the existing term of appointment. Given the specific features of the KGaA legal form and due to the desire for greater flexibility, it is not considered practicable to make any staffing decision based solely on timing and circumstances.

Re recommendation B.5: As in the past, the Executive Committee of Borussia Dortmund Geschäftsführungs-GmbH will continue to make decisions as to age limits for the Managing Directors of the general partner for upcoming (re-)appointments of Managing Directors, without generally stipulating an age limit to that extent. It is not considered practicable to set any age limits.

Re recommendations C.1 sentences 1 to 5 and C.2: The Supervisory Board has not set any concrete objectives regarding its composition, has not prepared a profile of skills and experience, and has not established an age limit for Supervisory Board members. Nor are there plans to do so going forward. The Supervisory Board's continuing preference is to decide on proposals relating to its composition on a case-by-case basis in light of specific situations. Consequently, no further information was or is reported on this recommendation or its compliance with it. Notwithstanding the foregoing, compliance with the requirement, issued by the legislator, that the target proportion of women on the Supervisory Board be defined, remains mandatory (§ 278 (3) and § 111 (5) AktG as well as § 289f (3) and (2) no. 4 HGB).

Re recommendation C.5, second half-sentence: This recommendation states that members of the management board of a listed company shall not accept the chairmanship of a supervisory board of a non-group listed company. Supervisory Board member Mr Christian Kullmann is the Chairman of the Executive Board of listed company Evonik Industries AG in Essen and has been the Chairman of the Supervisory Board of our Company since 25 September 2021. The Supervisory Board is convinced that Mr Kullmann has sufficient time available to discharge his duties, particularly given that he does not hold any other positions covered by this recommendation. In addition, his considerable experience in corporate management, his deep understanding of business and his top-quality contacts, both in Germany and abroad, have made and will continue to make a key contribution to the effective work of the Supervisory Board. Following consideration, it is therefore considered reasonable to deviate from this recommendation.

Re recommendation C.13: In its election proposals to the Annual General Meeting, the Supervisory Board does not disclose the personal and business relationships of every candidate with the Company, the governing bodies of the Company and limited liability shareholders with a material interest in the Company (i.e., those holding more than 10% of voting shares). Nor are there plans to do so going forward. In its opinion, no secure legal practice exists with respect to this recommendation. The legal certainty of Supervisory Board elections took and takes a higher priority than any effort to make legally unnecessary disclosures in connection with nominations.

Re recommendation D.2 sentence 1 and D.4: Apart from the Audit Committee, the Supervisory Board has to date not formed any other committees and does not currently intend to do so in the future. This is because it wants any pending matters to be discussed, to the extent possible, by the full Supervisory Board. This applies in particular to waiving the formation of a nomination committee as per recommendation D.4, particularly given that the Supervisory Board already comprises solely shareholder representatives – which is a requirement of the Code when forming a nomination committee.

Re recommendation E.1 sentence 2: The Supervisory Board reserves the right to not comply with the recommendation that it report to the Annual General Meeting on conflicts of interest as they arise and how they are addressed. The principle of confidentiality of deliberations within the Supervisory Board (see § 116 sentence 2 AktG and principle 13 sentence 3 of the Code) will generally take precedence.

Dortmund, 26. Juli 2023

On behalf of the Supervisory Board



Christian Kullmann
Chairman

On behalf of Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (CEO)



Thomas Treß
Managing Director



Carsten Cramer
Managing Director



COMBINED MANAGEMENT REPORT

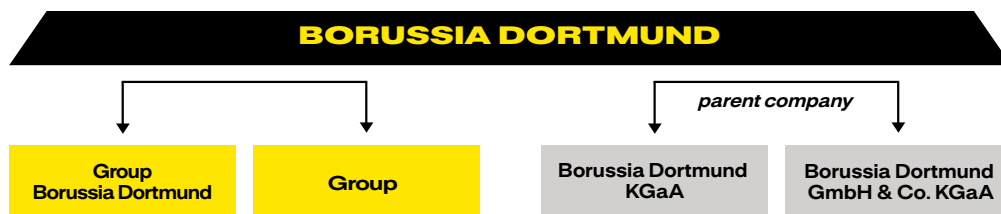
**Borussia Dortmund GmbH & Co.
Kommanditgesellschaft auf Aktien, Dortmund
for the 2022/2023 financial year**

COMBINED MANAGEMENT REPORT

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund, for the 2022/2023 financial year

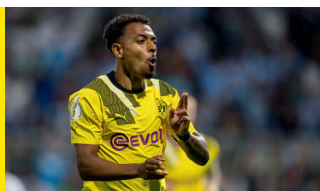
This combined management report includes both the Group management report in accordance with § 315 (5) of the German Commercial Code (Handelsgesetzbuch, "HGB") and the management report of Borussia Dortmund GmbH & Co. KGaA in accordance with § 298 (2) HGB. The following definitions apply:

"Borussia Dortmund" refers to the Group and the parent company, the "Borussia Dortmund Group" or "Group" mean the Group, and "Borussia Dortmund KGaA" (also referred to as "Borussia Dortmund GmbH & Co. KGaA") is the parent company.



The report covers the performance, position and expected development of both the Borussia Dortmund Group and Borussia Dortmund GmbH & Co. KGaA. The report begins by discussing Borussia Dortmund's performance and then describes the net assets, financial position and results of operations along with the financial and non-financial performance indicators of the Borussia Dortmund Group. Please refer to the separate section entitled "Information on Borussia Dortmund GmbH & Co. KGaA" at the end of this combined management report for information on the position and expected development of Borussia Dortmund GmbH & Co. KGaA.

The consolidated financial statements as at 30 June 2023 of Borussia Dortmund GmbH & Co. KGaA were prepared in accordance with the International Financial Reporting Standards (IFRSs), as adopted in the European Union and applicable as at the end of the reporting period, and the supplementary provisions of German commercial law in conjunction with the German Accounting Standards (GAS). The annual financial statements of Borussia Dortmund GmbH & Co. KGaA are prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (Aktiengesetz, "AktG").



DFB cup 1st round
29 July 2022
1860 München - BVB 0:3



1st match day
6 August 2022
BVB - Bayer 04 Leverkusen 1:0

BUSINESS TREND

Looking back on financial year 2022/2023

ATHLETIC PERFORMANCE

Bundesliga

Borussia Dortmund chalked up 71 points in the 2022/2023 Bundesliga season to finish in second place behind FC Bayern Munich. As runners-up, Borussia Dortmund qualified directly for the group stage of the UEFA Champions League in the 2023/2024 season.

UEFA Champions League

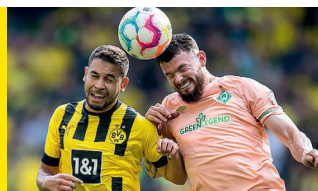
In Group G of the UEFA Champions League, Borussia Dortmund finished in second place with nine points, thereby advancing to the round of 16 where the team faced Chelsea FC. Despite winning the first leg of the fixture 1:0 at home at SIGNAL IDUNA PARK, Borussia Dortmund failed to advance to the UEFA Champions League quarter-finals after losing the return match 0:2 in London.

DFB Cup

After a promising start to its DFB Cup campaign, with three wins against TSV 1860 Munich, Hannover 96 and VfL Bochum, Borussia Dortmund failed to reach the semi-finals, losing 0:2 away to RB Leipzig.



2nd match day
12 August 2022
SC Freiburg - BVB 1:3



3rd match day
20 August 2022
BVB - Werder Bremen 2:3

PERFORMANCE INDICATORS

Various financial and non-financial indicators are used to measure performance. Borussia Dortmund uses these internally-defined performance indicators to guide its entrepreneurial actions and to select the focus of its internal reporting.

Financial performance indicators

From a wide range of possible financial indicators, Borussia Dortmund focuses on those specific indicators that in the past few years were primarily used to steer the Company.

First and foremost is revenue. Management uses this indicator to internally manage the Company, knowing full well that this indicator alone is not sufficiently meaningful. Nevertheless, it provides a clear indication of the Company's economic strength, especially when compared against that of competitors or when monitoring the Company's long-term revenue trend.

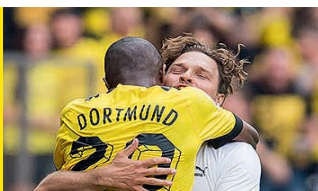
Consolidated total operating proceeds is another financial performance indicator that, in contrast to the other financial performance indicators, is only used for the Borussia Dortmund Group. These are calculated as total revenue plus the gross transfer proceeds generated. This indicator is used to reflect the Group's earnings power and as a source of funding for ordinary activities.

The result from operating activities (EBIT) and net profit or loss for the year are also used to manage the Company. These financial performance indicators play a key role in preparing the budget for the coming financial year(s), in interim controlling with respect to the earnings performance and when looking back on a particular financial year.

Another key performance indicator is the operating result (EBITDA). This is due to the considerable level of investment activity and the associated increase in depreciation, amortisation and write-downs. As a result, EBITDA (EBIT adjusted for depreciation, amortisation and write-downs) has been selected to better benchmark the Company's annual performance.

These indicators are rounded out by cash flows from operating activities and free cash flow, both of which the Company uses for internal planning purposes.

Free cash flow is defined as cash flows from operating activities plus cash flows from investing activities and is a key indicator used to ensure that cash flows from operating activities are



4th match day
27 August 2022
Hertha BSC - BVB 0:1



5th match day
2 September 2022
BVB - TSG Hoffenheim 1:0

sufficient to cover investments. Because Borussia Dortmund's strategic objective is to maximize sporting success without incurring new debt, free cash flow is a key indicator for the club. In light of steadily growing transfer sums, free cash flow is thus becoming increasingly important. Furthermore, it is an indicator used to determine whether Borussia Dortmund has sufficient funds to finance the steady dividend payments to its shareholders. Therefore, Borussia Dortmund strives to continuously optimise free cash flow.

Non-financial performance indicators

Borussia Dortmund's only non-financial performance indicator is the reach of its brand.

The reach of Borussia Dortmund's brand is determined by a number of criteria that, when taken together, are representative of the brand's reach.

Some of these criteria are measurable, while others are not. Nevertheless, they are a reflection of the Company's appeal.

The number of criteria varies and they are thus exchangeable. While any one factor may be of relevance during a given season, this may not necessarily be the case in subsequent years. New media in particular constantly provides new value drivers: for instance, the number of Facebook fans or page impressions represent relevant indicators.

Measurable criteria include, for example, the number of season tickets sold, attendance figures and television broadcast hours.

Awards, surveys and studies represent possible criteria that cannot be measured quantitatively. Another "soft" criterion is the deliberate selection of sponsors whose products and brand images are aligned with the Borussia Dortmund brand.

Borussia Dortmund's decision-makers receive reports about all criteria on a regular basis. Furthermore, taken as a whole, these are an indicator of the success of the Company's strategic alignment.

Compared to the previous year, there were no changes to Borussia Dortmund's control system.



1st match day UCL
6 September 2022
BVB - FC København 3:0



6th match day
10 September 2022
RB Leipzig - BVB 3:0

DEVELOPMENT OF THE MARKET AND COMPETITIVE ENVIRONMENT

Sponsorships

Borussia Dortmund again has two kit sponsors for the 2022/2023 season. Evonik Industries AG is the kit sponsor for all international club competitions, friendlies staged abroad and DFB Cup matches. 1&1 Telecommunication SE is the kit sponsor for Borussia Dortmund's Bundesliga appearances.

General Logistics Systems Germany GmbH & Co. OHG (GLS), a provider of parcel and express services, has deepened its partnership with Borussia Dortmund. GLS became one of Borussia Dortmund's Champion Partners in July 2021 and has been the club's sleeve sponsor for both national and international competitions since the 2022/2023 season, including for all of its youth, amateur and women's teams.

Borussia Dortmund and the multinational technology group Wilo, which has been a Champion Partner since 2011, extended their contract by a further three years until 2026. Beginning in 2023, Wilo will also be Borussia Dortmund's sustainability partner.

BVB also added three new Premium Partners. The company behind the fantasy sports platform Sorare entered into a long-term partnership with Borussia Dortmund. STIEBEL ELTRON GmbH & Co. KG also joined on as one of BVB's Premium Partners. The heating manufacturer and Borussia Dortmund entered into a three-year partnership. Workday, a leading provider of enterprise cloud applications, also joined as a Premium Partner until the end of the 2023/2024 season.

Furthermore, Borussia Dortmund expanded its partnership with the Premium Partners Rügenwalder Mühle until 30 June 2025 and with L'Oréal Deutschland GmbH until 30 June 2024.

At the beginning of the 2022/2023 Bundesliga season, menswear specialist MEY & EDLICH was brought on board as Borussia Dortmund's official fashion partner. Borussia Dortmund also entered into partnerships with The Football Company (until 30 June 2025) and Enders. The barbecue manufacturer Enders and Borussia Dortmund signed a three-year contract.



2nd match day UCL
14 September 2022
Man City - BVB 2:1



7th match day
17 September 2022
BVB - FC Schalke 04 1:0

BVB extended its multi-year partnership with the Melitta Group for a further three years until the end of the 2026/2027 season. The company will thus remain Borussia Dortmund's official coffee partner.

Borussia Dortmund and the global sports marketing agency SPORTFIVE Germany GmbH, its marketing partner since 1999, extended their partnership early until 30 June 2031.

Given the fact that the COVID-19 pandemic became endemic during the course of the financial year, Borussia Dortmund met all of its contractual service obligations in the 2022/2023 season, in particular its hospitality services, and increased advertising revenue in this and other ways. In light of the new sponsorship contracts and contract extensions it has signed, Borussia Dortmund once again expects that advertising revenue will increase in the coming 2023/2024 financial year.

Transfer deals

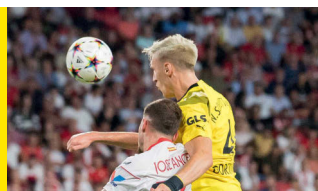
Erling Haaland transferred to Manchester City with effect as at 1 July 2022. Manuel Akanji subsequently also moved to the English side. Steffen Tigges left Borussia Dortmund for Bundesliga rivals 1. FC Cologne. Goalkeeper Marwin Hitz transferred to FC Basel in the Swiss first division. In the 2022/2023 winter transfer window, Thorgan Hazard joined first-division Dutch club PSV Eindhoven on loan until 30 June 2023. Striker Ansgar Knauff, who Borussia Dortmund loaned to Eintracht Frankfurt in January 2022, made his move permanent.

In June 2023, Borussia Dortmund reached an agreement with top-flight Spanish club Real Madrid to transfer the player Jude Bellingham with effect as at 1 July 2023. The players Raphaël Guerreiro, Mahmoud Dahoud, Anthony Modeste, Felix Passlack and Luca Unbehaun, whose contracts expired on 30 June 2023, were not handed new contracts and the five are free to join other clubs.

Full-back Tom Rothe has extended his contract through to 30 June 2026 and will spend the 2023/2024 season on loan at the up-and-coming second-division club Holstein Kiel to gain match experience.



8th match day
1 October 2022
1. FC Köln - BVB 3:2



3rd match day UCL
5 October 2022
Sevilla FC - BVB 1:4

Capital expenditure

In summer 2022, Borussia Dortmund signed Germany internationals Niklas Süle, Nico Schlotterbeck and Karim Adeyemi and Turkey international Salih Özcan. Borussia Dortmund also signed goalkeeper Alexander Meyer. Furthermore, Borussia Dortmund signed striker Sébastien Haller from Ajax Amsterdam. The Ivory Coast international signed a contract that runs until 30 June 2026. Having undergone chemotherapy to treat a malignant testicular tumour, the player did not celebrate his début for Borussia Dortmund in a competitive match until January 2023. To compensate for the long-term absence of Sébastien Haller, Borussia Dortmund have signed Anthony Modeste from Bundesliga rivals 1. FC Cologne until 30 June 2023. During the winter break of the 2022/2023 season, Borussia Dortmund signed full-back Julian Ryerson from Bundesliga rivals 1. FC Union Berlin. The Norway international's contract runs until 30 June 2026.

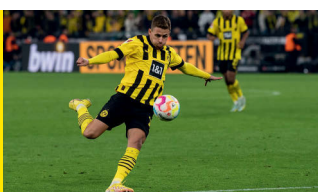
Borussia Dortmund also signed Julien Duranville, a talented winger from RSC Anderlecht. The Belgium U19 international also signed a long-term contract.

Borussia Dortmund also signed Algerian international Ramy Bensebaini away from Bundesliga rivals Borussia Mönchengladbach for the 2023/2024 season. The full-back signed a four-year contract.

TV Marketing

One of the main tasks of the German Football League (DFL Deutsche Fußball Liga GmbH) is to allocate media exploitation rights at national and international level for first and second Bundesliga division matches as well as for the Super Cup and relegation/promotion play-offs. DFL e.V. distributes the resulting income to recipients including the clubs of the first and second Bundesliga divisions. The media rights to German professional football are allocated every four years for four seasons at a time. The tendering process for the media rights, which is reviewed and approved by competition regulator the German Federal Cartel Office, is open, transparent and non-discriminatory.

The media rights currently allocated relate to the 2021/2022 to 2024/2025 seasons. The clubs can expect income averaging EUR 1.1 billion for these four seasons, corresponding to EUR 4.4 billion in total. The distribution of the TV marketing income was resolved in December 2020. In light of the decline in income from national media rights, the consolidation being seen on international markets and the significant decrease in revenue at the club level during the



9th match day
8 October 2022
BVB - Bayern München 2:2

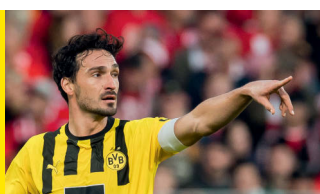


4th match day UCL
11 October 2022
BVB - Sevilla FC 1:1

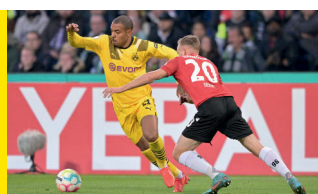
COVID-19 pandemic, the objective of the distribution system is primarily to ensure stability, while setting the course for the future and promoting solidarity for the clubs at the same time. This offers Bundesliga clubs a solid planning basis. Nevertheless, seasons without interruptions as well as timely payments by partners in line with their contracts are essential for ensuring the amount and timing of the envisaged distribution payouts. DFL Deutsche Fußball Liga GmbH and the German Football Association (DFB) agreed on a new agreement setting out the rights and duties of the two organisations that will enter into force on 1 July 2023 and expire on 30 June 2029. Going forward, it clearly defines the financial arrangement between the German Football Association (DFB) and the league (DFL Deutsche Fußball Liga) and thus also indirectly between the clubs of the first and second Bundesliga divisions, and provides long-term planning security.

While the COVID-19 pandemic has waned, it is still indirectly affecting income from international TV marketing of UEFA competitions. The pandemic-related losses for clubs competing in the UEFA Champions League amounted to EUR 416.5 million in the 2019/2020 season and EUR 57.3 million in the 2020/2021 season. So as to stretch the adverse effects out over a longer period, it was decided that the EUR 416.5 million would be withheld from distributions in equal shares (of EUR 83.4 million) over five seasons from 2019/2020 to 2023/2024 and the EUR 57.3 million in equal shares (of EUR 14.3 million) over four seasons from 2020/2021 to 2023/2024. In specific terms, UEFA will make the deductions before distributing funds to the clubs. Nevertheless, the potential income from UEFA competitions remains extremely lucrative. Due to UEFA's excellent earnings situation, the COVID-19-related deductions envisaged in relation to distributions for the 2022/2023 season were dispensed with, which positively impacted the income from international TV marketing of UEFA competitions. Borussia Dortmund benefited from the distributions by once again competing in the group stage and round of 16 of the UEFA Champions League this season. It will do the same in the coming season after having again qualified for the group stage of the UEFA Champions League.

For the 2024/2025 season, the UEFA Champions League will follow a new format. A total of 36 teams will play eight matches in a single league, signalling a departure from the six matches played under the current format's 32-team group stage. This will likely further boost the international TV marketing income generated from competing in the UEFA Champions League.



10th match day
16 October 2022
Union Berlin - BVB 2:0



DFB cup 2nd round
19 October 2022
Hannover 96 - BVB 0:2

Match operations

After income from match operations and catering had declined sharply in the past three seasons due to the restrictions imposed in response to the COVID-19 pandemic, Borussia Dortmund played all of its home matches to nearly sell-out crowds during the 2022/2023 financial year. Consequently, ticket proceeds and income from catering during the current financial year rebounded to the pre-pandemic levels last seen during the 2018/2019 season. Borussia Dortmund also expects no restrictions on its ability to generate income from match operations and catering during the upcoming financial year.

Season tickets for the following 2023/2024 season went on sale as usual at the end of the financial year and were capped at the customary limit of 55,000.

Other

On 21 January 2023, Youssef Moukoko, a product of BVB's youth programme and star on the German national team, extended his contract with Borussia Dortmund until 30 June 2026.

Borussia Dortmund has also agreed an early two-year contract extension with Germany international Julian Brandt, whose contract was due to expire in June 2024.

Dortmund native Marco Reus, whose contract originally ran until June 2023, has signed an extension for a further year until the end of the 2023/2024 season.

Centre-back Mats Hummels, whose contract was likewise set to expire in June 2023, also signed as contract extension for a further year until the end of the 2023/2024 season.

Alexander Meyer, Borussia Dortmund's back-up goalkeeper, signed an early contract extension until 30 June 2025.

Borussia Dortmund also extended its contract with assistant coach Armin Reutershahn early until 30 June 2025.

The Members' Meeting of BV. Borussia 09 e.V. elected Dr Reinhold Lunow to succeed Dr Reinhard Rauball as president – the club's highest-ranking position. Dr Reinhard Rauball had



11th match day
22 October 2022
BVB - VfB Stuttgart 5:0



5th match day UCL
25 October 2022
BVB - Man City 0:0

held this office for a total of 23 years over the course of three terms. Silke Seidel was elected Vice President, and is the first woman on Managing Board of Directors. In recognition of Dr Reinhard Rauball's longstanding service, the members of BV. Borussia 09 e.V. elected him as Borussia Dortmund's first honorary president.

On 20 April 2023, DFL Deutsche Fußball Liga GmbH granted Borussia Dortmund the licence for the 2023/2024 season. As in previous years, the licence was granted without any requirements and/or conditions with respect to financial performance.

From 21 November to 1 December 2022, Borussia Dortmund toured Asia with selected players from the youth squads as well as members of the senior squad who did not compete at the World Cup, which was being held concurrently in Qatar. The team made stops in Singapore, Malaysia and Vietnam. During this time, Borussia Dortmund played three test matches, winning two.

Earlier that year, in September 2022, BVB's Legends team capped off its "True Love" Vietnam tour with a friendly against Vietnam's all-stars: a team comprising current and former national team players as well as show business stars.

Borussia Dortmund's senior women's squad celebrated their second promotion in as many years and have their sights set on the state league title.

On 1 November 2022, Borussia Dortmund became the first German football club to reach 100,000 followers on Twitch.

In the current financial year, Borussia Dortmund published its sixth Sustainability Report* entitled "United by Borussia! Borussia leads the way!" at <https://verantwortung.bvb.de/2019/en/home-en/>.

* In accordance with the statutory requirements, the Sustainability Report does not fall under the scope of Deloitte GmbH Wirtschaftsprüfungsgesellschaft's audit of the consolidated and annual financial statements.



12th match day
29 October 2022
Eintracht Frankfurt - BVB 1:2



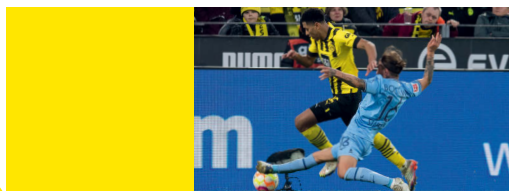
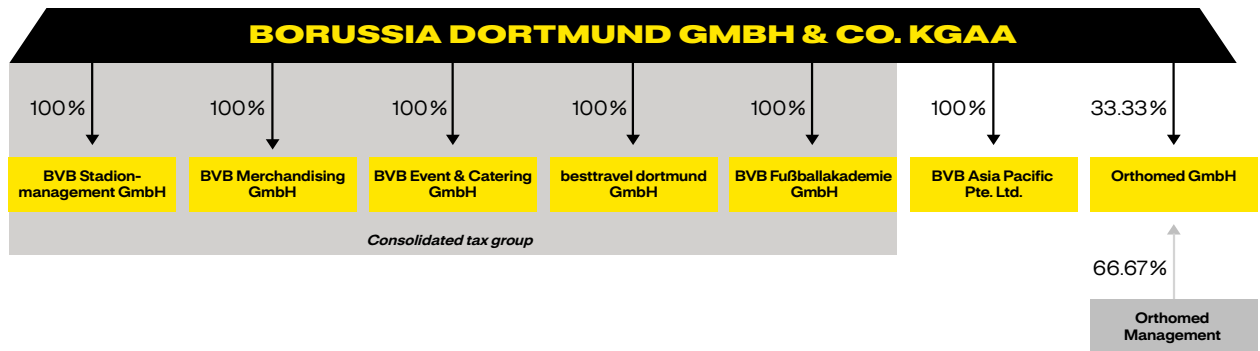
6th match day UCL
2 November 2022
FC København - BVB 1:1

GENERAL INFORMATION ABOUT THE COMPANY

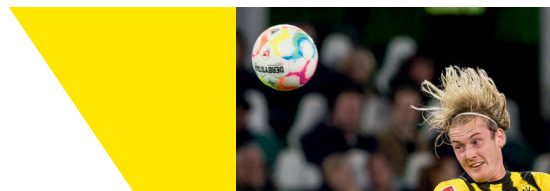
GROUP STRUCTURE AND BUSINESS OPERATIONS

In addition to its core activities of playing football and marketing SIGNAL IDUNA PARK, Borussia Dortmund has established football-related lines of business. Borussia Dortmund KGaA as the ultimate parent company currently holds indirect and direct equity investments in the following companies: BVB Stadionmanagement GmbH (100.00%), BVB Merchandising GmbH (100.00%), BVB Event & Catering GmbH (100.00%), BVB Asia Pacific Pte. Ltd. (100.00%), besttravel dortmund GmbH (100.00%), BVB Fußballakademie GmbH (100.00%) and Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH (Orthomed GmbH) (33.33%).

Some of these companies have concluded profit and loss transfer agreements with the parent.



13th match day
 5 November 2022
 BVB - VfL Bochum 3:0

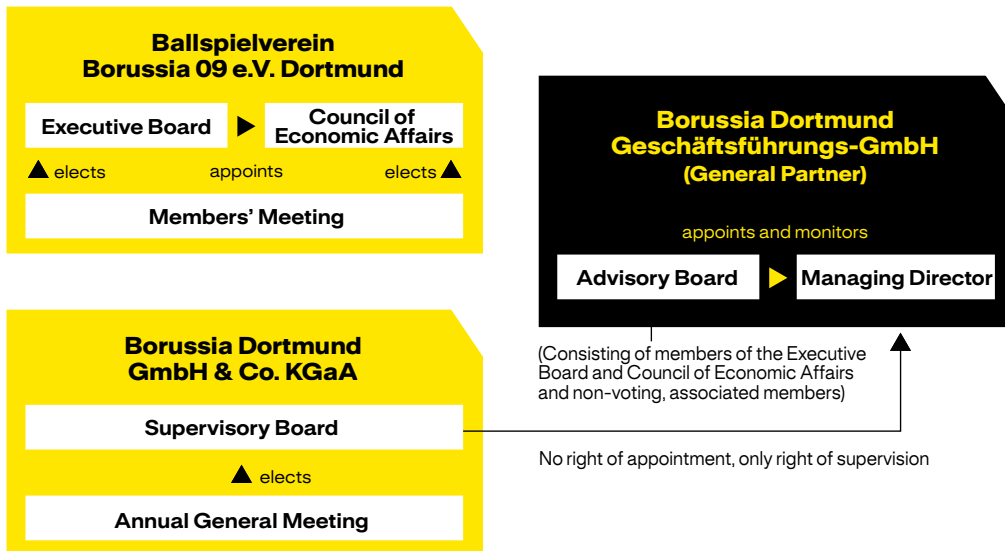


14th match day
 8 November 2022
 VfL Wolfsburg - BVB 2:0

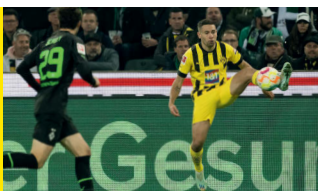
ORGANISATION OF MANAGEMENT AND CONTROL

Borussia Dortmund Geschäftsführungs-GmbH, the general partner of Borussia Dortmund GmbH & Co. KGaA, is responsible for management and representation of the latter. Borussia Dortmund Geschäftsführungs-GmbH is for its part represented by Managing Directors Hans-Joachim Watzke (Chairman), Thomas Treß and Carsten Cramer; its sole shareholder is Ballspielverein Borussia 09 e.V. Dortmund.

The following chart shows the structures and responsibilities as between Ballspielverein Borussia 09 e.V. Dortmund, Borussia Dortmund GmbH & Co. KGaA and Borussia Dortmund Geschäftsführungs-GmbH:



The Supervisory Board of Borussia Dortmund GmbH & Co. KGaA, which is appointed by the Annual General Meeting, has limited rights and duties. It has no authority with respect to matters involving personnel, i.e., no authority to appoint and dismiss managing directors at Borussia Dortmund Geschäftsführungs-GmbH or to stipulate the terms of their contracts. Nor is the Supervisory Board authorised to adopt internal rules of procedure or to define a list of transactions requiring its consent on behalf of the general partner. Rather, such rights and duties are vested in the governing bodies of Borussia Dortmund Geschäftsführungs-GmbH, namely its Advisory Board and the Executive Committee created by the Advisory Board.



15th match day
11 November 2022
Bor. Mönchengladbach - BVB 4:2



16th match day
22 January 2023
BVB - FC Augsburg 4:3

BORUSSIA DORTMUND

GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

The names of the members of the Company's Supervisory Board in the 2022/2023 financial year, their right to remuneration, their occupations and their further responsibilities on other management bodies are listed below:

SUPERVISORY BOARD of Borussia Dortmund GmbH & Co. KGaA

Christian Kullmann	Ulrich Leitemann	Bernd Geske	Judith Dommermuth	Bjørn Gulden
Chairman of the Supervisory Board	Deputy Chairman of the Supervisory Board			(until 31 December 2022)

FULL REMUNERATION PAYABLE FOR 2021/2022 (EUR '000)

48	42	24	24	12
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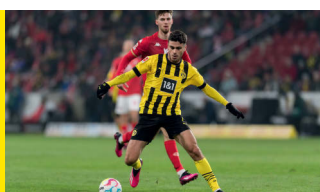
OCCUPATIONS (as at 30 June 2023)

Chairman of the Executive Board of Evonik Industries AG, Essen	Chairman of the Managing Boards of group parent companies of the SIGNAL IDUNA Group (SIGNAL Krankenversicherung a.G., Dortmund; SIGNAL IDUNA Lebensversicherung a.G., Hamburg; SIGNAL IDUNA Unfallversicherung a.G., Dortmund), SIGNAL IDUNA Allgemeine Versicherung Aktiengesellschaft, Dortmund, and SIGNAL IDUNA Holding Aktiengesellschaft, Dortmund	Managing partner of Bernd Geske Lean Communication, Meerbusch	Managing partner of JUVIA Verwaltungs GmbH, Cologne	Chief Executive Officer of PUMA SE, Herzogenaurach (until 31 December 2022)
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OTHER FUNCTIONS *

	Member and Chairman of the Supervisory Board of Dortmunder Volksbank eG, Dortmund		Chairman of the Board Salling Group A/S, Braband, Denmark
	Member and Chairman of the Supervisory Board of Sana Kliniken AG, Ismaning		Member of the Supervisory Board of Tchibo GmbH, Hamburg
			Board member at Essity (Aktiebolag), Stockholm, Sweden

* on statutory supervisory boards and comparable German or foreign supervisory bodies of commercial enterprises (as at 30 June 2023)



17th match day
25 January 2023
1. FSV Mainz 05 - BVB 1:2



18th match day
29 January 2023
Bayer 04 Leverkusen - BVB 0:2

Dr Reinhold Lunow	Silke Seidel	Bodo Löttgen	Prof Dr Bernhard Pellens	Matthias Bäumer
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(since 8 March 2023)

24	30	24	36	8
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Medical Director of Praxisklinik Bornheim, Bornheim	Senior Executive at Dortmunder Stadtwerke AG and Managing Director of Hohenbuschei Beteiligungsgesellschaft mbH, Westfalentor 1 GmbH and Dortmund Logistik GmbH, all in Dortmund	Member of the North Rhine-Westphalia Landtag Detective chief inspector (Kriminalhauptkommissar) (ret.), public administration graduate	Professor of International Corporate Accounting at Ruhr University Bochum, Academic Director of the Institute of Management (ifu) at Ruhr University Bochum and Honorary Professor at Tongji University in Shanghai, China	General Manager BU Teamsport, PUMA SE, Herzogenaurach
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Member and Chairman since 20 November 2022 of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund	Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund (since 20 November 2022)	Member of the Supervisory Board of LVM Landwirtschaftlicher Versicherungsverein Münster a. G. in Münster (non-listed company) Member of the Supervisory Board of LVM Krankenversicherungs-AG in Münster (non-listed company) Member of the Supervisory Board of LVM Lebensversicherungs-AG in Münster (non-listed company) (since 1 May 2023)
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The Audit Committee, which was formed in financial year 2021/2022 and whose members are Prof. Bernhard Pellens (Chairman), Mr Ulrich Leitermann (Deputy Chairman) and Ms Silke Seidel, met four times in financial year 2022/2023.



19th match day
4 February 2023
BVB - SC Freiburg 5:1



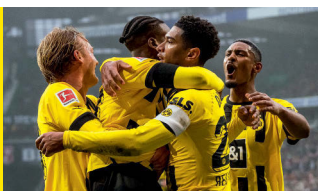
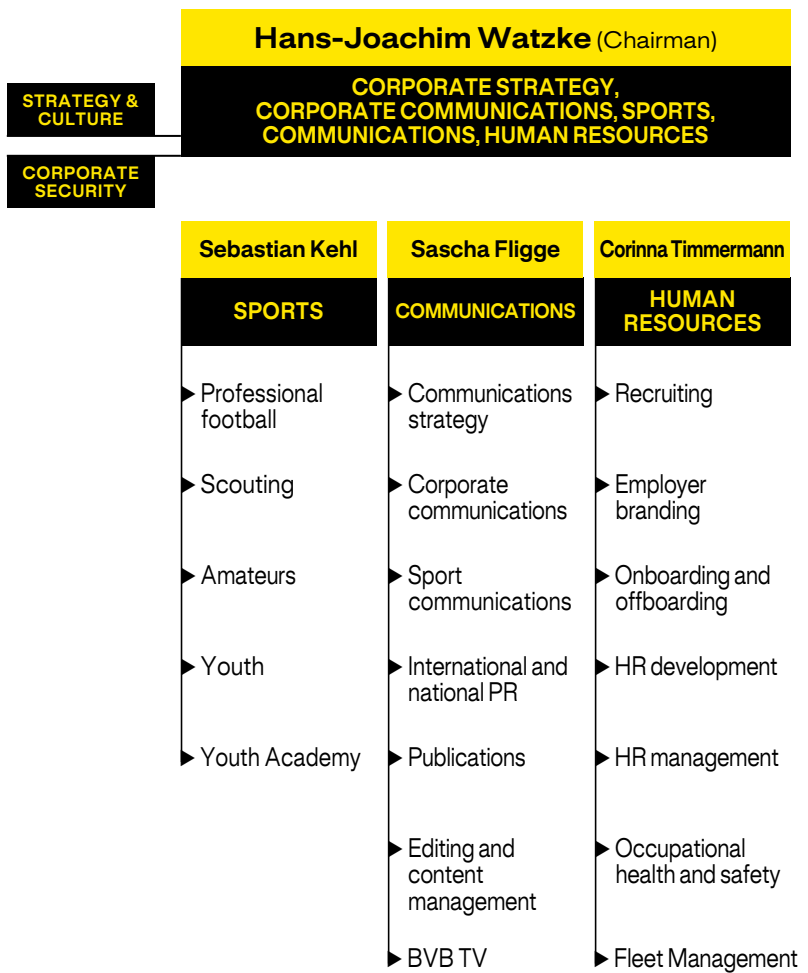
DFB cup round of 16
8 February 2023
VfL Bochum - BVB 1:2

Within Borussia Dortmund GmbH & Co. KGaA there are eight independent functional areas below the management level, namely, "Sports", "Communications", "Human Resources", "Organisation", "Finance", "Legal & IR", "Marketing & Digitalisation" and "Internationalisation/Commercial Partnerships". The responsible employees during the reporting period and the functional organisational areas of which they are in charge are shown in the chart below:

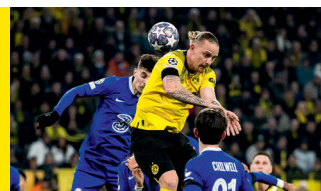
FUNCTIONAL AREAS

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

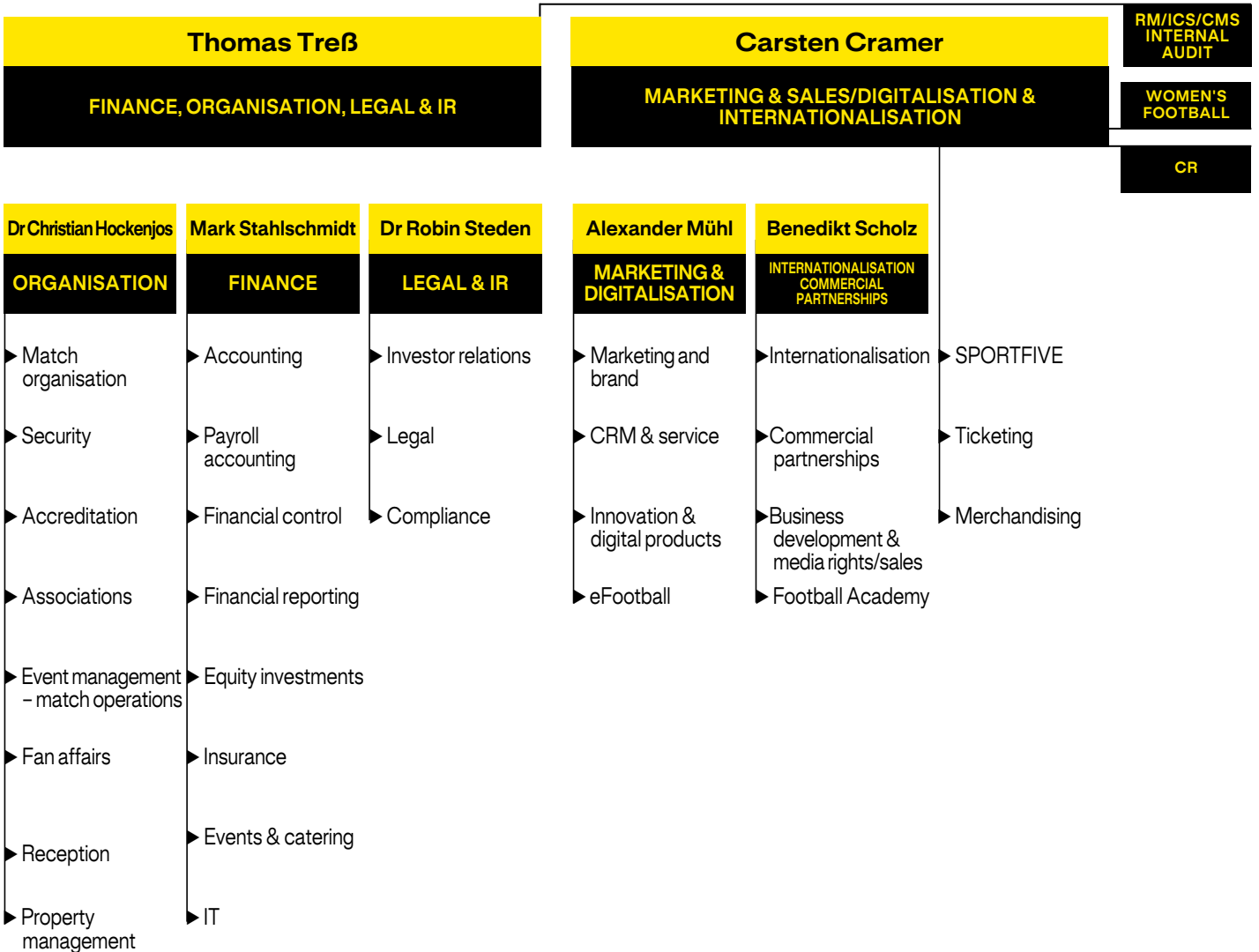
MANAGEMENT



20th match day
 11 February 2023
 SV Werder Bremen - BVB 0:2



UCL round of 16
 15 February 2023
 BVB - Chelsea 1:0



21st match day
19 February 2023
BVB - Hertha BSC 4:1



22nd match day
25 February 2023
Hoffenheim - BVB 0:1

INTERNAL MANAGEMENT AND CONTROL SYSTEM

Sports management

Going forward, we will continue to focus on achieving success on the pitch under a budget tuned for performance. To accomplish this objective, Borussia Dortmund will continue to put together a competitive team in future with an emphasis on young, promising players.

Our sporting objectives will be aligned with our financial circumstances, meaning that the makeup of the squad and its cost structure will continue to depend on calculable variables on the income side. Qualifying for and participating in international competitions has provided the financial flexibility to reinforce the squad – with the goal of also establishing a presence in European competitions going forward.

Financial management

Borussia Dortmund uses the result from operating activities and the operating result as indicators for measuring the economic success of the Company. Borussia Dortmund derives its result from operating activities from earnings before interest and taxes (EBIT) and its operating result from earnings before interest, taxes and depreciation and amortisation (EBITDA). The Company continuously monitors both the operating result (EBITDA) and the result from operating activities (EBIT) of the segments on the basis of monthly comparisons of the budgeted and actual figures. To optimise these indicators, the main factors to be leveraged are revenue, which can be additionally improved in the major revenue categories of match operations, advertising, TV marketing and transfer deals (Borussia Dortmund KGaA only), consolidated total operating proceeds (Borussia Dortmund Group only) and net transfer income (Borussia Dortmund Group only), as well as operating expenses, which can be lowered through disciplined management.

A key goal of the management of Borussia Dortmund is to achieve a lasting increase in profitability along with bolstering its financial strength. In addition to steadily improving the operating result (EBITDA) and the result from operating activities (EBIT), a positive free cash flow is therefore the most important financial objective of our Company. We seek to optimise these cash flows.

In the coming years, Borussia Dortmund will concentrate on generating steady revenue growth while limiting operating expenditure. The decisive factor in this respect will be qualifying for international competitions.



23rd match day
3 March 2023
BVB - Rasenballsport Leipzig 2:1



UCL round of 16
7 March 2023
Chelsea - BVB 2:0

Capital management

The capital management responsibilities of the Company's management involve stabilising and increasing the equity of Borussia Dortmund. One of the main ways in which we will reach these objectives is by improving the operating result and making effective investments.

The management uses the result from operating activities (EBIT), the operating result (EBITDA) and the net profit/loss for the year to manage the Company.

CORPORATE STRATEGY

Borussia Dortmund pursues the objective of defending its position in the top flight of the Bundesliga and sees itself well on the way to accomplishing that goal.

As the first listed German football company, we have expanded our financial base by exclusively marketing the rights to SIGNAL IDUNA PARK as well as by utilising and maintaining the Borussia Dortmund brand more effectively. The Company will continue to focus heavily on its core business of professional football and the sport's classic revenue pillars: TV marketing, advertising, match operations, transfer deals, conference, catering and miscellaneous activities, and merchandising. Borussia Dortmund is confident that it will be able to further stabilise and expand its position for the following reasons:

- Borussia Dortmund is in sporting terms one of the most successful, well known and popular German football clubs with an outstanding fan base that gives it one of the highest average spectator numbers compared to other European football clubs.
- A football enterprise can only be financially successful if it enjoys sporting success over the long term. In order to make its financial performance less dependent on short-term sporting success in the future, Borussia Dortmund will push ahead further with the national and international marketing of its brand name.
- Germany continues to be one of Europe's largest football markets, although it still lags far behind other European markets, in particular the UK, in terms of media exploitation rights. This means that Germany has major growth potential.

All financial activities of Borussia Dortmund are geared towards the target groups relevant to a football club: its fans, members and business partners. Products and services should be tailored to these groups as closely as possible. Borussia Dortmund intends to use the brand potential at its disposal to take full advantage of the commercial opportunities inherent in professional club football at an international level. Borussia Dortmund uses its sporting and financial success to assume responsibility, which is tied closely to Dortmund and the surrounding region, and



24th match day
11 March 2023
FC Schalke 04 - BVB 2:2



25th match day
18 March 2023
BVB - 1. FC Köln 6:1

recognises sustainable development as a guiding principle at global level. What it means for Borussia Dortmund is to act in a way that satisfies the needs of today without restricting the opportunities of future generations, while giving equal consideration to the three dimensions of sustainability – economic efficiency, social equity and environmental viability.

Its current business strategy can principally be summarised as follows:

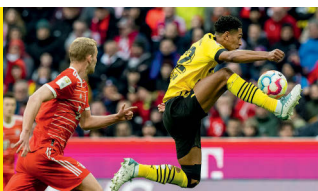
- Sustainably adjusting athletic prospects
- Intensifying the promotion of up-and-coming talent
- Increasing fan involvement
- Utilising and maintaining the Borussia Dortmund brand
- Structuring our business activities and relationships sustainably

Financial performance and business development are dependent on footballing success. Since footballing success is difficult to plan, the best that management can do is to create a solid foundation for success. Investments, particularly in the professional squad, are therefore a necessary prerequisite for achieving footballing objectives such as qualifying for the UEFA Champions League. However, in order to meet financial objectives, planned investments and decisions must under certain circumstances be postponed to the extent these would only be possible by incurring new debt. Moreover, a player might be sold based on financial considerations in cases where this would not have happened had the decision been made purely on the basis of sporting criteria.

Thus, a conflict arises between the pursuit of financial interests and sporting interests, i.e., a situation in which sporting considerations and financial considerations may be at odds with each other, particularly if the club continually falls short of its sporting goals in the long term. In such cases, management weighs the opportunities and risks to find a solution that does adequate justice to the Company's strategic objectives.

Advertising plays a key role in this context. Over the years, advertising has grown to become one of the Company's largest income categories. In contrast to central TV marketing, where distribution is already clearly defined in advance, Company management is itself able to determine the requirements for and direction of sponsoring activities and, if necessary, modify the strategy implemented as circumstances change. The key figures for the sponsoring segment were already budgeted for the coming years based on commitments from SIGNAL IDUNA Group (ending 2031) and PUMA International Sports Marketing B.V. (ending 2028), the Company's chief partners, as well as the two primary sponsors 1&1 Telecommunication SE and Evonik Industries AG (both ending 2025).

Revenues from international competitions are more difficult to budget for, since they depend solely on the team's athletic performance.



26th match day
1 April 2023
Bayern München - BVB 4:2

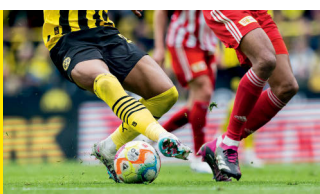
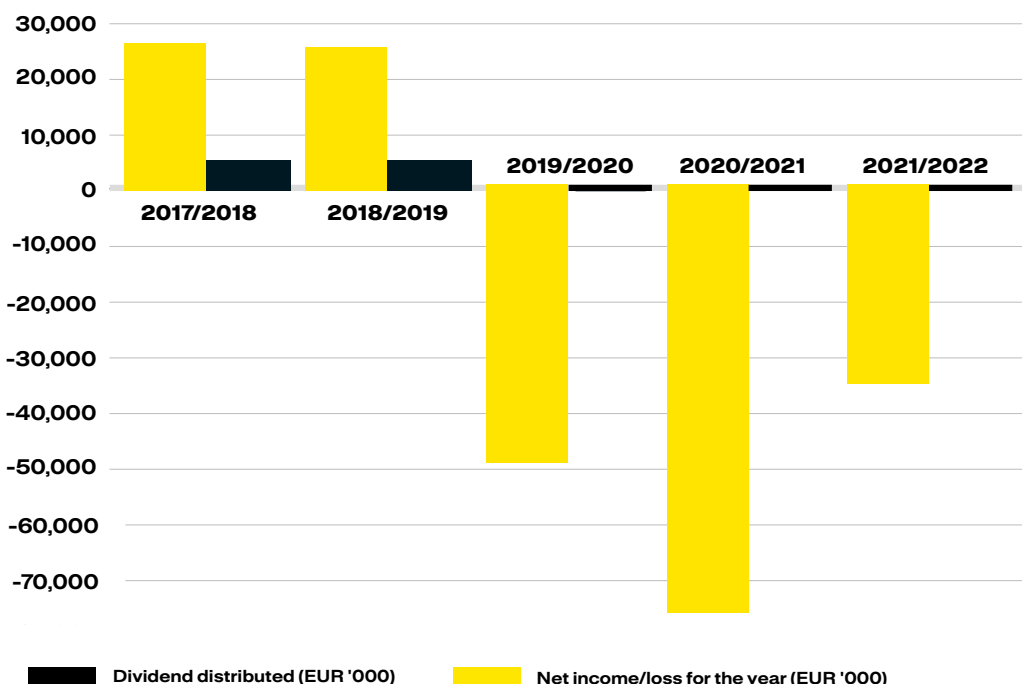


DFB cup quarter final
5 April 2023
Rasenballsport Leipzig - BVB 2:0

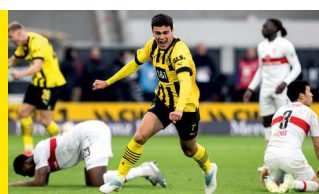
DIVIDEND POLICY

Two key indicators are assessed to shape Borussia Dortmund's dividend policy. On the one hand, Borussia Dortmund assesses its earnings situation, and in previous financial years it generated a net loss due to COVID-19 whereas in the financial years before the pandemic it generated a net profit. In the current financial year, Borussia Dortmund will once again report a net profit for the year now that the pandemic has waned. On the other hand, free cash flow is used to ensure that cash flows from operating activities are sufficient to cover investments. In order to remain competitive, Borussia Dortmund intends to use its net income for the year and cash and cash equivalents primarily for investments. The primary focus is on strengthening the professional squad, modernising and digitalising SIGNAL IDUNA PARK and expanding the training ground in Dortmund-Brackel. Despite these investments, it is Borussia Dortmund's aim to continue distributing a dividend to its shareholders every year, provided it generates a net profit. Against this background, on 30 June 2023, Borussia Dortmund reversed its revenue reserves amounting to EUR 147,662 thousand and partially reversed its capital reserves in an amount of EUR 4,754 thousand, which it offset against loss carryforwards from prior years. Thus, the Borussia Dortmund GmbH & Co. KGaA is reporting net accumulated losses of EUR 0 thousand for the 2022/2023 financial year. This will legally allow Borussia Dortmund to once again pay its shareholders a dividend in future financial years, provided it generates the necessary net profits.

DIVIDEND DISTRIBUTION



27th match day
8 April 2023
BVB - Union Berlin 2:1



28th match day
15 April 2023
VfB Stuttgart - BVB 3:3

SEPARATE NON-FINANCIAL GROUP REPORT

Please see the 2022/2023 Sustainability Report with regard to the disclosures within the meaning of §§ 315b, 289b of the German Commercial Code (Handelsgesetzbuch, "HGB"). The Sustainability Report includes the separate non-financial Group report for the 2022/2023 financial year within the meaning of §§ 315b, 315c in conjunction with §§ 289c to 289e HGB, which was subject to a limited assurance engagement. The Sustainability Report was published online at the same time as the Annual Report at <https://verantwortung.bvb.de/en>.*

CORPORATE GOVERNANCE DECLARATION PURSUANT TO § 315D AND § 289F HGB

Pursuant to § 315d and § 289f of the German Commercial Code (Handelsgesetzbuch, "HGB"), listed German stock corporations (Aktiengesellschaften) must prepare a corporate governance declaration. This declaration includes the declaration of conformity with the German Corporate Governance Code, and presents the corporate governance practices and the working principles of the management and the Supervisory Board and its committees. The corporate governance declaration is published online at <https://aktie.bvb.de/eng/Corporate-Governance/Corporate-Governance-Declaration>.*

* In accordance with the statutory requirements, Deloitte GmbH Wirtschaftsprüfungsgesellschaft has neither substantively audited the cross-references nor the information to which the cross-references refer.



29th match day
22 April 2023
BVB - Eintracht Frankfurt 4:0



30th match day
28 April 2023
VfL Bochum - BVB 1:1

POSITION
of the Borussia Dortmund Group

DEVELOPMENT OF PERFORMANCE INDICATORS

Development of financial performance indicators

The table below presents the Borussia Dortmund Group's financial performance indicators – consolidated revenue, consolidated total operating proceeds, operating result (EBITDA), result from operating activities (EBIT), net profit/loss for the year, cash flows from operating activities and free cash flow – for the 2022/2023 financial year and for the previous year as well as the amounts that were forecast for the financial performance indicators for the 2022/2023 financial year on 30 June 2022.

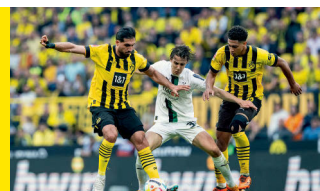
Borussia Dortmund Group (IFRS)

EUR '000	ACTUAL 2022/2023	ACTUAL 2021/2022*	BUDGET 2022/2023
Consolidated revenue	418,239	351,645	394,000
Consolidated total operating proceeds	515,355	456,886	489,000
Operating result (EBITDA)	123,220	83,826	101,000 to 106,000
Result from operating activities (EBIT)	16,911	-26,010	2,000 to 7,000
Net profit/net loss for the year	9,550	-31,888	2,000 to 7,000
Cash flows from operating activities	54,426	35,071	45,000
Free cash flow	-22,324	-16,293	0

* Change in prior-year items. Restatements in accordance with IAS 8.42.



31st match day
7 May 2023
BVB - VfL Wolfsburg 6:0



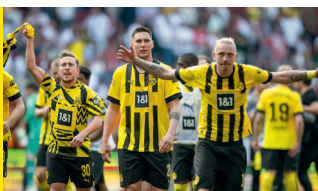
32nd match day
13 May 2023
BVB - Bor. Mönchengladbach 5:2

Development of non-financial performance indicators

Borussia Dortmund capped the advance sale of season tickets at 55,000 for the 2022/2023 season. Of the approximately 80,000 fans on the waiting list, only about 200 received a ticket. Even the restrictions on the numbers of spectators allowed in stadiums imposed in recent financial years due to the pandemic did not dampen the interest in Borussia Dortmund. Accordingly, this season, Borussia Dortmund has played every home match to nearly sell-out crowds and continues to have one of the highest attendance rates in all of Europe.

The growth of our active fan communities also demonstrates that the reach of Borussia Dortmund's brand is expanding. As at 30 June 2023, some 67,000 fans are members in 1,037 fan clubs, compared to approximately 66,000 fans in 995 fan clubs as at 30 June 2022. In order to showcase Borussia Dortmund's ties to its fans, the club erected a "fan club" wall at SIGNAL IDUNA PARK that immortalised each and every fan club.

Borussia Dortmund's reach on social media is also a major contributing factor to the club's brand presence. The increasing number of followers underscores the steadily growing interest worldwide in Borussia Dortmund and offers Borussia Dortmund an opportunity to present the connection between the club's brand and its values to a broad national and international fan base. On 30 June 2022, Borussia Dortmund had over 52 million followers on social media, and that number has since climbed to more than 58 million followers as at 30 June 2023. The most important platforms for Borussia Dortmund and its fans are Instagram (22.5 million followers; 30 June 2022: 19.2 million followers) and Facebook (15.2 million followers; 30 June 2022: 15.1 million followers). The club's presence is also boosted by the social media activities of its players. For instance, Marco Reus is one of the Bundesliga's most popular players with more than 14 million followers on Instagram.



33rd match day
21 May 2023
FC Augsburg - BVB 0:3



34th match day
27 May 2023
BVB - 1. FSV Mainz 2:2

Overall, Borussia Dortmund remains as popular as ever, which is also reflected by the increase in the club's advertising income and the addition of new advertising partners.

The Borussia Dortmund brand stands for sustainable development and is therefore an integral part of the corporate strategy.

In May 2022, DFL Deutsche Fußball Liga GmbH adopted sustainability criteria which will apply for the first time to the licensing procedure for the 2023/2024 season. Divided into two categories, the Minimum Criteria will come into force in stages. Borussia Dortmund views the introduction of these criteria as a major opportunity for professional football in Germany. Furthermore, in the next two years, Borussia Dortmund plans to prepare as best as possible for the entry into force of the Corporate Sustainability Reporting Directive (CSRD). The Corporate Responsibility department was expanded and additional resources were allocated to other departments so that they can afford sustainable development even greater attention in their respective areas of responsibility.

BVB's "leuchte auf" foundation celebrated its 10-year anniversary in the previous year. The foundation is a key component of Borussia Dortmund's CSR activities and supports non-profit organisations and initiatives, primarily in and around Dortmund. The foundation functions as a multiplier, advancing Borussia Dortmund's involvement within the community and supporting local structures by directly funding educational projects that seek to root out discrimination and promote the environment and healthy lifestyles.

In September 2022, Borussia Dortmund organised another educational trip to Auschwitz for its employees as part of the club's work to combat discrimination. With the support of the club's partner Evonik Industries AG, a delegation embarked on a four-day programme to visit the former Auschwitz-Birkenau concentration and extermination camp. Borussia Dortmund has a long history of fighting all forms of discrimination, and this trip is a continuation of that commitment. This also includes marking International Holocaust Remembrance Day and supporting the World Jewish Congress' "#WeRemember" campaign.

In November 2022, the club was finally able to host a BVB day of action ("Aktionstag") once again at SIGNAL IDUNA PARK following a two-year suspension of these the events due to the pandemic. Since 2017, the club has held three such events in an effort to combat various forms of discrimination and promote moral courage. This year's event was entitled "BlackRainbowYellow – For more diversity in football. Against LGBTQI+ hostility". The many lectures and workshops were open to all comers, aged 14 and up.

In addition to the social dimension of sustainability, Borussia Dortmund also takes its environmental responsibility seriously. Accordingly, the teams in the Corporate Responsibility and Organisation departments were expanded. The overriding goal is to permanently monitor and manage Borussia Dortmund's environmental impact and energy performance and to mitigate that impact and improve the energy performance in a structured process. To this end, in April 2023, we began to work on implementing an environmental management system. That work is still ongoing. The first certification in accordance with ISO 14001 is scheduled for Q3 2024. We are also seeking to implement an energy management system, which will serve as the basis for our emission avoidance and reduction strategies. We screened the downstream CO₂ emissions for the first time as at the end of the reporting date. Scope 3 also includes the mobility impact of fans travelling to and from Borussia Dortmund's matches, which is responsible for the majority of the downstream CO₂ emissions related to football. Borussia Dortmund continues to look for ways to make travel to and from the stadium as environmentally friendly as possible. In cooperation with Dortmund's municipal utilities authority (DSW21), Borussia Dortmund therefore expanded its KombiTicket combined match/transport ticket for both individual matches and season tickets. They now cover the entire state of North Rhine-Westphalia, thereby increasing the use of public transport and helping to cut CO₂ emissions. Until the 2021/2022 season, the tickets had previously only been valid within the VRR transport authority region. Together with our sustainably partner DSW21, Borussia Dortmund conducted a mobility survey at the club's home match against VfB Stuttgart to determine how fans could travel to and from the stadium more sustainably. A commuter portal for fans is also being planned. Once again, Borussia Dortmund has offset the emissions associated with the team's air travel with recognised certificates.

The club's environmental commitment also includes educational projects in the region organised as part of the BVB KidsClub and the BVB Foundation. The BVB Educational Garden, Stadt.Nah.Tour and Borsig-Bienen projects are primarily aimed at environmental education for children and young people in the topic areas of "our natural surroundings", "biodiversity" and "environmental protection". Borussia Dortmund created a new staff position in October 2022 to help the club manage the challenges posed by supply chain management and the expansion of the club's portfolio of sustainable products. An upcycled merchandise collection was launched, and plans are in place to expand the range of certified products. In the past year, eight clubs from the first and second Bundesliga divisions joined forces for the first time as part of the "Vom Feld in den Fanshop" (From field to fan shop) initiative, which seeks to assist 450 farmers of a cotton cooperative in India to make the switch to farming organic cotton in the coming three years. Borussia Dortmund is part of this alliance. The initiative also offers children and youngsters in nearby farming communities educational opportunities in the form of sports programmes. These will be aimed particularly at girls and young women. The German Federal Ministry for Economic Cooperation and Development and the textiles company BRANDS Fashion launched the initiative with help from Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

For more information on Borussia Dortmund's sustainable development, please visit <https://verantwortung.bvb.de/2022/en/home-en/>.

RESULTS OF OPERATIONS OF THE BORUSSIA DORTMUND GROUP

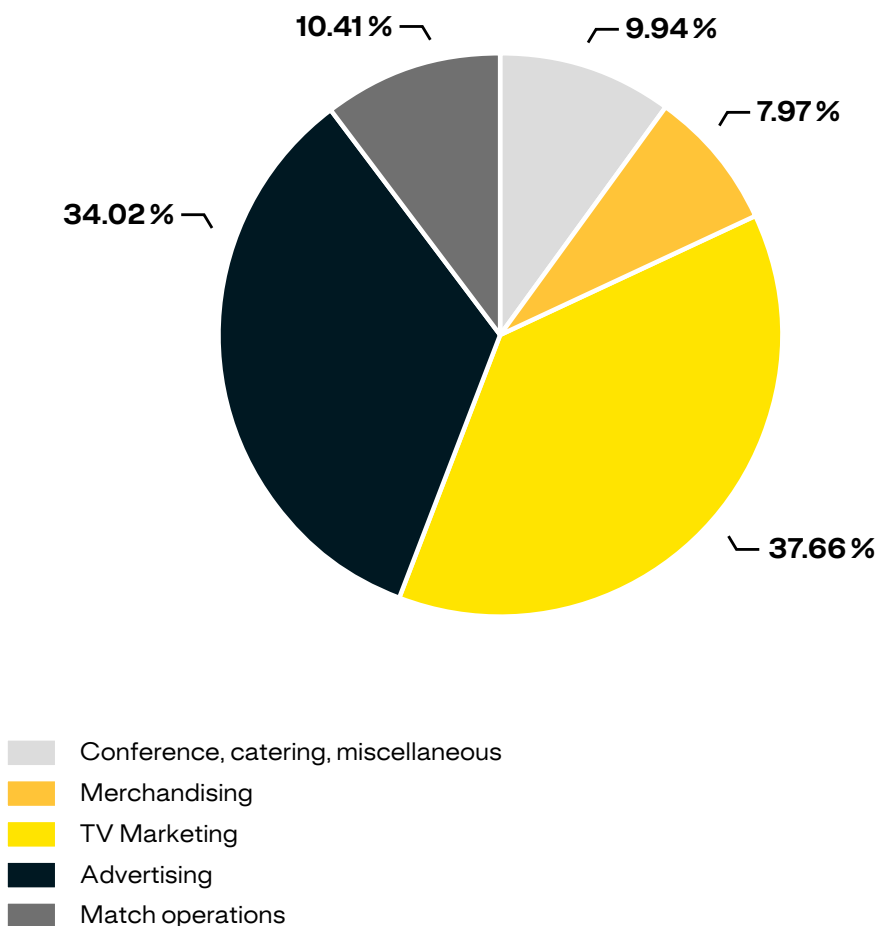
During the reporting period (1 July 2022 to 30 June 2023), the Borussia Dortmund Group generated consolidated revenue of EUR 418,239 thousand (previous year: EUR 351,645 thousand), EUR 66,594 thousand more than in the previous year. Net transfer income amounted to EUR 72,531 thousand (previous year: EUR 62,891 thousand).

Earnings before taxes increased by EUR 40,977 thousand to EUR 10,780 thousand (previous year: EUR -30,197 thousand); the result from operating activities (EBIT) rose by EUR 42,921 thousand to EUR 16,911 thousand (previous year: EUR -26,010 thousand).

During the current reporting year, the operating result (EBITDA) increased by EUR 39,394 thousand to EUR 123,220 thousand (previous year: EUR 83,826 thousand).

The Borussia Dortmund Group generated a consolidated net profit of EUR 9,550 thousand during the 2022/2023 financial year, up EUR 41,438 thousand year on year (previous year: consolidated net loss of EUR 31,888 thousand).

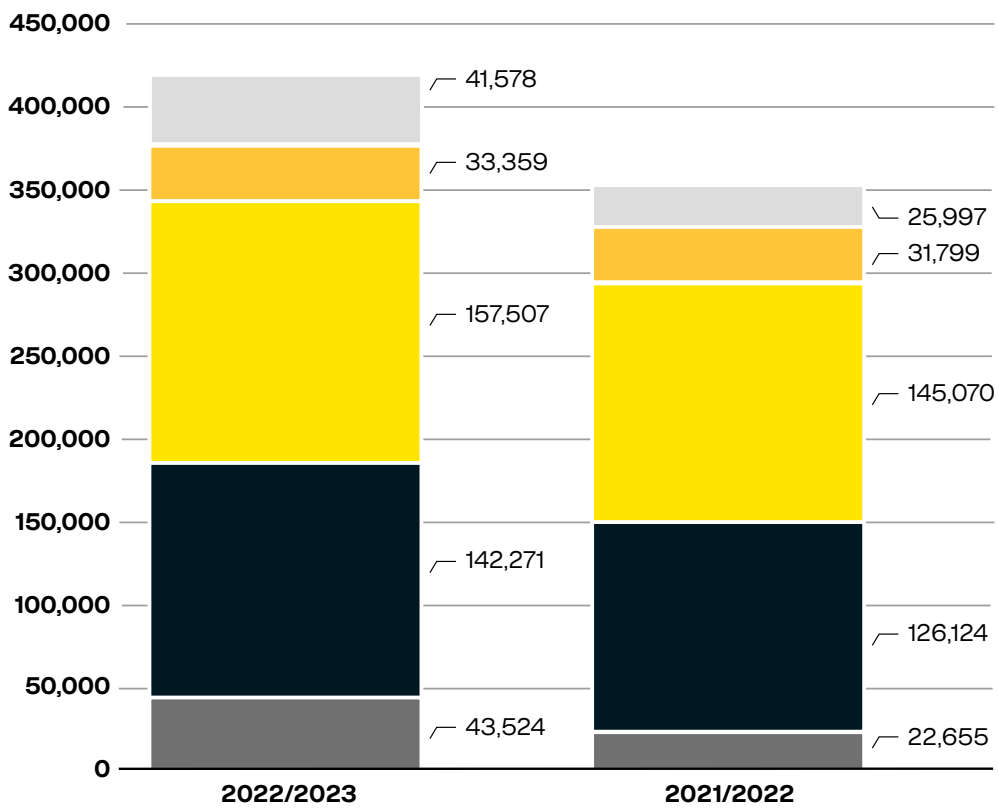
REVENUE - GROUP (IN PERCENT)



REVENUE TREND

The Borussia Dortmund Group generated revenue of EUR 418,239 thousand in the 2022/2023 financial year, representing an increase of EUR 66,594 thousand or 18.94%. The increase in revenue was recorded in all revenue streams.

REVENUE - GROUP (IN EUR '000)



- Conference, catering, miscellaneous
- Merchandising
- TV Marketing
- Advertising
- Match operations

The performance of the individual revenue items is described in the following:

Income from match operations

Income from match operations increased by EUR 20,869 thousand to EUR 43,524 thousand in financial year 2022/2023.

For the Borussia Dortmund Group, all home matches in the 2022/2023 season were played to nearly sell-out crowds at SIGNAL IDUNA PARK. In the previous year, the Borussia Dortmund Group welcomed a mere average of approximately 42,000 spectators to the 17 Bundesliga home matches played at SIGNAL IDUNA PARK due to changes in the Corona Protection Regulations and the associated restrictions. Consequently, income from match operations for domestic competitions rose by EUR 13,158 thousand to EUR 30,888 thousand.

Income from domestic and international cup competitions increased by EUR 6,795 thousand to EUR 10,962 thousand.

The Borussia Dortmund Group generated income of EUR 1,674 thousand from friendlies and ticket proceeds generated by the club's other teams in this financial year (previous year: EUR 758 thousand). In a departure from the previous season's preparations, Borussia Dortmund's senior team embarked on a pre-season tour of Asia to play various friendlies.

Income from advertising

The Borussia Dortmund Group generated advertising income of EUR 142,271 thousand in the past financial year (previous year: EUR 126,124 thousand), corresponding to growth of 12.80% and a 34.02% share of total revenue.

The strategic partnerships with the two primary sponsors Evonik Industries AG and 1&1 Telecommunication SE as well as with the equipment supplier, PUMA SE, remain the foundation for sponsorship income. Income from advertising in this financial year was once again primarily generated with the holder of the stadium's naming rights, SIGNAL IDUNA (long-term partnership until 30 June 2031), General Logistics Systems Germany GmbH & Co. OHG (GLS) and eight further Champion Partners.

Advertising income rose in particular due to the year-on-year increase in income from Champion Partners, Premium Partners and Partners on the basis of new partnerships entered into in the past financial year. Income from kit and equipment sponsorship deals also increased.

Furthermore, advertising income includes bonuses for sporting success, in particular the second-place Bundesliga finish, which directly qualified the team for the group stage of the UEFA Champions League in the 2023/2024 season, and for advancing to the round of 16 of the UEFA Champions League in the 2022/2023 season. Accordingly, advertising income increased year on year.

Income from TV marketing

In financial year 2022/2023, income from TV marketing once again represented the highest share of revenue (37.66%) and increased by EUR 12,437 thousand year on year to EUR 157,507 thousand. The increase is attributable primarily to international TV marketing.

Income from domestic TV marketing amounted to EUR 79,900 thousand (previous year: EUR 78,503 thousand), up EUR 1,397 thousand against the prior-year reporting period. The 2022/2023 season was the second covered by the media rights allocated by the German Football League (DFL Deutsche Fußball Liga GmbH) for seasons from 2021/2022 to 2024/2025, under which income averaging EUR 1.1 billion (total of EUR 4.4 billion) was generated for the clubs, with the distributions increasing with each passing season. While Borussia Dortmund's share of the income generated from the sale of the German-language media rights increased in the 2022/2023 season, the income from the DFL Deutsche Fußball Liga GmbH's international TV marketing distributions decreased. Therefore, a slight overall year-on-year increase was reported.

Income from international TV marketing for competing in the UEFA Champions League amounted to EUR 74,468 thousand in the past financial year (previous year: EUR 62,741 thousand). The year-on-year increase of EUR 11,727 thousand is due primarily to the team reaching the round of 16 of the UEFA Champions League. In the previous year, Borussia Dortmund did not make it past the knockout round play-offs of the UEFA Europa League.

Borussia Dortmund's run in this season's DFB Cup ended in the quarter-finals. In the previous year, the team was eliminated from the competition in the round of 16. Due to lower total distributions, income from the national cup competition amounted to EUR 3,139 thousand (previous year: EUR 3,790 thousand).

Merchandising

Income from merchandising increased by EUR 1,560 thousand to EUR 33,359 thousand in the past 2022/2023 financial year (previous year: EUR 31,799 thousand). Although high inflation stymied general demand in the retail sector, kit sales declined slightly at the beginning of the 2022/2023 season following Erling Haaland's departure, and sales slipped during the Christmas holidays due to the 2022 World Cup, which had been held in the winter, this was more than made up for by the sale of a new special edition kit and the demand for home kits for the 2023/2024 season following the extremely close title race. The brick-and-mortar fan shops saw revenue increase as against the previous year. By contrast, revenue in the online business declined due in part to the higher revenue at the brick-and-mortar fan shops.

Conference, catering and miscellaneous income

The Borussia Dortmund Group's conference, catering and miscellaneous income increased by EUR 15,581 thousand from EUR 25,997 thousand in the previous year to EUR 41,578 thousand. This also included revenue from advance booking fees, rental and lease income, release fees for national team players, income from players on loan, and training compensation.

Conference and catering income, which comprises income generated by the hospitality areas, public catering services and events, increased by EUR 9,115 thousand from EUR 11,708 thousand in the previous year to EUR 20,823 thousand.

Income from hospitality catering and in particular public catering increased by a total of EUR 7,669 thousand to EUR 16,735 thousand thanks to the gradual lifting of all restrictions on Borussia Dortmund's business activities. While the hospitality areas were operating at full capacity in the previous year, a mere average of approximately 38,000 spectators were allowed in to SIGNAL IDUNA PARK. Events outside of match operations such as private celebrations, corporate events, trade fairs and stadium tours also resumed without any restrictions in the past financial year, which caused this income to increase by EUR 1,446 thousand year on year to EUR 4,088 thousand.

Advance booking fees and postage for match and season tickets generated income of EUR 4,149 thousand in this financial year (previous year: EUR 3,766 thousand).

Release fees for national team players amounted to EUR 5,754 thousand in the reporting period (previous year: EUR 4,694 thousand).

The income from players on loan, training compensation and the FIFA solidarity mechanism increased by EUR 719 thousand year on year to EUR 1,956 thousand. This comprised mainly the loan of the player Thorgan Hazard to PSV Eindhoven and various payments received in connection with the FIFA solidarity mechanism. In the previous year, this comprised mainly the income from the loan of the player Ansgar Knauff to Eintracht Frankfurt.

Net transfer income

Net transfer income rose by EUR 9,640 thousand to EUR 72,531 thousand.

This includes primarily transfer proceeds from the departures of the players Erling Haaland and Manuel Akanji (Manchester City), Steffen Tigges (1. FC Cologne), Ansgar Knauff (Eintracht Frankfurt) and Bradley Fink (FC Basel) as well as subsequent transfer proceeds less residual carrying amounts and other derecognised items and selling costs incurred.

Gross transfer proceeds amounted to EUR 97,116 thousand (previous year: EUR 105,241 thousand). The residual carrying amounts and other derecognised items amounted to EUR 20,663 thousand (previous year: EUR 18,341 thousand) and transfer costs amounted to EUR 3,922 thousand (previous year: EUR 24,009 thousand).

In the previous year, net transfer income included primarily transfer proceeds from the departures of the players Jadon Sancho (Manchester United), Leonardo Balerdi (Olympique Marseille), Thomas Delaney (Sevilla FC), Sergio Gómez (SD Huesca), Chris Führich (SC Paderborn) and Tobias Raschl (Spielvereinigung Greuther Fürth) as well as subsequent transfer proceeds less residual carrying amounts and other derecognised items and selling costs incurred.

Other operating income

Other operating income decreased by EUR 18,762 thousand year on year to EUR 6,818 thousand. In the current reporting period, this primarily includes gains from the reversal of valuation allowances, gains on the derecognition of liabilities and gains from reimbursement for granting contractual marketing rights. The decrease is due primarily to the fact that, in contrast to this financial year, subsidies awarded in the previous year were received. Other operating income includes prior-period income in the amount of EUR 3,113 thousand (previous year: EUR 13,492 thousand).

DEVELOPMENT OF SIGNIFICANT OPERATING EXPENSES

Cost of materials

Cost of materials increased by a total of EUR 1,471 thousand to EUR 24,112 thousand. This figure included the cost of goods sold for both BVB Event & Catering GmbH and BVB Merchandising GmbH. The increase is mainly attributable to the higher cost of materials in catering at BVB Event & Catering GmbH, which corresponds to the increase in catering income as a result of the return to normal match operations. Despite higher income from merchandising, the cost of materials at BVB Merchandising GmbH declined slightly.

Personnel expenses

In financial year 2022/2023, personnel expenses amounted to EUR 236,223 thousand (previous year: EUR 231,218 thousand).

Personnel expenses for the professional squad increased moderately by 2.23% year on year to EUR 185,066 thousand in financial year 2022/2023 (previous year: EUR 181,021 thousand). The base salary rose by EUR 8,482 thousand to EUR 129,148 thousand. Performance-based bonuses of EUR 25,449 thousand were paid out to the professional squad in financial year 2022/2023 (previous year: EUR 22,222 thousand) as a result of the successful second-place finish in the Bundesliga (71 points) and thereby for qualifying directly for the group stage of the UEFA Champions League in the 2023/2024 season, and for reaching the round of 16 of the UEFA Champions League and the quarter-finals of the DFB Cup in the 2022/2023 season.

In the reporting period, personnel expenses related to the retail and administration areas increased by EUR 1,412 thousand year on year to EUR 36,353 thousand.

Personnel expenses in relation to amateur and youth football amounted to EUR 14,804 thousand during the 2022/2023 financial year (previous year: EUR 15,256 thousand).

Depreciation, amortisation and write-downs

Depreciation, amortisation and write-downs declined by EUR 3,527 thousand to EUR 106,309 thousand in the reporting period. This is attributable primarily to intangible assets and property, plant and equipment.

During the period from 1 July 2022 to 30 June 2023, intangible assets – which consist primarily of the Borussia Dortmund Group's player registrations – were amortised in the amount of EUR 93,096 thousand (previous year: EUR 96,480 thousand). This includes EUR 3,357 thousand in write-downs of intangible assets to their fair values (previous year: EUR 9,090 thousand).

Depreciation and write-downs of property, plant and equipment declined from EUR 13,356 thousand to EUR 12,953 thousand.

Other operating expenses

Other operating expenses increased by EUR 11,602 thousand from EUR 102,431 thousand in the previous year to EUR 114,033 thousand in the reporting period.

Expenses from match operations increased by EUR 13,127 thousand to EUR 53,471 thousand (previous year: EUR 40,344 thousand). This is attributable primarily to the higher catering and match day expenses in comparison with the previous year, when only an average of roughly 38,000 spectators could attend home matches. The lifting of COVID-19 restrictions in this season meant that all home matches were once again virtually sold out.

Despite higher advertising income, the Borussia Dortmund Group's advertising expenses, which include agency commissions payable to marketing firm SPORTFIVE Germany GmbH, declined by EUR 1,167 thousand to EUR 11,242 thousand.

Transfer expenses declined by EUR 2,928 thousand from EUR 4,094 thousand in the previous year to EUR 1,166 thousand. This is due in particular to lower expenses for players on loan.

Administrative expenses increased during the financial year ended by EUR 6,624 thousand to EUR 33,921 thousand. This is due to higher travel and entertainment expenses as a result of increased travel activities, in particular in connection with the senior team's tour of Asia in winter 2022, as well as higher insurance expenses and energy costs.

Other expenses decreased by EUR 3,452 thousand to EUR 7,812 thousand. This is due primarily to lower losses from the disposal of intangible assets.

Financial result

The financial result for financial year 2022/2023 amounted to EUR -6,131 thousand (previous year: EUR -4,187 thousand) and breaks down as follows:

The investment income amounted to EUR 15 thousand (previous year: EUR 60 thousand).

Interest income amounted to EUR 3,558 thousand (previous year: EUR 1,137 thousand) and related to compounding and discounting in the context of measuring transfer receivables and liabilities in accordance with IFRS 9.

The interest expense amounted to EUR 9,704 thousand (previous year: EUR 5,384 thousand) and related mainly to compounding and discounting in the context of measuring transfer receivables and liabilities under IFRS 9 (EUR 8,076 thousand), the interest expense in the context of lease accounting under IFRS 16, and financing fees.

Tax expense

A tax expense of EUR 1,230 thousand (previous year: tax expense of EUR 1,691 thousand) was reported under taxes on income in the reporting period.

ANALYSIS OF THE BORUSSIA DORTMUND GROUP'S CAPITAL STRUCTURE

DEVELOPMENT AND PERFORMANCE OF THE BUSINESS

The Borussia Dortmund Group reported total assets of EUR 511,835 thousand as at 30 June 2023. These were up EUR 53,403 thousand on the figure reported as at 30 June 2022 (EUR 458,432 thousand).

Non-current assets rose by EUR 78,846 thousand to EUR 440,726 thousand. The change was as follows:

Intangible assets increased by EUR 41,830 thousand to EUR 169,668 thousand as at the end of the reporting period. This rise is due primarily to additions amounting to EUR 143,185 thousand (of which EUR 143,077 thousand in player registrations). This was partly offset by a total of EUR 11,616 thousand in disposals and reclassifications of non-current intangible assets to assets held for sale and EUR 89,739 thousand in amortisation and write-downs.

Property, plant and equipment increased by EUR 9,798 thousand to EUR 182,251 thousand. The additions of EUR 23,169 thousand were offset by EUR 418 thousand in disposals and EUR 12,953 thousand in depreciation and write-downs. The additions include primarily the repurchase of significant portions of the training ground in Dortmund-Brackel that had previously been leased, the expansion of the infrastructure, and the operating and office equipment in and around SIGNAL IDUNA PARK.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

ASSETS	30/06/2023		30/06/2022	
	EUR '000	in %	EUR '000	in %
Non-current assets				
Intangible assets	169,668	33.1	127,838	27.9
Property, plant and equipment	182,251	35.6	172,453	37.6
Investments accounted for using the equity method	397	0.1	382	0.1
Financial assets	83	0.0	344	0.1
Trade and other financial receivables	87,244	17.0	59,531	13.0
Prepaid expenses	1,083	0.2	1,332	0.3
	440,726	86.0	361,880	79.0
Current assets				
Inventories	5,444	1.1	4,416	1.0
Trade and other financial receivables	38,236	7.5	45,845	10.0
Tax assets	0	0.0	14	0.0
Cash and cash equivalents	4,496	0.9	10,571	2.3
Prepaid expenses	11,919	2.3	11,740	2.6
Assets held for sale	11,014	2.2	23,966	5.1
	71,109	14.0	96,552	21.0
	511,835	100.0	458,432	100.0

As at the end of the reporting period, current and non-current trade receivables and other financial receivables increased by EUR 20,104 thousand to EUR 125,480 thousand (30 June 2022: EUR 105,376 thousand). This was due primarily to the increase in transfer receivables not yet due contained in that item, in particular from the departure of the players Erling Haaland and Manuel Akanji to Manchester City.

Inventories increased by EUR 1,028 thousand from EUR 4,416 thousand in the previous year to EUR 5,444 thousand.

Cash and cash equivalents amounted to EUR 4,496 thousand (30 June 2022: EUR 10,571 thousand).

Assets held for sale declined by EUR 20,967 thousand in connection with transfer deals. In addition, as at the end of the reporting period, intangible assets amounting to EUR 11,372 thousand were reclassified as assets held for sale and impairment losses of EUR 3,357 thousand were reported under depreciation, amortisation and write-downs. Accordingly, the carrying amount of assets held for sale amounted to EUR 11,014 thousand as at 30 June 2023 (30 June 2022: EUR 23,966 thousand).

Current and non-current prepaid expenses remained virtually level at EUR 13,002 thousand (30 June 2022: EUR 13,072 thousand).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EQUITY AND LIABILITIES	30/06/2023		30/06/2022	
	EUR '000	in %	EUR '000	in %
Equity				
Subscribed capital	110,396	21.6	110,396	24.1
Reserves	172,422	33.7	162,872	35.5
Treasury shares	-113	0.0	-113	0.0
Equity attributable to the owners of the parent company	282,705	55.3	273,155	59.6
Non-current liabilities				
Financial liabilities	8,827	1.7	0	0.0
Lease liabilities	10,354	2.0	12,530	2.7
Trade payables	46,848	9.2	33,614	7.4
Other financial liabilities	2,080	0.4	1,856	0.4
Deferred income	10	0.0	20	0.0
	68,119	13.3	48,020	10.5
Current liabilities				
Financial liabilities	12,805	2.5	0	0.0
Lease liabilities	2,608	0.5	4,649	1.0
Trade payables	86,015	16.8	75,641	16.5
Other financial liabilities	35,277	6.9	37,042	8.1
Tax liabilities	1,135	0.2	4	0.0
Deferred income	23,171	4.5	19,921	4.3
	161,011	31.4	137,257	29.9
	511,835	100.0	458,432	100.0

As at 30 June 2023, the Borussia Dortmund Group's equity amounted to EUR 282,705 thousand (30 June 2022: EUR 273,155 thousand). This corresponds to an equity ratio of 55.3% (previous year: 59.6%). As at 30 June 2023, the Group's share capital remained unchanged at EUR 110,396 thousand as compared to 30 June 2022. Due to the consolidated net profit of EUR 9,550 thousand for the financial year, the reserves increased from EUR 162,872 thousand to EUR 172,422 thousand. Furthermore, EUR 4,754 thousand was withdrawn from capital reserves and transferred to other revenue reserves. Since Borussia Dortmund KGaA's revenue reserves were insufficient to offset the net accumulated losses, the capital reserves were used to cover the difference.

The Borussia Dortmund Group reported total liabilities of EUR 229,130 thousand as at the end of the reporting period. This represented an increase of EUR 43,853 thousand from EUR 185,277 thousand as at 30 June 2022. The change was as follows:

As at the end of the reporting period, loans amounting to EUR 11,103 thousand were drawn down to finance investments in property, plant and equipment. Of this amount, EUR 2,276 thousand was reported under current financial liabilities. Furthermore, the Borussia Dortmund Group has drawn down EUR 10,529 thousand (30 June 2022: EUR 0 thousand) of the existing overdraft facilities of EUR 75,000 thousand.

Current and non-current lease liabilities decreased from EUR 17,179 thousand to EUR 12,962 thousand in the reporting period. The repayments of lease liabilities of EUR 5,383 thousand were partly offset by new lease obligations taken up for the expansion of the vehicle fleet (EUR 1,166 thousand).

Non-current trade payables increased by EUR 13,234 thousand to EUR 46,848 thousand, due in particular to the higher non-current liabilities from transfer deals. The increase in current trade payables by EUR 10,374 thousand to EUR 86,015 thousand is due primarily to the rise in prepayments on orders included in that item.

Current and non-current other financial liabilities decreased by EUR 1,541 thousand to EUR 37,357 thousand as at the end of the reporting period (30 June 2022: EUR 38,898 thousand). This decrease is due in particular to higher personnel-related liabilities in the previous year. By contrast, liabilities for outstanding invoices and liabilities to the general partner increased.

Current tax liabilities increased to EUR 1,135 thousand as at the end of the reporting period (30 June 2022: EUR 4 thousand) due to the net profit for the financial year (2021/2022 financial year: net loss).

Current and non-current deferred income amounted to EUR 23,181 thousand as at the end of the reporting period (previous year: EUR 19,941 thousand). The increase (EUR 3,240 thousand) is due primarily to proceeds from leasing SIGNAL IDUNA PARK in connection with the UEFA EURO 2024 and proceeds from the tour of the United States in summer 2023.

ANALYSIS OF CAPITAL EXPENDITURE

In the financial year ended, the Borussia Dortmund Group invested EUR 126,425 thousand in intangible assets. Of this amount, EUR 126,317 thousand related to the player base.

Cash payments for property, plant and equipment during the same period amounted to EUR 21,445 thousand and primarily include the repurchase of significant portions of the training ground in Dortmund-Brackel, the expansion of the infrastructure, and the operating and office equipment in and around SIGNAL IDUNA PARK.

The focus of future investments will remain on improving the stadium experience by investing in digitalization and on expanding the infrastructure by further investing in the logistics centre at SIGNAL IDUNA PARK.

ANALYSIS OF LIQUIDITY

As at 30 June 2023, the Borussia Dortmund Group held unrestricted cash funds of EUR 4,496 thousand.

It also had access to an additional EUR 75,000 thousand in overdraft facilities, of which EUR 10,529 thousand had been drawn down as at the end of the reporting period.

Cash flows from operating activities amounted to EUR 54,426 thousand (previous year: EUR 35,071 thousand).

NET ASSETS

The Borussia Dortmund Group's total assets increased from EUR 458,432 thousand to EUR 511,835 thousand.

Fixed assets increased by EUR 51,382 thousand to EUR 352,399 thousand due primarily to investments in intangible assets and property, plant and equipment.

As at the end of the reporting period, current and non-current trade receivables and other financial receivables increased by EUR 20,104 thousand to EUR 125,480 thousand (30 June 2022: EUR 105,376 thousand). The increase is due primarily to the rise in transfer receivables not yet due included in that item and higher claims for release fees for national team players.

Current and non-current prepaid expenses remained virtually level at EUR 13,002 thousand (30 June 2022: EUR 13,072 thousand).

OVERALL ASSESSMENT OF FINANCIAL POSITION AND PERFORMANCE AND BUSINESS DEVELOPMENT

The Borussia Dortmund Group ended the 2022/2023 financial year with a consolidated net profit for the year of EUR 9,550 thousand.

Taking into account the net profit for the year, the equity ratio is calculated at 55.3%. As at 30 June 2023, the Borussia Dortmund Group held unrestricted cash funds of EUR 4,496 thousand.

It also had access to an additional EUR 75,000 thousand in overdraft facilities, of which EUR 10,529 thousand had been drawn down as at the end of the reporting period.

Unlike in the previous year, all COVID-19-related restrictions affecting Borussia Dortmund's business activities were lifted this financial year. As a result, the Borussia Dortmund Group was once again able to fully leverage its earnings power and report year-on-year revenue growth across all revenue streams. Accordingly, this also positively impacted earnings. Therefore, business development in the 2022/2023 financial year – in contrast to previous years – was once again satisfactory.

THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM as it relates to the accounting process

As part of its risk management system, Borussia Dortmund has an accounting process-related internal control system that defined appropriate structures and implemented them within the organisation. The aim is to ensure proper and effective accounting and financial reporting in accordance with the applicable accounting principles. The key features of the accounting process-related internal control and risk management system employed by Borussia Dortmund can be described as follows:

- Borussia Dortmund distinguishes itself through its clear organisational and corporate structures as well as its control and monitoring structures.
- The internal control and risk management systems as they relate to the accounting process form an integral part of operational and strategic planning processes.
- Responsibilities have been clearly assigned in all areas of the accounting process (such as financial accounting and management cost accounting).
- Reporting is carried out in monthly, quarterly, semi-annual and annual intervals, whereby a distinction is made between matters requiring immediate action by the Company and those involving Company strategy.

- The computer systems used in accounting are protected against unauthorised access. An access and roles concept is implemented that controls and documents the access rules.
- An adequate system of internal guidelines has been established and is adapted, expanded and updated on a continuous basis. The document management system in place ensures that the guidelines are reviewed and revised on a regular basis.
- The departments involved in the accounting process fulfil quantitative and qualitative requirements.
- The completeness and accuracy of the accounting data is checked regularly by reviewing samples and conducting plausibility tests, both manually and by means of software employed for this purpose. The software uses an integrated workflow to process any accounting anomalies. Daily monitoring for anomalies and defined controls allow any potential errors in the accounting process to be immediately rectified.
- The principle of dual control is adhered to at all points in the Company's accounting-related processes.
- The Compliance, Risk Management and Internal Audit department reviews the various internal business processes in accordance with the internal audit plan.
- The management receives reports at scheduled intervals throughout the process or more frequently if necessary.
- The Audit Committee of the Supervisory Board concerns itself with the key accounting issues, risk management and the audit assignment on a regular basis.

The accounting process-related internal control and risk management system, the key features of which are described above, ensures that transactions can be correctly recorded, prepared and accounted for in the financial statements.

The German Corporate Governance Code ("GCGC") calls for disclosures on the internal control and risk management system that go beyond the statutory requirements for the management report and are therefore excluded from the substantive audit of the management report by the statutory auditor ("information extraneous to management report"). These are discussed in the corporate governance declaration referred to below.

OPPORTUNITY AND RISK REPORT

RISK MANAGEMENT

Borussia Dortmund's divisions are exposed to a wide variety of risks that are inseparably linked to the conduct of business.

The sections below focus on possible future developments or events which could cause Borussia Dortmund to perform either better than expected (opportunities) or worse than expected (risks). The respective impact of opportunities and risks are generally presented separately and are not offset against one other. Generally speaking, risks and opportunities are assessed over a mid-length term of three years. All risks of loss to which the Company is exposed (individual and cumulative risks) are monitored and managed within the risk management system. Borussia Dortmund assessed the identified opportunities with respect to their impact on budgeted earnings figures in the context of existing planning and reporting processes. Opportunities are considered and documented in a process that is independent of Borussia Dortmund's risk management system.

The consolidated group for risk management purposes is identical to the consolidated group in the consolidated financial statements

A functioning control and monitoring system is essential for identifying risks early and for assessing and counteracting them. It is the responsibility of the internal risk management system to monitor and control such potential risks.

The risk management system is based on principles and guidelines laid out by the management. These principles and guidelines are designed to facilitate the early identification of any irregularities so that appropriate countermeasures can be taken immediately. In order to ensure the highest possible level of transparency, risk management has been incorporated into the organisational structure of the Group as a whole. All departments and divisions are required to immediately report any Company-relevant changes in the risk portfolio to the management. The risk management system is also an integral component of the overarching planning, steering and reporting process.

After Borussia Dortmund had refined its risk management system in financial year 2021/2022 as part of IDW AuS 340 (revised version), the newly revised standard for audits of the risk early warning system promulgated by the Institute of Public Auditors in Germany (IDW), further refinements were made in financial year 2022/2023. These primarily concerned optimising the existing risk-bearing capacity concept and further improving the measurement methods by expanding the risk quantification process, including risk aggregation, to include all existing risks. The existing risk policy was expanded and completed to include these aspects.

The currency and detail of the regular risk reports given to the governing bodies of Borussia Dortmund keep them informed of the Group's current risk profile. Reports are submitted to the Director of Finance and management on a quarterly or (depending on urgency) ad hoc basis. The Audit Committee also receives quarterly reports.

This ensures that the Company's decision-makers have adequate flexibility to be able to monitor and manage risks.

This year, the risk inventory procedure implemented with the objective of cataloguing and assessing all risks has again proven effective as a management tool. Risks are identified, discussed and reviewed in consideration of current circumstances in one-on-one meetings or plenary sessions in order to assess the current likelihood of their occurring and their potential consequences.

In consultation with the departments and risk owners, each risk is given a qualitative rating of between 1 and 4, with 1 indicating a low level of risk and 4 indicating a very high level of risk. A risk impact assessment is carried out both before and after the identification and development of countermeasures to reduce the risk. The risk impact assessments are weighted before and after countermeasures based on a ratio of 1:2, with weighting prioritising the probability and consequences of each risk after countermeasures take effect. In mathematical terms, the risk impact assessment (before countermeasures) is derived by adding the probability of the risk and its consequences before countermeasures, while the assessment (after countermeasures) is derived by adding the probability of the risk and its consequences, and multiplying this figure by two.

Example:

Before countermeasures:			
Probability	2	2+3=5	5
Consequences	3		
After countermeasures:			
Probability	1		
Consequences	2	(1+2)x2=6	6
TOTAL			11

If the assessment of an individual risk falls within the top third of the scale (a score of 17 to 24), Borussia Dortmund classifies it as a high-priority risk. Particular attention is paid to such risks, since they are capable of having a material adverse and long-term effect on the Company's assets, liabilities, financial position and profit or loss. There are currently 27 (previous year: 28) risks that are classified as high priority.

The currency and detail of the regular risk reports given to the governing bodies of Borussia Dortmund keep them informed of the Group's current risk profile.

In the context of applying the provisions of IDW AuS 340 (revised version) to evidence its risk-bearing capacity, Borussia Dortmund has conducted a quantitative assessment of all risks identified in the qualitative risk inventory procedure outlined. The expected loss value (net basis) of an individual risk from the risk quantification of all risks was also compared with a threshold value of EUR 1,000 thousand that Borussia Dortmund has defined as material. Risks that – on a solely quantitative basis – may not have a material impact on the net assets, financial position and results of operation may nevertheless be managed and treated as high-priority risks since they are of overriding significance for Borussia Dortmund.

Categorisation of risks

In accordance with the recommendations under German Accounting Standard DRS 20, and to ensure ease of reference, Borussia Dortmund divides its risks into main categories. The nine defined main categories (strategic risk, personnel risk, macroeconomic risk, competitive risk, liquidity risk, interest rate risk, credit risk, resources risk and ecological risk) as at the end of the reporting period are presented and explained in greater detail below.

All 61 identified risks that could have a direct impact on the Company fall within these categories. In comparison with the previous year, the total number of risks identified was unchanged.

One new risk (environmental and climate change) was added to the 28 risks that had been classified as high-priority in the past period. Two risks (cost of providing security at home matches and outbreak of epidemics/pandemics) are no longer classified as high-priority risks. Whereas the disclosures on opportunities and risks in the 2021/2022 Annual Report were primarily shaped by the effects of the COVID-19 pandemic at the time, the opportunity and risk report for the 2022/2023 financial year is no longer directly impacted by COVID-19, as the pandemic has become endemic and all associated restrictions on Borussia Dortmund's business activities have been lifted. While the war raging in Ukraine and its effects on the overall economic situation in Germany – where consumers are seeing their purchasing power diminish in the face of rising commodity, energy and food prices and consequently higher inflation as a result of the conflict – also continue to impact Borussia Dortmund, fears of a deeper and longer-lasting recession are not currently proving to be true.

In accordance with the provisions of IDW AuS 340 (revised version), Borussia Dortmund has subjected all 61 identified risks under the risk inventory to an internal quantitative assessment (assignment of certain probability intervals and calculation of specific losses for every risk, where possible; application of average value method for non-quantifiable risks) so as to provide a complete picture of Borussia Dortmund's risk-bearing capacity. Risk-bearing capacity is specified as the maximum level of risk that the Company can bear over time without jeopardising its status as a going concern. For this purpose, the overall risk exposure is compared against available equity and the prevailing liquid assets.

The following is a discussion of the 27 high-priority risks, which as part of the risk quantification process were all assigned an expected loss value (net basis) of at least EUR 1,000 thousand, in their respective categories.

Category 1 – strategic risk

Borussia Dortmund defines strategic risk as risk arising from incorrect business decisions, poor implementation of decisions or the inability to adapt to changes in the corporate environment. Strategic risk also arises from unexpected changes in market conditions and the environment in which the Company operates, which bring with them negative consequences for the Company's assets, liabilities, financial position and profit or loss.

This category includes four high-priority risks:

The risk that financial planning is dependent on sporting success describes the risk that failing to achieve planned sporting objectives could lead to a lack of adequate income or proceeds. To account for any and all developments both on and off the pitch, the Company revises and updates its longstanding financial and liquidity planning at least three times per year based on the latest premises. Recent events, in particular the COVID-19 pandemic when external conditions changed faster than ever before, have demonstrated how important it is for planning projections to be modified on a permanent basis. In addition to the income statement and the statement of financial position, this also includes the development of Borussia Dortmund's liquidity. It allows the management to monitor the current and future financial position of the Company at all times and to take any necessary action. Due to developments with regard to income from international TV marketing in particular, the amount that a club is certain to receive for a given subsequent season varies greatly from a first-place finish to a seventh-place finish in the Bundesliga. Qualifying for the UEFA Champions League guarantees much higher proceeds than qualifying for the UEFA Europa League or UEFA Europa Conference League, let alone if the team fails to qualify for any international competition at all. Given this, action has already been taken to increase the variability of personnel expenses in the professional squad with regard to sporting performance, particularly in the UEFA competitions and the qualification for these competitions, and this will continue to be driven forward in the short to medium term. The objective of a corresponding worst case scenario is not to predict the future but rather to provide an overview of various contingencies and their effects and to better assist the management in its strategic planning.

Share price performance describes the performance of a security, an index, shares or a portfolio, but also the performance of the management of an investment fund with respect to its investment objectives. The Group is very conscious of the risk associated with the performance of Borussia Dortmund's shares and continually analyses the Company's value on the capital market and the consequences of it being undervalued. A key component of this risk is the impact of these factors on potential corporate action in the future and the Company's appeal to business partners. This risk is countered through continual communication with the capital market. The shares have been listed on the Prime Standard segment of the Frankfurt Stock Exchange since May 2014 and were also admitted to trading on the SDAX. As a result of the restructuring of the DAX and other indices, Borussia Dortmund

left the SDAX with effect as at 20 September 2021. During the financial year, Borussia Dortmund again held several roadshows in Europe and the United States in an effort to keep existing investors up to date and bring any prospective investors on board. The fundamental shareholder structure, which features a high free float and key strategic partners, did not change during this financial year. In financial year 2022/2023, Borussia Dortmund offset Borussia Dortmund GmbH & Co. KGaA's loss carryforwards/net accumulated losses against the revenue/capital reserves so that it can legally once again pay its shareholders a dividend in future financial years, provided it generates the necessary net profits. Prior to the COVID-19 pandemic, Borussia Dortmund's established practice was to maintain continuity with regard to its dividend distributions, and the objective now is to return to that dividend policy.

Borussia Dortmund considers the third risk in this category to be the risk of conflicting goals of sporting and commercial success. It is important that Borussia Dortmund continues to pursue balanced business policies with the aim of ensuring that the club remains competitive and also focussed on meeting the financial performance indicators. Borussia Dortmund will continue to avoid material financial risks that could arise on account of uncertain sporting successes. As in previous years, Borussia Dortmund further counters this risk by setting strict budgets for the individual divisions and undertaking corporate planning on a revolving basis using various planning scenarios. Furthermore, the Company also uses planning scenarios to calculate various earnings and liquidity effects potentially presenting additional opportunities for financial investment or shortfalls. It is of fundamental importance to permanently modify the planning projections and to balance the need to remain competitive on the pitch and ensure economic stability and success on the one hand with the corresponding countermeasures that have already been taken to reduce the likelihood of the risk occurring on the other, as recent events, in particular the COVID-19 pandemic when external conditions changed faster than ever before, have so clearly demonstrated. The transfer business remains a key action area for Borussia Dortmund and is one of the most important sources of income in the business of football. Achieving high sums for transfers often involves a loss of sporting quality within the squad, but after carefully weighing up all of the athletic and business aspects it is possible that value-driven transfers may also be concluded contrary to the Company's sporting interests, as is the case with the pending transfer of the player Jude Bellingham to Real Madrid (see the ad hoc disclosure dated 7 June 2023).

IT cyber risks are the fourth high-priority risk in this category. These risks are closely linked with protecting confidential information. They are generally understood as the risks posed while navigating a digital and interconnected world. In specific terms, on the one hand IT cyber risks involve the possibility of wilful and targeted cyber attacks on data and IT systems. The consequences of these attacks can include: compromising data confidentiality (e.g., data losses, data espionage), loss of system or data integrity (e.g., data corruption by means of malware), compromising IT system or data availability (e.g., internal business interruption,

outages in external communications). On the other hand, IT cyber risks arise from the opportunity for large volumes of information to be disseminated widely, cheaply and at breakneck speed (e.g., e-mail campaigns against the Company, calls on social media to boycott the Company) and from social hacking. Cyber criminals are increasingly targeting German businesses and becoming more professional, and the number of attacks is increasing dramatically each year. In line with the generally elevated threat situation, Borussia Dortmund also continues to observe more and more requests from dubious places in the IT landscape (network, firewall, etc.). Borussia Dortmund seeks to counter these IT cyber risks by reducing the risk of occurrence through investments in data security and data protection. That includes expanding the firewall to protect against external attacks, enhancing network security by means of network segmentation, bringing a new back-up system online and continually pressing ahead with Project Security, a general initiative to identify and address potential security vulnerabilities. For that purpose, Borussia Dortmund also maintains close ties to an external service provider that specialises in guarding against the latest IT risks. In addition to investing in data security and data protection, Borussia Dortmund has also established a learning management system that covers mandatory training sessions on IT and cyber security risks for Borussia Dortmund's employees.

Category 2 – personnel risk

The importance of human resources to companies is growing. The Company's success is largely dependent on the commitment, motivation and skills of both its sporting personnel and managerial/administrative staff.

This category currently includes five high-priority risks:

Protecting confidential information is also very much so directly connected with IT cyber risks and is a subject that remains in the public eye. Never before has data protection posed so many challenges. In particular, the increasing internationalisation of day-to-day business operations necessitates a detailed understanding of the respective data protection regulations applicable in individual countries. In addition, technical progress harbours many challenges, especially in relation to online data. Hackers stepped up their attacks in recent years, releasing the personal data of politicians, celebrities and others. Action has to be taken to prevent the unauthorised access and manipulation of data. Confidential data that is processed, transferred or stored online must be encrypted. The data should remain encrypted and protected even if the online application is compromised. The Head of IT, the heads of the individual application areas and the data protection officers are responsible for initiating the data; the developers and administrators are responsible for implementation. To meet the increased requirements for cyber security and IT in general, action has already been taken to significantly increase staffing levels in IT, and this will continue be driven forward in the short to medium term. Although protecting confidential information for the most part concerns the IT landscape as

referred to above, it also involves for instance protecting the hard copies of individual employees' personnel files against unauthorised access by means of a clear key concept, laying down specific rules for post room staff when opening incoming mail, or ensuring that all employees sign a non-disclosure agreement.

The risk of periods during which professional players are unable to play (rest periods) can have a major impact on the Company's success, because they mean that team managers are unable to play the best possible team for the entire season, putting sporting goals in jeopardy. The absence of key players in particular is often difficult to compensate for. The reasons for rest periods include personal match bans, injury or excessive stress. Excessive stress may arise more frequently going forward, even though Borussia Dortmund seeks to minimise player absences by means of individual workload management based on data analysis. We deliberately ensure that back-ups are available for every position within the squad so that we can absorb the absence of any individual player. Compared with the previous season, the number of muscle injuries decreased significantly in the 2022/2023 season. Thus, it is generally safe to say that the thorough analysis conducted in the summer of 2022 and the resulting changes made to the medical department and fitness teams had the desired positive effects.

The world of sport has witnessed a number of terrible accidents in recent years. The tragic loss of human life takes precedence – that goes without saying – but the economic consequences for the businesses involved have also been immense. There thus continues to be a risk of a loss of the player base due to travel and other accidents, terrorist attacks and miscellaneous; therefore, Borussia Dortmund continues to classify this risk as high priority.

The high-priority risk of legal transgressions by professional players covers risks arising from misconduct by the professional squad. This includes doping, placing prohibited bets or inappropriate behaviour on social media. The consequences of such misconduct may include match suspensions and reputational damage for players and the club, or legal disputes. The action that Borussia Dortmund takes to mitigate this risk includes systematic education and preventative measures to raise awareness among the professional squad and help them avoid such misconduct, even though Borussia Dortmund cannot control the private lives of its players.

The risk resulting from a lack of willingness to transfer is also classified as a high-priority risk. Specific situations may arise in which other clubs are unwilling to meet the salary expectations of players whom Borussia Dortmund intends to transfer, making it difficult for Borussia Dortmund to find a suitable buyer, even though Borussia Dortmund engages in discussions with the player and/or their agents in these individual cases in an attempt to arrive at a solution that is acceptable to both parties. The early termination of the contracts agreed with former players Nico Schulz and Roman Bürki in recent years are but two examples proving that mutual agreement is possible.

Category 3 – macroeconomic risk

Macroeconomic risk arises as a result of Borussia Dortmund's dependence on general economic and political developments.

There are currently six high-priority risks that fall under macroeconomic risks:

Borussia Dortmund has classified unfavourable macroeconomic developments accompanied by high unemployment and slow economic growth or an economic downturn, as the first risk in this category.

The Hamburg Institute of International Economics (HWWI) expects that the German economy will at best recover gradually over the remainder of 2023. The restrictive monetary policy is holding the economy back. The HWWI expects the economy to contract by 0.5% in 2023 before rebounding to 1.25% growth in 2024. However, this precludes any further tightening of monetary policy or increase in geopolitical uncertainties. Although inflation has peaked, the increase in consumer prices is still high at 6.1%. Lower prices for energy and other commodities mean that the rate of inflation could decrease further. Inflation could fall to below 4% by the end of 2023 and 2.5% by the end of 2024, just shy of the 2% target associated with stability. However, the risks of events taking a less favourable turn are considerable. The challenge now facing the European Central Bank (ECB) is to provide the necessary further impetus through its monetary policy so as to bring the current disinflation process to a successful conclusion without completely stifling the economy (Source: Hamburg Institute of International Economics [HWWI], 7 June 2023).

The risk of right-wing extremism is a societal risk that continues to increase. Borussia Dortmund continues to stand firmly against right-wing extremism and discrimination. Borussia Dortmund counters this risk through prevention efforts and disciplinary action, acting in concert with a broad network of cooperation partners. By clearly speaking out against racism and discrimination as well as by working to combat right-wing attitudes, anti-Semitism and hate speech and to ensure that the lessons of the past are never forgotten, Borussia Dortmund will continue to fulfil its social responsibility by ensuring that the atmosphere in and outside SIGNAL IDUNA PARK is welcoming, cosmopolitan and diverse.

The increased willingness of certain individuals to commit violence and defame and insult others at stadiums is a risk that will continue to require the utmost attention. Fan violence remained an issue during reporting period. Prevention efforts and security plans ensure that groups which frequently resort to violence can be identified in advance, helping to prevent altercations to the greatest extent possible. Borussia Dortmund will continue to counter this risk with enhanced security checks, camera surveillance, stadium bans and criminal complaints. Additional stadium safety measures will continue to include specific structural changes to entrances going forward. Furthermore, Borussia Dortmund and other clubs from North Rhine-Westphalia have joined forces in the "Stadionallianz gegen Gewalt" initiative in an effort to curb fan violence. They work together with the police with the aim of identifying, isolating and bringing offenders to justice more quickly.

The categorisation of social media activities as a high-priority risk reflects the fact that new technologies not only have potential for development, but also harbour risk potential. Social media is no longer used solely for communicating with fans and followers, but increasingly also serves as an advertising platform for marketing and sponsoring-related activities. Borussia Dortmund has vastly expanded its digital presence, among other things due to the recent COVID-19 pandemic and the restrictions at times placed on direct contact with fans as a result. This also includes monitoring those activities appropriately. For instance, Borussia Dortmund has in recent years successfully entered the gaming market via Twitch, and on 1 November 2022 became the first German football club to reach 100,000 followers on the streaming platform. In order to safeguard the Company's image and prevent the unauthorised disclosure of internal information, all Borussia Dortmund employees must adhere to the Company's social media guidelines.

More stringent legal regulations continue to be classified as a high-priority risk due to the plethora of new rules and regulations. The provisions of the EU Corporate Sustainability Reporting Directive (CSRD) that will apply in future and the new legal provisions pertaining to money laundering and supply chains are just a few examples. Such tightening of laws and regulations usually involves a significantly higher administrative workload for Borussia Dortmund, which ties up human resources and may necessitate new hires. Where necessary, greater use is also made of advisory services.

The risk arising from political developments also continues to be classified as high priority. Whereas previous financial years were primarily shaped by the effects of the COVID-19 pandemic at the time, Borussia Dortmund's current risks are no longer directly impacted by COVID-19, as the pandemic has become endemic and all associated restrictions on Borussia Dortmund's business activities have been lifted.

The war raging in Ukraine and its effects on the overall economic situation in Germany – where consumers are seeing their purchasing power diminish in the face of rising commodity, energy and food prices and consequently higher inflation as a result of the conflict – also continue to impact Borussia Dortmund, although fears of a deeper recession are not currently proving to be true. The caps on electricity, gas and heating prices for companies adopted by the German federal government will help Borussia Dortmund to partially absorb the impact of high energy prices. Catering and ticketing prices were also adjusted to account for inflation.

Despite the collapse of Credit Suisse, which was subsequently taken over by the Swiss bank UBS, there has not yet been any talk of a real banking or financial crisis in Germany – as was the case in 2008, for example. Experts currently consider this to be an isolated case. However, the matter must continue to be monitored closely as it could significantly affect the overall economy, interest rate levels, inflation, etc. A close eye is also being kept on the fraught relations between China and Taiwan and the potential consequences for the global economy, with the hope being that the situation does not escalate militarily.

Category 4 – competitive risk

Competitive risk relates to factors stemming from competition in the domestic and international professional football business.

This category includes seven high-priority risks:

Interruptions to match operations can have immense economic ramifications because nearly all of Borussia Dortmund's streams of revenue are dependent on or influenced by match operations. The recent COVID-19 pandemic underscored how economically dependent the club is on a trouble-free season. However, there were no restrictions on spectator numbers or otherwise during the entire 2022/2023 season.

The second risk classified as high-priority in this category is the change in income from TV marketing. After DFL Deutsche Fußball Liga's auctions for TV rights led to a steady rise in income from TV marketing in recent years, the COVID-19 pandemic meant that the auction for the 2021/2022 to 2024/2025 seasons did not bring as much income for the clubs of the first and second Bundesliga divisions as in previous rights periods; in total, roughly EUR 4.4 billion will be distributed over this period. This provides a solid planning basis, but also a notable reduction – in particular compared with pre-pandemic levels and the English Premier League. Specifically, the international marketing of the German Football League (DFL Deutsche Fußball Liga) continues to fall short of the ambitious expectations. A motion to enter into a partnership with investors was voted down at the German Football League's Members' Meeting on 24 May 2023.

UEFA's Financial Fair Play Regulations, which were launched in 2011 with the aim of improving the financial health of European football, have now been fundamentally revised. Now renamed the Financial Sustainability Regulations, they are aimed at making European football more resilient to external shocks, promote sound investments and make football more sustainable in general. At the core of the new regulations are three pillars – cost control, stability and solvency. Based on the "squad cost controls", clubs may in principle only spend a specific percentage of their income on squad costs, including transfers and consulting fees. In addition, the number of audits of clubs' solvency has increased to four per year – one by national license inspectors and three by financial experts from UEFA. Potential penalties extend beyond financial sanctions and may involve forfeiting points, incurring transfer bans and being disqualified from tournaments. The risk of failing to comply with the Financial Sustainability Regulations and potential exclusion from international competitions or potential financial sanctions would have serious financial consequences for Borussia Dortmund. The already very lucrative distributions available from UEFA and the international prestige derived from taking part in UEFA competitions underscore the importance of both qualifying and obtaining

the requisite licences for international club competitions. The potential income set to be gained will likely increase further once UEFA introduces its reform of the Champions League, which from the 2024/2025 season onwards will feature eight games in a league format instead of the previous six group matches. Therefore, to minimise this risk, compliance with the relevant requirements and target/actual comparisons are constantly reviewed.

As past experience has demonstrated, the risk of key players switching clubs can materialise at any time at Borussia Dortmund. The departure of key players who are part of the club's future plans would not only weaken the team at certain positions, but also as a whole. Even if success rarely rests on the shoulders of any single player, the roster should be planned so that any unexpected departures do not leave holes that would need to be filled at short notice with players of equal quality. In an attempt to mitigate the sporting consequences of key players switching clubs, Borussia Dortmund plans its roster well in advance, including by binding players to long-term contracts and identifying potential replacements, uses its high transfer proceeds to reinvest in the squad and employs a wide network of scouts.

The further risk in this category is the risk of a potential stadium catastrophe. Going forward, the Company will continue to regularly assess the quality and reliability of security staff and specifically train them in the prevention of catastrophes. Structural improvements to SIGNAL IDUNA PARK for the purposes of enhancing security, safeguarding and monitoring the access roads, and safeguarding the property during visits on non-match days are just some of the countermeasures currently taken by Borussia Dortmund to provide security at the stadium.

Borussia Dortmund uses the summer break each year to invest in SIGNAL IDUNA PARK as well as for construction work and refurbishments. The stadium has been expanded three times since opening in 1974 with a capacity of 54,000. The continual repair and maintenance work – the paramount focus of which is always structural integrity and safety – ensures that the stadium meets the latest standards in terms of safety, security and comfort. Compared to many other Bundesliga stadiums that were constructed for the 2006 World Cup, SIGNAL IDUNA PARK is one of the Bundesliga's oldest stadiums in use. Given that Borussia Dortmund regularly invests large sums in SIGNAL IDUNA PARK and in light of the increasing requirements applicable to stadiums, including with respect to spectator safety, the club has classified capital expenditures needed for SIGNAL IDUNA PARK as a high-priority risk. Given the advanced age of SIGNAL IDUNA PARK, Borussia Dortmund makes regular investments in the stadium. In addition to contributing to the aforementioned paramount focus on the structural integrity of the stadium, these investments are intended to keep Borussia Dortmund competitive and contribute to its environmental sustainability. The current investments in SIGNAL IDUNA PARK that extend beyond purely maintenance purposes serve in particular to digitalise and modernise the stadium (e.g., introducing high-end and state-of-the-art LED technology and building a logistics centre to provide greater flexibility and improve the logistics of supplying food and beverages to SIGNAL IDUNA PARK on match days) and comply with the requirements as part of EURO 2024.

The risk of consequential damage arising from mining, which also affects SIGNAL IDUNA PARK, represents another high-priority risk. Coal mining has ceased in Germany. While the memories remain, so do the pitfalls, because the effects of mining never fully disappear. Hardly any other federal state is faced with as many sinkholes as North Rhine-Westphalia. It is estimated that the state has some 60,000 abandoned mining shafts and tunnels. The exact number is not known because mining in the region dates back to the Middle Ages. Only half of all pits and tunnels have been recorded. Borussia Dortmund uses the properties adjacent to SIGNAL IDUNA PARK for car parks or to store products and equipment needed for match operations. When renovating the Rote Erde stadium, construction workers had to fill coal shafts with concrete, which has caused the soil structure to become porous in recent years. This lengthy process had drawn out the renovation work until it was finally completed in late March 2023. There is always the risk of consequential damage arising from mining whenever there is any construction work on Borussia Dortmund's property. All construction projects must first undergo a survey of the potential for consequential mining damage and are subject to financial and timing risks.

Category 5 – liquidity risk

Liquidity risks include all risks in connection with cash flows and financial burdens.

This category includes four high-priority risks:

The loss of significant financial backers and sponsors due to insolvency could also have a material adverse effect on Borussia Dortmund's liquidity in the future. Borussia Dortmund continuously revises its longstanding accounts receivable management system in line with the prevailing conditions and increasing globalisation. Even though fears of a deeper recession are not currently proving to be true, the global economy continues to be weighed down by the war in Ukraine and the residual effects of the COVID-19 pandemic. There is currently nothing to indicate the loss of a significant financial backer/sponsor connected with Borussia Dortmund. Borussia Dortmund is in close contact with its key partners and its marketing firm SPORTFIVE Germany GmbH, with which it maintains a close relationship built on trust. Borussia Dortmund has entered into medium- and long-term contracts with its strategic partners (SIGNAL IDUNA Group until 2031, PUMA International Sports Marketing B.V. until 2028, and 1&1 Telecommunication SE and Evonik Industries AG, each until 2025). Various new sponsorship contracts and contract extensions tentatively suggest that the willingness of existing and prospective partners to enter into sponsorship arrangements after the pandemic has not diminished significantly. Borussia Dortmund attempts to avoid any clustering of risks with regard to the industries its sponsors operate in. This ensures a broad mix of sponsorship income that is essentially not subject to any increased industry risks.

Due to the ongoing tense economic situation, the risk of bad debts due to insolvency remains classified as a high-priority risk.

In Germany and around the world, the recent COVID-19 pandemic and the outbreak of war in Ukraine have caused one of the sharpest economic downturns since the Second World War. This will also continue to impact the solvency of companies and football clubs alike. Borussia Dortmund anticipates that problems could arise with regard to trade receivables. The primary objective continues to be keeping bad debts to a minimum and to ensure that the Company has the liquidity it needs at all times. That is why it is all the more important to follow through on the action already taken, such as conducting credit checks on foreign businesses or changing the general contractual framework to include high up-front payments. Dunning procedures are likewise particularly vital. Similarly, Borussia Dortmund, its partners and its marketing firm SPORTFIVE Germany GmbH remain in close contact with respect to receivables for advertising income. In addition to the measures already referred to, factoring arrangements for transfer receivables can also be used as a means of managing liquidity.

Borussia Dortmund places utmost importance on maintaining its liquidity and, after assessing its risks, therefore continues to classify the risk associated with this as high priority. The financial and liquidity planning apparatus that has been in place for many years considers a variety of scenarios and different premises, and is regularly adjusted to account for current conditions. The scenarios calculated covered in particular different levels of success achieved by the team and various external conditions in order to identify any liquidity bottlenecks early and to initiate appropriate countermeasures designed to secure liquidity. Furthermore, an overdraft facility of EUR 75,000 thousand was available at the end of the reporting period that will be also be available for the upcoming financial year.

In order to keep the risk associated with the volume of player salaries as low as possible, the club budgets personnel expenses with transfer deals in mind at the beginning of each season. The primary focus is on the fixed components of the players' remuneration, since these are independent of the team's performance during a given season. Variable remuneration components are also considered when planning the budget, but generally only apply once certain sporting objectives are achieved that in turn generate additional income. The personnel expenses incurred are continuously monitored, extrapolated on the basis of current circumstances, and reported to the management. Action has already been taken to increase the variability of personnel expenses in the professional squad with regard to sporting performance (particularly in the UEFA competitions/qualifying for these competitions) and the associated effects on earnings and liquidity and this will continue be driven forward in the short to medium term so as to cushion any potential shortfalls by reducing personnel expenses.

Category 6 – ecological risk

The risk of environmental and climate change was newly classified as a high priority ecological risk. The term climate change, or rather anthropogenic climate change, refers primarily to the current global and regional changes in the climate caused by humans. Global warming and climate change are the greatest challenges facing planet Earth and humanity. The associated risks are complex and interrelated. They pose an existential threat, and their effects can be both direct (such as extreme weather events) and indirect (soil, water and air pollution and the exacerbation of social inequalities). In keeping with the stated goal of the Paris Climate Agreement, adopted in December 2015, to hold the increase in the global average temperature to well below 2°C and if possible to below 1.5°C, the EU member states resolved that by 2030, greenhouse gas emissions should be reduced by at least 55% compared to 1990 levels. Furthermore, Germany set itself additional targets when it passed the new Climate Protection Act that entered into force in August 2021: Greenhouse gas emissions are to be reduced by 65% compared to 1990 levels by 2030, and the country should be carbon neutral by 2045. Match operations and managing Borussia Dortmund's facilities require a lot of energy. Due to its age, SIGNAL IDUNA PARK needs to be modernised. In 2021, the German federal government adopted new carbon pricing rules, which will make fossil fuels more expensive and thus make it more worthwhile to employ climate-friendlier technologies, conserve energy and use renewable energy. The financial considerations surrounding CO₂ emissions notwithstanding, the public debate about professional football's impact on climate change is becoming increasingly more heated, and clubs can expect to be exposed to reputational risks if they cannot demonstrably reduce or, if possible, avoid the CO₂ emissions generated by match operations and thus fail to comply with the German Climate Protection Act. Furthermore, global warming can increasingly impact match and training operations through extreme weather events such as heavy rain or heat waves. Modernising the infrastructure and promoting renewable energy can help to cut CO₂ emissions but also involves significant upfront costs. Borussia Dortmund can make a positive contribution to climate protection by leveraging its considerable appeal and the many ways in which it can mobilise its fan base and partners alike. Borussia Dortmund implements a number of measures, including but not limited to determining our carbon footprint, developing a decarbonisation strategy for our buildings, operating energy and environmental management systems, offsetting the CO₂ emissions from our team flights and offering environmental education programmes.

The Group is not presently exposed to any high priority risks in the **interest rate risk**, **credit risk** and **resources risk** categories.

OPPORTUNITIES

By once again directly qualifying for the UEFA Champions League, the club again has the opportunity to consolidate its standing as one of Europe's top teams and to once more share in the profits distributed for participating in the lucrative competition.

Borussia Dortmund's approach to its squad is one of continuity, but it also has an eye to creating new momentum and structures in its personnel choices. Head coach Edin Terzić, whose contract runs until 30 June 2025, has managed to get the team to once again project that "Borussia Dortmund feeling" and play attractive football. The coaching staff is now focussed on making further adjustments in order to successfully build on this momentum. In this endeavour Edin Terzić will continue to enjoy the support of his assistant, Armin Reutershahn, who signed an early contract extension until 30 June 2025 and will share his many years' of experience in the Bundesliga during his day-to-day work. Sebastian Kehl, who took over as sporting director from Michael Zorc on 1 July 2022, successfully leveraged the experience he gained since the 2018/2019 season as Borussia Dortmund's Head of the Professional Squad to make his mark in his new role. Sebastian Kehl's contract (like that of Youth Academy director Lars Ricken) currently runs until June 2025. Sebastian Kehl is assisted by Slaven Stanic, who was appointed Borussia Dortmund's sports coordinator in May 2023. In this newly created position, Slaven Stanic assists the professional squad in many aspects and acts as a conduit to the sporting management. As a former player and equipped with invaluable experience gained from various roles in professional football, he will leverage his expertise to make Borussia Dortmund even better. This long-term focus at level of sporting management offers Borussia Dortmund a solid basis for planning and gives those in positions of responsibility the opportunity to keep building on the excellent and trusting relationships they already enjoy and to unlock the potential for improvement that is there to see.

Borussia Dortmund finished the past season in second place with 71 points, once again qualifying directly for the UEFA Champions League. Borussia Dortmund kept the title race alive until the very last match day. Compared to the 2021/2022, the team also improved on its performances in the cup competitions this season. The team has enormous potential. It now needs to be tapped over the entire season and across all tournaments. In Germany international Felix Nmecha, Borussia Dortmund signed a fast, technically gifted and physically strong player who will help the team's midfield both offensively and defensively. Another new signing is Ramy Bensebaini, a highly-experienced full-back who is a Bundesliga veteran and starter for Algeria's national team and moreover can transition seamlessly between offensive and defensive play. By signing contract extensions with team veterans Marco Reus and Mats Hummels, Borussia Dortmund ensured that the team would continue to benefit from their longstanding experience. After missing a good portion of this past season due to testicular cancer, Sébastien Haller, whose physical presence and finishing ability are ideally suited for his role as a traditional centre forward, has recovered and will be available to Borussia Dortmund from the very start of the next season. The healthy mix of youngsters and veterans in the squad as well as consistency in its management is expected to help the team unlock its full potential and achieve the greatest possible success on the pitch. Borussia Dortmund has an excellent team, a fact that is not lost on other top European clubs. Accordingly, there is always the possibility of lucrative transfers, such as the pending

transfer of Jude Bellingham to Real Madrid (see the ad hoc disclosure dated 7 June 2023). The team is expected to collectively make up for the loss of this key player.

Borussia Dortmund sees further potential in its youth setup, where it lays the foundation for its sporting success. To this end, the club has added new offices for the sports management team at the Brackel training ground in recent years. This investment helped to further consolidate all the areas under the direction of the Sports department. Borussia Dortmund hopes the direct proximity to the training ground will help it work with greater efficiency and purpose and further optimise its pipeline of talented youngsters for the senior team.

Belgium U19 international Julien Duranville, another highly talented youngster, celebrated his professional début after returning from injury on the last Bundesliga match day of the 2022/2023 season. Compared to their Bundesliga peers, Borussia Dortmund's U21 players received the most minutes on the pitch during the 2022/2023 season. Youssoufa Moukoko and Jamie Bynoe-Gittens established themselves as first-team regulars. Ole Pohlmann from the U23 team was signed to the senior team. While Borussia Dortmund strives for continuity in its youth setup, it also drives innovation by rotating the coaching staff of the U16 and U17 teams. Marco Lehmann will take over as head coach for the U17s in the 2023/2024 season, while Karsten Gorges will train the U16 squad. The fact that Germany's U17 national team won the 2023 European Championship with four players from Borussia Dortmund is also a testament to Borussia Dortmund's successful youth development. Mike Tullberg, the U19 head coach who with his team has already proven more than capable of developing highly talented players, has a contract that runs until 30 June 2026.

Borussia Dortmund maintains close and longstanding partnerships with its sponsors. Borussia Dortmund and the global sports marketing agency SPORTFIVE Germany GmbH, its marketing partner since 1999, extended their partnership early until 30 June 2031. The collaboration covers all areas of marketing, such as the acquisition of sponsors, the expansion of partnerships and the marketing of the hospitality areas at SIGNAL IDUNA PARK. Borussia Dortmund and SPORTFIVE Germany GmbH have set themselves ambitious national and international marketing growth targets for the coming years. In addition to its current focal areas, SPORTFIVE Germany GmbH will also be responsible for marketing women's football and e-sports. Borussia Dortmund's international marketing activities in the coming years will focus in particular on expanding its partnerships in the United States, which it has identified as a target market and where the team set off on a summer tour in July/August 2023. The United States is also co-hosting the 2026 Fifa World Cup together with Canada and Mexico. Borussia Dortmund considers SPORTFIVE Germany GmbH to be a strong and reliable partner with a global marketing network and extensive expertise. Borussia Dortmund has entered into medium- and long-term contracts with its strategic partners (SIGNAL IDUNA Group until 2031, PUMA International Sports Marketing B.V. until 2028, and 1&1 Telecommunication SE and Evonik Industries AG, each until 2025), which provides long-term planning security. Borussia Dortmund also extended various other sponsorship relationships and entered into new contracts. Borussia Dortmund assumes that its advertising income will continue to grow in the coming financial year. The club has lost none of its appeal, despite the recent pandemic.

As there were no restrictions on spectators throughout the entire 2022/2023 season, Borussia Dortmund welcomed virtually sell-out crowds to all of its home matches at SIGNAL IDUNA PARK and was not hindered in any way from directly engaging and interacting with its fans. Borussia Dortmund makes infrastructure investments in SIGNAL IDUNA PARK in order to further improve its fans' stadium experience and to better meet the increased logistical requirements. Consequently, we will ensure that our catering services and the associated logistics are state-of-the-art. We are aiming to complete all related construction projects by April 2024 prior to the start of the European Championships. In addition, Borussia Dortmund launched a digitalisation initiative at SIGNAL IDUNA PARK – from the media centre to the video walls – to make the stadium digitally fit for the future and even more accommodating to fans and sponsors alike. After Borussia Dortmund embarked on its 2022 ASIA TOUR from 21 November to 1 December 2022 with selected players from the youth squads as well as members of the senior squad who did not compete at the World Cup, which was being held concurrently in Qatar, the team travelled the US in the summer of 2023 during its "Back in Black & Yellow" tour. The return to North America is key to Borussia Dortmund's internationalisation strategy as the importance of the market is growing in the run-up to the 2026 World Cup and football is gaining in popularity. The goal of such trips is to bring the club even closer to and connect with its international fan communities and partners and give all fans from around the world the chance to immerse themselves in the world of Borussia Dortmund.

OVERALL ASSESSMENT OF THE RISKS AND OPPORTUNITIES

With regard to the risks discussed in this report and the review of the overall risk position, no risks were identified in the past financial year as at the end of the reporting period that could lead to a permanent or material deterioration in the financial position or financial performance of either the Group or its individual companies.

Thanks to its risk management system, Borussia Dortmund is in a position to comply with the statutory provisions on control and transparency in the Company.

A review of the risk situation revealed that none of the individual risks defined within the risk areas jeopardise the continued existence of Borussia Dortmund.

The internal application of the provisions of IDW AuS 340 (revised version) on evidencing risk-bearing capacity has shown that there is no threat to Borussia Dortmund's status as a going concern with respect to its net assets, financial position and results of operations.

REPORT ON EXPECTED DEVELOPMENTS

Borussia Dortmund Group

EXPECTED GENERAL ECONOMIC ENVIRONMENT

Given the fact that the COVID-19 pandemic became endemic during the financial year and all associated restrictions on Borussia Dortmund's business activities have been lifted, Borussia Dortmund does not expect to be directly impacted by any pandemic-related effects or for its business to be impeded in any way in financial year 2023/2024.

Contrary to the COVID-19 pandemic, there are no signs that the war in Ukraine will de-escalate and thus that the overall economic situation in Germany – where consumers are seeing their purchasing power diminish in the face of rising commodity, energy and food prices and consequently higher inflation as a result of the conflict – will improve any time soon. Borussia Dortmund is also affected by the negative trend in the economy, which could hamper revenue potential in certain cases, and in particular the sharp increase in commodity, energy and food prices, which is driving up costs. Rising commodity, energy and food prices are driving up costs for Borussia Dortmund. The caps on electricity, gas and heating prices adopted by the German federal government will help companies, including Borussia Dortmund, to partially absorb the impact of these price increases. The threat of recession, which could in particular also have an adverse effect on sponsorship interest, merchandising and demand for tickets, has not yet been completely averted, even though fears of a deeper recession are not currently proving to be true and expectations have been lowered.

On the pitch, Borussia Dortmund finished the 2022/2023 season in second place with 71 points, qualifying directly for the lucrative group stage of the UEFA Champions League in the coming season. Borussia Dortmund has thus qualified for an international cup competition for the fourteenth time in a row since the 2010/2011 season. However, the club traditionally pursues a more conservative approach when factoring success on the pitch and any associated earnings contributions into the forecast. Borussia Dortmund expects to reach the round of 16 of the UEFA Champions League in the 2023/2024 season. As well as setting the course for sporting success, Borussia Dortmund has also made a material contribution to earnings at the beginning of the 2023/2024 financial year with the transfer of player Jude Bellingham to Real Madrid.

EXPECTED REVENUE TREND

Income from match operations

Season tickets for the following season went on sale as usual at the end of the financial year and were capped at the customary limit of 55,000. Borussia Dortmund expects to fully exploit the earnings potential of match operations in the coming financial year. As in the previous season, Borussia Dortmund does not expect there to be any restrictions to match operations and is planning on hosting 17 Bundesliga home matches and four UEFA Champions League home matches in the coming season. Therefore, it expects income from match operations to increase year on year, also due to the inflation-related adjustments to ticket prices.

Income from advertising

Qualifying for the group stage of the UEFA Champions League continues to place Borussia Dortmund in a better financial position. Playing and delivering positive performances in the competition can widen the club's media and brand coverage, which promotes the club's interaction with existing fans and encourages others to begin following Borussia Dortmund. The club intends to promote these effects with a progressive internationalisation strategy that is regularly tailored to current trends. In light of this, Borussia Dortmund aims to further expand and professionalise its digital presence. Borussia Dortmund thereby responds to social trends and to a large degree leverages the attractiveness of the Borussia Dortmund brand. In addition to boosting its digital presence, Borussia Dortmund is once again reaching out to fans and partners at the local level throughout the world. That is why Borussia Dortmund embarked on its 2022 ASIA TOUR from 21 November to 1 December 2022 with selected players from the youth squads as well as members of the senior squad who did not compete at the World Cup, which was being held concurrently in Qatar. The team also travelled the US in the summer of 2023 during its "Back in Black & Yellow" tour. The return to North America is key to Borussia Dortmund's internationalisation strategy as the importance of the market is growing in the run-up to the 2026 World Cup and football is gaining in popularity. The goal of such trips is to bring the club even closer to and connect with its international fan communities and partners and give all fans from around the world the chance to immerse themselves in the world of Borussia Dortmund. The growing international awareness of the brand that this gives rise to allows the club to tap foreign markets.

Since the 2020/2021 season, Borussia Dortmund has had two different kit sponsors. Evonik Industries AG is the kit sponsor for all international club competitions, friendlies staged abroad and DFB Cup matches. 1&1 Telecommunication SE is the kit sponsor for Borussia Dortmund's Bundesliga appearances. This innovative sponsorship model was developed as part of the internationalisation strategy and promises further revenue potential going forward, since it allows the club and its respective partners to target specific markets.

In the 2023/2024 season, Borussia Dortmund once again marketed its virtual advertising boards. SIGNAL IDUNA PARK's advertising boards can be digitally overlaid in the broadcast

signal to target the respective TV audiences when broadcasting matches abroad. For Borussia Dortmund's international partners in particular, this is an attractive and increasingly popular way to reach their customers worldwide. As part of its digitalisation strategy, Borussia Dortmund has launched a digitalisation initiative at SIGNAL IDUNA PARK – from the media centre to the video walls – to make the stadium digitally fit for the future and even more accommodating to fans and sponsors alike.

Despite the recent pandemic and the ensuing economic declines, professional football in Germany has not lost any of its allure. Borussia Dortmund also maintains close and longstanding partnerships with its sponsors. Borussia Dortmund has entered into medium- and long-term contracts with its strategic partners (SIGNAL IDUNA Group until 2031, PUMA International Sports Marketing B.V. until 2028, and 1&1 Telecommunication SE and Evonik Industries AG, each until 2025), which provides long-term planning security. Borussia Dortmund also extended various other sponsorship relationships and entered into new contracts. Particularly noteworthy is that Borussia Dortmund and SPORTFIVE Germany GmbH, its marketing partner since 1999, extended their partnership early until 30 June 2031. In the 2022/2023 season, Borussia Dortmund met all of its contractual service obligations in the hospitality areas and expects to do so again in the 2023/2024 season. Borussia Dortmund assumes that its advertising income will continue to grow in financial year 2023/2024. The club has lost none of its appeal, despite the recent pandemic. As such, Borussia Dortmund will also operate in a demanding market and competitive environment in the coming season.

Income from TV marketing

Particular focus will be placed on income from TV marketing in connection with the expected general economic environment and the Company's expected performance.

The media rights currently allocated relate to the 2021/2022 to 2024/2025 seasons. The clubs can expect income averaging EUR 1.1 billion for these four seasons, corresponding to EUR 4.4 billion in total. The distribution of the TV marketing income was resolved in December 2020. Greater stability and more solidarity are the objectives. In light of the decline in income from national media rights, the consolidation being seen on international markets and the significant decrease in revenue at the club level during the COVID-19 pandemic, the objective of the distribution system is primarily to ensure stability, while setting the course for the future and promoting solidarity at the same time. This offers Bundesliga clubs a solid planning basis.

DFL Deutsche Fußball Liga GmbH also informed the clubs of the first and second Bundesliga divisions about the specific expected distribution volume for the 2023/2024 season. Borussia Dortmund can expect income of approximately EUR 83.2 million. The announced disbursements of the TV funds will allow for a good degree of planning. Nevertheless, a 2023/2024 season without interruptions as well as timely payments by partners in line with their contracts is essential for ensuring the amount and timing of the envisaged distribution payouts. The new agreement entered into between DFL Deutsche Fußball Liga GmbH and the German Football Association

(DFB), which sets out the rights and duties of the two organisations and the long-term financial terms, and thus indirectly also for the clubs in the first and second Bundesliga divisions, will apply for the first time from that season onward. The originally envisaged increase in national TV marketing income for the 2023/2024 season compared to the 2022/2023 financial year will likely be more moderate as a result.

While the COVID-19 pandemic has since waned, it is still indirectly affecting income from international TV marketing of UEFA competitions. The pandemic-related losses for clubs competing in the UEFA Champions League amounted to EUR 416.5 million in the 2019/2020 season and EUR 57.3 million in the 2020/2021 season. So as to stretch the adverse effects out over a longer period, it was decided that the EUR 416.5 million would be withheld from distributions in equal shares (of EUR 83.4 million) over five seasons from 2019/2020 to 2023/2024 and the EUR 57.3 million in equal shares (of EUR 14.3 million) over four seasons from 2020/2021 to 2023/2024. In specific terms, UEFA will make the deductions before distributing funds to the clubs. Nevertheless, the potential income from UEFA competitions remains extremely lucrative. Due to UEFA's excellent earnings situation, the COVID-19-related deductions envisaged in relation to distributions for the 2022/2023 season were dispensed with, which positively impacted the income from international TV marketing of UEFA competitions. It remains to be seen what will come of the COVID-19-related deductions originally envisaged by UEFA for the 2023/2024 financial year.

Income from merchandising

Due to the high number of subsequent orders for the special edition kit released in the 2022/2023 season and the fact that these orders will be fulfilled in the coming financial year, Borussia Dortmund expects income from merchandising to increase. Nevertheless, income from merchandising is also always dependent on the team's performance on the pitch and the overall state of the economy.

Conference, catering and miscellaneous income

In addition to catering income on match days, marketing the stadium unlocks further income potential. This includes organising stadium tours and hosting external events in the hospitality areas. Football training courses are also on offer. As described above, all restrictions on Borussia Dortmund's business activities have been lifted, and as such Borussia Dortmund expects to generate corresponding income from the marketing of SIGNAL DUNA PARK, in particular from the marketing activities during the 2024 European Championships.

Net transfer income

Transfer deals are an important part of Borussia Dortmund's business and, as in previous years, represent a significant source of income. However, in view of the developments in the economic environment, Borussia Dortmund on principle only takes transfer income into limited account in its planning. The transfer policy nevertheless presents significant opportunities to generate substantial income. Consequently, transfer deals are always assessed against the background of the current season. High transfer sums often go hand in hand with a drop in quality within the team, but it cannot be ruled out that value-driven transfers will be concluded contrary to the Company's sporting interests. Given Borussia Dortmund's sustained success, its players are increasingly piquing the interest of other top clubs.

The ongoing war in Ukraine and the associated global economic uncertainty continue to impact transfer deals. Based on the previous summer transfer windows during the pandemic, it can be assumed that the decline in income experienced by clubs around the world will continue to temporarily reduce the overall transfer fees received for players (with the exception of the transfer fees paid in the Middle East and the English Premier League or for veritable superstars). Despite the expected potential losses and the uncertainty as the situation continues to unfold, the European leagues remain attractive for talented young players. Besides that, Borussia Dortmund has an excellent team. An active transfer market can be expected all the same in the summer of 2023, with some very lucrative deals in the pipeline. From Borussia Dortmund's perspective, a notable example is the transfer of the player Jude Bellingham to Real Madrid in July 2023. Therefore, Borussia Dortmund expects that its transfer deals will continue to contribute significantly to earnings in the coming financial year.

EXPECTED TREND FOR SIGNIFICANT OPERATING EXPENSES

Personnel expenses

Personnel expenses account for approximately half of all operating expenditure. Portions of these personnel expenses are also dependent upon the club's sporting success, because the professional squad is compensated on the basis of its performance, meaning that these expenditures are always commensurate with the club's success, which itself is a source of income.

Action has been already been taken to increase the variability of personnel expenses in the professional squad with regard to sporting performance, particularly in the UEFA competitions and the qualification for these competitions, and this will continue be driven forward in the short to medium term.

Other operating expenses

Cost management continues to be Borussia Dortmund's highest priority. Operating cost-effectively makes a material contribution to earnings, and Borussia Dortmund is unwavering in its efforts to achieve further optimisation. One organisational measure in this regard was the establishment of a central purchasing department.

The other operating expenses are also partly dependent on the number of matches and the club's success on the pitch. Any efforts at cost optimisation aside, there may therefore be an increase in operating expenses that goes hand-in-hand with a material increase in income and corresponding contribution to earnings.

Due to the ongoing war in Ukraine, it can be expected that commodity, energy and food prices will remain high and cause operating expenses to grow year on year, in particular in catering and match operations.

EXPECTED DIVIDENDS

In light of the losses incurred during the COVID-19 pandemic, the management does not intend to propose to the Annual General Meeting any dividend distribution for financial year 2022/2023. In financial year 2022/2023, Borussia Dortmund offset Borussia Dortmund GmbH & Co. KGaA's loss carryforwards/net accumulated losses against the revenue/capital reserves so that it can legally once again pay its shareholders a dividend in future financial years, provided it generates the necessary net profits.

EXPECTED CAPITAL EXPENDITURES AND FINANCIAL POSITION

The highest priorities for developing the club's core business will be making the club more competitive and improving its infrastructure.

Borussia Dortmund is currently pursuing a more active transfer policy, although transfer expenses will generally only be incurred in the same amount as the offsetting transfer income. Likewise, promising investments are being made in digitalising and modernising SIGNAL IDUNA PARK and its infrastructure. The introduction of high-end and state-of-the-art LED technology is one example of the digitalisation measures being implemented. In particular, Borussia Dortmund is also making long-term investments to ensure that its catering services and the associated logistics are state-of-the-art. Specifically, a logistics centre will be built to provide greater flexibility and improve the logistics of supplying food and beverages to SIGNAL IDUNA PARK on match days. Furthermore, Borussia Dortmund repurchased significant portions of the training ground in Dortmund-Brackel that had previously been leased. It did so by exercising a buy option incorporated in the lease agreement. In order to finance these long-term investments, Borussia Dortmund took out long-term loans amounting to EUR 22,000 thousand, of which EUR 11,103 thousand had been drawn down as at 30 June 2023.

In order to minimise and avoid financial risk, Borussia Dortmund in principle pursues a conservative and extremely prudent capital expenditure strategy and will not count on any uncertain sporting successes.

EXPECTED DEVELOPMENT OF FINANCIAL PERFORMANCE INDICATORS

Based on the above-mentioned general economic environment and the Company's expected performance, the Borussia Dortmund Group issues the following forecast for its financial performance indicators for the 2023/2024 financial year:

Borussia Dortmund Group (IFRS)

EUR '000	BUDGET 2023/2024
Consolidated revenue	427,000
Consolidated total operating proceeds	538,000
Operating result (EBITDA)	104,000 to 114,000
Result from operating activities (EBIT)	15,000 to 25,000
Net profit/net loss for the year	15,000 to 25,000
Cash flows from operating activities	32,000
Free cash flow	-26,000

The financial performance indicators are subject to change in the coming financial year due in particular to transfer deals or if actual events differ from the forward-looking statements – in particular those relating to sports – in the forecast concerning the club's sporting success or on account of an unforeseen escalation of the war in Ukraine.

OVERALL ASSESSMENT OF EXPECTED PERFORMANCE

Contrary to the COVID-19 pandemic, which will no longer directly impact Borussia Dortmund's business activities in financial year 2023/2024, there are no signs of a genuine de-escalation of the war in Ukraine thus of an improvement in the overall economic situation in Germany – where consumers are seeing their purchasing power diminish in the face of persistently high commodity, energy and food prices and consequently higher inflation as a result of the conflict. The threat of recession, which could in particular also have an adverse effect on sponsorship interest and demand for tickets, has not been completely averted, even though fears of a deeper recession are not currently proving to be true and expectations have been lowered. Due to the positive results of operations in the financial years prior to the COVID-19 pandemic, the consolidated net profit of EUR 9,550 thousand generated in financial year 2022/2023, and overall solid equity of EUR 282,705 thousand as at 30 June 2023, corresponding to an equity ratio of approximately 55.2%, the Borussia Dortmund Group considers itself well-prepared for the future. Nevertheless, the management is continuously reassessing the situation as it pertains to the consequences of the war in Ukraine. Any statements regarding the future performance of the Company are subject to a significant degree of uncertainty.

INFORMATION ON BORUSSIA DORTMUND GMBH & CO. KGAA

POSITION

of Borussia Dortmund GmbH & Co. KGaA

DEVELOPMENT OF PERFORMANCE INDICATORS**Development of financial performance indicators**

The table below presents Borussia Dortmund KGaA's financial performance indicators – sales, operating result (EBITDA), result from operating activities (EBIT), net income/loss for the year, cash flows from operating activities and free cash flow – for the 2022/2023 financial year and for the previous year as well as the amounts that were forecast for the financial performance indicators for the 2022/2023 financial year on 30 June 2022.

Borussia Dortmund KGaA (HGB)

EUR '000	ACTUAL 2022/2023	ACTUAL 2021/2022	BUDGET 2022/2023
Sales	460,983	419,646	435,000
Operating result (EBITDA)	105,665	67,349	89,000 to 94,000
Result from operating activities (EBIT)	400	-39,954	-7,000 to -2,000
Net income/net loss for the year	9,101	-35,376	1,000 to 6,000
Cash flows from operating activities	119,983	60,716	101,000
Free cash flow	-27,801	-20,684	-10,000

Development of non-financial performance indicators

The development of the non-financial performance indicators of Borussia Dortmund KGaA corresponds to the disclosures for the Borussia Dortmund Group.

BORUSSIA DORTMUND KGAA'S RESULTS OF OPERATIONS

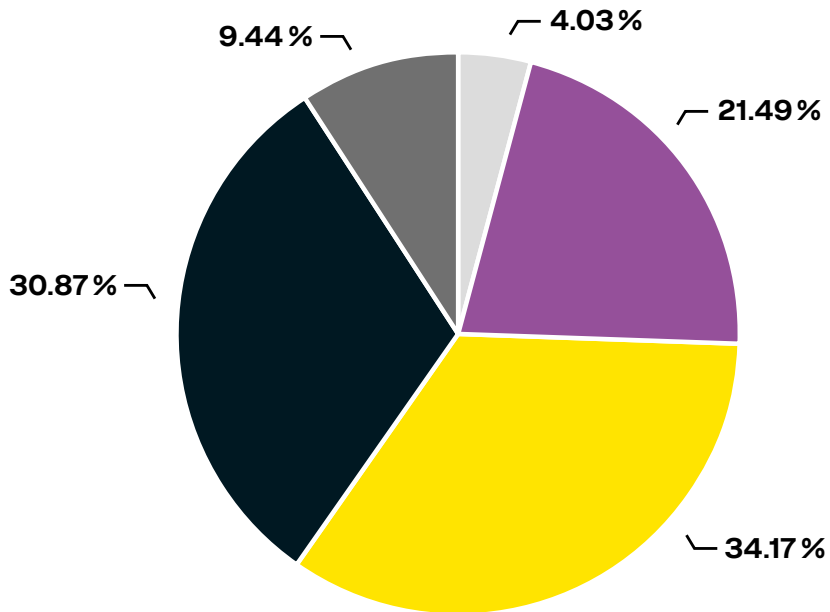
During the reporting period (1 July 2022 to 30 June 2023), Borussia Dortmund KGaA generated sales of EUR 460,983 thousand (previous year: EUR 419,646 thousand) and gross revenue of EUR 466,271 thousand (previous year: EUR 440,819 thousand), an increase of EUR 25,452 thousand (5.77%) on the previous financial year.

Earnings before taxes amounted to EUR 10,695 thousand (previous year: EUR -34,999 thousand); the result from operating activities (EBIT) amounted to EUR 400 thousand (previous year: EUR -39,954 thousand).

During the current reporting year, the operating result (EBITDA) amounted to EUR 105,665 thousand (previous year: EUR 67,349 thousand).

Borussia Dortmund KGaA generated net income of EUR 9,101 thousand during the 2022/2023 financial year (previous year: net loss of EUR 35,376 thousand).

SALES -KGAA (IN PERCENT)

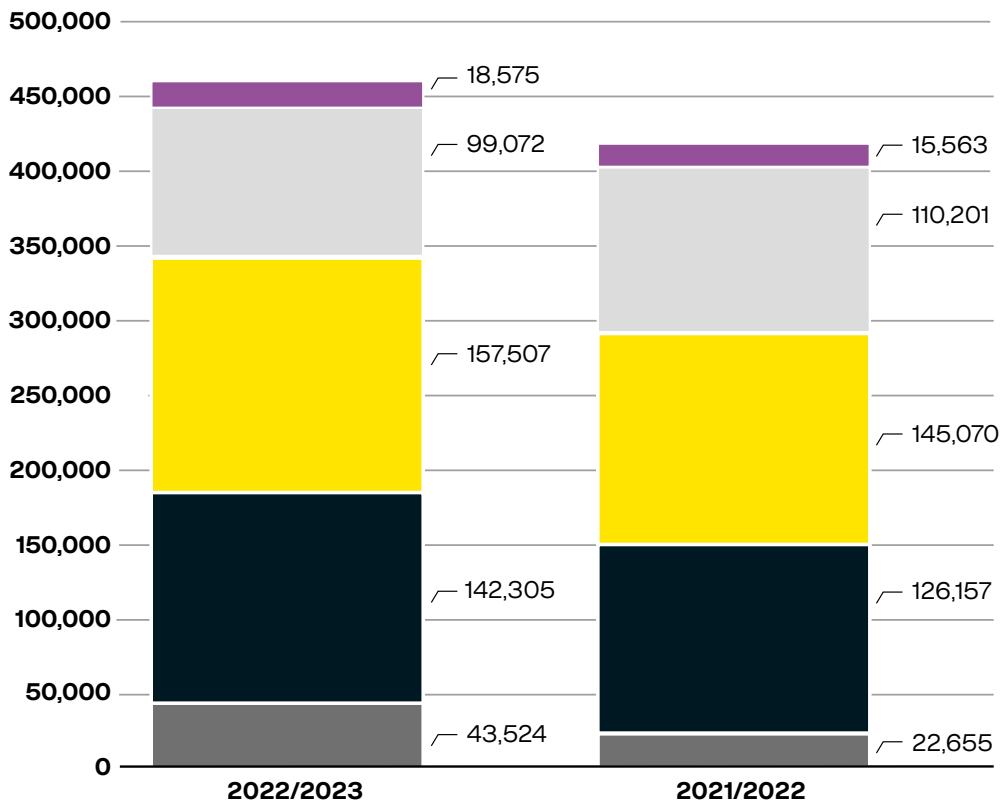


- Conference, catering, miscellaneous
- Transfer deals
- TV Marketing
- Advertising
- Match operations

SALES TREND

Borussia Dortmund KGaA generated sales of EUR 460,983 thousand in the 2022/2023 financial year, representing an increase of EUR 41,337 thousand or 9.85%. The increase in income is attributable in particular to higher income from match operations as – in contrast to the previous year – there were no longer any COVID-19-related restrictions on Borussia Dortmund's business activities in place during the financial year ended. Income from advertising and TV marketing also increased, while transfer income declined.

SALES – KGAA (IN EUR '000)



- Conference, catering, miscellaneous
- Transfer deals
- TV Marketing
- Advertising
- Match operations

The performance of the individual sales items is described in the following:

Income from match operations

Income from match operations increased by EUR 20,869 thousand to EUR 43,524 thousand in financial year 2022/2023.

For Borussia Dortmund KGaA, all home matches in the 2022/2023 season were played to nearly sell-out crowds at SIGNAL IDUNA PARK. In the previous year, Borussia Dortmund KGaA welcomed a mere average of approximately 42,000 spectators to the 17 Bundesliga home matches played at SIGNAL IDUNA PARK due to changes in the Corona Protection Regulations and the associated restrictions. Consequently, income from match operations for domestic competitions rose by EUR 13,158 thousand to EUR 30,888 thousand.

Income from domestic and international cup competitions increased by EUR 6,795 thousand to EUR 10,962 thousand.

Borussia Dortmund KGaA generated income of EUR 1,674 thousand from friendlies and ticket proceeds generated by the club's other teams in this financial year (previous year: EUR 758 thousand). In a departure from the previous season's preparations, Borussia Dortmund's senior team embarked on a pre-season tour of Asia to play various friendlies.

Income from advertising

Borussia Dortmund KGaA generated advertising income of EUR 142,305 thousand in the past financial year (previous year: EUR 126,157 thousand), corresponding to growth of 12.80% and a 30.87% share of total sales.

The strategic partnerships with the two primary sponsors Evonik Industries AG and 1&1 Telecommunication SE as well as with the equipment supplier, PUMA SE, remain the foundation for sponsorship income. Income from advertising in this financial year was once again primarily generated with the holder of the stadium's naming rights, SIGNAL IDUNA (long-term partnership until 30 June 2031), General Logistics Systems Germany GmbH & Co. OHG (GLS) and eight further Champion Partners.

Advertising income rose in particular due to the year-on-year increase in income from Champion Partners, Premium Partners and Partners on the basis of new partnerships entered into in the past financial year. Income from kit and equipment sponsorship deals also increased.

Furthermore, advertising income includes bonuses for sporting success, in particular the second-place Bundesliga finish, which directly qualified the team for the group stage of the UEFA Champions League in the 2023/2024 season, and for advancing to the round of 16 of the UEFA Champions League in the 2022/2023 season. Accordingly, advertising income increased year on year.

Income from TV marketing

In financial year 2022/2023, income from TV marketing once again represented the highest share of revenue (34.17%) and increased by EUR 12,437 thousand year on year to EUR 157,507 thousand. The increase is attributable primarily to international TV marketing.

Income from domestic TV marketing amounted to EUR 79,900 thousand (previous year: EUR 78,503 thousand), up EUR 1,397 thousand against the prior-year reporting period. The 2022/2023 season was the second covered by the media rights allocated by the German Football League (DFL Deutsche Fußball Liga GmbH) for seasons from 2021/2022 to 2024/2025, under which income averaging EUR 1.1 billion (total of EUR 4.4 billion) was generated for the clubs, with the distributions increasing with each passing season. While Borussia Dortmund's share of the income generated from the sale of the German-language media rights increased in the 2022/2023 season, the income from the DFL Deutsche Fußball Liga GmbH's international TV marketing distributions decreased. Therefore, a slight overall year-on-year increase was reported.

Income from international TV marketing for competing in the UEFA Champions League amounted to EUR 74,468 thousand in the past financial year (previous year: EUR 62,741 thousand). The year-on-year increase of EUR 11,727 thousand is due primarily to the team reaching the round of 16 of the UEFA Champions League. In the previous year, Borussia Dortmund did not make it past the knockout round play-offs of the UEFA Europa League.

Borussia Dortmund's run in this season's DFB Cup ended in the quarter-finals. In the previous year, the team was eliminated from the competition in the round of 16. Due to lower total distributions, income from the national cup competition amounted to EUR 3,139 thousand (previous year: EUR 3,790 thousand).

Transfer income

Income from transfer deals declined by EUR 11,129 thousand to EUR 99,072 thousand (previous year: EUR 110,201 thousand)

This includes primarily transfer proceeds from the departures of the players Erling Haaland and Manuel Akanji (Manchester City), Steffen Tigges (1. FC Cologne), Ansgar Knauff (Eintracht Frankfurt) and Bradley Fink (FC Basel) as well as subsequent transfer proceeds.

The prior-year figure included primarily the departures of the players Jadon Sancho (Manchester United), Leonardo Balerdi (Olympique Marseille), Thomas Delaney (Sevilla FC), Sergio Gómez (SD Huesca), Jeremy Toljan (U.S. Sassuolo), Chris Führich (SC Paderborn) and Tobias Raschl (Spielvereinigung Greuther Fürth) as well as income from subsequent transfer deals.

Conference, catering and miscellaneous income

Conference, catering and miscellaneous income amounted to EUR 18,575 thousand and also included sales from advance booking fees, rental and lease income and release fees for national team players. In the prior-year reporting period, EUR 15,563 thousand had been recognised for this item.

Due to the lifting of all restrictions on Borussia Dortmund's business activities, this increase is attributable primarily to higher income from hospitality and catering income, from external events and from advance booking fees. Release fees for national team players increased, amounting to EUR 5,754 thousand in the reporting period (previous year: EUR 4,694 thousand).

Other operating income

Other operating income decreased by EUR 15,885 thousand year on year to EUR 5,288 thousand. In the current reporting period, it primarily includes gains from the reversal of valuation allowances, gains on the reversal of provisions and gains from reimbursement for granting contractual marketing rights. The decrease is due primarily to the fact that, in contrast to this financial year, subsidies awarded in the previous year were received. The share of prior-period income in other operating income amounted to EUR 2,796 thousand (previous year: EUR 11,948 thousand).

DEVELOPMENT OF SIGNIFICANT OPERATING EXPENSES

Personnel expenses

In financial year 2022/2023, personnel expenses amounted to EUR 222,667 thousand (previous year: EUR 219,688 thousand).

Personnel expenses for the professional squad increased moderately by 2.23% year on year to EUR 185,066 thousand in financial year 2022/2023 (previous year: EUR 181,021 thousand). The base salary rose by EUR 8,482 thousand to EUR 129,148 thousand. Performance-based bonuses of EUR 25,449 thousand were paid out to the professional squad in financial year 2022/2023 (previous year: EUR 22,222 thousand) as a result of the successful second-place finish in the Bundesliga (71 points) and thereby for qualifying directly for the group stage of the UEFA Champions League in the 2023/2024 season, and for reaching the round of 16 of the UEFA Champions League and the quarter-finals of the DFB Cup in the 2022/2023 season.

In the reporting period, personnel expenses related to the retail and administration areas decreased by EUR 614 thousand year on year to EUR 22,797 thousand.

Personnel expenses in relation to amateur and youth football amounted to EUR 14,804 thousand during the 2022/2023 financial year (previous year: EUR 15,256 thousand).

Depreciation, amortisation and write-downs

Depreciation, amortisation and write-downs amounted to EUR 105,265 thousand during the reporting period (of which EUR 1,762 thousand in write-downs), representing a decrease of EUR 2,038 thousand as compared to 30 June 2022. This is attributable primarily to intangible and tangible fixed assets.

During the period from 1 July 2022 to 30 June 2023, intangible fixed assets – which consist primarily of Borussia Dortmund's player registrations – were amortised in the amount of EUR 92,896 thousand (previous year: EUR 87,615 thousand).

Furthermore, EUR 1,762 thousand in write-downs of intangible fixed assets to their fair values were recorded (previous year: EUR 9,090 thousand).

Depreciation and write-downs of tangible fixed assets declined slightly by EUR 251 thousand to EUR 10,347 thousand (previous year: EUR 10,598 thousand).

Other operating expenses

Other operating expenses decreased by EUR 15,843 thousand or approximately 10.30%, from EUR 153,782 thousand in the previous year to EUR 137,939 thousand in the reporting period. This was attributable primarily to the decline in transfer expenses.

Transfer expenses decreased by EUR 23,333 thousand to EUR 25,150 thousand (previous year: EUR 48,483 thousand). This is due primarily to significantly lower expenses directly related to a transfer deal, while player registrations were derecognised to the prior-year level. In the previous year, the carrying amounts of the players Leonardo Balerdi, Thomas Delaney, Jadon Sancho, Jeremy Toljan and Sergio Gómez in particular were derecognised. In this financial year, it was primarily the carrying amounts of the players Erling Haaland and Manuel Akanji that were derecognised.

Expenses from match operations increased by EUR 9,092 thousand to EUR 55,071 thousand (previous year: EUR 45,979 thousand). This is attributable primarily to the higher catering and match day expenses in comparison with the previous year, when only an average of roughly 38,000 spectators could attend home matches. The lifting of COVID-19 restrictions in this season meant that all home matches were once again virtually sold out.

Despite higher advertising income, Borussia Dortmund KGaA's advertising expenses, which include agency commissions payable to marketing firm SPORTFIVE Germany GmbH, declined by EUR 771 thousand to EUR 12,554 thousand.

Administrative expenses increased during the financial year ended by EUR 2,965 thousand to EUR 35,904 thousand. This is due primarily to higher travel and entertainment expenses as a result of increased travel activities, in particular in connection with the senior team's tour of Asia in winter 2022, as well as higher insurance expenses and energy costs. Unlike in the previous year, the costs of the capital increase were not recognised.

Other expenses decreased by EUR 3,605 thousand to EUR 7,244 thousand. This is due primarily to lower losses from the disposal of intangible assets.

The share of prior-period expenses in other operating expenses amounted to EUR 12 thousand (previous year: EUR 89 thousand).

Financial result

The financial result for financial year 2022/2023 amounted to EUR 10,295 thousand (previous year: EUR 4,955 thousand) and breaks down as follows:

Income and expenses from profit and loss transfer agreements

EUR '000	Net profit/loss 01/07/2022 to 30/06/2023	Net profit/loss 01/07/2021 to 30/06/2022
BVB Stadionmanagement GmbH	50	92
besttravel Dortmund GmbH	1,102	308
BVB Merchandising GmbH	4,495	2,230
BVB Event & Catering GmbH	4,165	2,011
BVB Fußballakademie GmbH	1,929	982
	11,741	5,623

Furthermore, interest income of EUR 651 thousand was recognised, which related primarily to compounding on transfer deals.

Interest expenses amounted to EUR 2,097 thousand and comprised financing charges of EUR 1,090 thousand and discounting effects of EUR 1,007 thousand.

The financial result amounted to EUR 0 thousand (previous year: EUR 81 thousand).

Taxes on income

A tax expense of EUR 1,230 thousand (previous year: EUR 38 thousand in tax income) was reported under taxes on income.

ANALYSIS OF BORUSSIA DORTMUND KGAA'S CAPITAL STRUCTURE

DEVELOPMENT AND PERFORMANCE OF THE BUSINESS

BALANCE SHEET

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

ASSETS	30/06/2023		30/06/2022	
	EUR '000	in %	EUR '000	in %
A. FIXED ASSETS				
I. Intangible fixed assets				
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	170,547	33.0	148,106	31.8
2. Prepayments	105	0.0	300	0.1
	170,652	33.0	148,406	31.9
II. Tangible fixed assets				
1. Land, land rights and buildings including buildings on third-party land	164,574	31.9	161,056	34.5
2. Other equipment, operating and office equipment	14,072	2.7	12,308	2.6
3. Prepayments and assets under construction	6,809	1.3	548	0.1
	185,455	35.9	173,912	37.2
III. Long-term financial assets				
1. Shares in affiliated companies	12,052	2.3	12,052	2.6
2. Equity investments	157	0.0	417	0.1
3. Other loans	22	0.0	23	0.0
	12,231	2.3	12,492	2.7
	368,338	71.2	334,810	71.8
B. CURRENT ASSETS				
I. Inventories				
Merchandise	46	0.0	46	0.0
II. Receivables and other assets				
1. Trade receivables	125,515	24.3	98,749	21.2
2. Receivables from affiliated companies	4,412	0.9	2,521	0.5
3. Other assets	877	0.2	6,776	1.5
	130,804	25.4	108,046	23.2
III. Cash-in-hand, bank balances	4,572	0.9	10,452	2.2
	135,422	26.3	118,544	25.4
C. PREPAID EXPENSES	12,801	2.5	12,909	2.8
	516,561	100.0	466,263	100.0

As at 30 June 2023, total assets amounted to EUR 516,561 thousand, representing an increase of EUR 50,298 thousand as compared to 30 June 2022.

Fixed assets amounted to EUR 368,338 thousand, an increase of EUR 33,528 thousand as compared to 30 June 2022. Additions amounting to EUR 158,910 thousand (of which EUR 136,976 thousand in intangible fixed assets) are attributable primarily to investments in the professional squad and in tangible fixed assets.

This was offset by EUR 20,118 thousand in disposals and EUR 105,265 thousand in depreciation, amortisation and write-downs. This includes write-downs amounting to EUR 2,022 thousand. There were no reversals of write-downs.

Current assets amounted to EUR 135,422 thousand as at the balance sheet date, an increase of EUR 16,878 thousand as compared to 30 June 2022. This rise is due primarily to the increase in trade receivables by EUR 26,766 thousand from EUR 98,749 thousand in the previous year to EUR 125,515 thousand, which in turn was attributable to the increase in transfer receivables that results in particular from the transfers of Erling Haaland and Manuel Akanji to Manchester City and higher claims for release fees for national team players. By contrast, other assets amounted to EUR 877 thousand, representing a year-on-year decrease of EUR 5,899 thousand. Other assets include mainly insurance reimbursement claims. As at 30 June 2022, this item primarily also included additional grants received.

Cash-in-hand and bank balances decreased from EUR 10,452 thousand as at 30 June 2022 to EUR 4,572 thousand as at 30 June 2023.

Prepaid expenses remained virtually level year on year at EUR 12,801 thousand (30 June 2022: EUR 12,909 thousand).

BALANCE SHEET

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EQUITY AND LIABILITIES	30/06/2023		30/06/2022	
	EUR '000	in%	EUR '000	in%
A. EQUITY				
I. Subscribed capital	110,396	21.4	110,396	23.7
less nominal value of treasury shares	-19	0.0	-19	0.0
Issued capital	110,377	21.4	110,377	23.7
II. Capital reserves	207,649	40.2	212,403	45.5
III. Revenue reserves				
1. Reserve for treasury shares	19	0.0	19	0.0
2. Other revenue reserves	0	0.0	147,662	31.7
	19	0.0	147,681	31.7
IV. Net accumulated losses	0	0.0	-161,517	-34.6
	318,045	61.6	308,944	66.3
B. PROVISIONS				
1. Provisions for taxes	1,130	0.2	0	0.0
2. Other provisions	9,100	1.7	5,160	1.1
	10,230	1.9	5,160	1.1
C. LIABILITIES				
1. Liabilities to banks	21,900	4.2	0	0.0
2. Trade payables	105,233	20.4	96,984	20.8
3. Liabilities to affiliated companies	15,742	3.0	8,441	1.8
4. Other liabilities	22,910	4.4	27,536	5.9
of which from taxes: EUR 9,272 thousand (previous year: EUR 9,401 thousand)				
of which in relation to social security: EUR 46 thousand (previous year: EUR 38 thousand)				
	165,785	32.1	132,961	28.5
D. DEFERRED INCOME	22,501	4.4	19,198	4.1
	516,561	100.0	466,263	100.0

The Company's share capital remained unchanged year on year at EUR 110,396 thousand.
The annual financial statements for the financial year from 1 July 2021 to 30 June 2022 were adopted at the Annual General Meeting on 21 November 2022. The net accumulated losses of EUR 161,517 thousand reported in the Company's annual financial statements for the 2021/2022 financial year were carried forward to new account in financial year 2022/2023.

Taking into account the net income of EUR 9,101 thousand for financial year 2022/2023, in the course of offsetting the net accumulated losses brought forward against the other revenue reserves amounting to EUR 147,662 thousand, EUR 4,754 thousand was withdrawn from the capital reserve to offset the remaining difference. Thus, the capital reserves amounted to EUR 207,649 thousand as at 30 June 2023 (previous year: EUR 212,403 thousand). As at 30 June 2023, the revenue reserves (EUR 19 thousand) now include just the reserve for treasury shares.

Accordingly, Borussia Dortmund KGaA's equity amounted to EUR 318,045 thousand as at 30 June 2023 (previous year: EUR 308,944 thousand). This corresponds to an equity ratio of 61.6% (previous year: 66.3%).

Provisions increased by a total of EUR 5,070 thousand to EUR 10,230 thousand (previous year: EUR 5,160 thousand), with other provisions increasing from EUR 5,160 thousand to EUR 9,100 thousand. The increase is due primarily to higher provisions for outstanding invoices. Due to the net income reported for the year in contrast to the previous year, tax provisions of EUR 1,130 thousand were recognised as at the balance sheet date (30 June 2022: EUR 0 thousand).

Liabilities increased by a total of EUR 32,824 thousand to EUR 165,785 thousand (previous year: EUR 132,961 thousand).

In order to finance the repurchase of significant portions of the training ground in Dortmund-Brackel that had previously been leased and the construction of a logistics centre at SIGNAL IDUNA PARK, a loan amounting to EUR 11,103 thousand was drawn down as at the end of the reporting period. Furthermore, Borussia Dortmund KGaA has drawn down EUR 10,797 thousand (30 June 2022: EUR 0 thousand) of the existing overdraft facilities of EUR 75,000 thousand. Thus, the Company reported EUR 21,900 thousand in liabilities to banks as at 30 June 2023.

Furthermore, liabilities from affiliated companies increased by EUR 7,301 thousand to EUR 15,742 thousand (previous year: EUR 8,441 thousand). By contrast, other liabilities decreased by EUR 4,626 thousand to EUR 22,910 thousand (previous year: EUR 27,536 thousand) due to higher personnel-related liabilities in the previous year.

Borussia Dortmund KGaA reported trade payables of EUR 105,233 thousand as at 30 June 2023 (30 June 2022: EUR 96,984 thousand). The increase (EUR 8,249 thousand) is due primarily to transfer liabilities, which had increased from EUR 87,111 thousand to EUR 96,066 thousand as at the balance sheet date.

Deferred income amounted to EUR 22,501 thousand as at the balance sheet date. As at 30 June 2022, EUR 19,198 thousand had been recognised for this item. The increase (EUR 3,303 thousand) is due primarily to proceeds from leasing SIGNAL IDUNA PARK in connection with the UEFA EURO 2024 and proceeds from the tour of the United States in summer 2023.

ANALYSIS OF CAPITAL EXPENDITURE

In the past financial year, Borussia Dortmund KGaA invested EUR 126,425 thousand in intangible fixed assets. Of this amount, EUR 126,422 thousand related to the player base.

Cash payments for tangible fixed assets during the same period amounted to EUR 21,362 thousand and primarily include the repurchase of significant portions of the training ground in Dortmund-Brackel, the expansion of the infrastructure, and the operating and office equipment in and around SIGNAL IDUNA PARK.

The focus of future investments will remain on improving the stadium experience by investing in digitalization and on expanding the infrastructure by further investing in the logistics centre at SIGNAL IDUNA PARK.

ANALYSIS OF LIQUIDITY

As at 30 June 2023, Borussia Dortmund KGaA held unrestricted cash funds of EUR 4,572 thousand.

As at 30 June 2023, it also had access to an additional EUR 75,000 thousand in overdraft facilities, of which EUR 10,797 thousand had been drawn down as at the end of the reporting period. This loan is secured against EUR 31,400 thousand in sponsorship income and a EUR 60,000 thousand registered land charge in relation to the property located at Strobelallee 50, 54, 44139 Dortmund ("Stadium plot of land").

Cash flows from operating activities amounted to EUR 119,983 thousand and are calculated as follows:

Cash flows from operating activities

EUR '000	2022/2023	2021/2022
Net income/net loss for the period	9,101	-35,376
Depreciation, amortisation and write-downs/reversals of write-downs of fixed assets	105,265	107,303
Non-cash expenses and income	19,694	23,986
Increase/decrease in provisions	3,840	-5,103
Interest expense	2,097	1,050
Interest income	-651	-301
Income taxes	1,230	-38
Loss on disposal of fixed assets	38	118
Increase/decrease in inventories, trade receivables and other assets not attributable to investing or financing activities	-22,650	-69,625
Increase/decrease in trade receivables and other liabilities not attributable to investing or financing activities	3,109	39,026
Interest paid	-1,090	-324
	119,983	60,716

NET ASSETS

Borussia Dortmund KGaA's total assets increased from EUR 466,263 thousand to EUR 516,561 thousand.

Borussia Dortmund KGaA's fixed assets increased by EUR 33,528 thousand to EUR 368,338 thousand, due primarily to investments in the player base and tangible fixed assets.

The increase in trade receivables from EUR 98,749 thousand to EUR 125,515 thousand is due primarily to the rise in transfer receivables included in that item.

By contrast, other assets declined by EUR 5,899 thousand, due primarily to the fact that this item had included additional grants received in the previous year.

OVERALL ASSESSMENT OF FINANCIAL POSITION AND PERFORMANCE AND BUSINESS DEVELOPMENT

Borussia Dortmund KGaA ended the 2022/2023 financial year with net income for the year of EUR 9,101 thousand.

Taking into account the net income for the year, the equity ratio is calculated at 61.6%. As at 30 June 2023, Borussia Dortmund KGaA held unrestricted cash funds of EUR 4,572 thousand. As at the balance sheet date, it also had access to an additional EUR 75,000 thousand in overdraft facilities, of which EUR 10,797 thousand had been drawn down as at the end of the reporting period.

Unlike in the previous year, all COVID-19-related restrictions affecting Borussia Dortmund's business activities were lifted this financial year. As a result, Borussia Dortmund KGaA was once again able to leverage its full earnings power. Accordingly, this also positively impacted earnings. Therefore, business development in the 2022/2023 financial year – in contrast to previous years – was once again satisfactory.

REPORT ON BORUSSIA DORTMUND KGAA'S EXPECTED DEVELOPMENTS

EXPECTED GENERAL ECONOMIC ENVIRONMENT

Given the fact that the COVID-19 pandemic became endemic during the financial year and all associated restrictions on Borussia Dortmund's business activities have been lifted, Borussia Dortmund does not expect to be directly impacted by any pandemic-related effects or for its business to be impeded in any way in financial year 2023/2024.

Contrary to the COVID-19 pandemic, there are no signs that the war in Ukraine will de-escalate and thus that the overall economic situation in Germany – where consumers are seeing their purchasing power diminish in the face of rising commodity, energy and food prices and consequently higher inflation as a result of the conflict – will improve any time soon. Borussia Dortmund is also affected by the negative trend in the economy, which could hamper revenue potential in certain cases, and in particular the sharp increase in commodity, energy and food prices, which is driving up costs. Rising commodity, energy and food prices are driving up costs for Borussia Dortmund. The caps on electricity, gas and heating prices adopted by the German federal government will help companies, including Borussia Dortmund, to partially absorb the impact of these price increases. The threat of recession, which could in particular also have an adverse effect on sponsorship interest, merchandising and demand for tickets, has not yet been completely averted, even though fears of a deeper recession are not currently proving to be true and expectations have been lowered.

On the pitch, Borussia Dortmund finished the 2022/2023 season in second place with 71 points, qualifying directly for the lucrative group stage of the UEFA Champions League in the coming season. Borussia Dortmund has thus qualified for an international cup competition for the fourteenth time in a row since the 2010/2011 season. However, the club traditionally pursues a more conservative approach when factoring success on the pitch and any associated earnings contributions into the forecast. Borussia Dortmund expects to reach the round of 16 of the UEFA Champions League in the 2023/2024 season. As well as setting the course for sporting success, Borussia Dortmund has also made a material contribution to earnings at the beginning of the 2023/2024 financial year with the transfer of player Jude Bellingham to Real Madrid.

EXPECTED SALES TREND

Income from match operations

Season tickets for the following season went on sale as usual at the end of the financial year and were capped at the customary limit of 55,000. Borussia Dortmund expects to fully exploit the earnings potential of match operations in the coming financial year. As in the previous season, Borussia Dortmund does not expect there to be any restrictions to match operations and is planning on hosting 17 Bundesliga home matches and four UEFA Champions League home matches in the coming season. Therefore, it expects income from match operations to increase year on year, also due to the inflation-related adjustments to ticket prices.

Income from advertising

Qualifying for the group stage of the UEFA Champions League continues to place Borussia Dortmund in a better financial position. Playing and delivering positive performances in the competition can widen the club's media and brand coverage, which promotes the club's interaction with existing fans and encourages others to begin following Borussia Dortmund. The club intends to promote these effects with a progressive internationalisation strategy that is regularly tailored to current trends. In light of this, Borussia Dortmund aims to further expand and professionalise its digital presence. Borussia Dortmund thereby responds to social trends and to a large degree leverages the attractiveness of the Borussia Dortmund brand. In addition to boosting its digital presence, Borussia Dortmund is once again reaching out to fans and partners at the local level throughout the world. That is why Borussia Dortmund embarked on its 2022 ASIA TOUR from 21 November to 1 December 2022 with selected players from the youth squads as well as members of the senior squad who did not compete at the World Cup, which was being held concurrently in Qatar. The team also travelled the US in the summer of 2023 during its "Back in Black & Yellow" tour. The return to North America is key to Borussia Dortmund's internationalisation strategy as the importance of the market is growing in the run-up to the 2026 World Cup and football is gaining in popularity. The goal of such trips is to bring the club even closer to and connect with its international fan communities and partners and give all fans from around the world the chance to immerse themselves in the world of Borussia Dortmund. The growing international awareness of the brand that this gives rise to allows the club to tap foreign markets.

Since the 2020/2021 season, Borussia Dortmund has had two different kit sponsors. Evonik Industries AG is the kit sponsor for all international club competitions, friendlies staged abroad and DFB Cup matches. 1&1 Telecommunication SE is the kit sponsor for Borussia Dortmund's Bundesliga appearances. This innovative sponsorship model was developed as part of the internationalisation strategy and promises further revenue potential going forward, since it allows the club and its respective partners to target specific markets.

In the 2023/2024 season, Borussia Dortmund once again marketed its virtual advertising boards. SIGNAL IDUNA PARK's advertising boards can be digitally overlaid in the broadcast signal to target the respective TV audiences when broadcasting matches abroad. For Borussia Dortmund's international partners in particular, this is an attractive and increasingly popular way to reach their customers worldwide. As part of its digitalisation strategy, Borussia Dortmund has launched a digitalisation initiative at SIGNAL IDUNA PARK – from the media centre to the video walls – to make the stadium digitally fit for the future and even more accommodating to fans and sponsors alike.

Despite the recent pandemic and the ensuing economic declines, professional football in Germany has not lost any of its allure. Borussia Dortmund also maintains close and longstanding partnerships with its sponsors. Borussia Dortmund has entered into medium- and long-term contracts with its strategic partners (SIGNAL IDUNA Group until 2031, PUMA International Sports Marketing B.V. until 2028, and 1&1 Telecommunication SE and Evonik Industries AG, each until 2025), which provides long-term planning security. Borussia Dortmund also extended various other sponsorship relationships and entered into new contracts. Particularly noteworthy is that Borussia Dortmund and SPORTFIVE Germany GmbH, its marketing partner since 1999, extended their partnership early until 30 June 2031. In the 2022/2023 season, Borussia

Dortmund met all of its contractual service obligations in the hospitality areas and expects to do so again in the 2023/2024 season. Borussia Dortmund assumes that its advertising income will continue to grow in financial year 2023/2024. The club has lost none of its appeal, despite the recent pandemic. As such, Borussia Dortmund will also operate in a demanding market and competitive environment in the coming season.

Income from TV marketing

Particular focus will be placed on income from TV marketing in connection with the expected general economic environment and the Company's expected performance.

The media rights currently allocated relate to the 2021/2022 to 2024/2025 seasons. The clubs can expect income averaging EUR 1.1 billion for these four seasons, corresponding to EUR 4.4 billion in total. The distribution of the TV marketing income was resolved in December 2020. Greater stability and more solidarity are the objectives. In light of the decline in income from national media rights, the consolidation being seen on international markets and the significant decrease in revenue at the club level during the COVID-19 pandemic, the objective of the distribution system is primarily to ensure stability, while setting the course for the future and promoting solidarity at the same time. This offers Bundesliga clubs a solid planning basis.

DFL Deutsche Fußball Liga GmbH also informed the clubs of the first and second Bundesliga divisions about the specific expected distribution volume for the 2023/2024 season. Borussia Dortmund can expect income of approximately EUR 83.2 million. The announced disbursements of the TV funds will allow for a good degree of planning. Nevertheless, a 2023/2024 season without interruptions as well as timely payments by partners in line with their contracts is essential for ensuring the amount and timing of the envisaged distribution payouts. The new agreement entered into between DFL Deutsche Fußball Liga GmbH and the German Football Association (DFB), which sets out the rights and duties of the two organisations and the long-term financial terms, and thus indirectly also for the clubs in the first and second Bundesliga divisions, will apply for the first time from that season onward. The originally envisaged increase in national TV marketing income for the 2023/2024 season compared to the 2022/2023 financial year will likely be more moderate as a result.

While the COVID-19 pandemic has since waned, it is still indirectly affecting income from international TV marketing of UEFA competitions. The pandemic-related losses for clubs competing in the UEFA Champions League amounted to EUR 416.5 million in the 2019/2020 season and EUR 57.3 million in the 2020/2021 season. So as to stretch the adverse effects out over a longer period, it was decided that the EUR 416.5 million would be withheld from distributions in equal shares (of EUR 83.4 million) over five seasons from 2019/2020 to 2023/2024 and the EUR 57.3 million in equal shares (of EUR 14.3 million) over four seasons from 2020/2021 to 2023/2024. In specific terms, UEFA will make the deductions before distributing funds to the clubs. Nevertheless, the potential income from UEFA competitions

remains extremely lucrative. Due to UEFA's excellent earnings situation, the COVID-19-related deductions envisaged in relation to distributions for the 2022/2023 season were dispensed with, which positively impacted the income from international TV marketing of UEFA competitions. It remains to be seen what will come of the COVID-19-related deductions originally envisaged by UEFA for the 2023/2024 financial year.

Transfer income

Transfer deals are an important part of Borussia Dortmund's business and, as in previous years, represent a significant source of income. However, in view of the developments in the economic environment, Borussia Dortmund on principle only takes transfer income into limited account in its planning. The transfer policy nevertheless presents significant opportunities to generate substantial income. Consequently, transfer deals are always assessed against the background of the current season. High transfer sums often go hand in hand with a drop in quality within the team, but it cannot be ruled out that value-driven transfers will be concluded contrary to the Company's sporting interests. Given Borussia Dortmund's sustained success, its players are increasingly piquing the interest of other top clubs.

The ongoing war in Ukraine and the associated global economic uncertainty continue to impact transfer deals. Based on the previous summer transfer windows during the pandemic, it can be assumed that the decline in income experienced by clubs around the world will continue to temporarily reduce the overall transfer fees received for players (with the exception of the transfer fees paid in the Middle East and the English Premier League or for veritable superstars). Despite the expected potential losses and the uncertainty as the situation continues to unfold, the European leagues remain attractive for talented young players. Besides that, Borussia Dortmund has an excellent team. An active transfer market can be expected all the same in the summer of 2023, with some very lucrative deals in the pipeline. From Borussia Dortmund's perspective, a notable example is the transfer of the player Jude Bellingham to Real Madrid in July 2023. Therefore, Borussia Dortmund expects that its transfer deals will continue to contribute significantly to earnings in the coming financial year.

Conference, catering and miscellaneous income

In addition to catering income on match days, marketing the stadium unlocks further income potential. This includes organising stadium tours and hosting external events in the hospitality areas. Football training courses are also on offer. As described above, all restrictions on Borussia Dortmund's business activities have been lifted, and as such Borussia Dortmund expects to generate corresponding income from the marketing of SIGNAL DUNA PARK, in particular from the marketing activities during the 2024 European Championships.

EXPECTED TREND FOR SIGNIFICANT OPERATING EXPENSES

Personnel expenses

Personnel expenses account for approximately half of all operating expenditure. Portions of these personnel expenses are also dependent upon the club's sporting success, because the professional squad is compensated on the basis of its performance, meaning that these expenditures are always commensurate with the club's success, which itself is a source of income.

Action has been already been taken to increase the variability of personnel expenses in the professional squad with regard to sporting performance, particularly in the UEFA competitions and the qualification for these competitions, and this will continue to be driven forward in the short to medium term.

Other operating expenses

Cost management continues to be Borussia Dortmund's highest priority. Operating cost-effectively makes a material contribution to earnings, and Borussia Dortmund is unwavering in its efforts to achieve further optimisation. One organisational measure in this regard was the establishment of a central purchasing department.

The other operating expenses are also partly dependent on the number of matches and the club's success on the pitch. Any efforts at cost optimisation aside, there may therefore be an increase in operating expenses that goes hand-in-hand with a material increase in income and corresponding contribution to earnings.

Due to the ongoing war in Ukraine, it can be expected that commodity, energy and food prices will remain high and cause operating expenses to grow year on year, in particular in catering and match operations.

EXPECTED DIVIDENDS

In light of the losses incurred during the COVID-19 pandemic, the management does not intend to propose to the Annual General Meeting any dividend distribution for financial year 2022/2023. In financial year 2022/2023, Borussia Dortmund offset Borussia Dortmund GmbH & Co. KGaA's loss carryforwards/net accumulated losses against the revenue/capital reserves so that it can legally once again pay its shareholders a dividend in future financial years, provided it generates the necessary net profits.

EXPECTED CAPITAL EXPENDITURES AND FINANCIAL POSITION

The highest priorities for developing the club's core business will be making the club more competitive and improving its infrastructure.

Borussia Dortmund is currently pursuing a more active transfer policy, although transfer expenses will generally only be incurred in the same amount as the offsetting transfer income. Likewise,

promising investments are being made in digitalising and modernising SIGNAL IDUNA PARK and its infrastructure. The introduction of high-end and state-of-the-art LED technology is one example of the digitalisation measures being implemented. In particular, Borussia Dortmund is also making long-term investments to ensure that its catering services and the associated logistics are state-of-the-art. Specifically, a logistics centre will be built to provide greater flexibility and improve the logistics of supplying food and beverages to SIGNAL IDUNA PARK on match days. Furthermore, Borussia Dortmund repurchased significant portions of the training ground in Dortmund-Brackel that had previously been leased. It did so by exercising a buy option incorporated in the lease agreement. In order to finance these long-term investments, Borussia Dortmund took out long-term loans amounting to EUR 22,000 thousand, of which EUR 11,103 thousand had been drawn down as at 30 June 2023.

In order to minimise and avoid financial risk, Borussia Dortmund in principle pursues a conservative and extremely prudent capital expenditure strategy and will not count on any uncertain sporting successes.

EXPECTED DEVELOPMENT OF FINANCIAL PERFORMANCE INDICATORS

Based on the aforementioned general economic environment and the Company's expected performance, Borussia Dortmund KGaA issues the following forecast for its financial performance indicators for the 2023/2024 financial year:

BORUSSIA DORTMUND KGAA (HGB)

EUR '000	BUDGET 2023/2024
Sales	539,000
Operating result (EBITDA)	101,000 to 111,000
Result from operating activities (EBIT)	12,000 to 22,000
Net income/net loss for the year	12,000 to 22,000
Cash flows from operating activities	75,000
Free cash flow	-29,000

The financial performance indicators are subject to change in the coming financial year due in particular to transfer deals or if actual events differ from the forward-looking statements – in particular those relating to sports – in the forecast concerning the club's sporting success or on account of an unforeseen escalation of the war in Ukraine.

OVERALL ASSESSMENT OF EXPECTED PERFORMANCE

Contrary to the COVID-19 pandemic, which will no longer directly impact Borussia Dortmund's business activities in financial year 2023/2024, there are no signs of a genuine de-escalation of the war in Ukraine thus of an improvement in the overall economic situation in Germany – where consumers are seeing their purchasing power diminish in the face of persistently high commodity, energy and food prices and consequently higher inflation as a result of the conflict. The threat of recession, which could in particular also have an adverse effect on sponsorship interest and demand for tickets, has not been completely averted, even though fears of a deeper recession are not currently proving to be true and expectations have been lowered. Due to the positive results of operations in the financial years prior to the COVID-19 pandemic, the net income of EUR 9,101 thousand generated in financial year 2022/2023, and overall solid equity of EUR 318,045 thousand as at 30 June 2023, corresponding to an equity ratio of approximately 61.6%, Borussia Dortmund KGaA considers itself well-prepared for the future. Nevertheless, the management is continuously reassessing the situation as it pertains to the consequences of the war in Ukraine. Any statements regarding the future performance of the Company are subject to a significant degree of uncertainty.

OTHER DISCLOSURES

The notes contain disclosures pursuant to § 160 (1) no. 2 AktG.

REPORT IN ACCORDANCE WITH § 289A HGB AND § 315A (1) HGB

The following information has been provided by the Company in response to the requirements of § 289a HGB and § 315a (1) sentence 1 nos. 1 to 9 HGB:

1. As at 30 June 2023, the share capital of Borussia Dortmund GmbH & Co. KGaA amounts to EUR 110,396,220.00 and is divided into 110,396,220 no-par value ordinary bearer shares. All of the shares have been admitted to trading on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange and to the over-the-counter markets (Open Market) in Berlin, Bremen, Stuttgart, Munich, Hamburg and Düsseldorf. Effective 25 July 2023, the shares were relisted on the SDAX. Each no-par value share entitles the holder to one vote at the Annual General Meeting. The Company has only one class of shares, and all shares carry the same rights and obligations. All other rights and responsibilities attaching to the Company's shares are determined in accordance with the German Stock Corporation Act (Aktiengesetz, "AktG").
2. Restrictions affecting the voting rights or transfer of the shares, and
3. Interests in the share capital of Borussia Dortmund GmbH & Co. KGaA exceeding 10.00% of the voting rights as at 30 June 2022:
 - 1) Ballspielverein Borussia 09 e.V. Dortmund, Dortmund, Germany: 12.85% of the voting rights (of which 4.61% held directly and 8.24% held indirectly by including the voting rights of Bernd Geske, Germany, pursuant to § 22 (2) and henceforth § 34 (2) of the German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG"))
 - 2) Bernd Geske, Meerbusch, Germany: 12.85% of the voting rights (of which 8.24% held directly and 4.61% held indirectly by including the voting rights of Ballspielverein Borussia 09 e.V. Dortmund, Dortmund, Germany, pursuant to § 34 (2) WpHG).

According to the information available, the inclusion of the voting rights in either case is based on a shareholders' agreement concluded between Ballspielverein Borussia 09 e.V. Dortmund and Bernd Geske currently for a term until 30 June 2022 (after the original agreement ending on 30 June 2017 was extended). The material subject matter of said agreement is the stipulation binding the parties to exercise their voting rights in favour of Ballspielverein Borussia 09 e.V. Dortmund with regard to Bernd Geske's shares in Borussia Dortmund GmbH & Co. KGaA, and that Bernd Geske and Ballspielverein Borussia 09 e.V. Dortmund mutually agree to inform one another and vote on any changes to their respective shareholdings in Borussia Dortmund GmbH & Co. KGaA, especially pertaining to the transfer of shares.

4. There are no shares with special rights conferring powers of control.
5. There is no control of voting rights in cases in which employees are shareholders.

6. Because of its legal form as a partnership limited by shares, Borussia Dortmund GmbH & Co. KGaA does not have a management board. Instead, management and representation of the Company is the responsibility of the general partner. The provisions of Article 6 No. 1 of the Articles of Association stipulate that Borussia Dortmund Geschäftsführungs-GmbH, with registered offices in Dortmund, is to act as such an executive body on a permanent basis and not for a limited period of time by virtue of its status as a shareholder. The appointment and removal of managing directors of Borussia Dortmund Geschäftsführungs-GmbH is governed by § 8 no. 6 of its shareholders' agreement and is the responsibility of the Executive Committee of its Advisory Board, and therefore not of the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA.
In principle, changes may be made to the Articles of Association of Borussia Dortmund GmbH & Co. KGaA only by a resolution of its Annual General Meeting, which, in accordance with § 133 (1) of the AktG, must be passed by a simple majority of votes and also, in accordance with Article 15 No. 3 of the Articles of Association of the Company in conjunction with § 179 (1) and (2) of the AktG, by a simple majority of the capital represented on the date of the resolution, except to the extent that mandatory statutory provisions or the Articles of Association stipulate otherwise. A mandatory provision of statute requires that a resolution of the Annual General Meeting be passed by a majority of three-quarters of the share capital represented on the date of the resolution in the event of changes to the Articles of Association relating to the object of the Company (§ 179 (2) sentence 2 AktG), the issuance of non-voting preferred shares (§ 182 (1) sentence 2 AktG), capital increases involving the disapplication of pre-emptive subscription rights (§ 186 (3) AktG), the creation of conditional capital (§ 193 (1) AktG), the creation of authorised capital (§ 202 (2) AktG) – where appropriate with authorisation to disapply pre-emptive subscription rights (§ 203 (2) sentence 2 in conjunction with § 186 (4) AktG) –, the ordinary or simplified reduction of share capital (§ 222 (1) sentence 2 and § 229 (3) AktG) or a change of legal form (§ 233 (2) and § 240 (1) of the German Reorganisation and Transformation Act [Umwandlungsgesetz, "UmwG"]). In addition, capital increases, other changes to the Articles of Association and other decisions of a fundamental nature may only be resolved with the approval of the general partner in accordance with § 285 (2) sentence 1 of the AktG. The Supervisory Board is authorised in accordance with Article 12 No. 5 of the Articles of Association to resolve changes to the Articles of Association which relate only to the wording thereof, in particular in connection with the amount of capital increases from authorised and conditional capital.
7. By virtue of a resolution adopted by the Annual General Meeting on 2 December 2021, the general partner was authorised for a period of five years, with the consent of the Supervisory Board, to increase the Company's share capital by issuing up to 22,079,244.00 new shares.
8. The Company is not a party to any material agreements which are conditional on a change of control following a takeover bid for the issued shares of Borussia Dortmund GmbH & Co. KGaA.
9. The Company is not a party to any compensation agreements that would apply in the event of a takeover bid."

STATEMENT

by the general partner on relations with affiliated companies

The Dependent Company Report prepared by Borussia Dortmund GmbH & Co. KGaA pursuant to § 312 AktG sets out the relations with Ballspielverein Borussia 09 e.V. Dortmund as the controlling entity and its affiliated companies. The general partner – represented by its Managing Directors – has issued the following concluding declaration:

"Based on the circumstances known to us at the time the transactions were entered into, the Company received appropriate consideration for each of the transactions set out in the report on relations with affiliated companies in the financial year. In all other cases, the Company has been compensated for any disadvantages having arisen. No other measures within the meaning of § 312 (1) of the AktG were either undertaken or omitted during the financial year."

DISCLAIMER

This combined management report contains forward-looking statements. Such statements are based on current estimates and are by nature subject to risks and uncertainties. Actual results may differ from the statements made in this report.

Dortmund, 21 August 2023

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien

Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director



Carsten Cramer
Managing Director



CONSOLIDATED FINANCIAL STATEMENTS

**Borussia Dortmund GmbH & Co.
Kommanditgesellschaft auf Aktien, Dortmund
for the 2022/2023 financial year**

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of Borussia Dortmund GmbH & Co. KGaA as at 30 June 2023

EUR '000	Note	30/06/2023	30/06/2022*	01/07/2021*
ASSETS				
Non-current assets				
Intangible assets	(1)	169,668	127,838	196,220
Property, plant and equipment	(2)	182,251	172,453	183,454
Investments accounted for using the equity method	(3)	397	382	402
Financial assets	(4)	83	344	27
Trade and other financial receivables	(5)	87,244	59,531	10,392
Prepaid expenses	(15)	1,083	1,332	2,094
		440,726	361,880	392,589
Current assets				
Inventories	(6)	5,444	4,416	6,806
Trade and other financial receivables	(5)	38,236	45,845	29,936
Tax assets		0	14	85
Cash and cash equivalents	(7)	4,496	10,571	1,725
Prepaid expenses	(15)	11,919	11,740	12,708
Assets held for sale	(8)	11,014	23,966	10,102
		71,109	96,552	61,362
		511,835	458,432	453,951
EQUITY AND LIABILITIES				
Equity				
Subscribed capital	(9)	110,396	110,396	92,000
Reserves		172,422	162,872	130,233
Treasury shares		-113	-113	-113
Equity attributable to the owners of the parent company		282,705	273,155	222,120
Non-current liabilities				
Financial liabilities	(11)	8,827	0	0
Lease liabilities	(12)	10,354	12,530	16,819
Trade payables	(13)	46,848	33,614	41,260
Other financial liabilities	(14)	2,080	1,856	208
Deferred income	(15)	10	20	0
		68,119	48,020	58,287
Current liabilities				
Financial liabilities	(11)	12,805	0	56,900
Provisions	(10)	0	0	2,333
Lease liabilities	(12)	2,608	4,649	4,241
Trade payables	(13)	86,015	75,641	74,042
Other financial liabilities	(14)	35,277	37,042	30,901
Tax liabilities		1,135	4	40
Deferred income	(15)	23,171	19,921	5,087
		161,011	137,257	173,544
		511,835	458,432	453,951

* Change in prior-year items. Restatements in accordance with IAS 8.42.

The relevant sections in the notes to the consolidated statement of financial position can be found on the following pages:

(1) – p. 151 | (2) – p. 152 | (3) (4) – p. 154 | (5) – p. 155 | (6) (7) (8) – p. 156 | (9) – p. 157 | (10) (11) (12) – p. 158 | (13) (14) – p. 159 | (15) – p. 160

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

of Borussia Dortmund GmbH & Co. KGaA from 1 July 2022 to 30 June 2023

EUR '000	Note	2022/2023	2021/2022*
Consolidated revenue	(16)	418,239	351,645
Net transfer income	(17)	72,531	62,891
Other operating income	(18)	6,818	25,580
Cost of materials	(19)	-24,112	-22,641
Personnel expenses	(20)	-236,223	-231,218
Depreciation, amortisation and write-downs	(21)	-106,309	-109,836
Other operating expenses	(22)	-114,033	-102,431
Result from operating activities		16,911	-26,010
Net income/loss from investments in associates	(3)	15	60
Finance income	(23)	3,558	1,137
Finance costs	(23)	-9,704	-5,384
Financial result		-6,131	-4,187
Profit before income taxes		10,780	-30,197
Income taxes	(24)	-1,230	-1,691
Consolidated net profit/loss for the year		9,550	-31,888
Other gains/losses incurred during the period, after taxes		0	0
Total comprehensive income		9,550	-31,888
Consolidated net profit/loss for the year attributable to:			
- Owners of the parent:		9,550	-31,888
Total comprehensive income attributable to:			
- Owners of the parent:		9,550	-31,888
Earnings per share (in EUR) (basic/diluted)	(32)	0.09	-0.30

* Change in prior-year items. Restatements in accordance with IAS 8.42.

The relevant sections in the notes to the consolidated statements of comprehensive income can be found on the following pages:

(3) – p. 154 | (16) (17) (18) (19) – p. 161 | (20) (21) (22) – p. 162 | (23) (24) – p. 163 | (32) – p. 172

CONSOLIDATED STATEMENT OF CASH FLOWS

of Borussia Dortmund GmbH & Co. KGaA for the 2022/2023 financial year

EUR '000	Note	2022/2023	2021/2022*
Profit before income taxes		10,780	-30,197
Depreciation, amortisation and write-downs of non-current assets	(21)	106,309	109,836
Gain/loss on disposals of non-current assets		-75,488	-81,183
Other non-cash expenses/income		-5,109	-3,927
Transfer costs		3,922	24,009
Interest income	(23)	-3,558	-1,137
Interest expense	(23)	9,704	5,384
Net income/loss from investments in associates	(23)	15	-60
Changes in other assets not classified as from investing or financing activities		-575	4,772
Changes in other liabilities not classified as from investing or financing activities		9,494	7,894
Interest received		22	8
Interest paid		-1,090	-328
Cash flows from operating activities		54,426	35,071
Payments for investments in intangible assets		-126,425	-79,390
Net proceeds from transfers		71,117	29,982
Payments for investments in property, plant and equipment		-21,445	-1,719
Proceeds from disposals of property plant and equipment		1	0
Proceeds from financial assets		8	146
Payments for investments in financial assets		-6	-383
Cash flows from investing activities		-76,750	-51,364
Cash receipts from issue of capital		0	86,462
Proceeds from finance raised		21,879	0
Repayments of financial liabilities		-247	-56,900
Dividend payments	(9)		
Repayment of lease liabilities		-5,383	-4,423
Cash flows from financing activities		16,249	25,139
Change in cash and cash equivalents		-6,075	8,846
Cash and cash equivalents at the beginning of the period		10,571	1,725
Cash and cash equivalents at the end of the period		4,496	10,571
Definition of cash and cash equivalents			
Bank balances and cash-in-hand	(7)	4,496	10,571
Cash and cash equivalents at the end of the period		4,496	10,571

* Change in prior-year items. Restatements in accordance with IAS 8.42.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of Borussia Dortmund GmbH & Co. KGaA for the 2022/2023 financial year

EUR '000 see note (9)	Subscribed capital	Reserves		Treasury shares	Equity attributable to the owners of the parent company	Consolidated equity
		Capital reserves	Other revenue reserves			
As at 1 July 2021, amount previously reported	92,000	142,843	-2,093	-113	232,637	232,637
Change due to IAS 8.42 adjustment	0	0	-10,517	0	-10,517	-10,517
As at 1 July 2021 (adjusted)	92,000	142,843	-12,610	-113	222,120	222,120
Issue of ordinary shares	18,396	64,527	0	0	82,923	82,923
Transactions with shareholders	18,396	64,527	0	0	82,923	82,923
Consolidated net loss for the year*	0	0	-31,888	0	-31,888	-31,888
Other changes	0	0	0	0	0	0
Other gains/losses incurred during the period, after taxes	0	0	0	0	0	0
Total comprehensive income*	0	0	-31,888	0	-31,888	-31,888
30 June 2022*	110,396	207,370	-44,498	-113	273,155	273,155
1 July 2022	110,396	207,370	-44,498	-113	273,155	273,155
Issue of ordinary shares	0	0	0	0	0	0
Transactions with shareholders	0	0	0	0	0	0
Consolidated net profit for the year	0	0	9,550	0	9,550	9,550
Other changes	0	-4,754	4,754	0	0	0
Other gains/losses incurred during the period, after taxes	0	0	0	0	0	0
Total comprehensive income	0	0	9,550	0	9,550	9,550
30 June 2023	110,396	202,616	-30,194	-113	282,705	282,705

* Change in prior-year items. Restatements in accordance with IAS 8.42.

NOTES

to the consolidated financial statements of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund for the financial year from 1 July 2022 to 30 June 2023

BASIC PRINCIPLES

General disclosures

Borussia Dortmund GmbH & Co. KGaA (hereinafter also "Borussia Dortmund" or the "Group") has its registered office at Rheinlanddamm 207 – 209, 44137 Dortmund, Germany, and is listed in the commercial register of the Local Court (Amtsgericht) of Dortmund under the number HRB 14217. Borussia Dortmund's professional squad has competed in the Bundesliga's first division for more than four decades. Borussia Dortmund also operates Group companies that sell merchandise, organise and host match-day and non-match-day events, and provide Internet and travel services. Borussia Dortmund also holds an interest in a medical rehabilitation centre. The general partner, BVB Geschäftsführungs-GmbH, Dortmund, is responsible for management and representation of Borussia Dortmund GmbH & Co. KGaA. Borussia Dortmund Geschäftsführungs-GmbH is for its part represented by Managing Directors Hans-Joachim Watzke (Chairman), Thomas Treß and Carsten Cramer; its sole shareholder is Ballspielverein Borussia 09 e.V. Dortmund.

The consolidated financial statements are presented in thousands of euros.

The subtotals contained in the consolidated statement of comprehensive income for the result from operating activities (EBIT) and the financial result are used to provide detailed information.

By a resolution dated 21 August 2023, the consolidated financial statements and the Group management report were authorised by the Company's management for submission to the Supervisory Board.

Restatements in accordance with IAS 8.42

During the financial year, the accounting treatment of performance obligations under transfer agreements or in connection with consulting fees or agents' commissions, and other expenses incurred in connection with the extension of a contract or the signing of professional squad players which are subject to conditions precedent was restated retrospectively in accordance with IAS 8.42. Previously, such obligations had been recognised as a liability on the date on which the respective conditions precedent were met. Henceforth, contractual obligations of this nature which are subject to conditions precedent are recognised as liabilities in accordance with IFRS 9 in conjunction with IAS 32.19 when Borussia Dortmund becomes a party to the financial instrument and is no longer able to unconditionally withdraw from a payment obligation.

Henceforth, contractual obligations of this nature which are subject to conditions precedent are recognised as liabilities in accordance with IFRS 9 in conjunction with IAS 32.19 when Borussia Dortmund becomes a party to the financial instrument and is no longer able to unconditionally withdraw from a payment obligation.

The retrospective change increased the prior-year consolidated net profit/loss by EUR 3,171 thousand.

The changes are presented in the table below:

Restatements in accordance with IAS 8.42

EUR '000	Amount previously reported	Adjustment	Amount after adjustment
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Financial year 2021/2022			
Net transfer income	61,866	1,025	62,891
Other operating income	23,540	2,040	25,580
Depreciation, amortisation and write-downs	-109,942	106	-109,836
EBIT (result from operating activities)	-29,181	3,171	-26,010
Result from ordinary activities	-33,368	3,171	-30,197
Consolidated net profit/loss for the year	-35,059	3,171	-31,888
Earnings per share (in EUR) (basic/diluted)	-0.33	0.03	-0.30
STATEMENT OF FINANCIAL POSITION			
1 July 2021			
Intangible assets	193,434	2,786	196,220
Assets held for sale	9,456	646	10,102
Reserves	140,750	-10,517	130,233
Trade payables (non-current)	37,250	4,010	41,260
Trade payables (current)	64,103	9,939	74,042
STATEMENT OF FINANCIAL POSITION			
30 June 2022			
Intangible assets	124,398	3,440	127,838
Assets held for sale	24,029	-63	23,966
Reserves	170,218	-7,346	162,872
Trade payables (non-current)	29,554	4,060	33,614
Trade payables (current)	68,978	6,663	75,641

Accounting policies

These consolidated financial statements for the financial year from 1 July 2022 to 30 June 2023, including the prior-year information, were prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted in the European Union and in force at the end of the reporting period, and the supplementary provisions of German commercial law required to be observed in accordance with § 315e HGB. The term "IFRS" includes the recent International Financial Reporting Standards (IFRSs) and the International Accounting Standards (IASs) issued by the International Accounting Standards Board (IASB) in London as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the Standing Interpretations Committee (SIC).

Borussia Dortmund applied the following Standards, Interpretations and amendments to existing Standards, as adopted by the European Union, for the first time in the 2022/2023 financial year:

Standard	New and amended Standards and Interpretations	Published by IASB	Mandatory application (IASB)	Effect on Group
IFRS 3	Reference to the Conceptual Framework	14 May 2020	1 January 2022	None
IAS 16	Property, Plant and Equipment — Proceeds before Intended Use	14 May 2020	1 January 2022	Immaterial
IAS 37	Onerous Contracts — Cost of Fulfilling a Contract	14 May 2020	1 January 2022	Immaterial
Improvements to IFRS 2018 – 2020	Improvements to IFRS 1, IFRS 9, IFRS 16 and IAS 41	1 September 2020	1 January 2022	Immaterial

CONSOLIDATED FINANCIAL STATEMENTS for the period from 1 July 2022 to 30 June 2023

Accounting standards issued by the IASB, but not yet applied by the Company:

Standard	New and amended Standards and Interpretations	Published by IASB	Mandatory application (IASB)	Expected effect on Group
IFRS 17	Insurance Contracts	14 May 2017	1 January 2023	None
IFRS 16*	Sale and leaseback transactions	22 September 2022	1 January 2024	Immaterial
IAS 1*	Classification of Liabilities as Current or Non-current	19 November 2021	No earlier than 1 January 2024	Immaterial
IAS 1*	Current Liabilities with Covenants	October 2022	1 January 2024	Immaterial
IAS 1	Amendments regarding disclosure of accounting policies	12 February 2021	1 January 2023	Immaterial
IAS 8	Amendments regarding definition of accounting estimates	12 February 2021	1 January 2023	Immaterial
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	7 May 2021	1 January 2023	Immaterial
IAS 12*	International Tax Reform	23 May 2023	1 January 2023	Immaterial
IFRS 10 und IAS 28*	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	11 September 2014/ 18 December 2014	TBA	Immaterial
IAS 7 und IFRS 7*	Supply Chain Finance	25 May 2023	1 January 2024	Immaterial

* Standards not yet adopted by the EU

Scope of consolidated financial statements

In addition to Borussia Dortmund GmbH & Co. KGaA, the consolidated financial statements include six fully consolidated subsidiary companies and one associated company accounted for using the equity method.

The list of shareholdings as at 30 June 2023 was as follows:

Shareholdings (30 June 2023)

	Registered office	Share capital (EUR '000)	Shareholding %	Equity (EUR '000) as at 30/06/2023	Net profit/loss (EUR'000) 01/07/2022 to 30/06/2023
Fully consolidated companies					
BVB Stadionmanagement GmbH*	Dortmund	52	100.00	66	50
besttravel dortmund GmbH*	Dortmund	50	100.00	144	1,102
BVB Merchandising GmbH*	Dortmund	75	100.00	10,881	4,495
BVB Event & Catering GmbH*	Dortmund	25	100.00	25	4,165
BVB Asia Pacific Pte. Ltd.	Singapore	66	100.00	304	50
BVB Fußballakademie GmbH*	Dortmund	50	100.00	456	1,929
Investments accounted for using the equity method					
Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH**	Dortmund	52	33.33	1,005	15

* Profit and loss transfer agreements are in force. Profit/loss of the Company under HGB prior to transfer to/absorption by the consolidated tax group parent.

** Included in the consolidated financial statements as at 30 June 2023 as an associate on the basis of the net profit/loss reported as at 31 December 2022.

Shareholdings (30 June 2022)

	Registered office	Share capital (EUR '000)	Shareholding %	Equity (EUR '000) as at 30/06/2023	Net profit/loss (EUR'000) 01/07/2022 to 30/06/2023
Fully consolidated companies					
BVB Stadionmanagement GmbH*	Dortmund	52	100.00	66	92
besttravel dortmund GmbH*	Dortmund	50	100.00	144	308
BVB Merchandising GmbH*	Dortmund	75	100.00	10,881	2,230
BVB Event & Catering GmbH*	Dortmund	25	100.00	25	2,011
BVB Asia Pacific Pte. Ltd.	Singapore	66	100.00	255	35
BVB Fußballakademie GmbH*	Dortmund	50	100.00	456	982
Investments accounted for using the equity method					
Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH**	Dortmund	52	33.33	959	60

* Profit and loss transfer agreements are in force. Profit/loss of the Company under HGB prior to transfer to/absorption by the consolidated tax group parent.

** Included in the consolidated financial statements as at 30 June 2022 as an associate on the basis of the net profit/loss reported as at 31 December 2021.

No interim financial statements were prepared for Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH (Orthomed GmbH) as at 30 June 2023 due to the fact that there would be no material impact on the consolidated financial statements.

Please refer to Note 33 for disclosures on transactions with related parties.

Consolidation principles

The annual financial statements of the companies included in the consolidated financial statements are prepared in accordance with IFRS, as adopted by the EU, using consistent accounting policies.

The end of the reporting period for the consolidated financial statements is the end of the reporting period of the parent company.

Intercompany revenues, income and expenses, and all receivables and liabilities between companies included in the consolidated financial statements are eliminated on consolidation.

Subsidiaries are entities controlled by the Group. The Group controls an entity if the Group is exposed to or has rights to variable returns from its investment in the entity and if the Group has the ability to influence those returns through its control over the entity. The financial statements of subsidiaries are included in the consolidated financial statements as at the date control begins and until the time the Group no longer controls the entity.

Acquired subsidiaries are accounted for using the acquisition method. The acquisition cost is equal to the fair value of the assets given, the equity instruments issued and the liabilities incurred or assumed on the date of the transaction. The costs associated with the acquisition are recognised as an expense. When consolidated for the first time, the identifiable assets, liabilities and contingent liabilities acquired in a business combination are measured at their acquisition-date fair values, regardless of the size of the minority interest.

Any excess of the acquisition cost over the share of equity acquired at fair value is recognised as goodwill. If the acquisition costs are lower than the fair value of the net assets of the subsidiary acquired, the measurement of net assets is reviewed and the difference is recognised directly in the consolidated statement of comprehensive income.

The Group's interests in investments accounted for using the equity method relate to shareholdings in associates.

Associates are entities over which the Group has a significant influence but does not control or jointly manage the entities' financial and operating policies.

Foreign currency translation

The consolidated financial statements are presented in euros. The euro is the currency of the primary business environment (functional currency) of all companies included in the consolidated financial statements. In the single-entry financial statements of the parent and of the consolidated subsidiaries, business transactions in foreign currencies are translated into the functional currency at the exchange rate prevailing on the date of the transaction. Gains and losses arising on the fulfilment of such transactions and on the translation of monetary assets and liabilities carried in foreign currencies using the exchange rate prevailing at the end of the reporting period are recognised in profit or loss.

Accounting policies

The significant accounting policies used in the preparation of these consolidated financial statements are presented below. The policies described were applied consistently for the reporting periods shown, unless otherwise indicated.

The consolidated financial statements were prepared based on amortised cost. However, derivative financial instruments and receivables intended for factoring are measured at fair value.

Intangible assets

Purchased intangible assets are measured at cost less amortisation based on their expected useful lives or at the lower recoverable amount. Player registrations reported in these financial statements are measured at cost in accordance with IAS 38 and amortised on a straight-line basis over the term of the individual contracts or at their lower recoverable amount.

Agent and brokerage commissions and other expenses in connection with contract extensions or players acquired on free transfers are recognised as intangible assets. If these contractual obligations are subject to certain conditions precedent, the probability-weighted liabilities are recognised on the date the professional squad player's agreement commences if Borussia Dortmund is not at liberty to unconditionally withdraw from the commitment or otherwise on the date the conditions are met. The probability weighting of the liability takes into account past events as well as discretionary assumptions about the future. The intangible assets are amortised on a straight-line basis over the remaining term of the individual contracts.

Computer software for commercial and technical applications is amortised on a straight-line basis.

The useful lives and the methods of amortisation are reviewed at the end of each financial year.

Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and impairment losses.

Subsequent expenses are recognised only if it is probable that the future economic benefits associated with the expenses will flow to the Group.

The SIGNAL IDUNA PARK stadium buildings were measured at their fair value amounting to EUR 177,200 thousand in the opening IFRS statement of financial position as at 1 July 2004, in accordance with the option permitted by IFRS 1.16. This valuation is based on the opinion of an independent expert. The changes in accounting policies resulted as a consequence of an expert review of the remaining useful life of the stadium property, which since 1 July 2013 will be depreciated over 40 years (previously: 19.5 years). Annual depreciation amounted to EUR 3,034 thousand.

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Land is carried at amortised cost and impaired if necessary.

Buildings and the remaining items of property, plant and equipment are measured at cost less depreciation. Repair and maintenance costs are recognised in the statement of comprehensive income as expenses in the current period.

Depreciation is calculated in order to allocate the cost of items of property, plant and equipment, less their estimated residual carrying amounts, on a straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss. Unless it is sufficiently clear that ownership will transfer to the Group at the end of the lease, leased assets are depreciated over the term of the lease or their useful lives, whichever is shorter. Land is not depreciated.

Straight-line depreciation is based on the following useful lives:

	Useful life in years
Stadium	40
Other buildings	20 to 50
Other equipment, operating and office equipment	7 to 15

The useful life and the method of amortisation are reviewed at the end of each financial year at a minimum.

Impairment testing

The useful lives of intangible assets and items of property, plant and equipment are all finite. If there are specific indications of possible impairment, individual assets are tested for impairment, both at the level of the individual assets and at the level of the cash-generating units. A cash-generating unit is the smallest identifiable group of assets that generate cash flows, which are independent of cash flows generated by other assets to the furthest extent possible. An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of net realisable value and value in use. If the reason for an impairment write-down recognised in prior years no longer exists, the impairment loss is reversed until the carrying amount of the asset, net of depreciation and amortisation, equals the amount that would have been determined if an impairment loss had not been recognised.

Leases

The Group's leases relate in particular to developed land and leased operating and office equipment.

Under the standard, lessees recognise a right-of-use asset (representing their right to use an underlying asset) and a lease liability (representing their obligation to make lease payments).

Pursuant to the exemptions under IFRS 16, Borussia Dortmund has opted to not apply the accounting requirements to leases with a term of 12 months or less and to leases for which the underlying asset is of low value.

Right-of-use assets recognised in accordance with IFRS 16 are measured at cost as at the commencement date and are generally discounted at the rate implicit in the lease. That amount is reduced by cumulative depreciation and amortisation and, where appropriate, write-downs and impairment losses. Due to the existing lease agreements, Borussia Dortmund is entitled to control the use of various assets against payment of the lease obligations.

Financial instruments

Financial instruments under IFRS are classified in line with the format of the statement of financial position. The table under Note 31 provides a reconciliation of the individual classes and categories of IFRS 9 to the items of the statement of financial position and the fair values of the financial instruments disclosed therein.

Under IFRS 9, financial assets are classified into one of three categories depending on their use and the solely payments of principal and interest (SPPI) test: "at amortised cost"; "at fair value through other comprehensive income (FVOCI)"; and "at fair value through profit or loss (FVTPL)". Financial assets are classified on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The business model is determined at the portfolio level and is based on management's intentions and past transaction patterns. The cash flows are reviewed on the basis of the individual assets.

As a rule, financial assets are measured at fair value upon initial recognition. Transaction costs that are directly attributable to the acquisition of the financial asset are included in the initial recognition. Regular way purchases or sales of financial assets are accounted for at the trade date. The amount recognised in the statement of financial position is equal to the maximum exposure to credit risk. The subsequent measurement of financial assets depends on their classification:

To the extent possible, Borussia Dortmund uses observable market inputs to calculate the fair value of an asset or liability. Based on the input factors used in the valuation techniques, the fair values are assigned to different levels in the fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., the price) or indirectly (i.e., can be derived from the price).

Level 3: Unobservable inputs of the asset or liability.

If the inputs used to measure the fair value of an asset or liability can be categorised to different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Borussia Dortmund recognises reclassifications between different levels of the fair value hierarchy at the end of the reporting period in which the change occurs.

Financial liabilities are generally measured at amortised cost using the effective interest method.

a) Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss include financial assets whose cash flows do not comprise solely payments of principal and interest on the principal amount outstanding. This also includes financial assets that are not held in either the "hold" or "hold and sell" business models. Gains and losses resulting from these financial assets are recognised through profit or loss.

Receivables that can potentially be sold as part of factoring are recognised at fair value through profit or loss on the basis of the business model in accordance with the requirements of IFRS 9. The fair value is measured by discounting the cash flows. The measurement models take into account the present value of the expected payments, discounted using a risk-adjusted discount rate. Borussia Dortmund regularly receives an individually-calculated discount rate from the factor. Thus, the fair value would increase (decrease) at the same rate if the discount rate were lower (higher).

b) Financial assets measured at amortised cost

Financial assets that are measured at amortised cost are non-derivative financial assets with contractual payments that are solely payments of principal and interest on the principal amount outstanding and that are held for the purposes of collecting the contractual cash flows, such as trade receivables and cash and cash equivalents ("hold" business model). Cash and cash equivalents primarily include cash-in-hand, cheques and demand deposits with banks, which are subject to an insignificant risk of changes in value.

After initial recognition, these financial assets are measured at amortised cost using the effective interest method less loss allowances. Gains and losses are recognised in the consolidated net profit when the loans and receivables are impaired or derecognised. The interest effect resulting from the application of the effective interest rate method and currency translation effects are also recognised in profit or loss.

c) Financial assets measured at fair value through other comprehensive income

Financial assets that are measured at fair value through other comprehensive income are non-derivative financial assets with contractual payments that are solely payments of principal and interest on the principal amount outstanding and that are held for the purposes of collecting the contractual cash flows and selling financial assets, for instance to meet predefined liquidity targets ("hold and sell" business model). This category also includes equity instruments that are not held for trading and for which the option was exercised to recognise changes in fair value through other comprehensive income.

After initial measurement, the financial assets in this category are measured at fair value through other comprehensive income and any unrealised gains or losses are recognised in other comprehensive income. Upon disposal of debt instruments in this category, the cumulative gains and losses from the fair value measurement recognised in other comprehensive income are reclassified to profit or loss. Interest received from financial assets measured at fair value through other comprehensive income are generally recognised through profit or loss using the effective interest rate method. The changes in the fair value of equity instruments measured at fair value through other comprehensive income are not recognised through profit or loss and instead are reclassified to revenue reserves upon disposal. Dividends are recognised through profit or loss when the legal claim to payment arises.

Impairment of financial assets

At the end of every reporting period, a loss allowance is recognised for financial assets that are not measured at fair value through profit or loss. This loss allowance reflects the expected credit losses for these instruments. The expected credit loss model consists of three stages: a loss allowance is recognised at an amount equal to the 12-month expected credit losses (stage 1), at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition (stage 2), or in the case of credit-impaired financial assets (stage 3). A financial asset is considered to be credit-impaired once there are objective substantial indications, such as the debtor's significant financial difficulty, or knowledge of an application for bankruptcy or past due event. If the asset appears uncollectible, it and the loss allowance are derecognised.

When reporting trade receivables, Borussia Dortmund uses the simplified approach whereby expected credit losses are recognised over the entire remaining term upon recognition. Expected credit losses are calculated using the simplified approach, broken down by risk group and taking into account historical default rates. The allocation to the respective risk groups is based on the shared credit risk characteristics. At Borussia Dortmund, these are receivables from transfer deals on the one hand, and other trade receivables related primarily to ticketing, merchandising and sponsorships on the other. Credit loss rates specific to the risk clusters are calculated on the basis of the historical credit loss rates for the past three financial years and taking into account forward-looking macroeconomic indicators (gross domestic product).

Under the simplified approach, loss allowances are recognised on an individual basis if one or more events occur that have a detrimental impact on the creditworthiness of the debtor. These events include default in payment, impending insolvency or concessions by the debtor due to payment difficulties. Trade receivables are written off immediately if their recoverability is no longer expected with sufficient probability. This is the case, for example, when the debtor is in default.

Receivables from transfer deals represent a concentration of risk, which is hedged using transfer rights.

Derecognition of financial assets and financial liabilities

Financial assets

A financial asset is derecognised when the contractual rights to receive the cash flows from the asset expire or the financial asset is transferred to another party. The latter case is deemed to have occurred when all significant risks and rewards associated with ownership of the asset have been transferred or when the control over the asset has been relinquished.

Financial liabilities

A financial liability is derecognised when the obligation underlying this liability is discharged or cancelled or expires. In cases where an existing financial liability is exchanged against another financial liability of the same lender with substantially different terms and conditions or if the terms and conditions of an existing liability are materially modified, such exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. Any difference between the relevant carrying amounts is recognised in profit or loss.

Financial assets and liabilities are offset against one another and the net balance is presented in the consolidated statement of financial position if an entity a) has a legally enforceable right to set off the recognised amounts, and b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred taxes

Deferred taxes are recognised for all temporary differences between the tax base of assets and liabilities and their carrying amounts in the IFRS financial statements (liability method). However, if in the course of a transaction which is not a business combination a deferred tax asset or liability arises from the initial recognition of an asset or liability which, at the time of the transaction, affects neither the accounting nor the taxable profit or loss, the deferred tax asset or liability is neither recognised at the date of initial recognition nor afterwards.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are also recognised for tax loss carry-forwards that can be utilised in subsequent periods, provided it is sufficiently probable that the deferred tax asset will be recoverable.

Deferred taxes relating to items recognised directly in other comprehensive income are also recognised in other comprehensive income.

Deferred tax assets and liabilities are netted against each other where the Group has a legally enforceable right to set off current tax assets against current tax liabilities, and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax assets and liabilities are measured on the basis of the tax laws adopted by the Bundestag and ratified by the Bundesrat as at the end of the reporting period using a rate of income tax of 32.81% (previous year: 32.81%).

Inventories

Inventories consist principally of goods held by the subsidiary company BVB Merchandising GmbH. Inventories are measured at cost less any individual allowances for goods whose cost may not be recoverable.

Cash and cash equivalents

Cash includes cash on hand, cheques and balances with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to a known amount of cash or convertible to a known amount of cash within a period of less than three months and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are measured initially at fair value and subsequently at amortised cost.

Ordinary shares

The costs directly attributable to the issue of ordinary shares are deducted from equity (net of taxes, if applicable).

Treasury shares

The full amount paid for the purchase of treasury shares is reported as an item deducted from equity. The Company has the right to reissue treasury shares purchased by it at a later date. Proceeds of resale in excess of cost are added to capital reserves, while shortfalls are taken to retained earnings.

Provisions

Provisions must be recognised where a present legal or constructive obligation arises from a past event, which is expected to result in an outflow of resources and whose amount can be reliably estimated.

The Group applies these accounting procedures when recognising provisions for litigation and liability risks. The Group makes assumptions when determining the probability that liability will arise, the amount of any claims that could be asserted and the duration of any legal proceedings.

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The recognition and measurement of provisions for litigation and liability risks entail uncertainty. The outcome of court proceedings in particular is difficult to predict. Therefore, provisions are measured on the basis of the best estimate of the liability and are recognised at the amount that will most likely be needed to settle the obligation as at the reporting date.

Financial liabilities

Under IFRS 9, financial liabilities include borrowings and are recognised initially at fair value plus transaction costs directly attributable to the issue of the financial liabilities. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, where interest expense is measured in accordance with the effective interest rate. Please refer to Notes 11, 12, 13, 14 and 26 et seq. for information on the provision of collateral and further disclosures on financial liabilities.

Prepaid expenses and deferred income

Prepaid expenses and deferred income are recognised and apportioned on a straight-line basis over their term to allocate payments made on an accrual basis.

Recognition of income and expenses

Revenue is measured on the basis of the consideration set out in contracts with customers. The Group recognises revenue when (or as) it transfers control over a good or a service to a customer.

Type of product/service	Primarily	Revenue recognition in accordance with IFRS 15
Match operations	Ticket proceeds	Revenue is recognised at a point in time (date of match).
Advertising	Sponsorship agreements	Revenue is recognised over time in line with the term of the agreement; performance-based bonuses are recognised at a point in time.
TV marketing	Centralised national/international TV marketing	Revenue is recognised over time; performance-based bonuses are recognised at a point in time.
Merchandising	Sale of fan merchandise/granting of licences	Revenue from fan merchandise is recognised at a point in time. Revenue from licences is recognised over time in line with the term of agreement.
Conference, catering, miscellaneous	Related to match-day operations	Revenue is recognised at a point in time.

Transfer proceeds are recognised as the net gain on disposal, adjusted for any expenses incurred in connection with the derecognition of residual carrying amounts and other gains on the derecognition of liabilities and presented separately in the "net transfer income" item in the statement of comprehensive income.

Interest income and expenses are allocated to the period to which they relate, taking into account the outstanding amount of the loan and the effective interest rate to be applied. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Operating expenses are recognised when the goods or services are utilised or at the date the expenses are incurred.

Management of financial risks

The Group finances itself primarily from long-term leases, trade payables, season tickets paid for in advance and payments from sponsors. Furthermore, as at 30 June 2023, Borussia Dortmund has a EUR 75,000 thousand overdraft facility at its disposal, which is secured against EUR 31,400 thousand in sponsorship income and a EUR 60,000 thousand registered land charge in relation to the property located at Strobelallee 50, 54, 44139 Dortmund ("Stadium plot of land"). For the coming financial year, Borussia Dortmund's overdraft facility will amount to EUR 75,000 thousand. The related risks arising comprise fair value risks (interest-rate-related cash flow risks), liquidity risks, credit risks and currency/exchange rate risks. The methods of managing the individual types of risk are described in the following.

Exchange rate risk:

The Group is exposed to transactional foreign currency risks to the extent that the quotations of currencies in which disposal and acquisition transactions as well as receivables and credit transactions are carried out do not match the functional currency of the Group companies. The aforementioned transactions are primarily conducted on the basis of euros (EUR) and pounds sterling (GBP). Currency forwards are concluded to hedge the cash flows.

Sensitivity analysis (exchange rate risks):

Sensitivity analyses are used to assess the impact of a strengthening (weakening) of the exchange rate as of June 30 on equity or the statement of comprehensive income.

Interest rate risks

Interest rate risks relate to the risk that the interest rate associated with an interest-bearing financial instrument will deviate from the market interest rate due to future market developments. Interest rate risks can therefore arise from floating-rate loans, among other things. These risks are hedged using appropriate interest hedging instruments. Because Borussia Dortmund currently does not have any floating-rate loans or interest rate swaps, there is no necessity for hedges.

Sensitivity analysis (interest rate risk)

Sensitivity analyses are used to measure how sensitive financial ratios are to small changes in input parameters. Because Borussia Dortmund currently does not have any floating-rate loans or interest rate swaps, there is no necessity to perform sensitivity analyses.

Liquidity risk

The Group constantly monitors the risk of possible liquidity bottlenecks, taking into account the probable maturities of its financial liabilities and the timing of the expected cash flows from operating activities. Any liquidity risks are countered through appropriate forms of financing. The elements of financing falling due in the short term are subject to continuous monitoring on the basis of the relevant corporate planning. Please refer to Note 30 for disclosures on the maturities of contractual cash flows.

The COVID-19 crisis has led to greater focus being placed on liquidity planning and management. The financial and liquidity planning apparatus that has been in place for many years considers a variety of planning scenarios and different premises, and is regularly adjusted to account for current conditions. Weekly target/actual comparisons enable Borussia Dortmund to devise and implement suitable liquidity management measures if necessary. These included in particular the capital increase that was successfully implemented in the past financial year and the existing overdraft facility of EUR 75,000 thousand as at the end of the reporting period. For the coming financial year, Borussia Dortmund's overdraft facility will amount to EUR 75,000 thousand.

Credit risk

The Group conducts business exclusively with third parties of high credit standing. Concentrations of credit risk can arise in the context of a player transfer and from long-term sponsorship agreements. Such concentrations of risk are monitored in the course of the Group's operating activities.

The maximum credit risk in the event of counterparty default is equal to the carrying amount of these instruments. Please refer to Note 26.

Significant decisions subject to judgement and estimates

The preparation of consolidated financial statements in accordance with IFRSs requires management to make significant decisions subject to judgement and estimates and assumptions concerning the application of financial accounting methods and the assets, liabilities, income and expenses recognised in those statements. Actual results may deviate from these estimates. Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions of accounting estimates are recognised in the period in which the estimates were revised as well as in all subsequent periods concerned.

Information about significant decisions subject to judgment made while applying accounting methods that materially impact the amounts recognised in the consolidated financial statements are disclosed in the notes to the consolidated financial statements below.

The section on accounting policies includes detailed disclosures about intangible assets and property, plant and equipment.

Notes 2 and 12 include detailed disclosures on finance leases.

Disclosures on deferred taxes are included, inter alia, in Note 24 and the section on accounting policies.

The collectability of trade receivables is assessed based on the estimated probability of default. Specific valuation allowances are calculated for overdue receivables using individually determined percentages. In the event that the financial situations of our partners worsen, the amounts actually written down may exceed the amount of the previously recognised valuation allowances. This could negatively impact the results of operations. Please refer to Note 5 for disclosures on carrying amounts.

The section on accounting policies includes detailed disclosures on provisions.

Deferred tax assets are recognised in respect of tax loss carry-forwards to the extent that it is probable that taxable income will be available to enable the loss carry-forwards to actually be utilised. In order to determine the amount of the deferred tax assets required to be recognised in this context, management makes significant assumptions with respect to the expected timing and amount of future taxable income.

The preparation of financial statements in accordance with IFRS requires the use of judgement. All decisions requiring the use of judgement are reassessed on a permanent basis and are based on past experience and expectations as to future events that appear reasonable, given the current circumstances.

Operating segments

Borussia Dortmund has four reportable segments, which are responsible for the main activities of the overall Group. The first segment consists of Borussia Dortmund GmbH & Co. KGaA, which operates a football club including a professional football squad and leverages the associated revenue potential arising from transfer deals, catering, TV marketing, advertising and match operations. The second segment consists of the separate merchandising business, which is carried out by BVB Merchandising GmbH, a legally independent entity.

The wholly owned Group subsidiaries BVB Event & Catering GmbH and besttravel dortmund GmbH are also classified as reportable segments.

BVB Event & Catering GmbH is responsible for conducting stadium tours, providing and arranging for event staffing services and planning, organising, catering, steering and conducting events of all types in its own name and on behalf of third parties.

besttravel dortmund GmbH is responsible for arranging travel by air, rail and ship, as well as package tours. It also organises and conducts events such as sports travel, conferences and incentive trips, and arranges hotel and car hire bookings.

Internal reporting is based on the accounting provisions of the German Commercial Code (Handelsgesetzbuch, "HGB").

Operating segments

EUR '000	Borussia Dortmund KGaA		BVB Merchandising GmbH		BVB Event & Catering GmbH		besttravel dortmund GmbH		Total	
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022
Total revenue	460,983	419,646	35,107	33,086	27,640	15,546	2,204	1,137	525,934	469,415
of which match operations	43,524	22,655	0	0	0	0	0	0	43,524	22,655
of which advertising	142,305	126,157	0	0	0	0	0	0	142,305	126,157
of which TV marketing	157,507	145,070	0	0	0	0	0	0	157,507	145,070
of which transfer deals	99,072	110,201	0	0	0	0	0	0	99,072	110,201
of which merchandising	0	0	35,107	33,086	0	0	0	0	35,107	33,086
of which conference, catering, miscellaneous	18,575	15,563	0	0	27,640	15,546	2,204	1,137	48,419	32,246
Total revenue	460,983	419,646	35,107	33,086	27,640	15,546	2,204	1,137	525,934	469,415
of which external	458,803	418,065	33,359	31,799	19,079	8,754	1,072	352	512,313	458,970
of which internal	2,180	1,581	1,748	1,287	8,561	6,792	1,132	785	13,621	10,445
Financial result	10,295	4,955	0	1	0	0	0	-4	10,295	4,952
Share of profit from equity investments	0	81	0	0	0	0	0	0	0	81
of which profit transfer	11,741	5,623	0	0	0	0	0	0	11,741	5,623
of which loss absorption	0	0	0	0	0	0	0	0	0	0
Net interest income/expense	-1,446	-749	0	1	0	0	0	-4	-1,446	-752
of which interest expense	-2,097	-1,050	0	0	0	0	0	-4	-2,097	-1,054
of which interest income	651	301	0	1	0	0	0	0	651	302
Depreciation, amortisation and write-downs	-105,265	-107,303	-447	-522	-21	-22	-23	-21	-105,756	-107,868
Segment profit before taxes*	-1,410	-41,037	4,495	2,230	4,165	2,011	1,102	308	8,352	-36,488
Capital expenditure	147,793	81,413	0	4	11	0	0	0	147,804	81,417
Segment assets**	516,561	466,263	25,172	15,846	5,728	5,851	3,871	740	551,332	488,700
Segment liabilities	198,516	157,319	14,291	4,965	5,703	5,826	3,727	596	222,237	168,706
Investments accounted for using the equity method	0	96	0	0	0	0	0	0	0	96
Net income/loss from investments in associates	0	81	0	0	0	0	0	0	0	81

* Before profit or loss transfer.

** KGaA segment includes EUR 11,014 thousand (previous year: EUR 23,966 thousand) in assets held for sale.

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The table below provides a reconciliation of the revenue, profit or loss before taxes, assets, liabilities and other key items for each segment:

Reconciliation of the segments to the statement of financial position and the consolidated statement of comprehensive income

EUR '000	Total		Other adjustments		Consolidated financial statements	
	2022/2023	2021/2022	2022/2023	2021/2022***	2022/2023	2021/2022***
Total revenue	525,934	469,415	-107,695	-117,770	418,239	351,645
of which match operations	43,524	22,655	0	0	43,524	22,655
of which advertising	142,305	126,157	-34	-33	142,271	126,124
of which TV marketing	157,507	145,070	0	0	157,507	145,070
of which transfer deals	99,072	110,201	-99,072	-110,201	0	0
of which merchandising	35,107	33,086	-1,748	-1,287	33,359	31,799
of which conference, catering, miscellaneous	48,419	32,246	-6,841	-6,249	41,578	25,997
Total revenue	525,934	469,415	-107,695	-117,770	418,239	351,645
of which external	512,313	458,970	-94,074	-107,325	418,239	351,645
of which internal	13,621	10,445	-13,621	-10,445	0	0
Financial result	10,295	4,952	-16,426	-9,139	-6,131	-4,187
Share of profit from equity investments	0	81	15	-21	15	60
of which profit transfer	11,741	5,623	-11,741	-5,623	0	0
of which loss absorption	0	0	0	0	0	0
Net interest income/expense	-1,446	-752	-4,700	-3,495	-6,146	-4,247
of which interest expense	-2,097	-1,054	-7,607	-4,330	-9,704	-5,384
of which interest income	651	302	2,907	835	3,558	1,137
Depreciation, amortisation and write-downs	-105,756	-107,868	-553	-1,968	-106,309	-109,836
Segment profit before taxes*	8,352	-36,488	2,428	6,291	10,780	-30,197
Capital expenditure	147,804	81,417	72	75	147,876	81,492
Segment assets**	551,332	488,700	-39,497	-30,268	511,835	458,432
Segment liabilities	222,237	168,706	6,893	16,571	229,130	185,277
Investments accounted for using the equity method	0	96	397	286	397	382
Net income/loss from investments in associates	0	81	15	-21	15	60

* Before profit or loss transfer.

** KGaA segment includes EUR 11,014 thousand (previous year: EUR 23,966 thousand) in assets held for sale.

*** Change in prior-year items. Restatements in accordance with IAS 8.42.

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The table below provides a detailed reconciliation of segment profit or loss before taxes, segment assets and segment liabilities:

EUR '000	Segment profit before taxes		Segment assets		Segment liabilities	
	2022/2023	2021/2022*	2022/2023	2021/2022*	2022/2023	2021/2022*
Segments total	8,352	-36,488	551,332	488,700	222,237	168,706
Other companies	2,029	1,109	5,877	4,132	5,051	3,355
Other IFRS adjustments	1,718	5,871	-18,225	-11,907	10,621	10,723
IFRS 16 adjustments	1,908	1,413	14,019	17,812	12,961	17,179
IFRS 9 adjustments	-4,101	-2,904	-5,695	-3,973	0	0
IFRS 15 adjustments	29	-43	56	27	0	26
Consolidation of long-term financial assets	0	0	-10,191	-10,176	0	0
Stadium buildings plus other assets	845	845	-25,338	-26,183	0	0
Other consolidation	0	0	0	0	-21,740	-14,712
	10,780	-30,197	511,835	458,432	229,130	185,277

* Change in prior-year items. Restatements in accordance with IAS 8.42.

The Borussia Dortmund GmbH & Co. KGaA segment exceeded the 10% threshold stipulated in IFRS 8.34 for two customers by a total of EUR 158,805 thousand (previous year: two customers, EUR 148,080 thousand). In the past, no bad debts in excess of 2.5 percent have been reported for these customers. The allocation of revenue items is presented in the table below:

EUR '000	Borussia Dortmund KGaA		BVB Merchandising GmbH		BVB Event & Catering GmbH		besttravel dortmund GmbH		Total	
	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022	2022/2023	2021/2022
Total revenue - 10% threshold	158,805	148,080	0	0	0	0	0	0	158,805	148,080
of which match operations	69	57	0	0	0	0	0	0	69	57
of which advertising	55	55	0	0	0	0	0	0	55	55
of which TV marketing	154,368	143,280	0	0	0	0	0	0	154,368	143,280
of which merchandising	0	0	0	0	0	0	0	0	0	0
of which conference, catering, miscellaneous	4,313	4,688	0	0	0	0	0	0	4,313	4,688

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(1) Intangible assets

EUR '000	30/06/2023	30/06/2022*
Player registrations	168,893	127,062
Industrial property rights and similar rights	775	776
	169,668	127,838

* Change in prior-year items. Restatements in accordance with IAS 8.42.

Intangible assets consist of purchased player registrations and computer software. At the end of the reporting period, the weighted remaining contractual term of the significant player registrations amounted to 2.85 years (30 June 2022: 3.55 years).

Changes in intangible assets were as follows:

EUR '000	Player registrations	Industrial property rights and similar	Total
Cost			
As at 30 June 2021 (adjusted)	427,465	3,561	431,026
Additions*	65,902	0	65,902
Disposals*	79,475	68	79,543
Reclassification to assets held for sale*	-91,595	0	-91,595
As at 30 June 2022*	322,974	3,493	326,467
Additions	143,077	108	143,185
Disposals	47,412	0	47,412
Reclassification to assets held for sale	-31,565	0	-31,565
As at 30 June 2023	387,074	3,601	390,675
Depreciation, amortisation and write-downs			
As at 30 June 2021 (adjusted)	232,237	2,569	234,806
Additions*	96,331	148	96,479
Disposals*	65,028	0	65,028
Reclassification to assets held for sale, disposals*	-67,628	0	-67,628
As at 30 June 2022*	195,912	2,717	198,629
Additions	89,630	109	89,739
Disposals	47,168	0	47,168
Reclassification to assets held for sale, disposals	-20,193	0	-20,193
As at 30 June 2023	218,181	2,826	221,007
Carrying amounts			
As at 30 June 2021 (adjusted)	195,228	992	196,220
As at 30 June 2022*	127,062	776	127,838
As at 30 June 2023	168,893	775	169,668

* Change in prior-year items. Restatements in accordance with IAS 8.42.

(2) Property, plant and equipment

EUR '000	30/06/2023	30/06/2022
Land, land rights and buildings including buildings on third-party land	146,439	140,858
Other equipment, operating and office equipment	35,812	31,595
	182,251	172,453

Property, plant and equipment primarily relates to the stadium, the BVB FanWelt service centre, the Rheinlanddamm plot of land and the administration building located there, and the plot of land at Strobelallee 81. The facilities at the training ground in Dortmund-Brackel, the youth academy, the football academy, the catering areas at the stadium, the administrative headquarters and the associated operating and office equipment constitute further components of this item.

In the current financial year, investments were made in the training ground in Dortmund-Brackel and in SIGNAL IDUNA PARK.

Investment at SIGNAL IDUNA PARK essentially related to the LED big screen displays on the outer façade as well as the construction of an annex to house a logistics centre. The investments in the annex, which is currently still under construction, amounted to EUR 3,266 thousand in the financial year.

The items of property, plant and equipment recognised in the statement of financial position as a result of a lease consist of buildings and other facilities at the Dortmund-Brackel training ground and the residence hall. The existing purchase option for individual elements of the Dortmund-Brackel training ground was exercised in the final quarter of the financial year on the date on which the lease was terminated.

As at 30 June 2023, the following right-of-use assets at the Dortmund-Brackel training ground related to the corresponding items in the statement of financial position:

EUR '000	Net carrying amounts	
	30/06/2023	30/06/2022
Buildings	9,057	11,813
Operating and office equipment	1,050	1,291
	10,107	13,104

CONSOLIDATED FINANCIAL STATEMENTS for the period from 1 July 2022 to 30 June 2023

Borussia Dortmund reported additions for right-of-use assets recognised under property, plant and equipment amounting to EUR 1,223 thousand (previous year: EUR 552 thousand). This was offset by disposals amounting to EUR 2,123 thousand (previous year: EUR 0 thousand) as well as EUR 2,893 thousand (previous year: EUR 3,109 thousand) in depreciation, of which EUR 1,297 thousand (previous year: EUR 1,408 thousand) related to buildings and EUR 1,596 thousand (previous year: EUR 1,611 thousand) related to operating and office equipment.

Current and non-current lease liabilities are presented minus payments already made.

The interest expense incurred for these items amounted to EUR 538 thousand (previous year: EUR 675 thousand) and is reported under finance costs in the consolidated statement of comprehensive income.

Essentially all of the risks and opportunities in connection with the leased assets have been transferred to Borussia Dortmund.

Changes in property, plant and equipment were as follows:

EUR '000	Land, land rights and buildings, including buildings on third-party land	Other equipment, operating and office equipment	Total
Cost			
As at 30 June 2021	260,222	99,111	359,333
Additions	98	2,375	2,473
Disposals	117	34	151
As at 30 June 2022	260,203	101,452	361,655
Additions	9,285	13,884	23,169
Disposals	0	541	541
Reclassifications	2,305	-2,305	0
As at 30 June 2023	271,793	112,490	384,283
Depreciation, amortisation and write-downs			
As at 30 June 2021	113,208	62,671	175,879
Additions	6,137	7,219	13,356
Disposals	0	33	33
As at 30 June 2022	119,345	69,857	189,202
Additions	6,009	6,944	12,953
Disposals	0	123	123
As at 30 June 2023	125,354	76,678	202,032
Carrying amounts			
As at 30 June 2021	147,014	36,440	183,454
As at 30 June 2022	140,858	31,595	172,453
As at 30 June 2023	146,439	35,812	182,251

Bank loans were secured against registered land charges on land and buildings reported at a carrying amount of EUR 113,430 thousand. Please refer to Note 11 for information about the secured bank loans.

(3) Investments accounted for using the equity method

The investment in Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH (33.33%) with its HGB financial statements as at 31 December 2022 is reported here.

EUR '000	30/06/2023	30/06/2022
Non-current assets	562	520
Current assets	869	831
Non-current liabilities	204	160
Current liabilities	222	232
Net assets	1,005	959
Group's share of net assets (33.33%)	335	320
Goodwill	59	59
Dividends received after 31 December 2022	0	0
Carrying amount of interest in associate	394	379
Revenue	4,485	4,432
Profit/loss from continuing operations	46	181
Comprehensive income (33.33%)	15	60
Group's share of comprehensive income	15	60

EUR '000	2022	2021
Cash flows from operating activities	-6	21
Cash flows from investing activities	-149	-67
Cash flows from financing activities	35	-261
Net change in cash and cash equivalents	-120	-307

(4) Financial assets

Financial assets relate primarily to long-term, interest-bearing borrowings and minority interests.

Please refer to Note 31 for information on the fair values of financial assets.

(5) Trade and other financial receivables

Trade and other financial receivables amounted to EUR 125,480 thousand (previous year: EUR 105,376 thousand).

Of that figure, EUR 1,452 thousand (previous year: EUR 7,388 thousand) related to other financial receivables and EUR 124,028 thousand to trade receivables (previous year: EUR 97,988 thousand).

Trade receivables included EUR 105,182 thousand in transfer receivables (previous year: EUR 86,889 thousand).

In accordance with IFRS 15, the Group recognises an asset related to products sold with a right of return on the basis of the expected returns. This corresponds to the refund liability. As at 30 June 2023, the asset for the corresponding right of return of these products amounted to EUR 56 thousand (previous year: EUR 27 thousand).

Non-current

EUR '000	30/06/2023	30/06/2022
Trade receivables	87,263	59,531
Less allowances	-19	0
Net trade receivables	87,244	59,531

Non-current trade receivables are generally discounted using the effective interest method and measured at amortised cost. Non-current receivables that can potentially be sold as part of factoring are measured at fair value. Please refer to Note 31 for information on the classification and fair values of these items.

Current

EUR '000	30/06/2023	30/06/2022
Trade receivables	39,670	40,868
Less allowances	-2,886	-2,411
Net trade receivables	36,784	38,457
Other financial receivables	1,452	7,388
	38,236	45,845

Current trade receivables and other financial receivables do not bear interest and mostly have a maturity of up to three months. Please refer to Note 31 for information on the fair values of these items.

(6) Inventories

EUR '000	30/06/2023	30/06/2022
Inventories/merchandise	5,639	5,506
Less write-downs	-195	-1,090
Net inventories	5,444	4,416

The carrying amount of inventories carried at fair value less costs to sell was EUR 4,614 thousand (previous year: EUR 3,806 thousand).

Impairments of inventories are carried in the cost of materials.

(7) Cash and cash equivalents

EUR '000	30/06/2023	30/06/2022
Bank balances and cash-in-hand	4,496	10,571

(8) Assets held for sale

Non-current assets are classified as "held for sale" and "measured at the lower of carrying amount and fair value less costs to sell" if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

By virtue of contractual arrangements and current transfer market conditions relating to the pending sale of transfer rights in one of the upcoming transfer windows, non-current intangible assets were reclassified as held for sale. Assets held for sale declined by EUR 20,967 thousand in connection with transfer deals. In addition, as at the end of the reporting period, intangible assets amounting to EUR 11,372 thousand were reclassified as assets held for sale and impairment losses of EUR 3,357 thousand were reported under depreciation, amortisation and write-downs. Accordingly, the carrying amount of assets held for sale amounted to EUR 11,014 thousand as at 30 June 2023 (30 June 2022: EUR 23,966 thousand).

(9) Equity

As at 30 June 2023, the Company's subscribed capital amounted to EUR 110,396 thousand and was divided into 110,396,220 no-par value shares, each representing a notional share in the share capital of EUR 1.00, less the notional value of treasury shares of EUR 19 thousand. Equity contains a presentation of treasury shares in which the nominal amount of the treasury shares is deducted from equity under subscribed capital on the face of the balance sheet. Furthermore, a reserve for treasury shares in the same amount is also presented.

As in the previous year, at the end of the reporting period the Company's holding of its own securities consisted of 18,900 no-par value shares.

Subscribed capital

The subscribed capital of Borussia Dortmund GmbH & Co. KGaA is divided into no-par value shares with a notional share in the share capital of EUR 1.00 per share, with each share bearing equal rights. The shares are fully paid-up.

The general partner was authorised by the Annual General Meeting on 2 December 2021 to increase the share capital on or before 1 December 2026 by issuing up to 22,079,244 new shares. The new Authorised Capital 2021 may only be used for cash capital increases.

Reserves

Capital reserves consist exclusively of transfers in respect of premiums on the issue of new shares after deducting the net costs of the placement and the Company's share of revenues from the sale of treasury shares. After offsetting the net accumulated losses brought forward against other revenue reserves, the sum of which was lower and took into account Borussia Dortmund GmbH & Co KGaA's net profit for the year, a withdrawal was made from the capital reserves to cover the difference. After the withdrawal, the capital reserves amounted to EUR 202,616 thousand as at the reporting date (previous year: EUR 207,370 thousand).

Other revenue reserves comprise profits generated and not distributed by Group companies in the current year and previous years and accumulated losses. In addition, the net effect, taking account of subsequent adjustments, of the remeasurement of SIGNAL IDUNA PARK in accordance with IFRS 1.16 is reported under this item.

Capital management

The objective of capital management is to ensure the Group's long-term ability to function on a going concern basis and to generate appropriate returns for shareholders. Debt management steers the raising of debt, particularly with regard to financing with matching maturities. The capital structure is managed in such a way that changes in macroeconomic conditions and risks arising from the underlying assets are taken into account. Short-term target-performance comparisons and medium- and long-term financial planning are used in the capital structure management process.

The capital structure at the end of the reporting period was as follows:

EUR '000	30/06/2023	30/06/2022*
Equity of shareholders	282,705	273,155
Share in total capital	55.23 %	59.58 %

* Change in prior-year items. Restatements in accordance with IAS 8.42.

(10) Provisions

As previously, Borussia Dortmund's reported EUR 0 thousand in provisions as at the reporting date.

(11) Financial liabilities

In order to finance investments in property, plant and equipment, Borussia Dortmund took out loans amounting to EUR 22,000 thousand, of which EUR 11,103 thousand had been drawn down as at 30 June 2023. These loans are secured against items of property, plant and equipment.

As of the reporting date, financial liabilities amounted to EUR 21,632 thousand (previous year: EUR 0 thousand), of which EUR 8,827 thousand (previous year: EUR 0 thousand) were non-current and EUR 12,805 thousand (previous year: EUR 0 thousand) current.

(12) Lease liabilities

The payment obligations under leases are due for payment as follows:

EUR '000	30/06/2023	30/06/2022
Less than 1 year	2,928	5,170
Between 1 and 5 years	5,648	7,332
More than 5 years	5,820	6,687
	14,396	19,189
Future finance charges from leases	-1,434	-2,010
Present value of liabilities from leases	12,962	17,179

CONSOLIDATED FINANCIAL STATEMENTS for the period from 1 July 2022 to 30 June 2023

The change in the maturity structure of the present values of lease liabilities was as follows:

EUR '000	30/06/2023	30/06/2022
Less than 1 year	2,608	4,649
Between 1 and 5 years	4,813	6,296
More than 5 years	5,541	6,234
	12,962	17,179

(13) Trade payables

Trade payables amounted to EUR 132,862 thousand (previous year: EUR 109,255 thousand), of which EUR 113,239 thousand (previous year: EUR 98,086 thousand) related to liabilities from transfer deals. This increase in transfer liabilities was due to increased investments in intangible assets (player registrations).

(14) Other financial obligations

EUR '000	30/06/2023	30/06/2022
Non-current		
Other	2,080	1,856
	<u>2,080</u>	<u>1,856</u>
Current		
Other taxes	9,380	9,471
Other	25,897	27,571
	<u>35,277</u>	<u>37,042</u>
Total other financial liabilities	37,357	38,898

Current other financial liabilities decreased year on year by EUR 1,765 thousand and included in particular liabilities relating to payroll tax and VAT and deferred liabilities.

Other financial liabilities also include refund liabilities amounting to EUR 109 thousand (previous year: EUR 47 thousand). The refund liability relates to the customer's right to return products within 30 days of purchase. A refund liability and a corresponding adjustment of revenue is recognised at the time of sale for products for which a return is expected.

(15) Prepaid expenses and deferred income

Prepaid expenses

EUR '000	30/06/2023	30/06/2022
Non-current		
Deferred income related to professional squad	297	616
Insurance premiums	473	0
Other advance payments	313	716
	1,083	1,332
Current		
Deferred income related to professional squad	4,148	6,713
Insurance premiums	581	787
Other advance payments	7,190	4,240
	11,919	11,740

Deferred income

EUR '000	30/06/2023	30/06/2022
Non-current		
Advance payments received from ticket sales	0	3
Advance payments received from sponsors	10	17
	10	20
Current		
Advance payments received from ticket sales	17,794	16,930
Advance payments received from sponsors	1,620	2,170
Other advance payments	3,757	821
	23,171	19,921

Current deferred income amounted to EUR 23,171 thousand (previous year: EUR 19,921 thousand), and consisted primarily of proceeds from season ticket sales.

In addition, current deferred income is reported in relation to proceeds from leasing SIGNAL IDUNA PARK in connection with the UEFA EURO 2024 and proceeds from the tour of the United States in summer 2023. Deferred income is reversed pro rata over the periods to which it relates or at a point in time.

NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(16) Revenue

EUR '000	2022/2023	2021/2022
Match operations	43,524	22,655
Advertising	142,271	126,124
TV Marketing	157,507	145,070
Merchandising	33,359	31,799
Conference, catering, miscellaneous	41,578	25,997
	418,239	351,645

Revenue is generated primarily in Germany. It includes prior-period revenue of EUR 2,222 thousand (previous year: EUR 1,134 thousand). The prior-period income recognised in the financial year related primarily to TV marketing.

(17) Net transfer income

EUR '000	2022/2023	2021/2022*
Gross transfer proceeds	97,116	105,241
Transfer costs	-3,922	-24,009
Net transfer proceeds	93,194	81,232
Residual carrying amounts and other derecognised items	-20,663	-18,341
Net transfer income	72,531	62,891

* Change in prior-year items. Restatements in accordance with IAS 8.42.

(18) Other operating income

Other operating income decreased by EUR 18,762 thousand year on year to EUR 6,818 thousand. In the current reporting period, it primarily includes gains from the reversal of valuation allowances, gains on the derecognition of liabilities and gains from reimbursement for granting contractual marketing rights. The decrease is due primarily to the fact that, in contrast to this financial year, subsidies awarded were received. Other operating income includes prior-period income in the amount of EUR 3,113 thousand (previous year: EUR 13,492 thousand).

(19) Cost of materials

Cost of materials increased from EUR 22,641 thousand to EUR 24,112 thousand. This item consisted mainly of the cost of goods sold for BVB Event & Catering GmbH (EUR 6,896 thousand; previous year: EUR 4,362 thousand) and BVB Merchandising GmbH (EUR 17,216 thousand; previous year: EUR 18,279 thousand).

(20) Personnel expenses

No defined-benefit pension entitlements have been granted to employees of the BVB Group. Payments to the state pension scheme are reported under social security contributions.

EUR '000	2022/2023	2021/2022
Wages and salaries	225,240	223,432
Social security contributions	10,983	7,786
	236,223	231,218

During financial year 2022/2023, EUR 3,447 thousand was paid into the German statutory retirement pension system (previous year: EUR 3,004 thousand).

(21) Depreciation and amortisation

EUR '000	2022/2023	2021/2022*
Amortisation of intangible assets	93,096	96,480
Depreciation of property, plant and equipment	12,953	13,356
Write-downs of long-term financial assets	260	0
	106,309	109,836

* Change in prior-year items. Restatements in accordance with IAS 8.42.

(22) Other operating expenses

EUR '000	2022/2023	2021/2022
Match operations	53,471	40,344
Advertising	11,242	12,409
Transfer deals	1,166	4,094
Retail	6,421	7,023
Administration	33,921	27,297
Other	7,812	11,264
	114,033	102,431

Other operating expenses include prior-period expenses in the amount of EUR 116 thousand (previous year: EUR 178 thousand).

(23) Financial result

EUR '000	2022/2023	2021/2022
Net income/loss from investments in associates (see Note (3))	15	60
Finance income		
Interest income in accordance with IFRS 9	3,536	1,129
Other interest income	22	8
	3,558	1,137
Finance costs		
Financing charges and other interest	-1,090	-328
Interest expenses for lease liabilities	-538	-675
Interest expenses in accordance with IFRS 9	-8,076	-4,381
	-9,704	-5,384
	-6,131	-4,187

(24) Income taxes and deferred taxes

In financial year 2022/2023, EUR 1,230 thousand in tax expenses (previous year: EUR 1,691 thousand) was reported under taxes on income.

The deferred tax assets and liabilities reported in the consolidated statement of financial position relate to the following items:

EUR '000	Net as at 30/06/2022*	Recognised in profit or loss	Net as at 30/06/2023	Deferred tax assets	Deferred tax liabilities
Intangible assets	-5,369	-16	-5,385	0	-5,385
Property, plant and equipment	-8,223	-1,029	-9,252	0	-9,252
Trade receivables and other assets	1,368	505	1,873	1,873	0
Trade payables	3,788	-4,496	-708	0	-708
Tax loss carry-forwards	8,436	5,036	13,472	13,472	0
	0	0	0	15,345	-15,345

EUR '000	Net as at 30/06/2021	Recognised in profit or loss	Net as at 30/06/2022*	Deferred tax assets	Deferred tax liabilities
Intangible assets	3,824	-9,193	-5,369	0	-5,369
Property, plant and equipment	-7,192	-1,031	-8,223	0	-8,223
Trade receivables and other assets	194	1,174	1,368	1,368	0
Trade payables	-15,197	18,985	3,788	3,788	0
Tax loss carry-forwards	18,371	-9,935	8,436	8,436	0
	0	0	0	13,592	-13,592

* Change in prior-year items. Restatements in accordance with IAS 8.42.

The income tax expense was made up as follows:

EUR '000	2022/2023	2021/2022*
Income taxes		
Current period	-1,222	-1,815
Prior period	-8	124
Deferred tax benefit/expense in connection with the creation or reversal of temporary differences	-5,036	9,935
Tax loss carryforwards not yet utilised	5,036	-9,935
	-1,230	-1,691

* Change in prior-year items. Restatements in accordance with IAS 8.42.

At the end of the reporting period, the Group had corporation tax loss carry-forwards amounting to EUR 140,236 thousand (previous year: EUR 155,160 thousand) and trade tax loss carry-forwards amounting to EUR 111,098 thousand (previous year: EUR 126,706 thousand) for which no deferred tax assets have been recognised. The tax loss carry-forwards have an unlimited carry-forward period.

The expected income tax expense which would theoretically result from applying the weighted average tax rate of 32.81% (previous year: 32.81%) can be reconciled with the actual income tax benefit reported in the consolidated statement of comprehensive income as follows:

EUR '000	2022/2023	2021/2022*
Consolidated net profit before income taxes	10,780	-30,197
Theoretical tax rate in %	32.81	32.81
Expected tax expense/benefit from income taxes	-3,537	9,908
Effects from tax additions and subtractions	438	-2,025
Change in ability to utilise tax loss carry-forwards	3,099	-7,883
Prior-year taxes	-8	124
Other tax effects	-1,222	-1,815
Tax payment as reported in the consolidated statement of comprehensive income	-1,230	-1,691
Actual tax rate in %	11.41	5.60

* Change in prior-year items. Restatements in accordance with IAS 8.42.

(25) Consolidated statement of cash flows

Cash and cash equivalents reported in the statement of financial position amounted to EUR 4,496 thousand (previous year: EUR 10,571 thousand).

Cash flows from operating activities amounted to EUR 54,426 thousand (previous year: EUR 35,071 thousand) and cash flows from investing activities amounted to EUR -76,750 thousand (previous year: EUR -51,364 thousand).

Net cash flows from investing activities included transfer proceeds, netted directly against payments linked to transfers amounting to EUR 5,427 thousand (previous year: EUR 7,903 thousand).

The changes in financial liabilities reported under cash flows from financing activities were as follows:

CONSOLIDATED FINANCIAL STATEMENTS for the period from 1 July 2022 to 30 June 2023

Reconciliation of change in liabilities to cash flows from financing activities in accordance with IAS 7.44 as at 30 June 2023

EUR '000	Equity			Liabilities/derivatives			
	Subscribed capital	Reserves	Treasury shares	Financial liabilities	Lease liabilities	Other financial liabilities	Total
Balance as at 30 June 2022*	110,396	162,872	-113	0	17,179	38,898	339,749
Proceeds from finance raised	0	0	0	21,879	0	0	21,879
Repayments of financial liabilities	0	0	0	-247	0	0	-247
Repayment of lease liabilities	0	0	0	0	-5,383	0	-5,383
Total change in cash flows from financing activities	0	0	0	21,632	-5,383	0	16,249
Other changes							
related to liabilities							
Change in other financial liabilities	0	0	0	0	0	-1,541	-1,541
Change in lease liabilities	0	0	0	0	1,166	0	1,166
related to equity							
Consolidated net profit for the year	0	9,550	0	0	0	0	9,550
Total other changes related to liabilities	0	0	0	0	1,166	-1,541	-375
Total other changes related to equity	0	9,550	0	0	0	0	9,550
Balance as at 30 June 2023	110,396	172,422	-113	21,632	12,962	37,357	365,173

Reconciliation of change in liabilities to cash flows from financing activities in accordance with IAS 7.44 as at 30 June 2022

EUR '000	Equity			Liabilities/derivatives			
	Subscribed capital	Reserves	Treasury shares	Financial liabilities	Lease liabilities	Other financial liabilities	Total
Amount reported as at 30 June 2021 (adjusted)	92,000	130,233	-113	56,900	21,060	33,442	344,039
Cash receipts from issue of capital	18,396	68,066	0	0	0	0	86,462
Repayments of financial liabilities	0	0	0	-56,900	0	0	-56,900
Repayment of lease liabilities	0	0	0	0	-4,423	0	-4,423
Total change in cash flows from financing activities	18,396	68,066	0	-56,900	-4,423	0	25,139
Other changes							
related to liabilities							
Change in other financial liabilities	0	0	0	0	0	5,456	5,456
Change in lease liabilities	0	0	0	0	542	0	542
related to equity							
Consolidated net loss for the year*	0	-31,888	0	0	0	0	-31,888
Costs of capital increase	0	-3,539	0	0	0	0	-3,539
Total other changes related to liabilities	0	0	0	0	542	5,456	5,998
Total other changes related to equity*	0	-35,427	0	0	0	0	-35,427
Balance as at 30 June 2022*	110,396	162,872	-113	0	17,179	38,898	339,749

* Change in prior-year items. Restatements in accordance with IAS 8.42.

OTHER DISCLOSURES

FINANCIAL RISKS

(26) Credit risk

The carrying amounts of the following financial instruments reflect the Group's maximum exposure to credit risk. At the end of the reporting period, the maximum exposure was as follows:

Carrying amounts of financial instruments

EUR '000	30/06/2023	30/06/2022
Financial assets, receivables and other financial receivables	125,563	105,734
Cash and cash equivalents	4,496	10,571

The change in loss allowances on the basis of the expected credit losses for trade receivables as at 30 June 2023 is presented in the table below:

EUR '000	2022/2023	2021/2022
Loss allowances as at 1 July 2022 in accordance with IFRS 9	2,417	1,182
Transfers recognised in profit or loss	2,191	1,448
Reversals recognised in profit or loss	-1,297	-255
Items recognised outside profit or loss	-374	-116
Loss allowances in accordance with IFRS 9	-32	158
Loss allowances as at 30 June 2023 in accordance with IFRS 9	2,905	2,417

The loss allowances recognised related almost exclusively to trade receivables.

The maturities of trade receivables, including other financial receivables, as at the end of the reporting period were as follows:

Maturity analysis of receivables

EUR '000	30/06/2023	30/06/2022
Not yet due	122,607	102,341
Less than 30 days past due	1,979	2,633
Between 30 and 89 days past due	894	358
More than 90 days past due	0	44
	125,480	105,376

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Cash and cash equivalents relate to bank balances and short-term investments in the form of overnight and time deposits. Borussia Dortmund only deposits money at banks with investment grade ratings. Furthermore, the creditworthiness of the banks is regularly monitored on the basis of credit default swaps (CDS).

Due to the short investment term and the creditworthiness of the banks, cash and cash equivalents are subject to a low level of credit risk. Thus, as in the previous year, no material loss allowances had been recognised.

The table below contains information on the credit risk and the expected credit losses according to the classes of receivables defined by Borussia Dortmund as at 30 June 2023:

30 June 2023

EUR '000	Gross carrying amount	Default rate (%)	Expected credit losses
Receivables from transfer deals	23,470	0.35	82
Other trade receivables	18,542	0.35	65
	42,012		147

30 June 2022

EUR '000	Gross carrying amount	Default rate (%)	Expected credit losses
Receivables from transfer deals	39,399	0.35	138
Other trade receivables	11,140	0.35	39
	50,539		177

(27) Exchange rate risk

There were no material exchange rate risks as at 30 June 2023. As at 30 June 2022, Borussia Dortmund had a financial liability amounting to GBP 5,000 thousand that was exposed to exchange rate risk. In order to fully hedge the currency risk, a EUR/GBP currency forward with a matching maturity and a notional volume of GBP 5,000 thousand was entered into, which is not part of an IFRS 9 hedge accounting relationship. As at 30 June 2022, the fair value of the currency forward amounted to EUR 252 thousand and was recognised under other financial assets. Due to the congruence with the hedged item, there was no effect on OCI in the consolidated statement of comprehensive income until the mid-year settlement of the liability in the first quarter of the 2022/2023 financial year.

(28) Interest rate risk

As in the previous year, Borussia Dortmund's portfolio only included non-derivative financial instruments bearing fixed interest as at 30 June 2023. Of those, only the financial instruments that are measured at fair value through profit or loss are subject to interest rate risk. Please refer to the disclosures on receivables intended for factoring and measured at fair value in Note 31.

Carrying amounts of non-derivative interest-bearing financial instruments

EUR '000	30/06/2023		30/06/2022	
	Fixed interest	Variable interest	Fixed interest	Variable interest
Financial assets, receivables and other financial receivables	125,563	0	105,399	0
Financial liabilities from leases	12,962	0	17,179	0

(29) Net gains/losses from financial instruments

The net gains and losses from financial instruments presented below comprise measurement gains and losses, premium and discount amortisation, the recognition and reversal of impairment write-downs, interest and all other earnings impacts from financial instruments.

Net gains and losses from financial instruments

Measurement category in accordance with IFRS 9:

EUR '000	2022/2023	2021/2022
Financial assets measured at amortised cost	7	120
Of which net interest expense/income	7	120
Financial assets measured at fair value through profit or loss	-3,145	-3,372
Of which net interest expense/income	-3,145	-3,372
Financial liabilities measured at amortised cost	-3,008	-995
Of which net interest expense/income	-3,008	-995
Net gains/losses from financial instruments	-6,146	-4,247
Of which net interest expense/income	-6,146	-4,247

(30) Liquidity risk

The following table shows the contractually arranged undiscounted payments of interest and principal in respect of financial liabilities. Whenever a right of termination exists, the figures are reported as at the earliest possible termination date.

Maturities of contractual cash flows from financial liabilities in 2023

EUR '000	Liabilities to banks	Lease liabilities	Trade and other financial liabilities	Total
2023/2024	12,805	2,928	121,292	137,025
2024/2025	1,911	2,132	37,514	41,557
2025/2026	775	1,613	7,755	10,143
2026/2027	805	1,000	1,804	3,609
2027/2028	834	903	62	1,799
2028 and beyond	4,502	5,820	1,793	12,115
	21,632	14,396	170,220	206,248

Maturities of contractual cash flows from financial liabilities in 2022

EUR '000	Liabilities to banks	Lease liabilities	Trade and other financial liabilities*	Total
2022/2023	0	5,170	112,683	117,853
2023/2024	0	2,956	19,014	21,970
2024/2025	0	1,888	10,674	12,562
2025/2026	0	1,442	4,060	5,502
2026/2027	0	1,045	59	1,104
2027 and beyond	0	6,688	1,663	8,351
	0	19,189	148,153	167,342

* Change in prior-year items. Restatements in accordance with IAS 8.42.

(31) Fair values of financial instruments by class and category

The table below provides a reconciliation of the individual classes and categories of IFRS 9 to the items of the statement of financial position and the fair values as at 30 June 2023:

Measurement category in accordance with IFRS 9

EUR '000	Carrying amount 30/06/2023	Fair value 30/06/2023
ASSETS		
At amortised cost		
Non-current financial assets	83	83
Non-current trade and other receivables	5,449	5,449
Current trade and other receivables	38,236	38,236
Cash and cash equivalents	4,496	4,496
At fair value through profit or loss		
Receivables intended for factoring	81,795	81,795
	130,059	130,059

Measurement category in accordance with IFRS 9

EUR '000	Carrying amount 30/06/2023	Fair value 30/06/2023
EQUITY AND LIABILITIES		
At amortised cost		
Non-current financial liabilities	8,827	8,827
Non-current lease liabilities	10,354	n/a
Non-current trade payables	46,848	46,848
Other non-current financial liabilities	2,080	2,080
Current financial liabilities	12,805	12,805
Current lease liabilities	2,608	n/a
Current trade payables	86,015	86,015
Other current financial liabilities	35,277	35,277
	204,814	191,852

Measurement category in accordance with IFRS 9

EUR '000	Carrying amount 30/06/2022	Fair value 30/06/2022
ASSETS		
At amortised cost		
Non-current financial assets	344	344
Non-current trade and other receivables	11,903	11,903
Current trade and other receivables	45,845	45,845
Cash and cash equivalents	10,571	10,571
At fair value through profit or loss		
Receivables intended for factoring	47,628	47,628
	116,291	116,291

Measurement category in accordance with IFRS 9

EUR '000	Carrying amount 30/06/2022*	Fair value 30/06/2022*
EQUITY AND LIABILITIES		
At amortised cost		
Non-current lease liabilities	12,530	n/a
Non-current trade payables	33,614	33,614
Other non-current financial liabilities	1,856	1,856
Current lease liabilities	4,649	n/a
Current trade payables	75,641	75,641
Other current financial liabilities	37,042	37,042
	165,332	148,153

* Change in prior-year items. Restatements in accordance with IAS 8.42.

Any necessary transfers between the levels of the fair value hierarchy take place as at the end of the financial year in which the event triggering them occurs. There were no reclassifications in the current financial year. The fair value of receivables earmarked for factoring is assigned to level 3 and the fair value of all other financial instruments specified above is assigned to level 2.

Due to their short residual terms, the carrying amounts reported for current trade receivables and payables and cash are roughly equivalent to their fair values.

Non-current trade receivables are discounted to present value. In these cases, the carrying amounts largely correspond to fair value.

The table below presents the effect on earnings of the change in fair value of receivables intended for factoring recognised in the income statement as at the end of the reporting period:

EUR '000	
Carrying amount of receivables intended for factoring (1 July 2022)	47,628
Additions	59,881
Disposals	-22,569
Gains/losses recognised through profit or loss	-3,145
Carrying amount of receivables intended for factoring (30 June 2023)	81,795

The fair value of other financial assets and liabilities is measured using the discounted cash flow valuation technique. The discount rates used were taken from the "Yields on listed Federal securities" as published by the Bundesbank at the end of the reporting period, plus a risk premium.

The discount rates valid at the end of the reporting period had matching maturities and formed the basis of the valuation model.

(32) Earnings per share

Earnings per share are calculated in accordance with IAS 33 (Earnings Per Share) by dividing the net profit or loss for the period attributable to the shareholders of the parent by the weighted average number of shares outstanding. The weighted average number of shares outstanding in financial year 2022/2023 amounted to 110,377,320 (previous year: 105,557,762). Earnings per share relate only to shares in the parent company. Since there are no potential ordinary shares, basic and diluted earnings per share are the same.

(33) Transactions with related parties

The general partner in Borussia Dortmund GmbH & Co. KGaA is Borussia Dortmund Geschäftsführungs-GmbH. The latter is responsible for the management and legal representation of Borussia Dortmund GmbH & Co. KGaA. The power to appoint and remove members of staff thus rests with BV. Borussia 09 e.V., Dortmund, in its capacity as the sole shareholder in Borussia Dortmund Geschäftsführungs-GmbH. Both Borussia Dortmund Geschäftsführungs-GmbH and BV. Borussia 09 e.V. Dortmund, as well as all companies associated therewith hence are deemed to be related parties in accordance with IAS 24.

Please refer to Notes 37 and 39 for further disclosures on the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA and the management of BVB Geschäftsführungs-GmbH.

Related party disclosures

EUR '000	2022/2023	2021/2022
Transactions with BV. Borussia 09 e.V. Dortmund		
Rental income	263	291
Income from other services	138	146
Income from ticket sales	119	2
Transactions with Borussia Dortmund Geschäftsführungs-GmbH		
Expense from costs recharged	6,592	6,177
of which from executive remuneration falling due	6,186	4,180
Transactions with Orthomed GmbH		
Expense from other services	339	328

EUR '000	30/06/2023	30/06/2022
Other current and non-current assets		
Intercompany account with BV. Borussia 09 e.V. Dortmund	68	88
Other current liabilities		
Intercompany account with Borussia Dortmund Geschäftsführungs-GmbH	3,370	3,843

In addition, transactions were entered into with members of the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA and the management and Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH (merchandising, tickets, sponsorship, events and travel services) amounting to EUR 272 thousand (previous year: EUR 297 thousand). These transactions were conducted at arm's length.

(34) Other financial obligations

EUR '000		Due after		
30/06/2023	Total	less than 1 year	1-5 years	more than 5 years
Rental and lease payments	2,776	685	2,072	19
Marketing fees	79,358	6,740	47,593	25,025
Other obligations	4,824	1,490	3,185	149
	86,958	8,915	52,850	25,193
Purchase commitments	8,969	6,706	2,263	0

In financial year 2022/2023, EUR 1,253 thousand in rental and lease payments were expensed for leases within the meaning of IFRS 16.6.

EUR '000		Due after		
30/06/2022	Total	less than 1 year	1-5 years	more than 5 years
Rental and lease payments	482	235	217	30
Marketing fees	33,673	8,192	25,481	0
Other obligations	3,059	787	2,141	131
	37,214	9,214	27,839	161
Purchase commitments*	80,327	35,770	44,557	0

* Change in prior-year items. Restatements in accordance with IAS 8.42.

In financial year 2021/2022, EUR 1,136 thousand in rental and lease payments were expensed for leases within the meaning of IFRS 16.6.

The minimum lease payments relate mostly to lease agreements for offices and various motor vehicles.

The purchase commitments relate primarily to the acquisition of intangible assets and the logistics centre at SIGNAL IDUNA PARK which is under construction.

In addition, a total of EUR 40,618 thousand (previous year: EUR 29,737 thousand) in variable payment obligations under existing agreements with conditions precedent were reported as at 30 June 2023, of which EUR 16,760 thousand (previous year: EUR 4,790 thousand) were due in less than one year.

(35) Events after the end of the reporting period

Capital expenditure

In early July 2023, Borussia Dortmund announced the signing of Germany international Felix Nmecha from VfL Wolfsburg. The midfielder signed a contract that runs until 30 June 2028. In addition, Borussia Dortmund signed Austria international Marcel Sabitzer from FC Bayern Munich. The versatile midfielder's contract runs until 30 June 2027.

Transfer deals

In July 2023, the contract between Borussia Dortmund and Nico Schulz was terminated early.

Match operations

In the first round of the DFB Cup, Borussia Dortmund beat fifth-division side TSV Schott Mainz to advance to the second round.

Other

Borussia Dortmund GmbH & Co. KGaA's shares were once again listed in the SDAX with effect from 25 July 2023, after having already been traded there between 2014 and 2021. The SDAX is a performance index that includes the 70 largest companies in the MDAX.

Between 24 July and 3 August, Borussia Dortmund spent a part of its pre-season in the USA. Friendly matches were played against San Diego Loyal (6:0 in San Diego), Manchester United (3:2 in Las Vegas) and Chelsea FC (1:1 in Chicago).

The team agreed to an early renewal of Germany international Emre Can's contract until 30 June 2026.

(36) Average number of salaried employees

	2022/2023	2021/2022
Athletics department	210	195
Trainees	12	9
Other	701	623
	923	827

(37) Management

The management remuneration is as follows:

Management remuneration

EUR '000	2022/2023	2021/2022
Dipl.-Kfm. Hans-Joachim Watzke (Chairman)		
Fixed components		
Fixed remuneration	2,400	2,200
Other remuneration	40	42
Dipl.-Kfm. Thomas Treß		
Fixed components		
Fixed remuneration	1,068	952
Other remuneration	57	33
Carsten Cramer		
Fixed components		
Fixed remuneration	1,068	970
Other remuneration	30	31
Performance-based remuneration (bonus) according to tax calculation	1,299	0
Total management remuneration	5,962	4,228

The members of management received remuneration within the meaning of IAS 24.17 (a) in the 2022/2023 financial year.

EUR 38 thousand in employer contributions to the German statutory retirement pension system were incurred (previous year: EUR 24 thousand).

(38) Auditors' fees

These were reported in accordance with the classification set out in IDW AcP HFA 36.

EUR '000	2022/2023	2021/2022
Audit services	279	277
Other audit-related work	79	73
Tax advisory services	0	0
Other services	0	0

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, audited the annual and consolidated financial statements of Borussia Dortmund GmbH & Co. KGaA and conducted further statutory and voluntary audits at subsidiaries. The auditors reviewed the half-yearly financial report as at 31 December 2022 and carried out mandatory audits and reviews as part of the DFL licensing procedure pursuant to the DFL licensing regulations. The auditors were also tasked with conducting a limited assurance engagement on the separate non-financial Group report.

The other advisory services relate to confirmations in connection with licensing procedures.

(39) Supervisory Board

The names of the members of the Company's Supervisory Board in the 2022/2023 financial year, their right to remuneration, their occupations and their further responsibilities on other management bodies are listed below:

SUPERVISORY BOARD of Borussia Dortmund GmbH & Co. KGaA

Christian Kullmann	Ulrich Leitermann	Bernd Geske	Judith Dommermuth	Bjørn Gulden
Chairman of the Supervisory Board	Deputy Chairman of the Supervisory Board			(until 31 December 2022)

FULL REMUNERATION PAYABLE FOR 2021/2022 (EUR '000)

48	42	24	24	12
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OCCUPATIONS (as at 30 June 2023)

Chairman of the Executive Board of Evonik Industries AG, Essen	Chairman of the Managing Boards of group parent companies of the SIGNAL IDUNA Group (SIGNAL Krankenversicherung a.G., Dortmund; SIGNAL IDUNA Lebensversicherung a.G., Hamburg; SIGNAL IDUNA Unfallversicherung a.G., Dortmund), SIGNAL IDUNA Allgemeine Versicherung Aktiengesellschaft, Dortmund, and SIGNAL IDUNA Holding Aktiengesellschaft, Dortmund	Managing partner of Bernd Geske Lean Communication, Meerbusch	Managing partner of JUVIA Verwaltungs GmbH, Cologne	Chief Executive Officer of PUMA SE, Herzogenaurach (until 31 December 2022)
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OTHER FUNCTIONS *

	Member and Chairman of the Supervisory Board of Dortmunder Volksbank eG, Dortmund		Chairman of the Board Salling Group A/S, Braband, Denmark
	Member and Chairman of the Supervisory Board of Sana Kliniken AG, Ismaning		Member of the Supervisory Board of Tchibo GmbH, Hamburg
			Board member at Essity (Aktiebolag), Stockholm, Sweden

* on statutory supervisory boards and comparable German or foreign supervisory bodies of commercial enterprises (as at 30 June 2023)

CONSOLIDATED FINANCIAL STATEMENTS for the period from 1 July 2022 to 30 June 2023

Dr Reinhold Lunow	Silke Seidel	Bodo Löttgen	Prof Dr Bernhard Pellens	Matthias Bäumer
				(since 8 March 2023)
24	30	24	36	8
Medical Director of Praxisklinik Bornheim, Bornheim	Senior Executive at Dortmunder Stadtwerke AG and Managing Director of Hohenbuschei Beteiligungsgesellschaft mbH, Westfalentor 1 GmbH and Dortmund Logistik GmbH, all in Dortmund	Member of the North Rhine-Westphalia Landtag Detective chief inspector (Kriminalhauptkommissar) (ret.), public administration graduate	Professor of International Corporate Accounting at Ruhr University Bochum, Academic Director of the Institute of Management (ifu) at Ruhr University Bochum and Honorary Professor at Tongji University in Shanghai, China	General Manager BU Teamsport, PUMA SE, Herzogenaurach
Member and Chairman since 20 November 2022 of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund	Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund (since 20 November 2022)		Member of the Supervisory Board of LVM Landwirtschaftlicher Versicherungsverein Münster a. G. in Münster (non-listed company) Member of the Supervisory Board of LVM Krankenversicherungs-AG in Münster (non-listed company) Member of the Supervisory Board of LVM Lebensversicherungs-AG in Münster (non-listed company) (since 1 May 2023)	

The Audit Committee, which was formed in financial year 2021/2022 and whose members are Prof. Bernhard Pellens (Chairman), Mr Ulrich Leitermann (Deputy Chairman) and Ms Silke Seidel, met four times in financial year 2022/2023.

(40) Exercise of the exemption option pursuant to § 264 (3) HGB

The preparation of consolidated financial statements effectively exempts BVB Merchandising GmbH and BVB Event & Catering GmbH from the obligation to prepare annual financial statements within the meaning of § 264 (3) HGB.

(41) Notifiable shareholdings (under § 160 (1) no. 8 AktG in conjunction with § 33 (1) and (2) WpHG)

We received no notices of shareholdings in accordance with § 33 of the German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG") in financial year 2022/2023. Consequently, the following shareholdings existed, of which our Company was last notified in financial year 2021/2022 pursuant to § 33 (1) WpHG and which we published with the following content pursuant to § 40 (1) WpHG:

Mr Ralph Dommermuth notified us on 3 March 2022 that his voting interest in Borussia Dortmund GmbH & Co. KGaA amounted to 5.03% on 2 March 2022 (5,550,000 voting rights/shares) and that all of these voting rights were attributable to him (Mr Ralph Dommermuth) pursuant to § 34 WpHG via Ralph Dommermuth Beteiligungen GmbH, and furthermore that the chain of subsidiaries is as follows, beginning with the ultimate controlling person or entity:

- Ralph Dommermuth
- Ralph Dommermuth Verwaltungs GmbH
- Ralph Dommermuth GmbH & Co. KG Beteiligungsgesellschaft
- Ralph Dommermuth Beteiligungen GmbH with a voting interest of 5.03%

Lansdowne European Absolute Opportunities Fund Limited, George Town, Grand Cayman, Cayman Islands, notified us on 1 March 2022 that its voting interest in Borussia Dortmund GmbH & Co. KGaA amounted to 2.98% on 23 February 2022 (3,294,053 shares) and that all of these voting rights were attributable to Lansdowne European Absolute Opportunities Fund Limited pursuant to § 34 WpHG, and furthermore that the chain of subsidiaries is as follows, beginning with the ultimate controlling person or entity:

- Lansdowne European Absolute Opportunities Fund Limited
- Lansdowne European Absolute Opportunities Master Fund Limited

Lansdowne Partners International Ltd., George Town, Grand Cayman, Cayman Islands, notified us on 1 March 2022 that its voting interest in Borussia Dortmund GmbH & Co. KGaA amounted to 2.98% on 23 February 2022 (3,294,053 shares) and that all of these voting rights were attributable to Lansdowne Partners International Ltd. pursuant to § 34 WpHG, and furthermore that the chain of subsidiaries is as follows, beginning with the ultimate controlling person or entity:

- Lansdowne Partners International Ltd.
- Lansdowne Partners Limited
- Lansdowne Partners (UK) LLP
- Lansdowne Partners International Limited
- Lansdowne General Partner I Limited
- Lansdowne European Absolute Opportunities Fund LP

PUMA SE, Herzogenaurach, Germany, notified us on 11 October 2021, that its share of voting rights in Borussia Dortmund GmbH & Co. KGaA amounted to 5.32% on 8 October 2021 (5,876,495 voting rights or shares) and that all of their voting rights were held directly by PUMA SE in accordance with § 33 WpHG.

(42) Shareholdings by members of governing bodies

As at 30 June 2023, one member of management held 11,695 no-par value shares in the Company. As at the same date, the members of the Supervisory Board held a total of 9,092,009 no-par value shares. As at 30 June 2023, members of management and the Supervisory Board held a total of 9,103,704 no-par value shares, which corresponds to more than 1% of the shares issued by Borussia Dortmund GmbH & Co. KGaA.

(43) Corporate Governance

The management and Supervisory Board of Borussia Dortmund GmbH & Co. KGaA issued the Declaration of Conformity with the German Corporate Governance Code required by § 161 of the German Stock Corporation Act (Aktiengesetz, "AktG") in the reporting year and made it permanently available to shareholders on the website at <https://aktie.bvb.de/eng/Corporate-Governance/Statement-of-Compliance>.

Dortmund, 21 August 2023

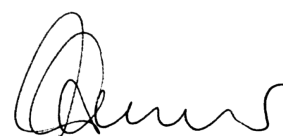
Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien
Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director



Carsten Cramer
Managing Director

INDEPENDENT AUDITOR'S REPORT

To Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien,
Dortmund/Germany

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Audit Opinions

We have audited the consolidated financial statements of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund/Germany, and its subsidiaries (the Group) which comprise the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 July 2022 to 30 June 2023, and the notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the combined management report for the parent and the group of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund/Germany, for the financial year from 1 July 2022 to 30 June 2023. In accordance with the German legal requirements, we have not audited the content of the consolidated corporate governance statement or the sustainability report referred to in the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) German Commercial Code (HGB) and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 30 June 2023 and of its financial performance for the financial year from 1 July 2022 to 30 June 2023, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the consolidated corporate governance statement and the sustainability report referred to in the combined management report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided nonaudit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 July 2022 to 30 June 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matters we have determined in the course of our audit:

1. measurement of player registrations and complete recognition of liabilities from transfers,
2. existence and accuracy of transfer receivables and determination of results from these transfers, and
3. completeness and accuracy of personnel expenses of the professional squad.

Our presentation of these key audit matters has been structured as follows:

- a) description (including reference to corresponding information in the consolidated financial statements)
- b) auditor's response

1. Measurement of Player Registrations and Complete Recognition of Liabilities from Transfers

- a) In the consolidated financial statements of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund/Germany, (hereinafter: Borussia Dortmund), player registrations in the amount of mEUR 168.9 are reported under intangible assets and player registrations of mEUR 11.0 are reported under assets held for sale as of 30 June 2023 (33.0% and 2.2% of balance sheet total, respectively). In the past financial year, player registrations under intangible assets increased by mEUR 41.8. Additions of mEUR 143.1 were offset by disposals of mEUR 0.3 and amortization of mEUR 89.6. In addition, player registrations of mEUR 11.4 were reclassified to assets held for sale. After this reclassification, an impairment loss of mEUR 3.4 was recognized. Trade payables include liabilities from transfers in the amount of mEUR 113.2. The determination of acquisition costs of the player registrations is based on individual and complex transfer agreements between the selling club and Borussia Dortmund as well as contracts concluded with player agents in this context.

In our view, the accounting of player registrations is of particular importance for our audit, as the individuality and complexity of the contractual clauses give rise to the risk that the valuation upon initial recognition of the respective player registration and the recognition of the associated transfer liability may not be in the correct amount. In addition, there is a general risk that the subsequent measurement of player registrations and the associated full recognition of the transfer liability may not be appropriate, which may result from the occurrence of contingent contractual provisions or contractual adjustments.

The disclosures of the executive directors regarding intangible assets, assets held for sale and trade payables are included in the sections 1, 8 and 13 of the notes to the consolidated financial statements.

- b) As part of our audit, we first obtained an understanding of the process established by the executive directors for determining player registrations and transfer liabilities and their accounting. For the additions of player registrations during the financial year, we assessed the accounting of the player registrations with regard to the determination of the acquisition costs and the associated liabilities on the basis of inspections of the material transfer and agent agreements.

As part of the subsequent measurement, we assessed whether conditions had arisen in the financial year 2022/23 for the material transfer and agent agreements that led to subsequent acquisition costs and additional liabilities from transfer transactions, and whether these were recognized in the consolidated statement of financial position accordingly.

In addition, we examined the material contract adjustments or contract extensions for subsequent acquisition costs and additional liabilities and the need for useful life adjustments.

2. Existence and Accuracy of Transfer Receivables and Determination of Results from these Transfers

- a) Transfer receivables in the amount of mEUR 105.2 are reported under trade receivables in Borussia Dortmund's consolidated financial statements. The transfer result in the financial year 2022/23 amounts to mEUR 72.5. Gross transfer fees of mEUR 97.1 were offset by transfer expenses of mEUR 3.9 and outgoing residual carrying amounts of player registrations of mEUR 20.7.

Due to the individuality and complexity of the contractual clauses, the accounting of transfer fees from transfer transactions is demanding and there is a general risk for the consolidated financial statements that, in the case of player registration disposals, the receivables from transfer transactions and the associated transfer fees are reported at too high a level or are not reported on an accrual basis and that the corresponding transfer expenses and outgoing residual carrying amounts are reported at too low a level or are incompletely derecognized. Against this background and due to the amount of the transfer receivables, transfer revenues and transfer expenses, we considered the transfer transactions carried out in the financial year to be of particular significance for our audit.

The information and explanations provided by the executive directors on the transfer receivables, transfer fees and transfer expenses are contained in sections 5 and 17 of the notes to the consolidated financial statements.

- b) In performing our audit, we first obtained an understanding of the process established by the Company for accounting for and reporting transfer transactions and transfer receivables.

We recorded and analyzed the complete stock of transfer receivables and realized transfer fees from player registration disposals of the professional squad by inspecting the transfer and agent agreements concluded for this purpose. The accuracy of the transfer receivables and transfer fees recognized in the consolidated statement of financial position was assessed by reviewing the determination of receivables on the basis of the contractual clauses.

We also assessed the complete and correct determination of the corresponding transfer expenses by inspecting the contracts on which the transfers are based. To this end, we also examined whether any residual carrying amounts of the player registrations for the transferred players had been fully derecognized in the intangible assets.

When inspecting the transfer contracts for player registration disposals, we focused on the date of realization in order to verify the correct accrual of receivables and related transfer income.

3. Completeness and Accuracy of Personnel Expenses of the Professional Squad

- a) In Borussia Dortmund's consolidated financial statements, personnel expenses include the salaries of the professional squad. In addition to fixed basic salaries, these also include performance-related compensation such as points bonuses and annual performance bonuses as well as individual special and one-time payments. From our point of view, the complete and correct accounting of the personnel expenses of the professional squad was of particular importance for our audit, as the personnel expenses for the professional squad might not be recorded in full or in the correct amount due to the individually agreed compensation components and compensation amounts.

The information and explanations provided by the executive directors on personnel expenses are contained in section 20 of the notes to the consolidated financial statements.

- b) As part of our audit, we obtained an understanding of the Company's process for determining the salary payments of the professional squad and the presentation of salaries in the consolidated financial statements. Our further audit procedures included, in particular, an inspection and assessment of the currently applicable employment contracts with their remuneration components and amounts by performing a consistency check between the respective employment contracts and the corresponding salary calculations for license players and months deliberately selected from a risk perspective. With regard to the variable compensation components, we tested the extent to which the contractually agreed conditions for the variable compensation components had been met for these selected contracts. In addition, we examined whether events occurred that should have led to higher expenses. With regard to agreed special or one-time payments, we examined whether they were recognized under personnel expenses for the correct period, irrespective of the date of payment.

Other Information

The executive directors and the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the non-financial group report pursuant to Sections 315b and 315c HGB, to which reference is made in the combined management report,
- the other parts of the sustainability report referred to in the combined management report,
- the consolidated corporate governance statement referred to in the combined management report,
- the executive directors' confirmation regarding the annual financial statements and the combined management report pursuant to Section 264 (2) sentence 3 and Section 289 (1) sentence 5 HGB and regarding the consolidated financial statements and the combined management report pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB,
- all other parts of the annual report, which are expected to be made available to us after the date of this auditor's report,
- but not the consolidated financial statements, not the audited content of the combined management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the statement according to Section 161 German Stock Corporation Act (AktG) concerning the German Corporate Governance Code, which is part of the consolidated corporate governance statement and to which reference is made in the combined management report. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value 5770645b56f2ba1cfb626840f3ba248c501519619de3f2f30a450f4faf63ca83, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the provided file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from 1 July 2022 to 30 June 2023 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the consolidated financial statements and of the combined management report contained in the provided file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our

responsibilities in this context are further described in the “Group Auditor’s Responsibilities for the Audit of the ESEF Documents” section. Our audit firm has applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the parent are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor’s Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable a XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited combined management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as Group auditor by the general meeting on 21 November 2022. We were engaged by the supervisory board on 21 November 2022. We have been the Group auditor of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund/Germany, without interruption since the financial year 2021/22.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER - USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is René Kadlubowski.

Düsseldorf/Germany, 21 August 2023

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed:
René Kadlubowski
Wirtschaftsprüfer
(German Public Auditor)

Signed:
Christian Renzelmann
Wirtschaftsprüfer
(German Public Auditor)

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the management report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Dortmund, 21 August 2023

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien

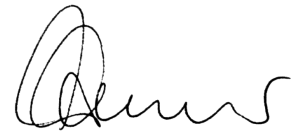
Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director



Carsten Cramer
Managing Director



ANNUAL FINANCIAL STATEMENTS

**Borussia Dortmund GmbH & Co.
Kommanditgesellschaft auf Aktien, Dortmund
for the 2022/2023 financial year**

ANNUAL FINANCIAL STATEMENTS

for the period from 1 July 2022 to 30 June 2023

BALANCE SHEET

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000	30/06/2023	30/06/2022
ASSETS		
A. FIXED ASSETS		
I. Intangible fixed assets		
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	170,547	148,106
2. Prepayments	105	300
	170,652	148,406
II. Tangible fixed assets		
1. Land, land rights and buildings including buildings on third-party land	164,574	161,056
2. Other equipment, operating and office equipment	14,072	12,308
3. Prepayments and assets under construction	6,809	548
	185,455	173,912
III. Long-term financial assets		
1. Shares in affiliated companies	12,052	12,052
2. Equity investments	157	417
3. Other loans	22	23
	12,231	12,492
	368,338	334,810
B. CURRENT ASSETS		
I. Inventories		
Merchandise	46	46
II. Receivables and other assets		
1. Trade receivables	125,515	98,749
2. Receivables from affiliated companies	4,412	2,521
3. Other assets	877	6,776
	130,804	108,046
III. Cash-in-hand, bank balances		
	4,572	10,452
	135,422	118,544
C. PREPAID EXPENSES		
	12,801	12,909
	516,561	466,263

ANNUAL FINANCIAL STATEMENTS for the financial year from 1 July 2022 to 30 June 2023

EUR '000	30/06/2023	30/06/2022
EQUITY AND LIABILITIES		
A. EQUITY		
I. SUBSCRIBED CAPITAL	110,396	110,396
less nominal value of treasury shares	-19	-19
Issued capital	110,377	110,377
II. Capital reserves	207,649	212,403
III. Revenue reserves		
1. Reserve for treasury shares	19	19
2. Other revenue reserves	0	147,662
	19	147,681
IV. Net accumulated losses	0	-161,517
	318,045	308,944
B. PROVISIONS		
1. Provisions for taxes	1,130	0
2. Other provisions	9,100	5,160
	10,230	5,160
C. LIABILITIES		
1. Liabilities to banks	21,900	0
2. Trade payables	105,233	96,984
3. Liabilities to affiliated companies	15,742	8,441
4. Other liabilities	22,910	27,536
of which from taxes: EUR 9,272 thousand (previous year: EUR 9,401 thousand)		
of which in relation to social security: EUR 43 thousand (previous year: EUR 46 thousand)		
	165,785	132,961
D. DEFERRED INCOME	22,501	19,198
	516,561	466,263

INCOME STATEMENT

of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000	2022/2023	2021/2022
1. Sales	460,983	419,646
2. Other operating income	5,288	21,173
	466,271	440,819
3. Personnel expenses		
a) Wages and salaries	-213,986	-213,835
b) Social security, post-employment and other employee benefit costs of which for post-employment: EUR 164 thousand (previous year: EUR 158 thousand)	-8,681	-5,853
	-222,667	-219,688
4. Amortisation and write-downs of intangible fixed assets and depreciation and write-downs of tangible fixed assets	-105,265	-107,303
5. Other operating expenses	-137,939	-153,782
6. Income from other long-term equity investments	0	81
7. Income from profit and loss transfer agreements - all of which from affiliated companies -	11,741	5,623
8. Other interest and similar income of which from compounding: EUR 651 thousand (previous year: EUR 294 thousand)	651	301
9. Interest and similar expenses of which from discounting: EUR 1,007 thousand (previous year: EUR 726 thousand)	-2,097	-1,050
10. Earnings before taxes	10,695	-34,999
11. Taxes on income	-1,230	38
12. Earnings after taxes	9,465	-34,961
13. Other taxes	-364	-415
14. Net income/net loss for the year	9,101	-35,376
15. Tax loss carryforward	-161,517	-126,141
16. Withdrawals from capital reserves	4,754	0
17. Withdrawals from other revenue reserves	147,662	0
18. Net retained profits/net accumulated losses	0	-161,517

NOTES

for the financial year from 1 July 2022 to 30 June 2023 of Borussia Dortmund GmbH & Co.
Kommanditgesellschaft auf Aktien, Dortmund

GENERAL DISCLOSURES TO THE ANNUAL FINANCIAL STATEMENTS

The annual financial statements of Borussia Dortmund GmbH & Co. KGaA for the financial year from 1 July 2022 to 30 June 2023 have been prepared in accordance with the requirements of the German Commercial Code (Handelsgesetzbuch, "HGB") and the particular accounting requirements of the German Stock Corporation Act (Aktiengesetz, "AktG"). Borussia Dortmund GmbH & Co. KGaA has its registered office at Rheinlanddamm 207 – 209, 44137 Dortmund, Germany, and is listed in the commercial register of the Local Court (Amtsgericht) of Dortmund under the number HRB 14217. There is an additional obligation in accordance with Article 4 Regulation (EU) No 1606/2002 to prepare consolidated financial statements applying international financial reporting standards (IFRS) as adopted by the EU.

The balance sheet classifications comply with the classification format under commercial law in accordance with § 266 HGB, while the income statement has in principle been prepared in the vertical format using the nature of expense method in accordance with § 275 HGB.

In some instances, the additional information to be provided in accordance with the statutory requirements is presented in the notes for reasons of clarity and accessibility.

The annual financial statements are presented in thousands of euros.

The general partner in Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien is Borussia Dortmund Geschäftsführungs-GmbH. The latter is responsible for the management and legal representation of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien. As a result of the fact that Ballspielverein Borussia 09 e.V. Dortmund (hereinafter "BV. Borussia 09 e.V. Dortmund") holds 100% of the shares in Borussia Dortmund Geschäftsführungs-GmbH and is therefore regarded indirectly as a controlling company, Borussia Dortmund GmbH & Co. KGaA qualifies as a dependent company within the meaning of § 17 AktG and accordingly is required to prepare a Dependent Company Report in accordance with § 312 AktG. This report must also contain the statutory concluding statement required in accordance with § 312 AktG which must be included in the management report.

ACCOUNTING POLICIES

Fixed assets

Intangible fixed assets are measured at cost less amortisation based on their expected useful lives or at the lower fair value. Player registrations reported in these financial statements are generally measured at cost, taking into account the decisions of the Federal Fiscal Court (Bundesfinanzhof, "BFH") of 26 August 1992 (I R 24/91) and of 14 December 2011 (I R 108/10), the FIFA regulations contained in FIFA circular no. 769 of 24 August 2001, which came into force on 21 September 2001, and DFL circular no. 52 of 20 March 2015, and are amortised on a straight-line basis in accordance with the term of the individual contracts for professional players. Write-downs may arise for assets measured at their lower fair value.

Tangible fixed assets are measured at cost less accumulated depreciation. Depreciation and amortisation are based on the economic useful lives of assets. Low-value fixed assets with a value up to EUR 1,000.00 are expensed directly upon initial measurement.

Long-term financial assets were measured at cost or the lower fair value in case of permanent impairment; they are not subject to amortisation.

Inventories

Inventories are measured at cost less any discounts, subject to the strict lower of cost or market principle.

Receivables and other assets

Current receivables and other assets are measured at their nominal amounts. Non-current receivables are discounted using a risk-free rate. A general valuation allowance is made for the overall credit and interest-rate risk while separate allowances are recognised for identifiable individual risks. Because transfer receivables must be measured in full on an item-by-item basis, general valuation allowances are not recognised for them.

Cash-in-hand and bank balances

Cash-in-hand and bank balances are recognised at their nominal amounts.

Prepaid expenses

Prepaid expenses are future expenses that have been paid prior to the reporting date. The amounts are reversed rateably over the terms/lives of the individual items.

Provisions

Provisions are recognised for all identifiable uncertain liabilities. They are carried at the settlement amounts deemed necessary as dictated by prudent business judgement.

Liabilities

Liabilities are recognised at the settlement amount.

Deferred taxes

Deferred tax assets and liabilities resulting from differences in the carrying amounts in the financial accounts and in the tax accounts – particularly with regard to player registrations – are netted against each other if certain conditions are met. Irrespective of their date of realisation, deferred tax assets were recognised on loss carryforwards in the amount of the excess deferred tax liabilities. As in the previous year, deferred taxes are measured using the average tax rate of 32.81%.

Deferred income

Deferred income is income that was received prior to the reporting date but that is not earned until after the reporting date. The amounts are reversed pro rata over the periods to which they relate or at a point in time.

Foreign currency translation

Bank balances and assets and liabilities denominated in foreign currency with a residual term of less than one year are translated at the mean spot rate on the balance sheet date.

NOTES TO THE BALANCE SHEET

Fixed assets

As at the balance sheet date, Borussia Dortmund's fixed assets break down as follows:

EUR '000	30/06/2023	30/06/2022
Intangible fixed assets	170,652	148,406
Tangible fixed assets	185,455	173,912
Long-term financial assets	12,231	12,492
	368,338	334,810

Intangible fixed assets

Intangible fixed assets amounted to EUR 170,652 thousand. These consist of purchased player registrations (EUR 169,897 thousand; previous year: EUR 147,350 thousand), as well as trademark rights, computer software and prepayments. The additions recognised in financial year 2022/2023 related to prepayments and player registrations, which were attributable primarily to the new signings of the players Karim Adeyemi, Sébastien Haller and Nico Schlotterbeck as well as subsequent costs. This was partly offset by amortisation and write-downs of EUR 94,659 thousand in the reporting period (previous year: EUR 96,705 thousand), which included EUR 1,762 thousand in write-downs of intangible fixed assets to their fair values (previous year: EUR 9,090 thousand).

The carrying amounts of the players Manuel Akanji, Erling Haaland, Ansgar Knauff and Steffen Tigges were derecognised after they were transferred.

Tangible fixed assets

Tangible fixed assets amounted to EUR 185,455 thousand as at 30 June 2023 (previous year: EUR 173,912 thousand). That figure included land and buildings amounting to EUR 164,574 thousand (previous year: EUR 161,056 thousand), of which EUR 116,347 thousand was attributable to the stadium building.

Tangible fixed assets also included EUR 14,072 thousand (previous year: EUR 12,308 thousand) in fixtures, operating and office equipment. These related primarily to SIGNAL IDUNA PARK and the Rheinlanddamm sports management offices.

Additions to tangible fixed assets amounted to EUR 21,928 thousand in the past financial year, EUR 20,025 thousand more than capital expenditures in the previous year. The additions include primarily the repurchase of significant portions of the training ground in Dortmund-Brackel that had previously been leased, the expansion of the infrastructure, and the operating and office equipment in and around SIGNAL IDUNA PARK. In particular, construction started on the catering annex during the financial year.

Long-term financial assets

Long-term financial assets include the 100% shareholdings in BVB Stadionmanagement GmbH, BVB Merchandising GmbH, BVB Event & Catering GmbH, besttravel dortmund GmbH, BVB Fußballakademie GmbH and BVB Asia Pacific Pte. Ltd., as well as the 33.33% shareholding in Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH.

Please refer to the list of shareholdings for more information.

Long-term financial assets also include loans to employees and minority interests.

The Company has entered into a profit and loss transfer agreement with its subsidiaries BVB Merchandising GmbH, BVB Stadionmanagement GmbH, BVB Fußballakademie GmbH and besttravel dortmund GmbH.

The development of gross fixed assets and of accumulated depreciation and amortisation for the individual items of fixed assets are shown in the following analysis pursuant to § 284 (3) HGB:

FIXED ASSETS
of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

EUR '000	Change in cost				As at 30/06/2023
	As at 30/06/2022	Additions	Reclassification	Disposals	
I. Intangible fixed assets					
1. Purchased concessions, industrial and similar rights and assets, and licences in such rights and assets	406,677	136,871	300	109,600	434,248
2. Prepayments	300	105	-300	0	105
	406,977	136,976	0	109,600	434,353
II. Tangible fixed assets					
1. Land, land rights and buildings including buildings on third-party land	224,276	9,285	843		234,405
2. Other equipment, operating and office equipment	51,419	3,755	1,784	145	56,814
3. Prepayments and assets under construction	548	8,888	-2,627		6,809
	276,243	21,928	0	145	298,028
III. Long-term financial assets					
1. Shares in affiliated companies	12,052				12,052
2. Equity investments	417				417
3. Other loans	23	6		8	22
	12,492	6	0	8	12,491
	695,712	158,910	0	109,753	744,872

ANNUAL FINANCIAL STATEMENTS for the financial year from 1 July 2022 to 30 June 2023

Change in depreciation, amortisation and write-downs					Carrying amounts		
As at 30/06/2022	Additions	Write-downs	Disposals	As at 30/06/2023	As at 30/06/2023	As at 30/06/2022	
258,571	92,897	1,762	89,529	263,701	170,547	148,106	
0	0	0	0	0	105	300	
258,571	92,897	1,762	89,529	263,701	170,652	148,406	
63,220	6,610			69,831	164,574	161,056	
39,111	3,736		106	42,742	14,072	12,308	
0	0	0	0	0	6,809	548	
102,331	10,346	0	106	112,573	185,455	173,912	
0	0	0	0	0	12,052	12,052	
0	0	260	0	260	157	417	
0	0	0	0	0	22	23	
0	0	260	0	260	12,231	12,492	
360,902	103,243	2,022	89,635	376,534	368,338	334,810	

Current assets

Current assets are made up as follows:

EUR '000	30/06/2023	30/06/2022
Inventories	46	46
Trade receivables	125,515	98,749
Receivables from affiliated companies	4,412	2,521
Other assets	877	6,776
Cash-in-hand, bank balances	4,572	10,452
	135,422	118,544

Inventories represent the material value of decorative shares in the form of printed physical share certificates.

Trade receivables includes transfer receivables amounting to EUR 110,972 thousand (previous year: EUR 89,952 thousand). The increase is due in particular to transfer receivables not yet due in connection with the transfers of Erling Haaland and Manuel Akanji to Manchester City.

Trade receivables with a term of more than one year amounted to EUR 92,959 thousand (previous year: EUR 62,459 thousand). These include primarily transfer receivables.

The other assets mainly include insurance reimbursement claims. In the previous year, this item included primarily subsidies already accounted for and insurance reimbursement claims.

No bank balances have been pledged as security for loans.

Prepaid expenses

Prepaid expenses amounted to EUR 12,801 thousand (previous year: EUR 12,909 thousand) and consisted primarily of prepaid personnel expenses amounting to EUR 4,445 thousand (previous year: EUR 7,700 thousand) and other services amounting to EUR 6,486 thousand (previous year: EUR 4,357 thousand).

Equity

EUR '000	30/06/2023	30/06/2022
Issued capital	110,377	110,377
Capital reserves	207,649	212,403
Revenue reserves	19	147,681
Net accumulated losses	0	-161,517
	318,045	308,944

As at 30 June 2023, the Company's subscribed capital amounted to EUR 110,396 thousand and was divided into 110,396,000 no-par value shares, each representing a notional share in the share capital of EUR 1.00, less the notional value of treasury shares of EUR 19 thousand. Equity contains a presentation of treasury shares in which the nominal amount of the treasury shares is deducted from equity under subscribed capital on the face of the balance sheet. Furthermore, a reserve for treasury shares in the same amount is also presented.

ANNUAL FINANCIAL STATEMENTS for the financial year from 1 July 2022 to 30 June 2023

The capital reserve decreased by EUR 4,754 thousand as a result of the withdrawal to offset the net accumulated losses brought forward and amounted to EUR 207,649 thousand as at the balance sheet date.

After the other revenue reserves amounting to EUR 147,662 thousand were offset in full against the net accumulated losses brought forward, the revenue reserves consist exclusively of the reserves for treasury shares amounting to EUR 19 thousand.

Changes in equity were as follows:

Changes in equity

EUR '000	30/06/2022	Additions/ withdrawals	Dividend	Net income for the year	30/06/2023
Issued capital	110,377	0	0	0	110,377
Capital reserves	212,403	-4,754	0	0	207,649
Reserve for treasury shares	19	0	0	0	19
Other revenue reserves	147,662	-147,662	0	0	0
Net accumulated losses	-161,517	152,416	0	9,101	0
	308,944	0	0	9,101	318,045

The general partner was authorised by the Annual General Meeting on 2 December 2021 to increase the share capital on or before 1 December 2026 by issuing up to 22,079,244 new shares. The new Authorised Capital 2021 may only be used for cash capital increases.

Further disclosures required in accordance with § 160 AktG are given in the following overview:

	Transactions in own/treasury shares	Total treasury shares	Total share capital EUR	Share in total capital in %	Selling price EUR
07/2022 – 12/2022	0				0.00
As at 31/12/2022		18,900	18,900.00	0.017	
01/2023 – 06/2023	0				0.00
As at 30/06/2023		18,900	18,900.00	0.017	

Provisions

EUR '000	30/06/2023	30/06/2022
Provisions for taxes	1,130	0
Other provisions	9,100	5,160
	10,230	5,160

As at the balance sheet date, tax provisions amounted to EUR 1,130 thousand, after EUR 0 thousand was recognised in the previous year due to the fact that a net loss had been reported for the year.

The other provisions amounted to EUR 9,100 thousand as at the balance sheet date (previous year: EUR 5,160 thousand) and consisted mainly of provisions for outstanding invoices of EUR 6,739 thousand (previous year: EUR 3,064 thousand) and for staff-related obligations of EUR 1,594 thousand (previous year: EUR 1,518 thousand).

Liabilities

The maturities and security granted in respect of liabilities reported at 30 June 2023 are shown in the following overview:

EUR '000	Total 30/06/2023	of which with a residual term of		
		less than 1 year	1 – 5 years	more than 5 years
Liabilities to banks	21,900	13,074	5,191	3,635
Trade payables	105,233	67,532	37,701	0
Liabilities to affiliated companies	15,742	15,742	0	0
Other liabilities	22,910	20,882	261	1,767
of which from taxes EUR 9,272 thousand (previous year: EUR 9,401 thousand)				
of which social security EUR 43 thousand (previous year: EUR 46 thousand)				
	165,785	117,230	43,153	5,402

EUR '000	Total 30/06/2022	of which with a residual term of		
		less than 1 year	1 – 5 years	more than 5 years
Liabilities to banks	0	0	0	0
Trade payables	96,984	67,430	29,554	0
Liabilities to affiliated companies	8,441	8,441	0	0
Other liabilities	27,536	25,680	193	1,663
of which from taxes EUR 9,401 thousand (previous year: EUR 6,898 thousand)				
of which social security EUR 46 thousand (previous year: EUR 38 thousand)				
	132,961	101,551	29,747	1,663

ANNUAL FINANCIAL STATEMENTS for the financial year from 1 July 2022 to 30 June 2023

In order to finance investments in intangible fixed assets, loans amounting to EUR 22,000 thousand were taken out, of which EUR 11,103 thousand had been drawn down as at the balance sheet date. An additional EUR 75,000 thousand in overdraft facilities were also available as at 30 June 2023, of which EUR 10,797 thousand had been drawn down as at the balance sheet date. This is secured against EUR 31,400 thousand in sponsorship income and a EUR 60,000 thousand registered land charge in relation to the property located at Strobelallee 50, 54, 44139 Dortmund ("Stadium plot of land"). For the coming financial year, Borussia Dortmund's overdraft facility will amount to EUR 75,000 thousand.

Trade payables amounted to EUR 105,233 thousand (previous year: EUR 96,984 thousand), and included transfer payables of EUR 96,066 thousand (previous year: EUR 87,111 thousand). Trade payables with a residual term of more than one year amounted to EUR 37,701 thousand (previous year: EUR 29,554 thousand).

Other liabilities consisted mainly of wage and value added tax not yet due, fees received on behalf of third parties, and staff-related liabilities not yet due.

They also include liabilities to the general partner amounting to EUR 5,294 thousand (previous year: EUR 3,850 thousand).

Deferred income

The increase in deferred income from EUR 19,198 thousand as at 30 June 2022 to EUR 22,501 thousand as at the balance sheet date was due primarily to proceeds from season ticket sales. Deferred income also included proceeds from leasing SIGNAL IDUNA PARK in connection with the UEFA EURO 2024 and proceeds from the tour of the United States in summer 2023. The amounts are reversed pro rata over the periods to which they relate or at a point in time.

Other financial obligations

As at the balance sheet date, there were financial obligations including rental, leasing, hereditary lease, licensing and loss assumption obligations resulting from inter-company agreements. The classification by maturity is shown in the following table:

EUR '000	Total 30/06/2023	of which with a residual term of		
		less than 1 year	1 – 5 years	more than 5 years
Marketing fees	79,358	6,740	47,593	25,025
Rental and leasing	5,395	851	3,124	1,420
Other financial obligations	5,887	2,241	3,499	147
	90,640	9,832	54,216	26,592
Purchase commitments	8,956	6,706	2,250	0

Furthermore, there are contingent liabilities from guarantees related to BVB Merchandising GmbH (EUR 288 thousand) and to besttravel dortmund GmbH (EUR 330 thousand). Based on past experience, it is unlikely that claims on these guarantees will be asserted.

In addition, a total of EUR 58,040 thousand in variable payment obligations under existing agreements with conditions precedent were reported as at 30 June 2023, of which EUR 23,387 thousand had a residual term of less than one year.

NOTES TO THE INCOME STATEMENT

Sales

	2022/2023 EUR '000	2021/2022 EUR '000	2022/2023 in %	2021/2022 in %
Match operations	43,524	22,655	9.44	5.40
Advertising	142,305	126,157	30.87	30.06
TV marketing	157,507	145,070	34.17	34.57
Transfer deals	99,072	110,201	21.49	26.26
Conference, catering, miscellaneous	18,575	15,563	4.03	3.71
	460,983	419,646	100.00	100.00

Borussia Dortmund's sales rose by EUR 41,337 thousand from EUR 419,646 thousand to EUR 460,983 thousand in the 2022/2023 financial year and break down as follows:

Income from match operations increased by EUR 20,869 thousand from EUR 22,655 thousand to EUR 43,524 thousand in financial year 2022/2023. This is due to the fact that Borussia Dortmund's home matches at SIGNAL IDUNA PARK had been virtually sold out for the entirety of the season. In the previous year, the statutory pandemic-related restrictions in place meant that only an average of approximately 38,000 spectators were in attendance at SIGNAL IDUNA PARK at the home matches.

Borussia Dortmund generated advertising income of EUR 142,305 thousand in the past financial year (previous year: EUR 126,157 thousand), corresponding to growth of 12.80% and a 30.87% share of total sales.

The strategic partnerships with the two primary sponsors Evonik Industries AG and 1&1 Telecommunication SE as well as with the equipment supplier, PUMA SE, remain the foundation for sponsorship income. Income from advertising in this financial year was once again primarily generated with the holder of the stadium's naming rights, SIGNAL IDUNA (long-term partnership until 30 June 2031), General Logistics Systems Germany GmbH & Co. OHG (GLS) and eight further Champion Partners.

Advertising income rose in particular due to the year-on-year increase in income from Champion Partners, Premium Partners and Partners on the basis of new partnerships entered into in the past financial year. Income from kit and equipment sponsorship deals also increased.

Furthermore, advertising income includes bonuses for sporting success, in particular the second-place Bundesliga finish, which directly qualified the team for the group stage of the UEFA Champions League in the 2023/2024 season, and for advancing to the round of 16 of the UEFA Champions League in the 2022/2023 season. Accordingly, advertising income increased year on year.

In financial year 2022/2023, income from TV marketing once again represented the highest share of sales (34.17%) and increased by EUR 12,437 thousand year on year to EUR 157,507 thousand. The increase is due in particular to international TV marketing income.

Income from domestic TV marketing amounted to EUR 79,900 thousand (previous year: EUR 78,503 thousand), up EUR 1,397 thousand against the prior-year reporting period. The 2022/2023 season was the second covered by the media rights allocated by the German Football League (DFL Deutsche Fußball Liga GmbH) for seasons from 2021/2022 to 2024/2025, under which income averaging EUR 1.1 billion (total of EUR 4.4 billion) was generated for the clubs, with the distributions increasing with each passing season. While Borussia Dortmund's share of the income generated from the sale of the German-language media rights increased in the 2022/2023 season, the income from the DFL Deutsche Fußball Liga GmbH's international TV marketing distributions decreased. Therefore, a slight overall year-on-year increase was reported.

Income from international TV marketing for competing in the UEFA Champions League amounted to EUR 74,468 thousand in the past financial year (previous year: EUR 62,741 thousand). The year-on-year increase of EUR 11,727 thousand is due primarily to the team reaching the round of 16 of the UEFA Champions League. In the previous year, Borussia Dortmund did not make it past the knockout round play-offs of the UEFA Europa League.

Borussia Dortmund's run in this season's DFB Cup ended in the quarter-finals. In the previous year, the team was eliminated from the competition in the round of 16. Due to lower total distributions, income from the national cup competition amounted to EUR 3,139 thousand (previous year: EUR 3,790 thousand).

Income from transfer deals declined by EUR 11,129 thousand to EUR 99,072 thousand (previous year: EUR 110,201 thousand) This includes primarily transfer proceeds from the departures of the players Erling Haaland and Manuel Akanji (Manchester City), Steffen Tigges (1. FC Cologne), Ansgar Knauff (Eintracht Frankfurt) and Bradley Fink (FC Basel) as well as subsequent transfer proceeds. The prior-year figure included transfer proceeds from the departures of the players Jadon Sancho (Manchester United), Leonardo Balerdi (Olympique Marseille), Thomas Delaney (Sevilla FC), Sergio Gómez (SD Huesca), Jeremy Toljan (U.S. Sassuolo), Chris Führich (SC Paderborn) and Tobias Raschl (Spielvereinigung Greuther Fürth) as well as income from subsequent transfer deals.

Conference, catering and miscellaneous income increased by EUR 3,012 thousand to EUR 18,575 thousand (previous year: EUR 15,563 thousand) This growth is due primarily to higher income from hospitality catering, external events and advance booking fees due to the fact that all pandemic-related restrictions for events were lifted during the financial year. Release fees for national team players increased, amounting to EUR 5,754 thousand in the reporting period (previous year: EUR 4,694 thousand).

Other operating income

Other operating income decreased by EUR 15,885 thousand year on year to EUR 5,288 thousand. In the current reporting period, this primarily includes gains from the reversal of valuation allowances, gains on the reversal of provisions and gains from reimbursement for granting contractual marketing rights. The decrease is due primarily to the fact that, in contrast to this financial year, subsidies awarded in the previous year were received. The share of prior-period income in other operating income amounted to EUR 2,796 thousand (previous year: EUR 11,948 thousand).

Personnel expenses

In financial year 2022/2023, personnel expenses amounted to EUR 222,667 thousand (previous year: EUR 219,688 thousand).

Personnel expenses for the professional squad increased moderately by 2.23% year on year to EUR 185,066 thousand in financial year 2022/2023 (previous year: EUR 181,021 thousand). The base salary rose by EUR 8,482 thousand to EUR 129,148 thousand. Performance-based bonuses of EUR 25,449 thousand were paid out to the professional squad in financial year 2022/2023 (previous year: EUR 22,222 thousand) as a result of the successful second-place finish in the Bundesliga (71 points) and thereby for qualifying directly for the group stage of the UEFA Champions League in the 2023/2024 season, reaching the round of 16 of the UEFA Champions League and the quarter-finals of the DFB Cup in the 2022/2023 season.

In the reporting period, personnel expenses related to the retail and administration areas decreased by EUR 614 thousand year on year to EUR 22,797 thousand.

Personnel expenses in relation to amateur and youth football amounted to EUR 14,804 thousand during the 2022/2023 financial year (previous year: EUR 15,256 thousand).

EUR '000	2022/2023	2021/2022
Match operations	185,066	181,021
Retail and administration	22,797	23,411
Amateur and youth football	14,804	15,256
	222,667	219,688

Other operating expenses

EUR '000	2022/2023	2021/2022
Match operations	55,071	45,979
Advertising	12,554	13,325
Transfer deals	25,150	48,483
Retail	2,016	2,207
Administration	35,904	32,939
Other	7,244	10,849
	137,939	153,782

Other operating expenses decreased by EUR 15,843 thousand or approximately 10.30%, from EUR 153,782 thousand in the previous year to EUR 137,939 thousand in the reporting period. This was attributable primarily to the decline in transfer expenses.

Transfer expenses decreased by EUR 23,333 thousand to EUR 25,150 thousand (previous year: EUR 48,483 thousand) This is due primarily to significantly lower expenses directly related to a transfer deal, while player registrations were derecognised to the prior-year level. In the previous year, the carrying amounts of the players Leonardo Balerdi, Thomas Delaney, Jadon Sancho, Jeremy Toljan and Sergio Gómez in particular were derecognised. In this financial year, it was primarily the carrying amounts of the players Erling Haaland and Manuel Akanji that were derecognised.

Expenses from match operations increased by EUR 9,092 thousand to EUR 55,071 thousand (previous year: EUR 45,979 thousand). This is attributable primarily to the higher catering and match day expenses in comparison with the previous year, when only an average of roughly 38,000 spectators could attend home matches, whereas the lifting of COVID-19 restrictions in this season meant that all home matches were once again virtually sold out.

Despite higher advertising income, Borussia Dortmund KGaA's advertising expenses, which include agency commissions payable to marketing firm SPORTFIVE Germany GmbH, declined by EUR 771 thousand to EUR 12,554 thousand.

Administrative expenses increased during the financial year ended by EUR 2,965 thousand to EUR 35,904 thousand. This is due primarily to higher travel and entertainment expenses as a result of increased travel activities, in particular in connection with the senior team's tour of Asia in winter 2022, as well as higher insurance expenses and energy costs. Unlike in the previous year, the costs of the capital increase were not recognised.

Other expenses decreased by EUR 3,605 thousand to EUR 7,244 thousand. This is due primarily to lower losses from the disposal of intangible fixed assets.

The share of prior-period expenses in other operating expenses amounted to EUR 12 thousand (previous year: EUR 89 thousand).

Financial result

The financial result for financial year 2022/2023 amounted to EUR 10,295 thousand (previous year: EUR 4,955 thousand) and breaks down as follows:

Income and expenses from profit and loss transfer agreements

EUR '000	Net profit/loss 01/07/2022 to 30/06/2023	Net profit/loss 01/07/2021 to 30/06/2022
BVB Stadionmanagement GmbH	50	92
besttravel dortmund GmbH	1,102	308
BVB Merchandising GmbH	4,495	2,230
BVB Event & Catering GmbH	4,165	2,011
BVB Fußballakademie GmbH	1,929	982
	11,741	5,623

Furthermore, interest income of EUR 651 thousand was recognised and related primarily to compounding in connection with transfer deals.

Interest expenses amounted to EUR 2,097 thousand and comprised financing charges of EUR 1,090 thousand and discounting effects of EUR 1,007 thousand.

Investment income amounted to EUR 0 thousand (previous year: EUR 81 thousand).

Taxes on income

A tax expense of EUR 1,230 thousand (previous year: EUR 38 thousand in tax income) was reported under taxes on income.

OTHER DISCLOSURES

Corporate Governance

The management and Supervisory Board of Borussia Dortmund GmbH & Co. KGaA issued the Declaration of Conformity with the German Corporate Governance Code required by § 161 of the German Stock Corporation Act (Aktiengesetz, "AktG") on 26 July 2023 and made it permanently available to shareholders on the website at <https://aktie.bvb.de/eng/Corporate-Governance/Statement-of-Compliance>.

General partner

The general partner is Borussia Dortmund Geschäftsführungs-GmbH, whose registered office is in Dortmund and which does not have an interest in the Company's share capital. Its share capital amounts to EUR 30 thousand. Borussia Dortmund Geschäftsführungs-GmbH is exempt from the restrictions contained in § 181 of the German Civil Code (Bürgerliches Gesetzbuch, "BGB") and is listed in the commercial register of the Local Court of Dortmund, HRB No. 14206. The managing directors of this company are Hans-Joachim Watzke (Chairman), Thomas Treß (each of whom has sole power of representation) and Carsten Cramer (joint power of representation).

The management remuneration is as follows:

Management remuneration

EUR '000	2022/2023	2021/2022
Dipl.-Kfm. Hans-Joachim Watzke (Chairman)		
Fixed components		
Fixed remuneration	2,400	2,200
Other remuneration	40	42
Dipl.-Kfm. Thomas Treß		
Fixed components		
Fixed remuneration	1,068	952
Other remuneration	57	33
Carsten Cramer		
Fixed components		
Fixed remuneration	1,068	970
Other remuneration	30	31
Performance-based remuneration	1,299	0
Total remuneration	5,962	4,228

BORUSSIA DORTMUND

GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

The names of the members of the Company's Supervisory Board in the 2022/2023 financial year, their right to remuneration, their occupations and their further responsibilities on other management bodies are listed below:

SUPERVISORY BOARD of Borussia Dortmund GmbH & Co. KGaA

Christian Kullmann	Ulrich Leitemann	Bernd Geske	Judith Dommermuth	Bjørn Gulden
Chairman of the Supervisory Board	Deputy Chairman of the Supervisory Board			(until 31 December 2022)

FULL REMUNERATION PAYABLE FOR 2021/2022 (EUR '000)

48	42	24	24	12
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OCCUPATIONS (as at 30 June 2023)

Chairman of the Executive Board of Evonik Industries AG, Essen	Chairman of the Managing Boards of group parent companies of the SIGNAL IDUNA Group (SIGNAL Krankenversicherung a.G., Dortmund; SIGNAL IDUNA Lebensversicherung a.G., Hamburg; SIGNAL IDUNA Unfallversicherung a.G., Dortmund), SIGNAL IDUNA Allgemeine Versicherung Aktiengesellschaft, Dortmund, and SIGNAL IDUNA Holding Aktiengesellschaft, Dortmund	Managing partner of Bernd Geske Lean Communication, Meerbusch	Managing partner of JUVIA Verwaltungs GmbH, Cologne	Chief Executive Officer of PUMA SE, Herzogenaurach (until 31 December 2022)
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OTHER FUNCTIONS *

	Member and Chairman of the Supervisory Board of Dortmunder Volksbank eG, Dortmund			Chairman of the Board Salling Group A/S, Braband, Denmark
	Member and Chairman of the Supervisory Board of Sana Kliniken AG, Ismaning			Member of the Supervisory Board of Tchibo GmbH, Hamburg
				Board member at Essity (Aktiebolag), Stockholm, Sweden

* on statutory supervisory boards and comparable German or foreign supervisory bodies of commercial enterprises (as at 30 June 2023)

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Dr Reinhold Lunow	Silke Seidel	Bodo Löttgen	Prof Dr Bernhard Pellens	Matthias Bäumer <small>(since 8 March 2023)</small>
24	30	24	36	8
Medical Director of Praxisklinik Bornheim, Bornheim	Senior Executive at Dortmunder Stadtwerke AG and Managing Director of Hohenbuschei Beteiligungsgesellschaft mbH, Westfalentor 1 GmbH and Dortmund Logistik GmbH, all in Dortmund	Member of the North Rhine-Westphalia Landtag Detective chief inspector (Kriminalhauptkommissar) (ret.), public administration graduate	Professor of International Corporate Accounting at Ruhr University Bochum, Academic Director of the Institute of Management (ifu) at Ruhr University Bochum and Honorary Professor at Tongji University in Shanghai, China	General Manager BU Teamsport, PUMA SE, Herzogenaurach
Member and Chairman since 20 November 2022 of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund	Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund (since 20 November 2022)		Member of the Supervisory Board of LVM Landwirtschaftlicher Versicherungsverein Münster a. G. in Münster (non-listed company) Member of the Supervisory Board of LVM Krankenversicherungs-AG in Münster (non-listed company) Member of the Supervisory Board of LVM Lebensversicherungs-AG in Münster (non-listed company) (since 1 May 2023)	

The Audit Committee, which was formed in financial year 2021/2022 and whose members are Prof. Bernhard Pellens (Chairman), Mr Ulrich Leitermann (Deputy Chairman) and Ms Silke Seidel, met four times in financial year 2022/2023.

Employees

The average number of employees during the year was 519 (previous year: 475):

Average number of salaried employees	2022/2023	2021/2022
Athletics department	210	195
Trainees	7	5
Other	302	275
	519	475

List of shareholdings

The following table gives summarised information relating to companies in which the Company has a shareholding of more than 20%:

Shareholdings (30 June 2023)

	Registered office	Share capital (EUR '000)	Shareholding %	Equity (EUR '000) as at 30/06/2023	Net profit/loss (EUR '000) 01/07/2022 to 30/06/2023
Shares in affiliated companies					
BVB Stadionmanagement GmbH*	Dortmund	52	100.00	66	50
besttravel dortmund GmbH*	Dortmund	50	100.00	144	1,102
BVB Merchandising GmbH*	Dortmund	75	100.00	10,881	4,495
BVB Event & Catering GmbH*	Dortmund	25	100.00	25	4,165
BVB Asia Pacific Pte. Ltd.	Singapore	66	100.00	304	50
BVB Fußballakademie GmbH*	Dortmund	50	100.00	456	1,929
Equity investments					
Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH**	Dortmund	52	33.33	1,005	15

* Profit and loss transfer agreements are in force. Profit/loss of the Company under HGB prior to transfer to/absorption by the consolidated tax group parent.

** Profit/loss of Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH for financial year 2022 and equity as at 31 December 2022.

The affiliated companies are fully included in the consolidated financial statements; Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH is accounted for using the equity method. The consolidated financial statements are published in the electronic Federal Gazette.

Related-party disclosures

The general partner in Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien is Borussia Dortmund Geschäftsführungs-GmbH. The latter is responsible for the management and legal representation of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien. The power to appoint and remove members of staff thus rests with BV. Borussia 09 e.V., Dortmund, in its capacity as the sole shareholder in Borussia Dortmund Geschäftsführungs-GmbH. Both Borussia Dortmund Geschäftsführungs-GmbH and BV. Borussia 09 e.V. Dortmund, as well as all companies associated therewith hence are deemed to be related parties.

Auditors' fee

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, audited the annual and consolidated financial statements of Borussia Dortmund GmbH & Co. KGaA and conducted further statutory and voluntary audits at subsidiaries. The auditors reviewed the half-yearly financial report as at 31 December 2022 and carried out mandatory audits and reviews as part of the DFL licensing procedure pursuant to the DFL licensing regulations. The auditors were also tasked with conducting a limited assurance engagement on the separate non-financial Group report. For details of the auditors' fees, please see the notes to the consolidated financial statements. The disclosures are not made in this report due to the exemption under § 285 no. 17 HGB for entities preparing consolidated financial statements.

Notifiable shareholdings

(under § 160 (1) no. 8 AktG in conjunction with § 33 (1) and (2) WpHG)

We received no notices of shareholdings in accordance with § 33 of the German Securities Trading Act (Wertpapierhandelsgesetz, "WpHG") in financial year 2022/2023. Consequently, the following shareholdings existed, of which our Company was last notified in financial year 2021/2022 pursuant to § 33 (1) WpHG and which we published with the following content pursuant to § 40 (1) WpHG:

Mr Ralph Dommermuth notified us on 3 March 2022 that his voting interest in Borussia Dortmund GmbH & Co. KGaA amounted to 5.03% on 2 March 2022 (5,550,000 voting rights/shares) and that all of these voting rights were attributable to him (Mr Ralph Dommermuth) pursuant to § 34 WpHG via Ralph Dommermuth Beteiligungen GmbH, and furthermore that the chain of subsidiaries is as follows, beginning with the ultimate controlling person or entity:

- Ralph Dommermuth
- Ralph Dommermuth Verwaltungs GmbH
- Ralph Dommermuth GmbH & Co. KG Beteiligungsgesellschaft
- Ralph Dommermuth Beteiligungen GmbH with a voting interest of 5.03%

Lansdowne European Absolute Opportunities Fund Limited, George Town, Grand Cayman, Cayman Islands, notified us on 1 March 2022 that its voting interest in Borussia Dortmund GmbH & Co. KGaA amounted to 2.98% on 23 February 2022 (3,294,053 shares) and that all of these voting rights were attributable to Lansdowne European Absolute Opportunities Fund Limited pursuant to § 34 WpHG, and furthermore that the chain of subsidiaries is as follows, beginning with the ultimate controlling person or entity:

- Lansdowne European Absolute Opportunities Fund Limited
- Lansdowne European Absolute Opportunities Master Fund Limited

Lansdowne Partners International Ltd., George Town, Grand Cayman, Cayman Islands, notified us on 1 March 2022 that its voting interest in Borussia Dortmund GmbH & Co. KGaA amounted to 2.98% on 23 February 2022 (3,294,053 shares) and that all of these voting rights were attributable to Lansdowne Partners International Ltd. pursuant to § 34 WpHG, and furthermore that the chain of subsidiaries is as follows, beginning with the ultimate controlling person or entity:

- Lansdowne Partners International Ltd.
- Lansdowne Partners Limited
- Lansdowne Partners (UK) LLP
- Lansdowne Partners International Limited
- Lansdowne General Partner I Limited
- Lansdowne European Absolute Opportunities Fund LP

PUMA SE, Herzogenaurach, Germany, notified us on 11 October 2021, that its share of voting rights in Borussia Dortmund GmbH & Co. KGaA amounted to 5.32% on 8 October 2021 (5,876,495 voting rights or shares) and that all of their voting rights were held directly by PUMA SE in accordance with § 33 WpHG.

Shareholdings by members of governing bodies

As at 30 June 2023, one member of management held 11,695 no-par value shares in the Company. As at the same date, the members of the Supervisory Board held a total of 9,092,009 no-par value shares. As at 30 June 2023, members of management and the Supervisory Board held a total of 9,103,704 no-par value shares, which corresponds to more than 1% of the shares issued by Borussia Dortmund GmbH & Co. KGaA.

Expected dividends

In light of the losses incurred during the COVID-19 pandemic, the management does not intend to propose to the Annual General Meeting any dividend distribution for financial year 2022/2023. In financial year 2022/2023, Borussia Dortmund offset Borussia Dortmund GmbH & Co. KGaA's loss carryforwards/net accumulated losses against the revenue/capital reserves so that it can legally once again pay its shareholders a dividend in future financial years, provided it generates the necessary net profits.

REPORT ON POST-BALANCE SHEET DATE EVENTS

Capital expenditure

In early July 2023, Borussia Dortmund announced the signing of Germany international Felix Nmecha from VfL Wolfsburg. The midfielder signed a contract that runs until 30 June 2028. In addition, Borussia Dortmund signed Austria international Marcel Sabitzer from FC Bayern Munich. The versatile midfielder's contract runs until 30 June 2027.

Transfer deals

In July 2023, the contract between Borussia Dortmund and Nico Schulz was terminated early.

Match operations

In the first round of the DFB Cup, Borussia Dortmund beat fourth-division side TSV Schott Mainz to advance to the second round.

Other

Borussia Dortmund GmbH & Co. KGaA's shares were once again listed in the SDAX with effect from 25 July 2023, after having already been traded there between 2014 and 2021. The SDAX is a performance index that includes the 70 largest companies in the MDAX.

Between 24 July and 3 August, Borussia Dortmund spent a part of its pre-season in the USA. Friendly matches were played against San Diego Loyal (6:0 in San Diego), Manchester United (3:2 in Las Vegas) and Chelsea FC (1:1 in Chicago).

The team agreed to an early renewal of Germany international Emre Can's contract until 30 June 2026.

Dortmund, 21 August 2023

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien

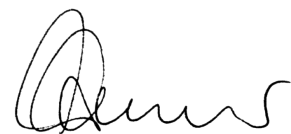
Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director



Carsten Cramer
Managing Director

INDEPENDENT AUDITOR'S REPORT

To Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien,
Dortmund/Germany

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Audit Opinions

We have audited the annual financial statements of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund/Germany, which comprise the balance sheet as at 30 June 2023, and the income statement for the financial year from 1 July 2022 to 30 June 2023, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the combined management report for the parent and the group of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund/Germany, for the financial year from 1 July 2022 to 30 June 2023. In accordance with the German legal requirements, we have not audited the content of the corporate governance statement and the sustainability report referred to in the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 30 June 2023 and of its financial performance for the financial year from 1 July 2022 to 30 June 2023 in compliance with German Legally Required Accounting Principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the corporate governance statement and the sustainability report referred to in the combined management report.

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 July 2022 to 30 June 2023. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the key audit matters we have determined in the course of our audit:

1. measurement of player registrations and complete recognition of liabilities from transfers,
2. existence and accuracy of transfer receivables and determination of results from these transfers, and
3. completeness and accuracy of personnel expenses of the professional squad.

Our presentation of these key audit matters has been structured as follows:

- a) description (including reference to corresponding information in the annual financial statements)
- b) auditor's response

1. Measurement of Player Registrations and Complete Recognition of Liabilities from Transfers

- a) In the annual financial statements of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund/Germany, (hereinafter: Borussia Dortmund), player registrations in the amount of mEUR 169.9 (33.0% of balance sheet total) are disclosed under intangible fixed assets as of 30 June 2023. In the past financial year, player registrations increased by mEUR 22.5 due to additions of mEUR 136.9, disposals of mEUR 20.1, reclassifications of mEUR 0.3 and amortizations of mEUR 94.6. Trade payables include liabilities from transfers in the amount of mEUR 96.1. The determination of the acquisition costs of the player registrations is based on individual and complex transfer agreements between the selling club and Borussia Dortmund as well as contracts concluded with player agents in this context.

In our view, the accounting of player registrations is of particular importance for our audit, as the individuality and complexity of the contractual clauses give rise to the risk that the valuation upon initial recognition of the respective player registration and the recognition of the associated transfer liability may not be in the correct amount. In addition, there is a general risk that the subsequent measurement of player registrations and the associated full recognition of the transfer liability may not be appropriate, which may result from the occurrence of contingent contractual provisions or contractual adjustments.

The disclosures of the executive directors regarding intangible fixed assets and trade payables are included in the sections Intangible Fixed Assets and Liabilities of the notes to the financial statements.

- b) As part of our audit, we first obtained an understanding of the process established by the executive directors for determining player registrations and transfer liabilities and their accounting. For the additions of player registrations during the financial year, we assessed the accounting of the player registrations with regard to the determination of the acquisition costs and the associated liabilities on the basis of inspections of the material transfer and agent agreements.

As part of the subsequent measurement, we assessed whether conditions had arisen in the financial year 2022/23 for the material transfer and agent agreements that led to subsequent acquisition costs and additional liabilities from transfer transactions, and whether these were recognized in the balance sheet accordingly.

In addition, we examined the material contract adjustments or contract extensions for subsequent acquisition costs and additional liabilities and the need for useful life adjustments.

2. Existence and Accuracy of Transfer Receivables and Determination of Results from these Transfers

- a) Transfer receivables in the amount of mEUR 111.0 are reported under trade receivables in Borussia Dortmund's annual financial statements. The transfer result in the financial year 2022/23 amounts to mEUR 73.9. Gross transfer fees of mEUR 99.1 were offset by transfer expenses of mEUR 3.9 and outgoing residual carrying amounts of player registrations of mEUR 20.1.

Due to the individuality and complexity of the contractual clauses, the accounting of transfer fees from transfer transactions is demanding and there is a general risk for the annual financial statements that, in the case of player registration disposals, the receivables from transfer transactions and the associated transfer fees are reported at too high a level or are not reported on an accrual basis and that the corresponding transfer expenses and outgoing residual carrying amounts are reported at too low a level or are incompletely derecognized. Against this background and due to the amount of the transfer receivables, transfer revenues and transfer expenses, we considered the transfer transactions carried out in the financial year to be of particular significance for our audit.

The information and explanations provided by the executive directors on the transfer receivables, transfer fees and transfer expenses are contained in the sections Current Assets, Sales and Other Operating Expenses in the notes to the financial statements.

- b) In performing our audit, we first obtained an understanding of the process established by the Company for accounting for and reporting transfer transactions and transfer receivables.

We recorded and analyzed the complete stock of transfer receivables and realized transfer fees from player registration disposals of the professional squad by inspecting the transfer and agent agreements concluded for this purpose. The accuracy of the transfer receivables and transfer fees recognized in the balance sheet was assessed by reviewing the determination of receivables on the basis of the contractual clauses.

We also assessed the complete and correct determination of the corresponding transfer expenses by inspecting the contracts on which the transfers are based. To this end, we also examined whether any residual carrying amounts of the player registrations for the transferred players had been fully derecognized from the intangible fixed assets.

When inspecting the transfer contracts for player registration disposals, we focused on the date of realization in order to verify the correct accrual of receivables and related transfer income.

3. Completeness and Accuracy of Personnel Expenses of the Professional Squad

- a) In Borussia Dortmund's annual financial statements, personnel expenses include the salaries of the professional squad. In addition to fixed basic salaries, these also include performance-related compensation such as points bonuses and annual performance bonuses as well as individual special and one-time payments. From our point of view, the complete and correct accounting of the personnel expenses of the professional squad was of particular importance for our audit, as the personnel expenses for the professional squad might not be recorded in full or in the correct amount due to the individually agreed compensation components and compensation amounts.

The information and explanations provided by the executive directors on personnel expenses are contained in the section Personnel Expenses of the notes to the financial statements.

- b) As part of our audit, we obtained an understanding of the Company's process for determining the salary payments of the professional squad and the presentation of salaries in the annual financial statements. Our further audit procedures included, in particular, an inspection and assessment of the currently applicable employment contracts with their remuneration components and amounts by performing a consistency check between the respective employment contracts and the corresponding salary calculations for license players and months deliberately selected from a risk perspective. With regard to the variable compensation components, we tested the extent to which the contractually agreed conditions for the variable compensation components had been met for these selected contracts. In addition, we examined whether events occurred that should have led to higher expenses. With regard to agreed special or one-time payments, we examined whether they were recognized under personnel expenses for the correct period, irrespective of the date of payment.

Other Information

The executive directors and the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the non-financial group report pursuant to Sections 315b and 315c HGB, to which reference is made in the combined management report,
- the other parts of the sustainability report referred to in the combined management report,
- the corporate governance statement referred to in the combined management report,
- the executive directors' confirmation regarding the annual financial statements and the combined management report pursuant to Section 264 (2) sentence 3 and Section 289 (1) sentence 5 HGB and in accordance with Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB on the consolidated financial statements and the combined management report,
- all other parts of the annual report which are expected to be presented to us after the date of this auditor's report,
- but not the annual financial statements, not the audited content of the combined management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the statement according to Section 161 German Stock Corporation Act (AktG) concerning the German Corporate Governance Code, which is part of the corporate governance statement and to which reference is made in the combined management report. Otherwise, the executive directors are responsible for the other information.

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited content of the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Combined Management Report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability

to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Audit of the Electronic Reproductions of the Annual Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the annual financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value E68EF1FEEBEF7927D20137D9F77B19B5F27CC0DB98DD28079CEFC61B14558B4F, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the annual financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying annual financial statements and on the accompanying combined management report for the financial year from 1 July 2022 to 30 June 2023 contained in the "Report on the Audit of the Annual Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the annual financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the annual financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.

- obtain an understanding of internal control relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the balance sheet date, on the technical specification for this electronic file.

- evaluate whether the ESEF documents enable a XHTML reproduction with content equivalent to the audited annual financial statements and to the audited combined management report.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the general meeting on 21 November 2022. We were engaged by the supervisory board on 21 November 2022. We have been the auditor of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund/Germany, since the financial year 2021/2022.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as with the audited ESEF documents. The annual financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is René Kadlubowski.

Düsseldorf/Germany, 21 August 2023
Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed: René Kadlubowski
Wirtschaftsprüfer
(German Public Auditor)

Signed: Christian Renzelmann
Wirtschaftsprüfer
(German Public Auditor)

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the management report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Dortmund, 21 August 2023

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien

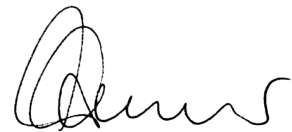
Borussia Dortmund Geschäftsführungs-GmbH



Hans-Joachim Watzke
Managing Director (Chairman)



Thomas Treß
Managing Director



Carsten Cramer
Managing Director

FINANCIAL CALENDAR

10 November 2023

Disclosure of the quarterly statement –
Q1 fiscal year 2023/2024

27 November 2023

Annual shareholders meeting 2023

For more information, go to:
www.bvb.de/aktie



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