CONSOLIDATED FINANCIAL STATEMENTS

Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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

EUR '000	Note	30/06/2022	30/06/2021
ASSETS			
Non-current assets			
Intangible assets	(1)	124,398	193,434
Property, plant and equipment	(2)	172,453	183,454
Investments accounted for using the equity method	(3)	382	402
Financial assets	(4)	344	27
Trade and other financial receivables	(5)	59,531	10,392
Prepaid expenses	(15)	1,332	2,094
		358,440	389,803
Current assets			
Inventories	(6)	4,416	6,806
Trade and other financial receivables	(5)	45,845	29,936
Tax assets		14	85
Cash and cash equivalents	(7)	10,571	1,725
Prepaid expenses	(15)	11,740	12,708
Assets held for sale	(8)	24,029	9,456
		96,615	60,716
		455,055	**450,519**
EQUITY AND LIABILITIES			
Equity	(9)		
Subscribed capital		110,396	92,000
Reserves		170,218	140,750
Treasury shares		-113	-113
Equity attributable to the owners of the parent company		280,501	232,637
Non-current liabilities			
Lease liabilities	(12)	12,530	16,819
Trade payables	(13)	29,554	37,250
Other financial liabilities	(14)	1,856	208
Deferred income	(15)	20	0
		43,960	54,277
Current liabilities			
Financial liabilities	(11)	0	56,900
Provisions	(10)	0	2,333
Lease liabilities	(12)	4,649	4,241
Trade payables	(13)	68,978	64,103
Other financial liabilities	(14)	37,042	30,901
Tax liabilities		4	40
Deferred income	(15)	19,921	5,087
		130,594	163,605
		455,055	**450,519**

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

(1) – p. 203 | (2) – p. 204 | (3) (4) – p. 206 | (5) – p. 207 | (6) (7) (8) – p. 208 | (9) – p. 209 | (10) (11) (12) – p. 210 (13) (14) – p. 211 | (15) – p. 212

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

EUR '000	*Note*	2021/2022	2020/2021
Revenue	*(16)*	351,645	334,171
Net transfer income	*(17)*	61,866	15,401
Other operating income	*(18)*	23,540	10,377
Cost of materials	*(19)*	-22,641	-19,589
Personnel expenses	*(20)*	-231,218	-215,650
Depreciation, amortisation and write-downs	*(21)*	-109,942	-111,043
Other operating expenses	*(22)*	-102,431	-85,760
Result from operating activities		**-29,181**	**-72,093**
Net income/loss from investments in associates	*(3)*	60	81
Finance income	*(23)*	1,137	287
Finance costs	*(23)*	-5,384	-1,427
Financial result		**-4,187**	**-1,059**
Profit before income taxes		**-33,368**	**-73,152**
Income taxes	*(24)*	-1,691	342
Consolidated net loss for the year		**-35,059**	**-72,810**
Items that were subsequently reclassified to profit or loss		0	0
Total comprehensive income		**-35,059**	**-72,810**
Consolidated net loss for the year attributable to:			
- Owners of the parent:		-35,059	-72,810
Total comprehensive income attributable to:			
- Owners of the parent:		-35,059	-72,810
Earnings per share (in EUR) (basic/diluted)	*(32)*	**-0.33**	**-0.79**

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

(3) – p. 206 | (16) (17) (18) (19) – p. 213 | (20) (21) (22) – p. 214 | (23) (24) – p. 215 | (32) – p. 224

CONSOLIDATED STATEMENT OF CASH FLOWS

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

EUR '000	*Note*	2021/2022	2020/2021
Profit before income taxes		-33,368	-73,152
Depreciation, amortisation and write-downs of non-current assets	*(21)*	109,942	111,043
Gain/loss on disposals of non-current assets		-81,720	-16,242
Other non-cash expenses/income		-3,927	286
Transfer costs		24,009	1,286
Interest income	*(23)*	-1,137	-287
Interest expense	*(23)*	5,384	1,427
Net income/loss from investments in associates	*(23)*	-60	-81
Changes in other assets not classified as from investing or financing activities		4,772	-95
Changes in other liabilities not classified as from investing or financing activities		11,496	-6,811
Interest received		8	0
Interest paid		-328	-1,427
Cash flows from operating activities		**35,071**	**15,947**
Payments for investments in intangible assets		-79,390	-88,314
Net proceeds from transfers		29,982	29,699
Payments for investments in property, plant and equipment		-1,719	-3,414
Proceeds from disposals of property plant and equipment		0	1
Proceeds from financial assets		146	5
Payments for investments in financial assets		-383	0
Dividends received		0	1
Cash flows from investing activities		**-51,364**	**-62,022**
Cash receipts from issue of capital		86,462	0
Proceeds from finance raised		0	56,900
Repayments of financial liabilities		-56,900	0
Repayments of lease liabilities		-4,423	-4,386
Cash flows from financing activities		**25,139**	**52,514**
Change in cash and cash equivalents		8,846	6,439
Cash and cash equivalents at the beginning of the period		1,725	-4,714
Cash and cash equivalents at the end of the period		**10,571**	**1,725**
Definition of cash and cash equivalents			
Bank balances and cash-in-hand	*(7)*	10,571	1,725
Utilisation of overdraft facilities		0	0
Cash and cash equivalents at the end of the period		**10,571**	**1,725**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

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			
1 July 2020	92,000	142,843	70,717	-113	305,447	305,447
Distributions to shareholders	0	0	0	0	0	0
Transactions with shareholders	0	0	0	0	0	0
Consolidated net loss for the year	0	0	-72,810	0	-72,810	-72,810
Other gains/losses incurred during the period, after taxes	0	0	0	0	0	0
Total comprehensive income	0	0	-72,810	0	-72,810	-72,810
30 June 2021	**92,000**	**142,843**	**-2,093**	**-113**	**232,637**	**232,637**
1 July 2021	92,000	142,843	-2,093	-113	232,637	232,637
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	-35,059	0	-35,059	-35,059
Other gains/losses incurred during the period, after taxes	0	0	0	0	0	0
Total comprehensive income	0	0	-35,059	0	-35,059	-35,059
30 June 2022	**110,396**	**207,370**	**-37,152**	**-113**	**280,501**	**280,501**

NOTES to the consolidated financial statements of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund for the financial year from 1 July 2021 to 30 June 2022

(hereinafter also "Borussia Dortmund" or the "Group")

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 19 August 2022, the consolidated financial statements and the Group management report were authorised by the Company's management for submission to the Supervisory Board.

Accounting policies

These consolidated financial statements for the financial year from 1 July 2021 to 30 June 2022, 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 2021/2022 financial year:

Standard	New and amended Standards and Interpretations	Published by IASB	Mandatory application (IASB)	Effect on Group
IFRS 16	Amendment to extend the application period of the amendment that provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification	31 March 2021	1 April 2021	Immaterial

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 3	Reference to the Conceptual Framework	14 May 2020	1 January 2022	Immaterial
IFRS 17	Insurance Contracts	14 May 2017	1 January 2023	None
IAS 1*	Classification of Liabilities as Current or Non-current	19 November 2021	No earlier than 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 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
IFRS 10 and IAS 28*	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	11 September 2014/ 18 December 2014	TBA	Immaterial
Improvements to IFRS 2018 - 2020	Improvements to IFRS 1, IFRS 9, IFRS 16 and IAS 41	1 September 2020	1 January 2022	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 2022 was as follows:

Shareholdings (30 June 2022)

	Registered office	Share capital (EUR '000)	Shareholding %	Equity (EUR '000) as at 30/06/2022	Net profit/loss (EUR'000) 01/07/2021 to 30/06/2022
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.

Shareholdings (30 June 2021)

	Registered office	Share capital (EUR '000)	Shareholding %	Equity (EUR '000) as at 30/06/2021	Net profit/loss (EUR '000) 01/07/2020 to 30/06/2021
Fully consolidated companies					
BVB Stadionmanagement GmbH*	Dortmund	52	100.00	66	42
besttravel dortmund GmbH*	Dortmund	50	100.00	144	100
BVB Merchandising GmbH*	Dortmund	75	100.00	10,881	-748
BVB Event & Catering GmbH*	Dortmund	25	100.00	25	725
BVB Asia Pacific Pte. Ltd.	Singapore	66	100.00	220	27
BVB Fußballakademie GmbH*	Dortmund	50	100.00	431	140
Investments accounted for using the equity method					
Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH**	Dortmund	52	33.33	1,027	81

* 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 2021 as an associate on the basis of the net profit/loss reported as at 31 December 2020.

No interim financial statements were prepared for Orthomed Medizinisches Leistungs- und Rehabilitationszentrum GmbH (Orthomed GmbH) as at 30 June 2022 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 in 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, they are recognised on the date the conditions are met. 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.

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 (30 June 2022: 3.50%). 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) as well as an assessment of the economic impact of the COVID-19 pandemic.

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.

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 less any residual carrying amount 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 2022, Borussia Dortmund has a EUR 120,000 thousand overdraft facility at its disposal, which is secured against EUR 30,075 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 this financial year and the existing overdraft facility of EUR 120,000 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.

This section on accounting policies includes detailed disclosures about property, plant and equipment.

Notes 2 and 12 include detailed disclosures on 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.

Note 10 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 offered to private customers by travel agents. 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

	Borussia Dortmund KGaA		BVB Merchandising GmbH		BVB Event & Catering GmbH		besttravel dortmund GmbH		Total	
EUR '000	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021
Total revenue	**419,646**	**323,497**	**33,086**	**33,395**	**15,546**	**2,032**	**1,137**	**887**	**469,415**	**359,811**
of which match operations	22,655	554	0	0	0	0	0	0	22,655	554
of which advertising	126,157	106,609	0	0	0	0	0	0	126,157	106,609
of which TV marketing	145,070	186,655	0	0	0	0	0	0	145,070	186,655
of which transfer deals	110,201	23,148	0	0	0	0	0	0	110,201	23,148
of which merchandising	0	0	33,086	33,395	0	0	0	0	33,086	33,395
of which conference, catering, miscellaneous	15,563	6,531	0	0	15,546	2,032	1,137	887	32,246	9,450
Total revenue	**419,646**	**323,497**	**33,086**	**33,395**	**15,546**	**2,032**	**1,137**	**887**	**469,415**	**359,811**
of which external	418,065	322,338	31,799	32,640	8,754	503	352	42	458,970	355,523
of which internal	1,581	1,159	1,287	755	6,792	1,529	785	845	10,445	4,288
Financial result	**4,955**	**-262**	**1**	**0**	**0**	**0**	**-4**	**-5**	**4,952**	**-267**
Share of profit from equity investments	81	0	0	0	0	0	0	0	81	0
of which profit transfer	5,623	1,007	0	0	0	0	0	0	5,623	1,007
of which loss absorption	0	-748	0	0	0	0	0	0	0	-748
Net interest income/expense	**-749**	**-521**	**1**	**0**	**0**	**0**	**-4**	**-5**	**-752**	**-526**
of which interest expense	-1,050	-642	0	0	0	0	-4	-5	-1,054	-647
of which interest income	301	121	1	0	0	0	0	0	302	121
Depreciation, amortisation and write-downs	-107,303	-110,137	-522	-692	-22	-25	-21	-21	-107,868	-110,875
Segment profit before taxes *	-41,037	-77,080	2,230	-748	2,011	724	308	100	-36,488	-77,004
Capital expenditure	81,413	91,663	4	6	0	0	0	0	81,417	91,669
Segment assets **	466,263	453,745	15,846	17,474	5,851	4,684	740	569	488,700	476,472
Segment liabilities	157,319	195,887	4,965	6,593	5,826	4,659	596	425	168,706	207,564
Investments accounted for using the equity method	96	96	0	0	0	0	0	0	96	96
Income from investments in associates	81	0	0	0	0	0	0	0	81	0

* Before profit or loss transfer.
** KGaA segment includes EUR 24,029 thousand (previous year: EUR 9,456 thousand) in assets held for sale.

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

	Total		Other adjustments		Consolidated financial statements	
EUR '000	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021
Total revenue	**469,415**	**359,811**	**-117,770**	**-25,640**	**351,645**	**334,171**
of which match operations	22,655	554	0	0	22,655	554
of which advertising	126,157	106,609	-33	-32	126,124	106,577
of which TV marketing	145,070	186,655	0	0	145,070	186,655
of which transfer deals	110,201	23,148	-110,201	-23,148	0	0
of which merchandising	33,086	33,395	-1,287	-755	31,799	32,640
of which conference, catering, miscellaneous	32,246	9,450	-6,249	-1,705	25,997	7,745
Total revenue	**469,415**	**359,811**	**-117,770**	**-25,640**	**351,645**	**334,171**
of which external	458,970	355,523	-107,325	-21,352	351,645	334,171
of which internal	10,445	4,288	-10,445	-4,288	0	0
Financial result	**4,952**	**-267**	**-9,139**	**-792**	**-4,187**	**-1,059**
Share of profit from equity investments	81	0	-21	81	60	81
of which profit transfer	5,623	1,007	-5,623	-1,007	0	0
of which loss absorption	0	-748	0	748	0	0
Net interest income/expense	**-752**	**-526**	**-3,495**	**-614**	**-4,247**	**-1,140**
of which interest expense	-1,054	-647	-4,330	-780	-5,384	-1,427
of which interest income	302	121	835	166	1,137	287
Depreciation, amortisation and write-downs	-107,868	-110,875	-2,074	-168	-109,942	-111,043
Segment profit before taxes *	-36,488	-77,004	3,120	3,852	-33,368	-73,152
Capital expenditure	81,417	91,669	75	59	81,492	91,728
Segment assets **	488,700	476,472	-33,645	-25,953	455,055	450,519
Segment liabilities	168,706	207,564	5,848	10,318	174,554	217,882
Investments accounted for using the equity method	96	96	286	306	382	402
Income from investments in associates	81	0	-21	81	60	81

* Before profit or loss transfer.
** KGaA segment includes EUR 24,029 thousand (previous year: EUR 9,456 thousand) in assets held for sale.

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

	Segment profit or loss before taxes		Segment assets		Segment liabilities	
EUR '000	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021
Segments total	-36,488	-77,004	488,700	476,472	168,706	207,564
Other companies	1,109	210	4,132	0	3,355	0
Other IFRS adjustments	2,700	1,454	-15,284	-9,288	0	0
IFRS 16 adjustments	1,413	1,165	17,812	20,280	17,179	21,060
IFRS 9 adjustments	-2,904	248	-3,973	-26	0	0
IFRS 15 adjustments	-43	-70	27	69	26	103
Consolidation of long-term financial assets	0	0	-10,176	-9,961	0	0
Stadium buildings plus other assets	845	845	-26,183	-27,027	0	0
Other consolidation	0	0	0	0	-14,712	-10,845
	-33,368	**-73,152**	**455,055**	**450,519**	**174,554**	**217,882**

The Borussia Dortmund GmbH & Co. KGaA segment exceeded the 10% threshold stipulated in IFRS 8.34 for two customers by a total of EUR 148,080 thousand (previous year: two customers, EUR 181,291 thousand). In the past, no bad debts in excess of 2,5 % have been reported for these customers. The allocation of revenue items is presented in the table below:

	Borussia Dortmund KGaA		BVB Merchandising GmbH		BVB Event & Catering GmbH		besttravel dortmund GmbH		Total	
EUR '000	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021
Total revenue – 10% threshold	**148,080**	**181,291**	**0**	**0**	**0**	**0**	**0**	**0**	**148,080**	**181,291**
of which match operations	57	0	0	0	0	0	0	0	57	0
of which advertising	55	54	0	0	0	0	0	0	55	54
of which TV marketing	143,280	178,774	0	0	0	0	0	0	143,280	178,774
of which merchandising	0	0	0	0	0	0	0	0	0	0
of which conference, catering, miscellaneous	4,688	2,463	0	0	0	0	0	0	4,688	2,463

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(1) Intangible assets

EUR '000	30/06/2022	30/06/2021
Player registrations	123,622	192,442
Industrial property rights and similar rights	776	992
	124,398	**193,434**

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 3.55 years (30 June 2021: 2.44 years).

Changes in intangible assets were as follows:

EUR '000	Player registrations	Industrial property rights and similar rights	Total
Cost			
As at 30 June 2020	404,189	3,561	407,750
Additions	58,738	0	58,738
Disposals	41,862	0	41,862
Reclassification to assets held for sale	3,849	0	3,849
As at 30 June 2021	417,216	3,561	420,777
Additions	65,526	0	65,526
Disposals	79,514	68	79,582
Reclassification to assets held for sale	-90,987	0	-90,987
As at 30 June 2022	312,241	3,493	315,734
Depreciation, amortisation and write-downs			
As at 30 June 2020	175,875	2,208	178,083
Additions	92,269	361	92,630
Disposals	40,965	0	40,965
Reclassification to assets held for sale, disposals	2,405	0	2,405
As at 30 June 2021	224,774	2,569	227,343
Additions	87,348	148	87,496
Disposals	65,635	0	65,635
Reclassification to assets held for sale, disposals	-57,868	0	-57,868
As at 30 June 2022	188,619	2,717	191,336
Carrying amounts			
As at 30 June 2020	228,314	1,353	229,667
As at 30 June 2021	192,442	992	193,434
As at 30 June 2022	**123,622**	**776**	**124,398**

(2) Property, plant and equipment

EUR '000	30/06/2022	30/06/2021
Land, land rights and buildings including buildings on third-party land	140,858	147,014
Other equipment, operating and office equipment	31,595	36,440
	172,453	**183,454**

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.
The investments made in the Dortmund-Brackel training ground related in particular to medical devices, a backstop fence and athletic equipment.

The investments in SIGNAL IDUNA PARK related primarily to the hospitality areas and the new public address system that was brought online.

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 (e.g., sport pitches and outdoor grounds) at the Dortmund-Brackel training ground and the youth centre.
In addition, the flood lighting system and the advertising boards in the upper stands at SIGNAL IDUNA PARK as well as the Borussia Dortmund fan shops were also included in the property, plant and equipment recognised under leases.

As at 30 June 2022, the following right-of-use assets at the Dortmund-Brackel training ground related to the corresponding items in the statement of financial position:

	Net carrying amounts
EUR '000	30/06/2022
Buildings	11,813
Operating and office equipment	1,291
	13,104

In the previous year, assets with net carrying amounts of EUR 14,169 thousand were recognised, of which EUR 12,661 thousand was attributable to buildings and EUR 1,508 thousand to operating and office equipment.

Borussia Dortmund reported additions for right-of-use assets recognised under property, plant and equipment amounting to EUR 552 thousand (previous year: EUR 1,106 thousand). This was offset by depreciation and write-downs of EUR 3,019 thousand (previous year: EUR 3,285 thousand).

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

The interest expense incurred for these items amounted to EUR 675 thousand (previous year: EUR 772 thousand) and is reported under finance costs in the consolidated statement of comprehensive income.

There is an option to purchase the training ground in Dortmund-Brackel once the lease there expires in 2023.

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 2020	259,871	95,999	355,870
Additions	351	4,114	4,465
Disposals	0	1,002	1,002
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
Depreciation, amortisation and write-downs			
As at 30 June 2020	107,102	55,731	162,833
Additions	6,106	7,497	13,603
Disposals	0	557	557
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
Carrying amounts			
As at 30 June 2020	152,769	40,268	193,037
As at 30 June 2021	147,014	36,440	183,454
As at 30 June 2022	**140,858**	**31,595**	**172,453**

(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 2021 is reported here.

EUR '000	30/06/2022	30/06/2021
Non-current assets	520	557
Current assets	831	973
Non-current liabilities	160	165
Current liabilities	232	338
Net assets	959	1,027
Group's share of net assets (33.33%)	320	342
Goodwill	59	59
Dividends received after 31 December 2021	0	0
Carrying amount of interest in associate	**379**	**402**
Revenue	4,432	4,138
Profit/loss from continuing operations	181	242
Comprehensive income (33.33%)	60	81
Group's share of comprehensive income (33.33%)	**60**	**81**

EUR '000	2021	2020
Cash flows from operating activities	21	620
Cash flows from investing activities	-67	-40
Cash flows from financing activities	-261	-12
Net change in cash and cash equivalents	**-307**	**568**

(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 105,376 thousand (previous year: EUR 40,328 thousand).
Of that figure, EUR 7,388 thousand (previous year: EUR 2,737 thousand) related to other financial receivables and EUR 97,988 thousand to trade receivables (previous year: EUR 37,591 thousand). Trade receivables included EUR 86,889 thousand in transfer receivables (previous year: EUR 22,187 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 2022, the asset for the right of return of products amounted to EUR 27 thousand (previous year: EUR 60 thousand).

Non-current

EUR '000	30/06/2022	30/06/2021
Trade receivables	**59,531**	**10,392**

Non-current trade receivables are discounted using the effective interest method and measured at amortised cost. Please refer to Note 31 for information on the fair values of financial assets.

Current

EUR '000	30/06/2022	30/06/2021
Trade receivables	40,868	28,381
Less allowances	-2,411	-1,182
Net trade receivables	38,457	27,199
Other financial receivables	7,388	2,737
	45,845	**29,936**

Current trade receivables and other assets 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 financial assets.

(6) Inventories

EUR '000	30/06/2022	30/06/2021
Inventories/merchandise	5,506	7,235
Less write-downs	-1,090	-429
Net inventories	**4,416**	**6,806**

The carrying amount of inventories carried at fair value less costs to sell was EUR 3,806 thousand (previous year: EUR 1,292 thousand).
Impairments of inventories are carried in the cost of materials.

(7) Cash and cash equivalents

EUR '000	30/06/2022	30/06/2021
Bank balances and cash-in-hand	**10,571**	**1,725**

Bank balances have been subject to immaterial negative interest rates since financial year 2020/2021.

(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 (player registrations) were written down by EUR 9,090 thousand (previous year: EUR 4,810 thousand) to their fair value less costs to sell (meaning the gross transfer proceeds to be collected less transfer costs) and reclassified as held for sale. The carrying amount of assets held for sale amounted to EUR 24,029 thousand (previous year: EUR 9,456 thousand). The write-down was recognised under depreciation and amortisation.

(9) Equity

In the first half of financial year 2021/2022, the Company, with the consent of the Supervisory Board, resolved and successfully implemented a capital increase against cash contributions. The Company's share capital increased by EUR 18,396 thousand to EUR 110,396 thousand by issuing 18,396,220 new no-par value ordinary bearer shares. The new shares were offered at a subscription ratio of 5:1 at an issue price of EUR 4.70 and were fully placed. Borussia Dortmund generated gross issue proceeds of EUR 86,462 thousand from the capital increase and the resulting cash inflow was received in early October 2021. The directly attributable transaction costs of EUR 3,539 thousand incurred in connection with the capital increase were recognised outside profit or loss and offset against capital reserves (net of tax effects), leading to an increase of EUR 64,527 thousand in capital reserves.

As at 30 June 2022, 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.

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 number of shares issued and the number of shares outstanding changed as follows:

Number of shares	Issued	Treasury shares	Outstanding
Balance as at 1 July 2020	92,000,000	-18,900	91,981,100
Change in treasury shares		0	
as at 30 June 2021	**92,000,000**	**-18,900**	**91,981,100**
Issue of ordinary shares	18,396,220		18,396,220
Change in treasury shares		0	
as at 30 June 2022	**110,396,220**	**-18,900**	**110,377,320**

After authorised capital was decreased by the cash capital increase in autumn 2021, the Annual General Meeting on 2 December 2021, with the approval of the general partner, increased the Authorised Capital 2020. By virtue of a resolution adopted by the Annual General Meeting on the same date, the Company was also authorised for a period of five years to increase the share capital by issuing up to 22,079,244 new shares. The new authorised capital 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. At the end of the reporting period, capital reserves amounted to 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	30/06/2022	30/06/2021
Equity of shareholders	280,501	232,637
Share in total capital	61.64 %	51.64 %

(10) Provisions

Due to utilisations and reversals, the provisions for litigation and liability risks decreased from EUR 2,333 thousand in the previous year to EUR 0 thousand as at 30 June 2022.

(11) Financial liabilities

Financial liabilities amounting to EUR 56,900 thousand were repaid in full following the capital increase and now amount to EUR 0 thousand.

(12) Lease liabilities

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

EUR '000	30/06/2022	30/06/2021
Less than 1 year	5,170	4,932
Between 1 and 5 years	7,332	11,106
More than 5 years	6,687	7,763
	19,189	23,801
Future finance charges from leases	-2,010	-2,741
Present value of liabilities from leases	**17,179**	**21,060**

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

EUR '000	30/06/2022	30/06/2021
Less than 1 year	4,649	4,241
Between 1 and 5 years	6,296	9,735
More than 5 years	6,234	7,084
	17,179	**21,060**

(13) Trade payables

Trade payables amounted to EUR 98,532 thousand (previous year: EUR 101,353 thousand), of which EUR 87,363 thousand (previous year: EUR 87,683 thousand) related to liabilities from transfer deals. Liabilities from transfer deals declined due to payments made in connection with transfer agreements.

(14) Other financial obligations

EUR '000	30/06/2022	30/06/2021
Non-current		
Other	1,856	208
	1,856	208
Current		
Other taxes	9,471	6,971
Other	27,571	23,930
	37,042	30,901
Total other financial liabilities	**38,898**	**31,109**

Current other financial liabilities increased year on year by EUR 6,141 thousand. The increase is due in particular to the rise in staff-related liabilities not yet due and wage and value added tax not yet due. In addition, other liabilities increased due to fees collected on behalf of third parties in connection with season ticket sales and liabilities to the general partner. This was offset by the payment of residual credits to season ticket holders for the 2019/2020 season. Other financial liabilities also include refund liabilities amounting to EUR 47 thousand (previous year: EUR 103 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	30/06/2022	30/06/2021
Non-current		
Deferred income related to professional squad	616	867
Other advance payments	716	1,227
	1,332	**2,094**
Current		
Deferred income related to professional squad	6,713	8,722
Insurance premiums	787	538
Other advance payments	4,240	3,448
	11,740	**12,708**

Deferred income

EUR '000	30/06/2022	30/06/2021
Non-current		
Advance payments received from ticket sales	3	0
Advance payments received from sponsors	17	0
	20	**0**
Current		
Advance payments received from ticket sales	16,930	22
Advance payments received from sponsors	2,170	4,447
Other advance payments	821	618
	19,921	**5,087**

Current deferred income as reported amounted to EUR 19,921 thousand (previous year: EUR 5,087 thousand) and consisted primarily of proceeds from the sale of season tickets, which had been suspended in the previous two financial years due to the COVID-19 pandemic.

In addition, current deferred income also includes proceeds from sponsorship agreements relating to the 2022/2023 season and compensation relating to services that were not rendered under sponsorship agreements in the 2019/2020 and 2020/2021 seasons due to the pandemic. 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	2021/2022	2020/2021
Match operations	22,655	554
Advertising	126,124	106,577
TV Marketing	145,070	186,655
Merchandising	31,799	32,640
Conference, catering, miscellaneous	25,997	7,745
	351,645	**334,171**

Revenue is generated primarily in Germany. It includes prior-period revenue of EUR 1,134 thousand (previous year: EUR 2,155 thousand). The prior-period income recognised in the financial year related primarily to TV marketing.

(17) Net transfer income

EUR '000	2021/2022	2020/2021
Gross transfer proceeds	105,241	24,406
Transfer costs	-24,009	-1,285
Net transfer proceeds	**81,232**	**23,121**
Residual carrying amount	-19,366	-7,720
Net transfer income	**61,866**	**15,401**

(18) Other operating income

Other operating income increased year on year from EUR 10,377 thousand to EUR 23,540 thousand and consisted mainly of subsidies already accounted for or granted amounting to EUR 13,778 thousand, income from insurance reimbursements amounting to EUR 1,748 thousand, income from the reversal of provisions amounting to EUR 1,483 thousand as well as income from reimbursements for granting contractual marketing rights amounting to EUR 1,281 thousand.

The share of prior-period income in other operating income amounted to EUR 13,492 thousand (previous year: EUR 2,608 thousand).

(19) Cost of materials

Cost of materials increased from EUR 19,589 thousand to EUR 22,641 thousand. This item consisted mainly of the cost of goods sold for BVB Event & Catering GmbH (EUR 4,362 thousand; previous year: EUR 625 thousand) and BVB Merchandising GmbH (EUR 18,279 thousand; previous year: EUR 18,901 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	2021/2022	2020/2021
Wages and salaries	223,432	207,025
Social security contributions	7,786	8,625
	231,218	**215,650**

During financial year 2021/2022, EUR 3,004 thousand was paid into the German statutory retirement pension system (previous year: EUR 2,647 thousand).

(21) Depreciation and amortisation

EUR '000	2021/2022	2020/2021
Amortisation of intangible assets	96,586	97,440
Depreciation of property, plant and equipment	13,356	13,603
	109,942	**111,043**

(22) Other operating expenses

EUR '000	2021/2022	2020/2021
Match operations	40,344	36,956
Advertising	12,409	10,708
Transfer deals	4,094	4,204
Retail	7,023	6,486
Administration	27,297	22,807
Other	11,264	4,599
	102,431	**85,760**

In accordance with the Articles of Association, the general partner of Borussia Dortmund GmbH & Co. KGaA, Borussia Dortmund Geschäftsführungs-GmbH, received, by virtue of the cost and profit allocation in connection with its business activities in the financial year ended, remuneration of EUR 5,981 thousand (previous year: EUR 3,818 thousand) that was recognised under administrative expenses.
Other operating expenses include prior-period expenses in the amount of EUR 178 thousand (previous year: EUR 776 thousand).

(23) Financial result

EUR '000	2021/2022	2020/2021
Net income/loss from investments in associates *(see Note (3))*	60	81
Finance income		
Interest income in accordance with IFRS 9	1,129	252
Other interest income	8	35
	1,137	287
Finance costs		
Financing charges and other interest	-328	-554
Interest expenses for lease liabilities	-675	-772
Interest expenses in accordance with IFRS 9	-4,381	-101
	-5,384	-1,427
	-4,187	**-1,059**

(24) Income taxes and deferred taxes

In financial year 2021/2022, EUR 1,691 thousand in tax expenses (previous year: tax income of EUR 342 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 30/06/2021	Recognised in profit or loss	Net as at 30/06/2022	Deferred tax assets	Deferred tax liabilities
Intangible assets	3,824	-8,084	-4,260	0	-4,260
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	15,385	188	188	0
Tax loss carry-forwards	18,371	-7,444	10,927	10,927	0
	0	**0**	**0**	**12,483**	**-12,483**

EUR '000	Net as at 30/06/2020	Recognised in profit or loss	Net as at 30/06/2021	Deferred tax assets	Deferred tax liabilities
Intangible assets	5,477	-1,653	3,824	3,824	0
Property, plant and equipment	-6,166	-1,026	-7,192	0	-7,192
Trade receivables and other assets	275	-81	194	194	0
Trade payables	-16,686	1,489	-15,197	0	-15,197
Tax loss carry-forwards	17,100	1,271	18,371	18,371	0
	0	**0**	**0**	**22,389**	**-22,389**

The income tax expense was made up as follows:

EUR '000	2021/2022	2020/2021
Income taxes		
Current period	-1,815	-60
Prior period	124	402
Deferred tax benefit/expense in connection with		
the creation or reversal of temporary differences	7,444	-1,271
Tax loss carryforwards not yet utilised	-7,444	1,271
	-1,691	**342**

At the end of the reporting period, the Group had corporation tax loss carry-forwards amounting to EUR 155,160 thousand (previous year: EUR 118,937 thousand) and trade tax loss carry-forwards amounting to EUR 126,706 thousand (previous year: EUR 100,069 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	2021/2022	2020/2021
Consolidated net profit before income taxes	-33,368	-73,152
Theoretical tax rate in %	*32.81*	*32.81*
Expected tax benefit from income taxes	10,948	24,001
Effects from tax additions and subtractions	-2,025	988
Change in ability to utilise tax loss carry-forwards	-8,923	-24,989
Prior-year taxes	124	402
Other tax effects	-1,815	-60
Tax payment/benefit as reported in the consolidated statement of comprehensive income	**-1,691**	**342**
Actual tax rate in %	*5.07*	*-0.47*

(25) Consolidated statement of cash flows

Cash and cash equivalents reported in the statement of financial position amounted to EUR 10,571 thousand (previous year: EUR 1,725 thousand). Using the proceeds from the capital increase, liabilities to banks were repaid in full and now amount to EUR 0 thousand (previous year: EUR 56,900 thousand).

Cash flows from operating activities amounted to EUR 35,071 thousand (previous year: EUR 15,947 thousand) and cash flows from investing activities amounted to EUR -51,364 thousand (previous year: EUR -62,022 thousand).

Net cash flows from investing activities included transfer proceeds, netted directly against payments linked to transfers amounting to EUR 7,903 thousand (previous year: EUR 5,071 thousand).

The changes in financial liabilities reported under cash flows from financing activities were as follows:

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
Balance as at 30 June 2021	**92,000**	**140,750**	**-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	-35,059	0	0	0	0	-35,059
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	-38,598	0	0	0	0	-38,598
Balance as at 30 June 2022	**110,396**	**170,218**	**-113**	**0**	**17,179**	**38,898**	**336,578**

Reconciliation of change in liabilities to cash flows from financing activities in accordance with IAS 7.44 as at 30 June 2021

EUR '000	Equity			Liabilities/derivatives			
	Subscribed capital	Reserves	Treasury shares	Financial liabilities	Lease liabilities	Other financial liabilities	Total
Balance as at 30 June 2020	**92,000**	**213,560**	**-113**	**8,031**	**24,404**	**39,115**	**376,997**
Proceeds from finance raised	0	0	0	56,900	0	0	56,900
Repayment of lease liabilities	0	0	0	0	-4,386	0	-4,386
Total change in cash flows from financing activities	**0**	**0**	**0**	**56,900**	**-4,386**	**0**	**52,514**
Other changes							
related to liabilities							
Change in financial liabilities	0	0	0	-8,031	0	0	-8,031
Change in other financial liabilities	0	0	0	0	0	-5,673	-5,673
Change in lease liabilities	0	0	0	0	1,042	0	1,042
related to equity							
Consolidated net loss for the year	0	-72,810	0	0	0	0	-72,810
Total other changes related to liabilities	0	0	0	-8,031	1,042	-5,673	-12,662
Total other changes related to equity	0	-72,810	0	0	0	0	-72,810
Balance as at 30 June 2021	**92,000**	**140,750**	**-113**	**56,900**	**21,060**	**33,442**	**344,039**

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	30/06/2022	30/06/2021
Financial assets, receivables and other financial receivables	105,734	40,440
Cash and cash equivalents	10,571	1,725

The change in loss allowances on the basis of the expected credit losses for trade receivables as at 30 June 2022 is presented in the table below:

EUR '000	2021/2022	2020/2021
Loss allowances as at 1 July in accordance with IFRS 9	**1,182**	**3,982**
Transfers recognised in profit or loss	1,448	497
Reversals recognised in profit or loss	-255	-626
Items recognised outside profit or loss	-116	-2,675
Loss allowances in accordance with IFRS 9	158	4
Loss allowances as at 30 June	**2,417**	**1,182**

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	30/06/2022	30/06/2021
Not yet due	102,341	38,893
Less than 30 days past due	2,633	870
Between 30 and 89 days past due	358	565
More than 90 days past due	44	0
	105,376	**40,328**

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 2022:

30 June 2022

EUR '000	Gross carrying (EUR '000)	Default rate (%)	Expected credit losses (EUR'000)
Receivables from transfer deals	39,399	0.35	138
Other trade receivables	11,140	0.35	39
	50,539		**177**

30 June 2021

EUR '000	Gross carrying (EUR '000)	Default rate (%)	Expected credit losses (EUR'000)
Receivables from transfer deals	17,584	0.08	14
Other trade receivables	15,416	0.08	12
	33,000		**26**

(27) Exchange rate risk

As at 30 June 2022, Borussia Dortmund had a financial liability amounting to GBP 5,000 thousand that is 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 has been entered into, which is not part of an IFRS 9 hedge accounting relationship.

As at the end of the reporting period, the fair value of the currency forward amounted to EUR 252 thousand and is recognised under other financial assets. Due to the congruence with the hedged item, there is no effect on OCI in the consolidated statement of comprehensive income.

(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 2022. 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	30/06/2022		30/06/2021	
	Fixed interest	**Variable interest**	**Fixed interest**	**Variable interest**
Financial assets, receivables and other financial receivables	105,399	0	40,440	0
Financial liabilities from leases	17,179	0	21,060	0

(29) Net gains/losses

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	2021/2022	2020/2021
Financial assets measured at amortised cost	**120**	**-13**
Of which net interest expense/income	120	-13
Financial assets measured at fair value through profit or loss	**-3,372**	**252**
Of which net interest expense/income	-3,372	252
Financial liabilities measured at amortised cost	**-995**	**-1,379**
Of which net interest expense/income	-995	-1,379
Net gains/losses from financial instruments	**-4,247**	**-1,140**
Of which net interest expense/income	-4,247	-1,140

(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 2022

EUR '000	Lease liabilities	Trade and other financial liabilities	Total
2022/2023	5,170	101,412	106,582
2023/2024	2,956	16,286	19,242
2024/2025	1,888	9,762	11,650
2025/2026	1,442	3,610	5,052
2026/2027	1,045	0	1,045
2027 and beyond	6,688	0	6,688
	19,189	**131,070**	**150,259**

Maturities of contractual cash flows from financial liabilities in 2021

EUR '000	Lease liabilities	Trade and other financial liabilities	Total
2021/2022	4,931	83,360	88,291
2022/2023	4,939	37,052	41,991
2023/2024	2,846	302	3,148
2024/2025	1,873	52	1,925
2025/2026	1,448	52	1,500
2026 and beyond	7,763	0	7,763
	23,800	**120,818**	**144,618**

(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 2022:

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
LIABILITIES		
At amortised cost		
Other non-current financial liabilities	1,856	1,856
Non-current lease liabilities	12,530	n/a
Non-current trade payables	29,554	29,554
Current lease liabilities	4,649	n/a
Current trade payables	68,978	68,978
Other current financial liabilities	37,042	37,042
	154,609	**137,430**

Measurement category in accordance with IFRS 9

EUR '000	Carrying amount 30/06/2021	Fair value 30/06/2021
ASSETS		
At amortised cost		
Non-current financial assets	27	27
Non-current trade and other receivables	5,775	5,775
Current trade and other receivables	29,936	29,936
Cash and cash equivalents	1,725	1,725
At fair value through profit or loss		
Receivables intended for factoring	4,617	4,617
	42,080	**42,080**

Measurement category in accordance with IFRS 9

EUR '000	Carrying amount 30/06/2021	Fair value 30/06/2021
LIABILITIES		
At amortised cost		
Other non-current financial liabilities	208	208
Non-current lease liabilities	16,819	n/a
Non-current trade payables	37,250	37,250
Other trade payables	56,900	56,900
Current lease liabilities	4,241	n/a
Current trade payables	64,103	64,103
Other current financial liabilities	33,234	33,234
	212,755	**191,695**

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 and accrue interest. 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 2021)	4,617
Additions	51,000
Disposals	-4,617
Gains/losses recognised through profit or loss	-3,372
Carrying amount of receivables intended for factoring (30 June 2022)	**47,628**

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 2021/2022 amounted to 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	2021/2022	2020/2021
Transactions with BV. Borussia 09 e.V. Dortmund		
Rental income	291	291
Income from other services	146	187
Income from ticket sales	2	0
Transactions with Borussia Dortmund Geschäftsführungs-GmbH		
Expense from costs recharged	6,177	4,127
of which from executive remuneration falling due	4,180	3,818
Transactions with Orthomed GmbH		
Expense from other services	328	322

EUR '000	30/06/2022	30/06/2021
Other current and non-current assets		
Intercompany account with BV. Borussia 09 e.V. Dortmund	88	63
Other current liabilities		
Intercompany account with Borussia Dortmund Geschäftsführungs-GmbH	3,843	2,126

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 BVB Geschäftsführungs-GmbH (merchandising, tickets, sponsorship, events and travel services) amounting to EUR 297 thousand (previous year: EUR 102 thousand). These transactions were conducted at arm's length.

(34) Other financial obligations

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	67,445	35,070	32,375	0

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.

EUR '000		Due after		
30/06/2021	Total	less than 1 year	1–5 years	more than 5 years
Rental and lease payments	893	582	271	40
Marketing fees	38,700	7,259	31,441	0
Other obligations	2,986	844	2,007	135
	42,579	**8,685**	**33,719**	**175**
Purchase commitments	16,000	5,500	10,500	0

In financial year 2020/2021, EUR 1,060 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.

In addition, a total of EUR 40,460 thousand (previous year: EUR 33,846 thousand) in variable payment obligations under existing agreements with conditions precedent were reported as at 30 June 2022, of which EUR 11,453 thousand (previous year: EUR 18,400 thousand) were due in less than one year.

(35) Events after the end of the reporting period

Events after the end of the reporting period

Capital expenditure

The contracts of the players Niklas Süle, Nico Schlotterbeck, Karim Adeyemi and Salih Özcan, that were concluded before 30 June 2022, went into force as planned on 1 July 2022.

Borussia Dortmund signed striker Sébastien Haller from Ajax Amsterdam. The 28-year-old Ivory Coast international signed a contract that runs until 30 June 2026. The player is undergoing chemotherapy to treat a malignant testicular tumour and has been placed on medical leave for an indefinite period of time.

To compensate for the long-term absence of Sébastien Haller, Borussia Dortmund have signed Anthony Modeste from Bundesliga rivals 1. FC Cologne. The 1.87-metre tall striker signed a contract through to 30 June 2023.

Transfer deals

The transfer of the player Erling Haaland to Manchester City was completed as planned on 1 July 2022.

Match operations

On 29 October 2021, the DFB Executive Committee adopted the new fixture calendar for the 2022/2023 season. This stipulated that Bundesliga matches would start on the weekend of 5 to 7 August 2022, one week earlier than in the previous year. The 34th and final Bundesliga match day is scheduled for 27 May 2023. For the first time ever, the Bundesliga's match operations will be interrupted mid-season from November to December 2022 on account of the FIFA World Cup in Qatar.

The DFB Cup began one week before the Bundesliga, with the first round beginning on 29 July 2022. Borussia Dortmund advanced to the next round with a 0:3 away win against TSV 1860 Munich.

The first match day of the group stage of the UEFA Champions League will be held on 6/7 September 2022. The draw for the group stage will be held on 25 August 2022. Borussia Dortmund is seeded in the third pot.

Borussia Dortmund will be able to utilise SIGNAL IDUNA PARK's full capacity for the first time during the upcoming UEFA Champions League season and host 81,365 spectators per match.

Other

Beginning in the 2022/2023 season, Borussia Dortmund's Champion Partner General Logistics Systems Germany GmbH & Co. OHG (GLS) will be the club's sleeve sponsor for national and international competitions.

(36) Average number of salaried employees

	2021/2022	2020/2021
of which in the Athletics Department	195	233
of which trainees	9	8
of which other	623	565
	827	**806**

(37) Management

The management remuneration is as follows:

Management remuneration

EUR '000	2021/2022	2020/2021
Dipl.-Kfm. Hans-Joachim Watzke (Chairman)		
Fixed components		
Fixed remuneration	2,200	1,905
Other remuneration	42	41
Dipl.-Kfm. Thomas Treß		
Fixed components		
Fixed remuneration	952	905
Other remuneration	33	61
Carsten Cramer		
Fixed components		
Fixed remuneration	970	873
Other remuneration	31	33
	4,228	**3,818**

The members of management received remuneration within the meaning of IAS 24.17 (a) in the 2021/2022 financial year.

The management did not receive any performance-based remuneration for the 2021/2022 financial year or the previous year.

EUR 24 thousand in employer contributions to the German statutory retirement pension system were incurred (previous year: EUR 23 thousand).

(38) Auditors' fees

These were reported in accordance with the classification set out in IDW AcP HFA 36.

EUR '000	2021/2022	2020/2021
Audit services	277	277
Other audit-related work	73	50
Tax advisory services	0	1
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 2021 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.
Advisory services relating to the General Data Protection Regulation were reported under other services in the previous year.

(39) Supervisory Board

The names of the members of the Company's Supervisory Board in the 2021/2022 financial year, 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	Dr. Reinhold Lunow	Silke Seidel	Bodo Löttgen	Prof. Dr. Bernhard Pellens	Gerd Pieper
Chairman (since 25 September 2021 / Deputy Chairman of the Supervisory Board until 24 September 2021)	Deputy Chairman (since 25 September 2021)							(since 2 December 2021)	Retired (Chairman of the Supervisory Board until 24 September 2021)
FULL REMUNERATION PAYABLE FOR 2021/2022 (EUR '000)									
45	37	24	24	24	24	27	24	21	11
OCCUPATIONS (as at 30 June 2022)									
Chairman of the Executive Board of Evonik Industries AG, Essen	Chairman of the Managing Boards of group parent companies of the SIGNAL IDUNA Group, Dortmund (SIGNAL Krankenversicherung a.G., Dortmund; SIGNAL IDUNA Lebensversicherung a.G., Hamburg; SIGNAL IDUNA Unfallversicherung a.G., Dortmund; SIGNAL IDUNA Allgemeine Versicherung AG, Dortmund)	Managing partner of Bernd Geske Lean Communication, Meerbusch	Managing partner of JUVIA Verwaltungs GmbH, Cologne	Chief Executive Officer of PUMA SE, Herzogenaurach	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	Chair of the CDU parliamentary group in the state parliament of North Rhine-Westphalia, 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	Privateer; former Managing Director of Stadt-Parfümerie Pieper GmbH, Herne
OTHER FUNCTIONS on statutory supervisory boards and comparable German or foreign supervisory bodies of commercial enterprises (as at 30 June 2022)									
	Member and Chairman of the Supervisory Board of Dortmunder Volksbank eG, Dortmund Member and Chairman of the Supervisory Board of Sana Kliniken AG, Ismaning			Chairman of the Board Salling Group A/S, Braband, Denmark (since 6 March 2020) Member of the Supervisory Board of Tchibo GmbH, Hamburg Board member at Essity (Aktiebolag), Stockholm, Sweden (since 24 March 2022)	Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund			Member of the Supervisory Board of LVM Landwirtschaftlicher Versicherungsverein Münster a. G. in Münster (non-listed company) Member of LVM Krankenversicherungs-AG in Münster (non-listed company)	Member of the Advisory Board of Borussia Dortmund Geschäftsführungs-GmbH, Dortmund (until 21 November 2021)

At its meeting on 2 December 2021, the Supervisory Board of Borussia Dortmund GmbH & Co. KGaA resolved to form an Audit Committee and appointed its members. Dr Bernhard Pellens was elected Chairman of the Audit Committee, Mr Ulrich Leitermann as Deputy Chairman of the Audit Committee and Ms Silke Seidel as a member of the Audit Committee.

(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)

Of the shareholdings in our Company, the following were notified to us pursuant to § 33 (1) of the German Securities Trading Act (*Wertpapierhandelsgesetz*, "WpHG") and published with the following content pursuant to § 40 (1) WpHG in financial year 2021/2022:

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 2022, one member of management held 7,045 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 31 December 2021, members of management and the Supervisory Board held a total of 9,099,054 no-par value shares, which corresponds to more than 1% of the shares issued by Borussia Dortmund GmbH & Co. KGaA.

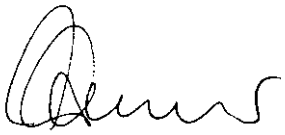
(43) Corporate Governance

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, 19 August 2022
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 GROUP 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 balance sheet as at 30 June 2022, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 July 2021 to 30 June 2022, and the notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of Borussia Dortmund GmbH & Co. Kommanditgesellschaft auf Aktien, Dortmund/Germany, for the financial year from 1 July 2021 to 30 June 2022. In accordance with the German legal requirements, we have not audited the content of the corporate governance statement or the sustainability report referred to in the group 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) 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 2022 and of its financial performance for the financial year from 1 July 2021 to 30 June 2022, and

- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group 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 group management report does not cover the content of the consolidated corporate governance statement and the sustainability report referred to in the group 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 consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group 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 Group 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 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 consolidated financial statements and on the group 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 2021 to 30 June 2022. 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 123.6 are reported under intangible assets and player registrations of mEUR 24.0 are reported under assets held for sale as of 30 June 2022 (27.2% and 5.3% of balance sheet total, respectively). In the past financial year, player registrations under intangible assets decreased by mEUR 68.8. Additions of mEUR 65.5 were offset by disposals of mEUR 13.9 and amortization of mEUR 87.3. In addition, player registrations of mEUR 33.1 were reclassified to assets held for sale. After this reclassification, an impairment loss of mEUR 9.1 was recognized. Trade payables include liabilities from transfers in the amount of mEUR 87.4. 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 fundamental risk that the subsequent measurement of the player's registration 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 2021/22 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 86.9 are reported under trade receivables in Borussia Dortmund's consolidated financial statements. The transfer result in the financial year 2021/22 amounts to mEUR 61.9. Gross transfer fees of mEUR 105.2 were offset by transfer expenses of mEUR 24.0 and outgoing residual carrying amounts of player registrations of mEUR 19.4.

Due to the individuality and complexity of the contractual clauses, the accounting of transfer fees from transfer transactions is demanding and there is a fundamental 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 stock of transfer receivables and realized transfer fees from player transfers 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 in the intangible assets.

When inspecting the transfer contracts for player transfers, 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 could 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 as well as individual termination agreements 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 of the German Commercial Code (HGB), to which reference is made in the Group management report,
- the other parts of the sustainability report referred to in the group management report; these parts are not expected to be made available to us until after the date of the auditor's report,
- the corporate governance statement referred to in the group management report,
- the executive directors' confirmation regarding the annual financial statements and the management report pursuant to Section 264 (2) sentence 3 and Section 289 (1) sentence 5 HGB and regarding the consolidated financial statements and the group management report pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB,
- all other parts of the annual report, which is 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 group 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 group management report. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the group 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 group 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 Group 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 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 group 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 group 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 group 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 group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group 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 group 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 group 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 group 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 group 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 for one 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 group 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 group 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 group 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 group 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 group 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 related safeguards.

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 Group 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 group management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the provided file, which has the SHA-256 value 8C3DADDA557AD718C42010191E1FEB3E3F0071D92B899BE8DF0930CF543FA89E, 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 group 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 group 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 group management report for the financial year from 1 July 2021 to 30 June 2022 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Group 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 group 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 (10.2021)). 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 group 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 and 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 provided 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 group 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 2 December 2021. We were engaged by the supervisory board on 2 December 2021. 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 group management report as well as with the audited ESEF documents. The consolidated financial statements and the group management report converted into the ESEF format – including the versions to be published in the Federal Gazette – are merely electronic reproductions of the audited consolidated financial statements and the audited group 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, 19 August 2022
Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Signed:	Signed:
(René Kadlubowski)	(Christian Renzelmann)
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

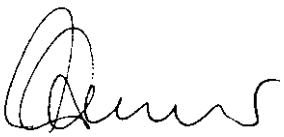
RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Dortmund, 19 August 2022
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

11 November 2022
Disclosure of the quarterly financial report –
Q1 fiscal year 2022/2023

21 November 2022
Annual shareholders meeting 2022

For more information, go to: http://aktie.bvb.de/eng

FINANCIAL CALENDAR / PUBLICATION DETAILS