



**The brand for those who  
follow their dreams**

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PORSCHE

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**Oliver Blume**

**CEO**

**Lutz Meschke**

**CFO**



911 Targa 4 GTS: Fuel consumption combined in l/100 km: 11.3 – 10.8 (WLTP), 10.7 – 9.9 (NEDC); CO<sub>2</sub> emissions combined in g/km: 257 – 245 (WLTP), 243 – 227 g/km (NEDC)

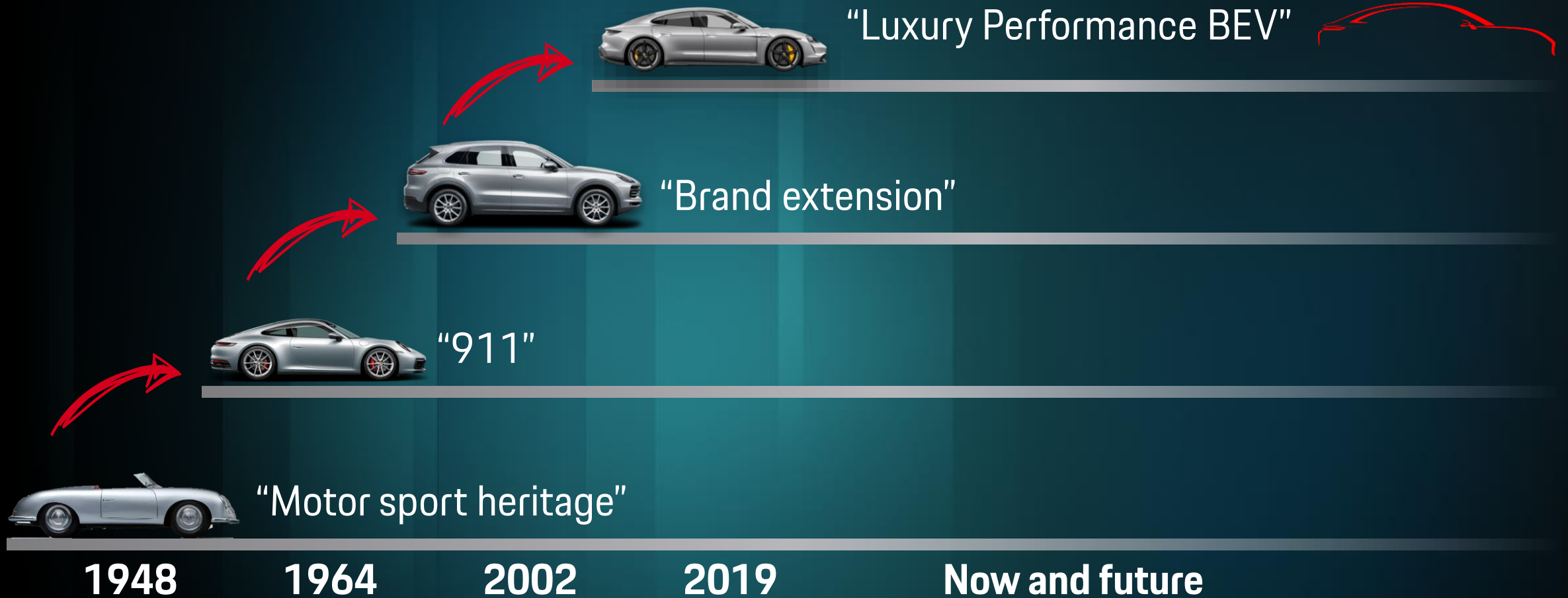
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# Essence of Porsche

- » Iconic brand and heritage
- » Structural growth
- » Electrification, tech and sustainability
- » Luxury with scale benefits
- » Increased corporate independence
- » Stellar financial performance



# Porsche. Past. Present. Future





**DEEP-DIVE**

**ECONOMIC MODEL**

# 01

“Luxury brand  
stellar financials”

911 Sport Classic: Fuel consumption combined in l/100 km: 12.6 (WLTP), 12.8 (NEDC); CO<sub>2</sub> emissions combined in g/km: 285 (WLTP), 292 g/km (NEDC)

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# Porsche's unique economic model

Key facts, 2021

€ 100 k

» Automotive Revenue per car<sup>1</sup>  
more than 2x premium OEMs<sup>2</sup>

» Lean cost  
structure & scale

» Significant BEV<sup>3</sup>-focused  
investments made

24.5 %

Automotive  
EBITDA margin<sup>4,6</sup>

10+ %

Automotive net  
cash flow margin<sup>5,6</sup>

1 Ratio Automotive Revenue (sales revenue) to Deliveries (handover of vehicles to end customers) for Porsche | 2 Premium OEMs' average automotive revenue per car delivered (Audi, BMW, Mercedes-Benz, Tesla and Volvo Cars), as such terms are defined in the respective OEM annual reports. Automotive revenue used to the extent possible, while such terms may not be entirely comparable due to differences in accounting policies | 3 BEV = Battery-electric vehicle model | 4 Ratio of Automotive EBITDA to Automotive Revenue | 5 Ratio Automotive Net Cash Flow to Automotive Revenue | 6 Non-IFRS measure

# Overview of Porsche's business

## Income statement

- ① Automotive Revenue components
- ② Gross and operating profitability
- ③ Key drivers of Financial Services segment
- ④ Other income statement items
- ⑤ Strong resilience

## Cash flow statement

- ⑥ Automotive investments
- ⑦ Automotive trade working capital
- ⑧ Other cash flow items

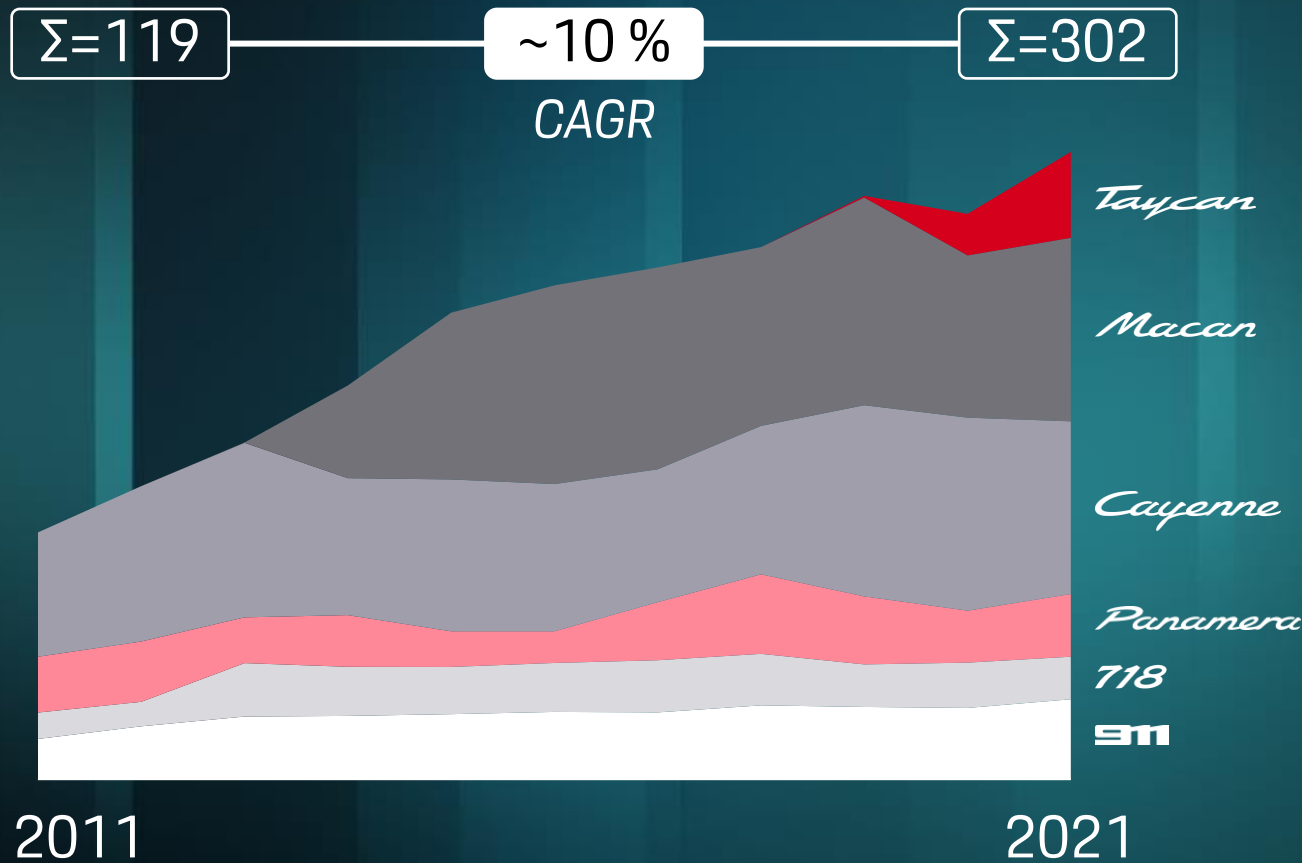
## Statement of financial position

- ⑨ Deep-dive on pension provisions
- ⑩ Automotive net liquidity development



# 1 Strong growth in Deliveries

Deliveries, in k cars<sup>1</sup>



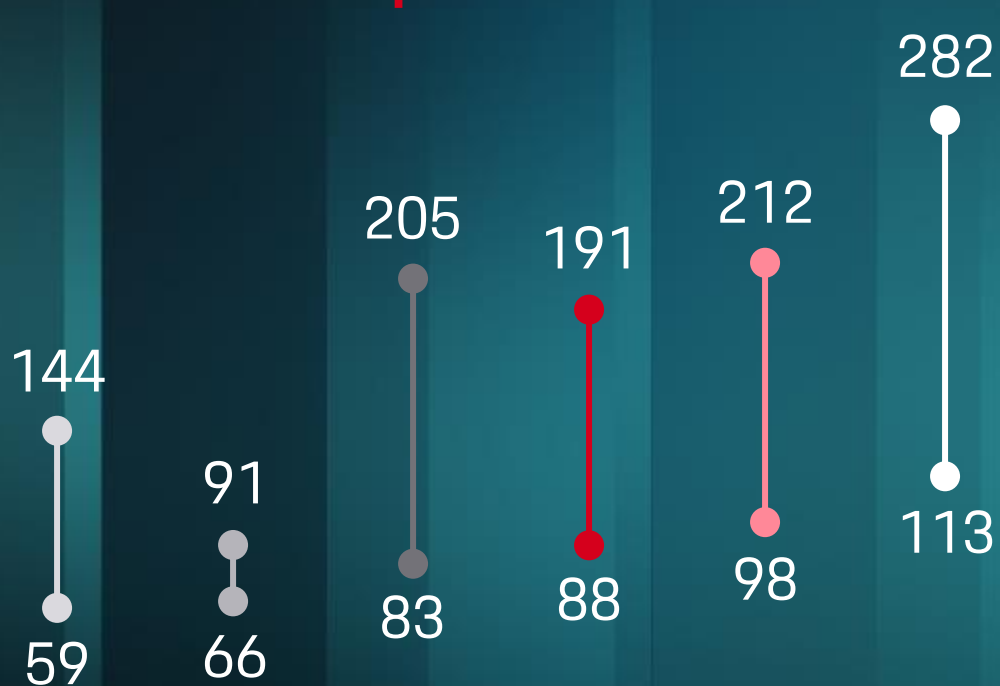
- » Track record of successful model launches
- » 2-door sports cars with consistently strong volumes
- » Steep Taycan ramp-up
- » ~40 % PHEV<sup>2</sup> / BEV in Europe 2021
- » Order bank at record level<sup>3</sup>

<sup>1</sup> Deliveries are defined as the number of vehicles handed over to end-customers. Sales are defined as number of vehicles leaving the group, typically in a wholesale transaction but also in retail transactions where the Group owns the dealership. Differences between sales and Deliveries may occur because sold vehicles are not transferred to the customer during the period | <sup>2</sup> PHEV = Plug-in hybrid electric vehicle as defined per S&P Global Mobility | <sup>3</sup> Order bank comprises all active customer orders (with and without an allocated production quote), which have not been delivered

# ① Attractive pricing with upside from customization

Base retail prices from current entry to top model<sup>1</sup>, in € k

~20% Options / Exclusive<sup>2</sup>



- » Clear differentiation across models
- » On average, top model price >2x entry model price
- » Special editions at attractive price points
- » Further pricing upside from BEV transition
- » Large number of personalization options

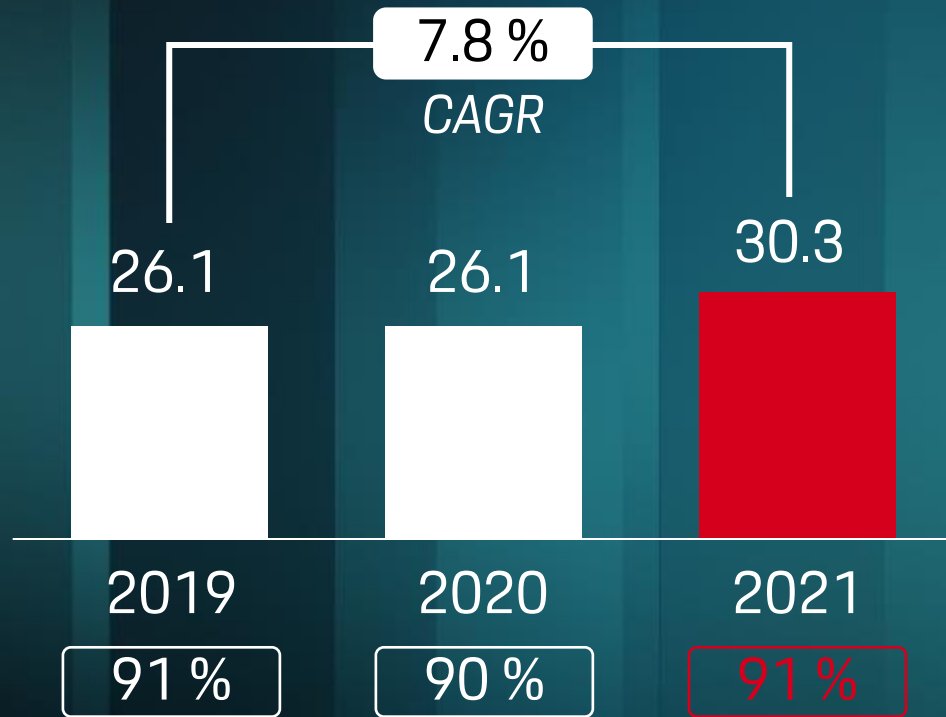
718 Macan Cayenne Taycan Panamera 911

<sup>1</sup> Based on Manufacturer's Suggested Retail Price (MSRP) excl. options / customization and incl. VAT ("MwSt") as of July, 2022 in Germany, as illustrative reference country | <sup>2</sup> Indicative additional average MSRP (on top of Base retail prices) attributable to options / customization (incl. Exclusive Manufaktur) for 2021 in Germany, as illustrative reference country

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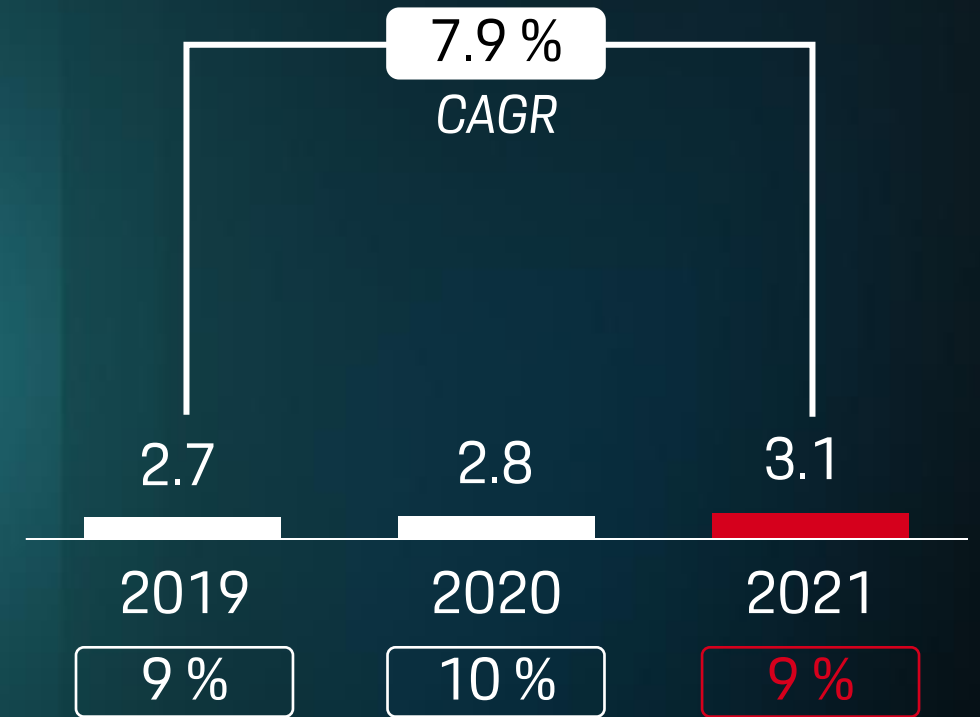
# 1 Revenue breakdown by segment

Automotive Revenue, in € bn



Automotive Revenue as % of total<sup>1</sup>

Financial Services Revenue, in € bn

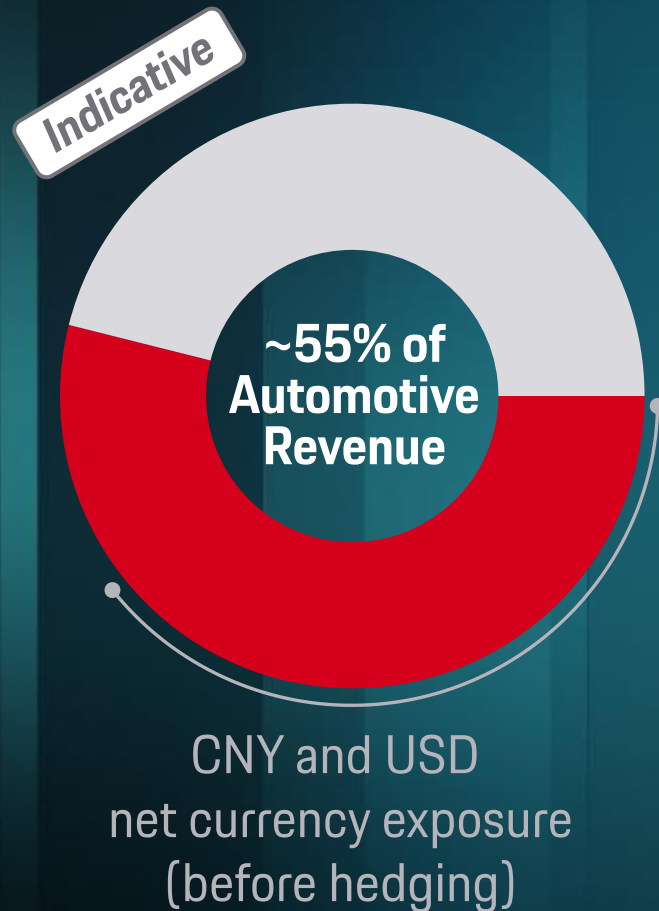


Financial Services Revenue as % of total<sup>1</sup>

<sup>1</sup> Total is the sum of Revenue in the Automotive and Financial Services segments; intersegment eliminations to reconcile total to Group Revenue are not included in total: €0.2bn (2019), €0.2bn (2020), €0.3bn (2021)

# 1 FX exposure and hedging approach

Net currency exposure<sup>1</sup> as % of Automotive Revenue



- » Porsche benefits from strong demand in international markets, especially in China and the US
- » Largest net currency exposures to CNY and USD, USD has counterbalancing purchasing volumes mainly from BEV-related commodities
- » Proactive approach to hedge FX exposure up to 5 years
- » Use of various derivative financial instruments, including option structures
- » Realized gains or losses are reflected in Revenue

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<sup>1</sup> Net currency exposure is defined as Revenue minus costs in the respective currency (before hedging)

## ② Attractive gross profit

Group cost of sales (COS), 2019-21

in € bn	2019	2020	2021
<b>Group Revenue</b>	<b>28.5</b>	<b>28.7</b>	<b>33.1</b>
(-) Group cost of sales	(21.3)	(21.2)	(24.3)
<b>Group gross profit</b>	<b>7.3</b>	<b>7.5</b>	<b>8.9</b>
Group gross margin, in %	25.5 %	26.3 %	26.7 %

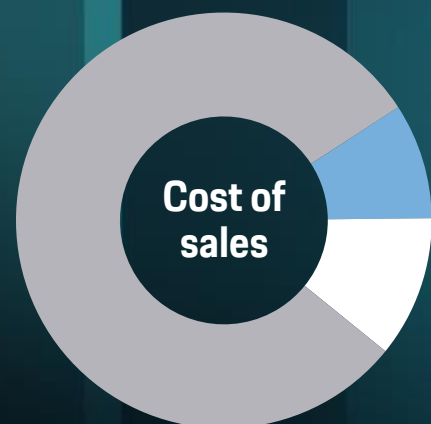
» Increasing Group gross margin levels

» Focused management of raw material costs

» Selected fixed costs included in COS

» R&D costs fully accounted in COS

» FS slightly dilutive to Group gross margins



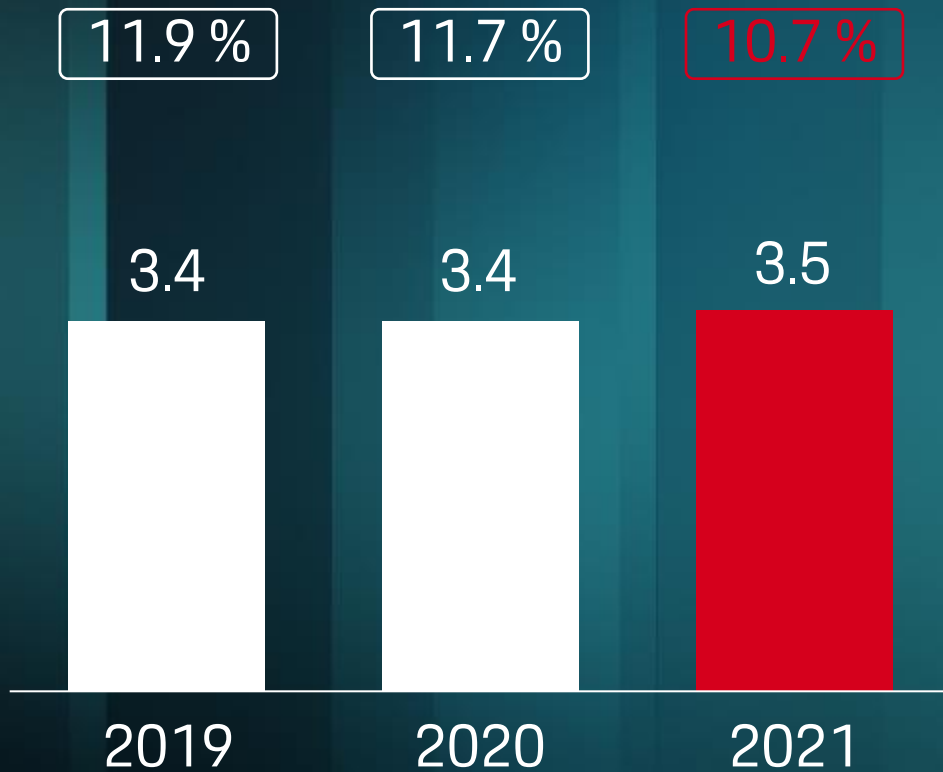
~7-10 %  
R&D costs in Group COS<sup>1</sup>

**Financial Services**  
contribution to Group COS

<sup>1</sup> High / low range of 2019-2021 ratio of research and development costs recognized in the income statement (incl. amortization of development costs) (€ 2.1 bn (2019), € 2.0 bn (2020), € 1.8 bn (2021)) as a percentage of Group cost of sales

## ② Lean cost structure

Net SG&A<sup>1</sup> ratio, in % of Group Revenue<sup>2</sup>  
Group net SG&A expenses, in € bn



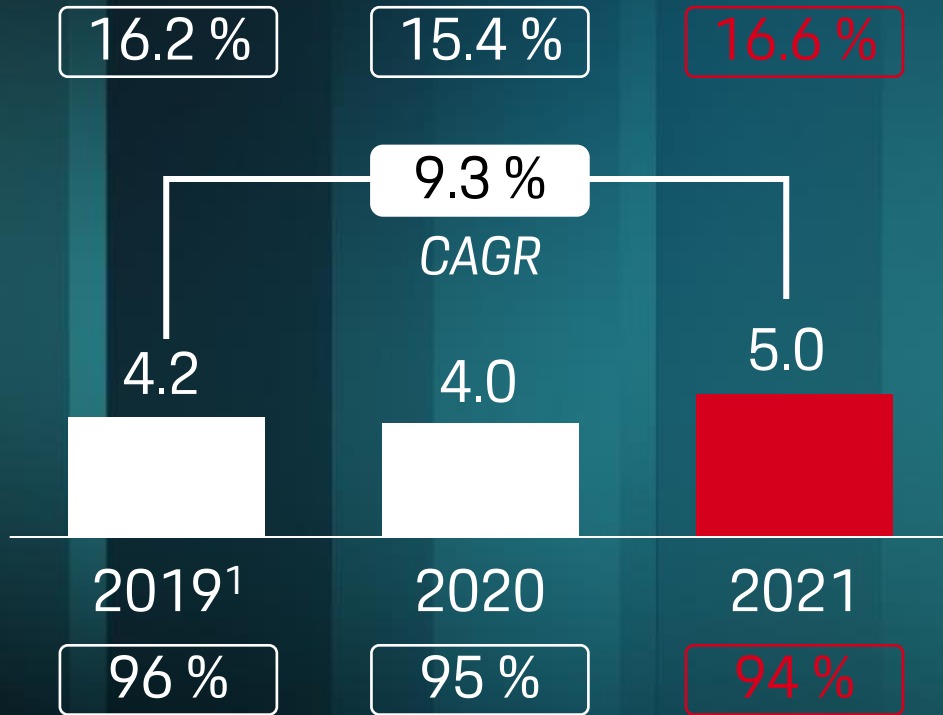
- » Operating leverage potential
- » Ongoing focus on cost optimization
- » Historically decreasing net SG&A ratio
- » Minor FS share in Group net SG&A expenses

<sup>1</sup> Sum of distribution expenses, administrative expenses, other operating expenses net of other operating income | <sup>2</sup> Based on net SG&A expenses divided by Group Revenue: € 28.5 bn (2019), € 28.7 bn (2020), € 33.1 bn (2021)

## ② Significant operating profit expansion

Automotive RoS, in %

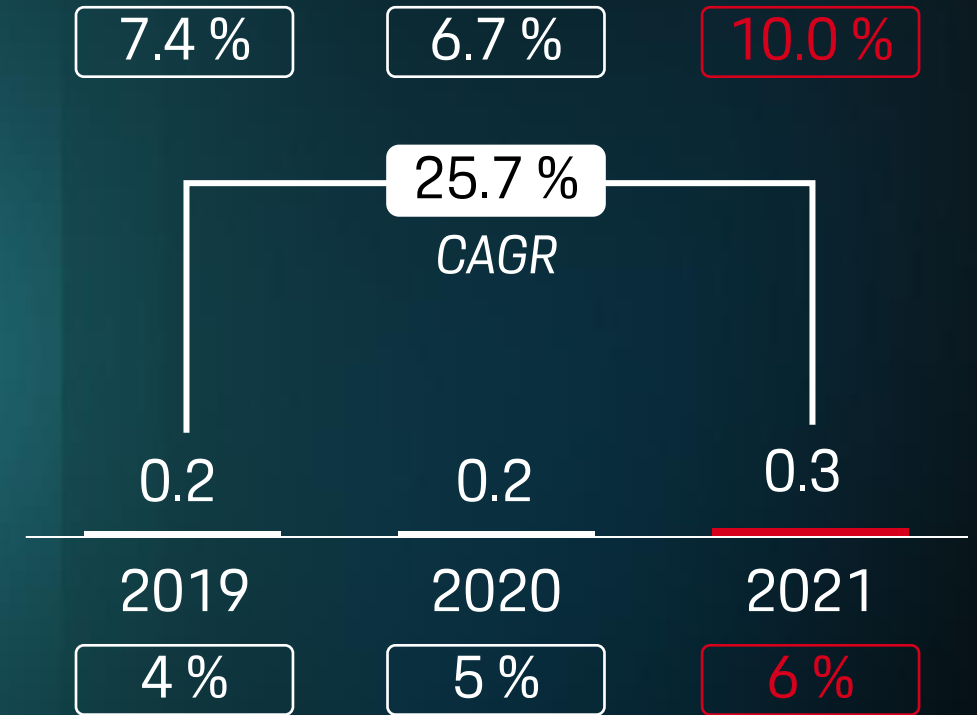
Automotive operating profit, in € bn



Automotive operating profit as % of total<sup>2</sup>

Financial Services RoS, in %

Financial Services operating profit, in € bn



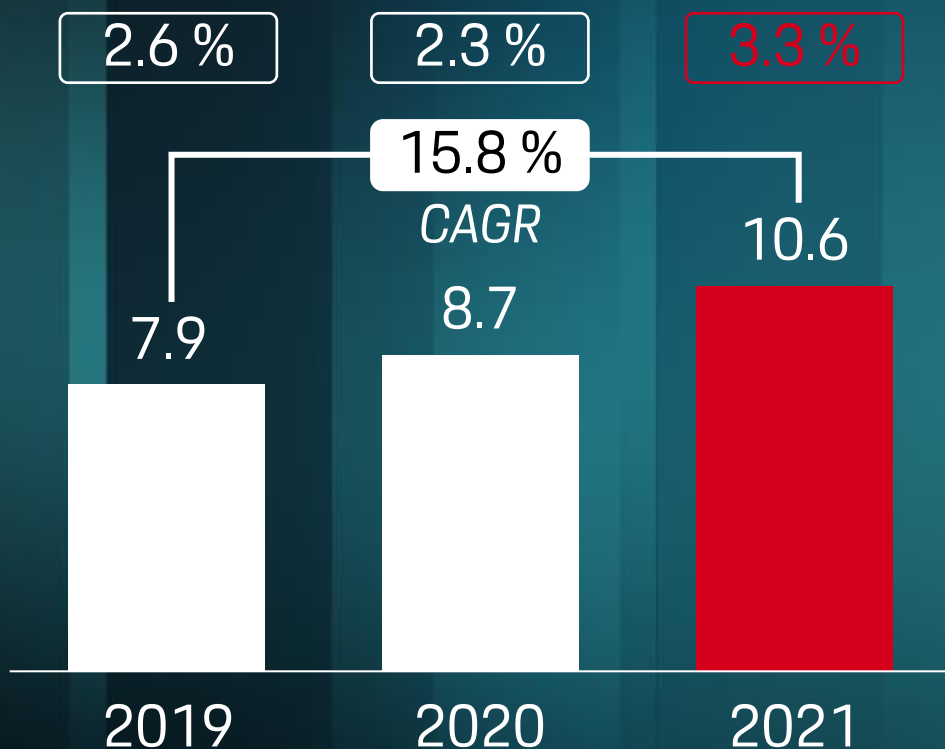
Financial Services operating profit as % of total<sup>2</sup>

<sup>1</sup> 2019 excl. € 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue. Other emission-related expenses / income incurred by the Group were not adjusted / normalized | <sup>2</sup> Total is the sum of operating profit in the Automotive and Financial Services segments; intersegment eliminations to reconcile total to Group operating profit are not included in total: <€0.1bn (2019-2021). 2019 sum of operating profit in Automotive and Financial Services segments figures also excl. € 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue; other emission-related expenses / income incurred by the Group were not adjusted / normalized

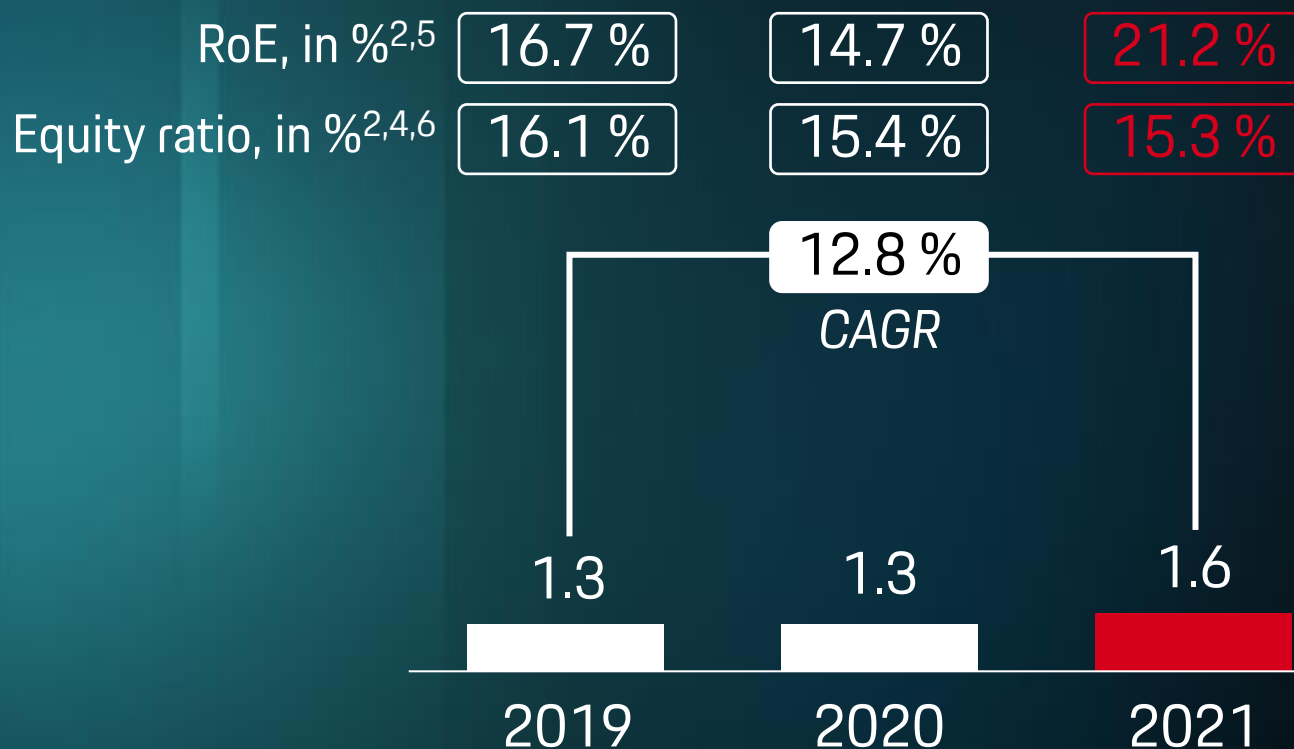
### ③ Key drivers of Financial Services segment

Return on assets, in %<sup>1,2</sup>

Total assets, in € bn<sup>3</sup>



Total equity, in € bn<sup>4</sup>



1 Defined as profit before tax divided by average total assets both in the Financial Services segment; average calculated as average at the beginning and end of the reporting period | 2 Non-IFRS measure | 3 Year-end total assets in the Financial Services segment | 4 Year-end total equity in the Financial Services segment, incl. non-controlling interests | 5 Return on Equity defined as profit before tax divided by average total equity both in the Financial services segment; average calculated as average at the beginning and end of the reporting period | 6 Equity ratio defined as total equity divided by total assets both in the Financial services segment



## ④ Group – summary P&L

in € bn	2019	2020	2021
<b>Automotive EBITDA</b>	<b>6.3<sup>1</sup></b>	<b>6.4</b>	<b>7.4</b>
Automotive depreciation & amortization <sup>2</sup>	2.1	2.4	2.4
<b>Automotive operating profit</b>	<b>4.2<sup>1</sup></b>	<b>4.0</b>	<b>5.0</b>
Financial Services op. profit / eliminations	0.2	0.2	0.3
<b>Group operating profit</b>	<b>3.9<sup>3</sup></b>	<b>4.2</b>	<b>5.3</b>
Share of profit of equity-accounted inv.	(0.0)	(0.0)	(0.0)
Interest income	0.4	0.4	0.4
Interest expenses	(0.1)	(0.1)	(0.1)
Other financial result	(0.1)	(0.0)	0.1
<b>Profit before tax</b>	<b>4.1<sup>3</sup></b>	<b>4.4</b>	<b>5.7</b>
Income tax income/expense	(1.3)	(1.2)	(1.7)
<b>Profit after tax</b>	<b>2.8<sup>3</sup></b>	<b>3.2</b>	<b>4.0</b>

» Spin-off of € 10.4 bn intercompany loan receivable reducing interest income by ~€ 0.4 bn p.a.<sup>4</sup>

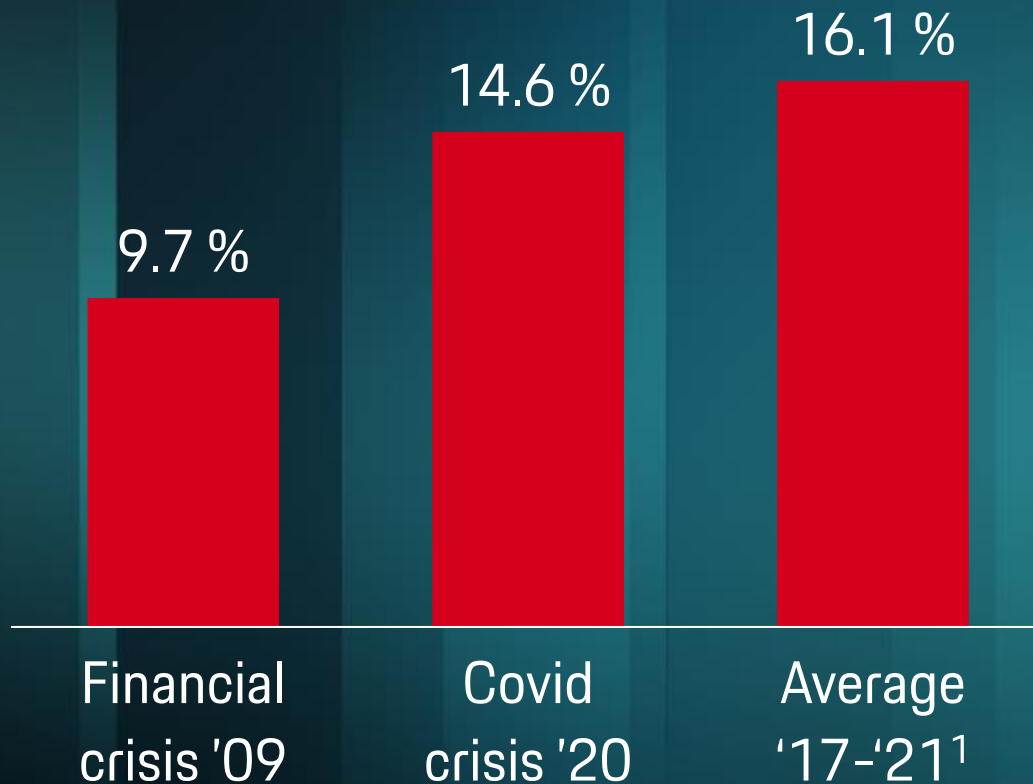
» Rimac, Bertrandt, Bugatti Rimac and IONITY are largest participations

» Group tax rate of ~30%<sup>5</sup> – effective tax rate slightly lower

<sup>1</sup> 2019 excl. the EUR 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue. Other emission-related expenses / income incurred by the Group were not adjusted / normalized | <sup>2</sup> Including impairment losses / reversals of impairment losses on property, plant and equipment, capitalized development costs and other intangible assets | <sup>3</sup> Incl. € 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue. Other emission-related expenses / income incurred by the Group were not adjusted / normalized | <sup>4</sup> Based on € 10,377 mn included in assets held for distribution as of Jun. 30, 2022, including a loan receivable from Porsche Holding Stuttgart GmbH (€ 8,349 mn) and other financial assets of Porsche AG (€ 2,028 mn) resulting from loan to Porsche Holding Stuttgart GmbH | <sup>5</sup> Based on statutory corporate income tax rate for the 2021 assessment period in Germany of 15%. Including trade tax and the solidarity surcharge, this results in an aggregate tax rate of ~30% for 2021

## ⑤ Strong resilience

Group RoS, in %



- » Financially strong customer base
- » Ability to adapt and react quickly
- » Structural improvements since 2009

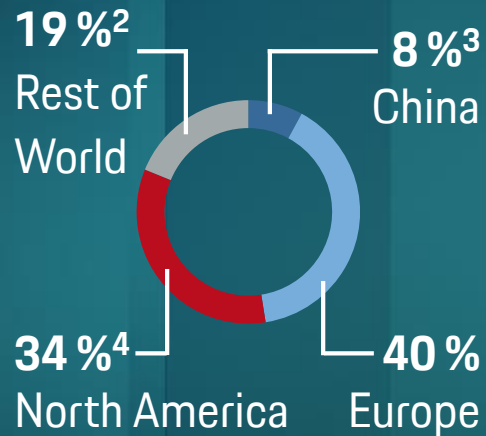
<sup>1</sup> 2019 incl. € 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue. Other emission-related expenses/income incurred by the Group were not adjusted/normalized

# 5 Structural changes since 2008

**Size & scale**

**FY 2008<sup>1</sup>**

**~100 k**  
vehicles Delivered



**Regional delivery mix**

**Product portfolio**

**911 718**  
*Cayenne*

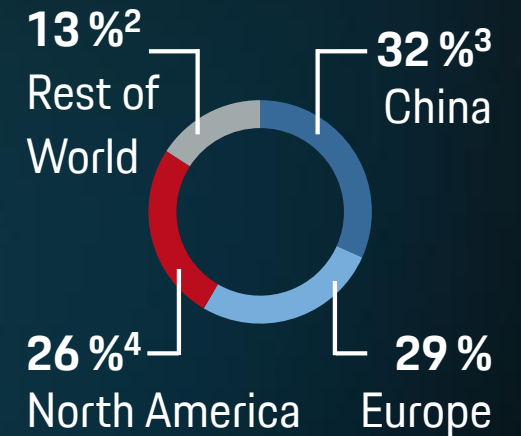
*Increased scalability*

*Geographic expansion*

*Successful new model launches*

**2021**

**~300 k**  
vehicles Delivered

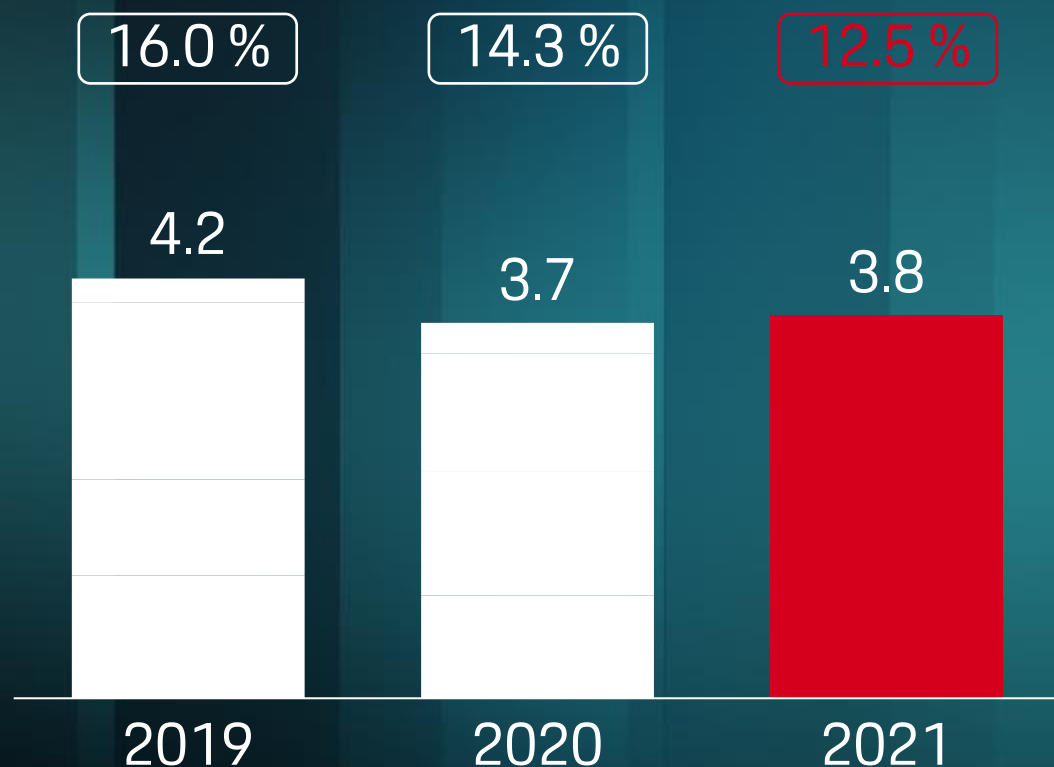


**911 718 Cayenne**  
*Panamera Macan*  
*Taycan*

<sup>1</sup> Based on former Porsche SE fiscal year ended July 2008 | <sup>2</sup> Includes Africa, Asia (excl. China), Australasia, Middle East, South America and Mexico | <sup>3</sup> China includes Mainland China and Hong Kong | <sup>4</sup> North America includes USA and Canada

## ⑥ Foundational investments in the past

Automotive investments<sup>1</sup> to Automotive Revenue, in %  
Automotive investments, in € bn



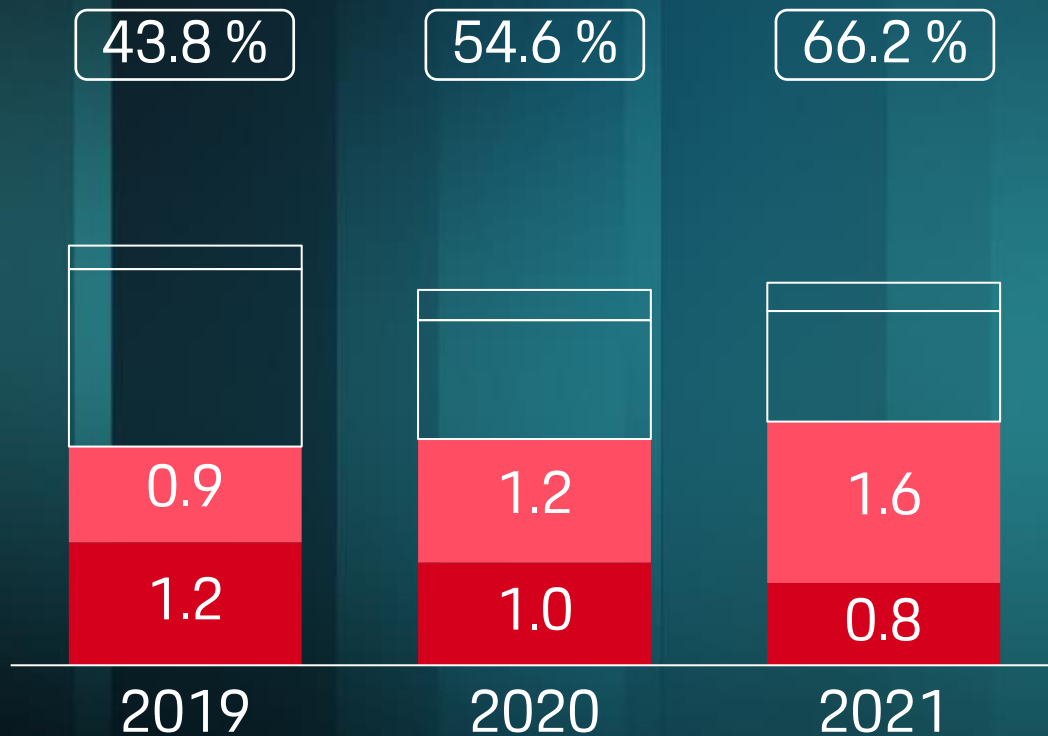
- » Well-invested asset base today
- » ~55 % of Automotive product investments in 2021 dedicated to BEV & PHEV<sup>2</sup>
- » >9 x lower investment per car (~€ 14 k<sup>3</sup>) vs. selected luxury OEM competitors<sup>4</sup>
- » Further efficiency potential from BEV platform strategy

<sup>1</sup> Composed of Automotive capex (equal to Automotive additions (costs of acquisitions) to intangible assets (excluding capitalized development costs) and to property, plant and equipment) and Automotive R&D (equal to Automotive expensed R&D and Automotive capitalized R&D). Automotive R&D equals Group R&D. Non-IFRS measure | <sup>2</sup> Automotive BEV & PHEV related investments defined as total Automotive BEV & PHEV related research and development (without amortization) costs plus Automotive BEV & PHEV related capital expenditure as a percentage of Automotive total product investments defined as sum of total Automotive research and development costs (without amortization) and Automotive product related capital expenditure. Non-IFRS measure | <sup>3</sup> Ratio of average Automotive investments to Deliveries 2019-2021. Non-IFRS measure | <sup>4</sup> Aston Martin and Ferrari, based on group financials. Ratio of average group investment to deliveries 2019-2021, as both terms are disclosed in public financial statements. Such terms may not be entirely comparable due to differences in accounting policies

# 6 Automotive – R&D to support electrification strategy

Automotive R&D<sup>1</sup>, in € bn

  Capitalization ratio<sup>2</sup>, in %  
■ Expensed R&D (excl. amortization) ■ Capitalized R&D



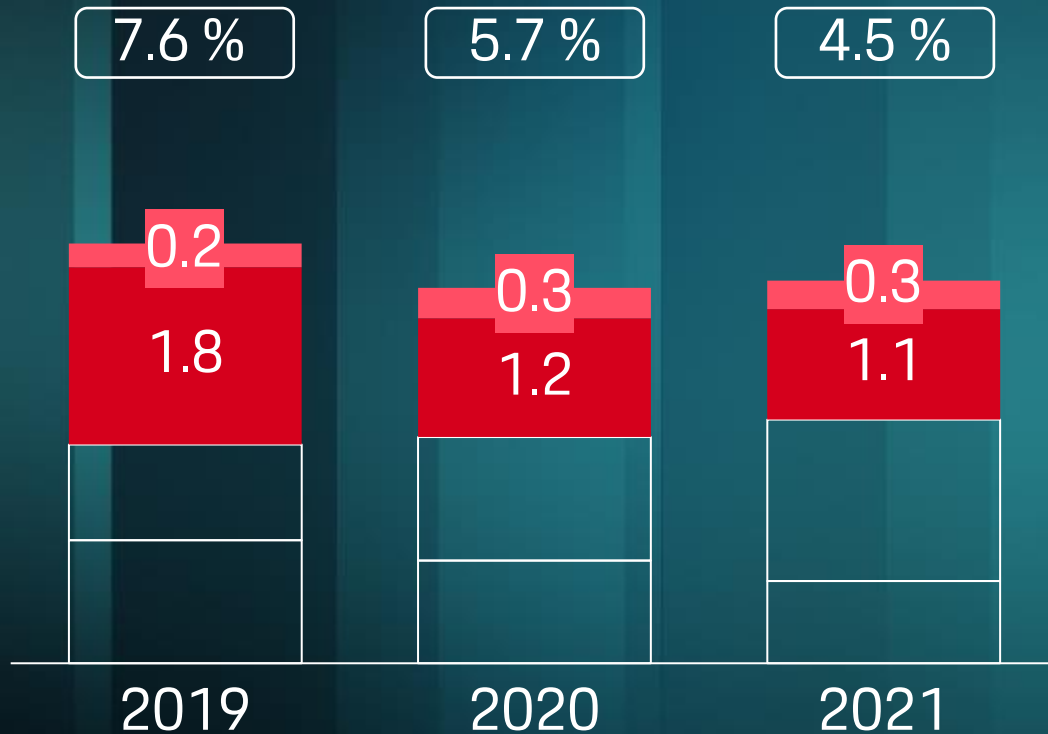
- » Current R&D primarily related to new model launches in 2023 and 2024
- » Higher capitalization ratio in 2021 as result of development progress and launch plan
- » BEV scale benefits expected to support Automotive R&D efficiency

<sup>1</sup> Composed of Automotive expensed R&D (excl. amortization of capitalized development costs) and Automotive additions (costs of acquisitions) to capitalized development costs. Automotive capitalized development costs equal Group capitalized development costs | <sup>2</sup> Group additions to capitalized development costs divided by Group research and development costs (without amortization)

## ⑥ Automotive – well-invested asset base

Automotive capex<sup>1</sup>, in € bn

Ratio Automotive capex to Automotive Revenue, in %  
PP&E capex Intangibles capex



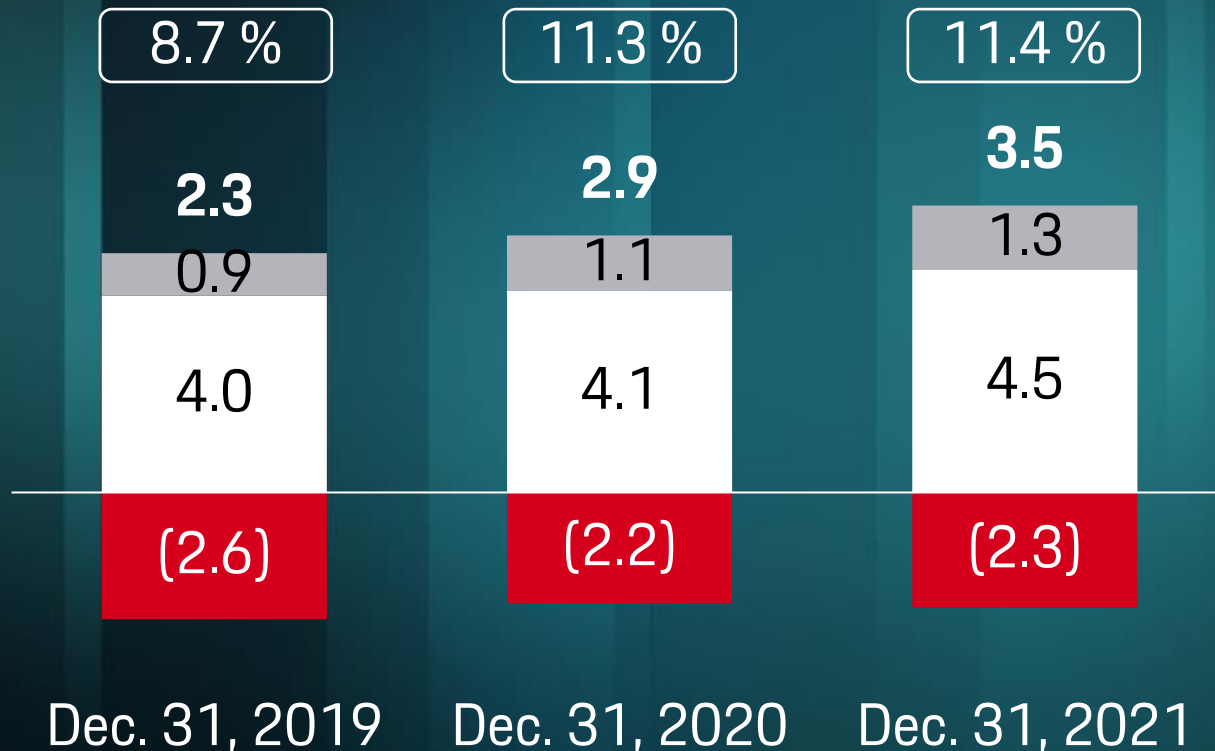
- » 2019 capex elevated due to investments in new Taycan factory
- » Well invested asset base – no new factory required for envisaged model plan
- » Ability to leverage VW AG factory in Bratislava for Cayenne
- » Moderate intangibles capex related to Group IT and CO<sub>2</sub> certificates

<sup>1</sup> Composed of Automotive additions (costs of acquisitions) to intangible assets (excluding capitalized development costs), and to property, plant and equipment. Non-IFRS measure

# 7 Automotive – efficient trade working capital

Automotive trade working capital<sup>1</sup> breakdown, in € bn

Automotive trade working capital as % of Automotive Revenue  
 Inventories 
  Trade receivables 
  Trade payables



- » Inventory levels reflect centralized production with high share of exports and underlying lead times
- » Higher inventory days for markets with own wholesale
- » 2021 inventory elevated due to semiconductor shortage

<sup>1</sup> Automotive trade working capital is defined as the sum of the closing balances of Automotive inventories and Automotive trade receivables minus the closing balance of Automotive trade payables. Non-IFRS measure

## 8 Automotive – net cash flow development

in € bn	2019	2020	2021
<b>Operating profit<sup>1</sup></b>	<b>4.2<sup>2</sup></b>	<b>4.0</b>	<b>5.0</b>
(+) Depreciation & amortization <sup>3</sup>	2.1	2.4	2.4
<b>EBITDA</b>	<b>6.3<sup>2</sup></b>	<b>6.4</b>	<b>7.4</b>
(-) Change in trade working capital <sup>4</sup>	(0.7)	(1.0)	(0.0)
(+/-) Change in other working capital (incl. other provisions)	0.1	(0.6)	0.4
(-) Income taxes paid	(1.3)	(0.8)	(1.5)
(+) Financial result	0.2	0.2	0.5
(+) Changes in pension provisions	0.4	0.5	0.5
(+/-) Other cash flows from operating act. <sup>5</sup>	(0.6)	0.2	(0.2)
(-) Capex	(2.0)	(1.5)	(1.4)
(-) Capitalized R&D	(0.9)	(1.2)	(1.6)
(-) Other cash flows from investing act. <sup>6</sup>	(0.1)	0.0	(0.4)
<b>Automotive net cash flow</b>	<b>1.5</b>	<b>2.2</b>	<b>3.7</b>

- » Other working capital driven primarily by development of warranties
- » Financial result impacted by depreciation and write-up of at-equity investments
- » Cash taxes broadly in line with P&L taxes – limited deferrals
- » Other operating cash flow broadly stable – 2019 diesel issue impact

1 Refers to adjusted Operating profit, with only adjustment occurring in 2019 | 2 2019 excl. the EUR 535 million penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue. Other emission-related expenses/income incurred by the Group were not adjusted/normalized | 3 Including impairment losses/reversals of impairment losses on property, plant and equipment, capitalized development costs and other intangible assets | 4 Change in trade working capital contains changes in inventories, trade payables and trade receivables | 5 2019 incl. € 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue, impairments on equity-accounted investments, gain/loss on disposal of non-current assets, share of profit or loss of equity-accounted investments and other non-cash expense/income | 6 Refers to current operations. Includes change in equity investments and cash received from disposal of intangible assets and property, plant and equipment



## 9 Group – pension provisions

in € bn	2019	2020	2021
Present value of pension obligation	5.6	6.1	5.7
(-) Fair value of plan assets	(0.1)	(0.1)	(0.1)
<b>Net defined benefit obligation</b>	<b>5.4</b>	<b>5.9</b>	<b>5.5</b>
% <i>Unfunded ratio</i> <sup>1</sup>	98 %	98 %	97 %
Service cost	0.3	0.5	0.4
Pension interest cost	0.1	0.1	0.0
<b>Net benefit expense</b> <sup>2</sup>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>
Pension payments <sup>3</sup>	(0.0)	(0.1)	(0.1)

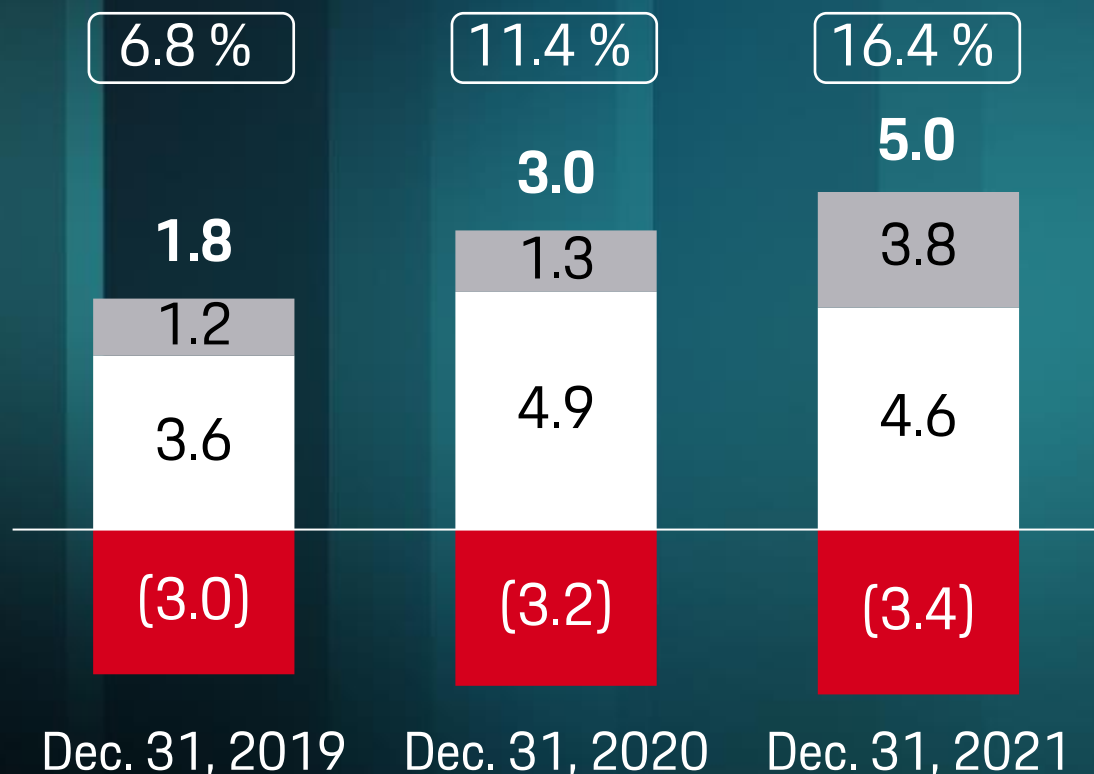
- » Pension obligation substantially reduced in H1 2022
- » € 3.6 bn provisions for pensions and similar obligations as of Jun. 30, 2022 based on discount rate of 3.3%)
- » Opportunistic pension funding of up to ~60-70% envisaged in the mid-term taking advantage of increasing interest rates
- » € 1.1 bn net deferred tax assets related to pensions as of Jun. 30, 2022<sup>4</sup>

<sup>1</sup> Defined as net defined benefit obligation divided by present value of obligation | <sup>2</sup> Includes gains / losses from plan settlements of <€ 1 mn (2019-2021) and past service cost (including plan curtailments): <€ 1 mn (2019), € 77 mn (2020), <€ 1 mn (2021) | <sup>3</sup> Includes pension payments from plan and company assets | <sup>4</sup> Deferred tax assets of € 1,099 mn for provisions for pensions and similar obligations, net of deferred tax liabilities of € 29 mn for provisions for pensions and similar obligations as of June 30, 2022

# 10 Automotive net liquidity development

Automotive net liquidity<sup>1</sup>, in € bn

- Automotive net liquidity ratio as % of Automotive Revenue<sup>2</sup>
- Cash and cash equivalents
- Securities, loans and time deposits
- Third-party borrowings



» Robust Automotive net liquidity as result of strong operating performance

» € 1.1 bn Automotive lease liabilities (IFRS 16) as of Dec. 31, 2021, reflected in third-party borrowings

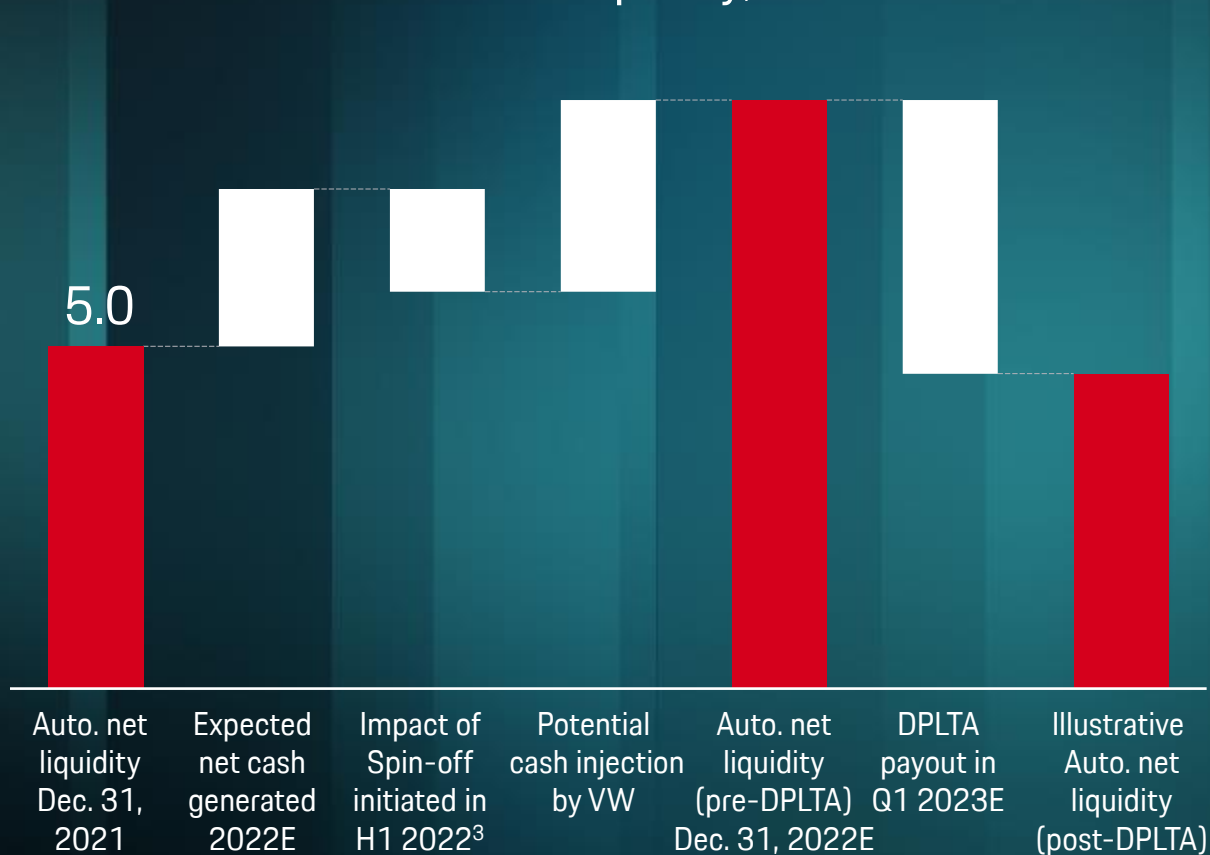
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<sup>1</sup> Automotive net liquidity is defined as the total of cash and cash equivalents, securities, loans and time deposits net of third-party borrowings (non-current and current financial liabilities), each of the Automotive segment. Non-IFRS measure | <sup>2</sup> Automotive net liquidity divided by Automotive Revenue for the respective year (€ 26.1 bn in 2019; € 26.1 bn in 2020; € 30.3 bn in 2021)

# ⑩ Potential Post-IPO capital structure

Expected Automotive net liquidity development in 2022

Illustrative Automotive net liquidity, in € bn



- » Strong cash flows expected in 2022
- » Liquidity effect from receivables spin-off initiated in H1 2022<sup>1</sup>
- » Potential cash injection by VW AG before possible IPO
- » Last DPLTA<sup>2</sup> payout in Q1 2023E
- » Strong Automotive net liquidity at year-end expected

<sup>1</sup> Details can be found in the Appendix (P.60) | <sup>2</sup> Planned termination of domination and profit and loss transfer agreement ("DPLTA") at financial year-end 2022 in the event of a potential IPO | <sup>3</sup> € 1.5 bn cash and cash equivalent spin-off in H1 2022 not yet reflected in Automotive net liquidity as of June 30, 2022

A dynamic photograph of two Porsche cars driving on a road. In the foreground, a modern silver Porsche Panamera is shown from a rear three-quarter view, driving towards the right. Behind it, a classic white Porsche 911 Sport Classic is also driving in the same direction. The background consists of a lush green forest and a bright blue sky with scattered white clouds. The overall scene conveys a sense of motion and performance.

**H1 2022 FINANCIAL**

**PERFORMANCE**

02

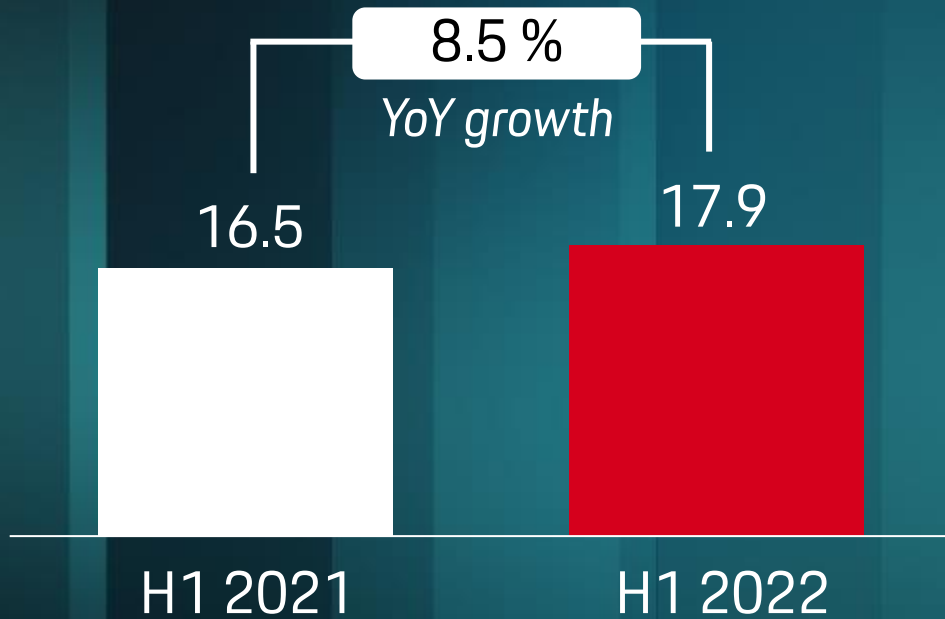
“Strong performance  
despite challenges”

911 Sport Classic: Fuel consumption combined in l/100 km: 12.6 (WLTP), 12.8 (NEDC); CO<sub>2</sub> emissions combined in g/km: 285 (WLTP), 292 g/km (NEDC)

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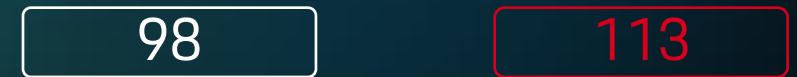
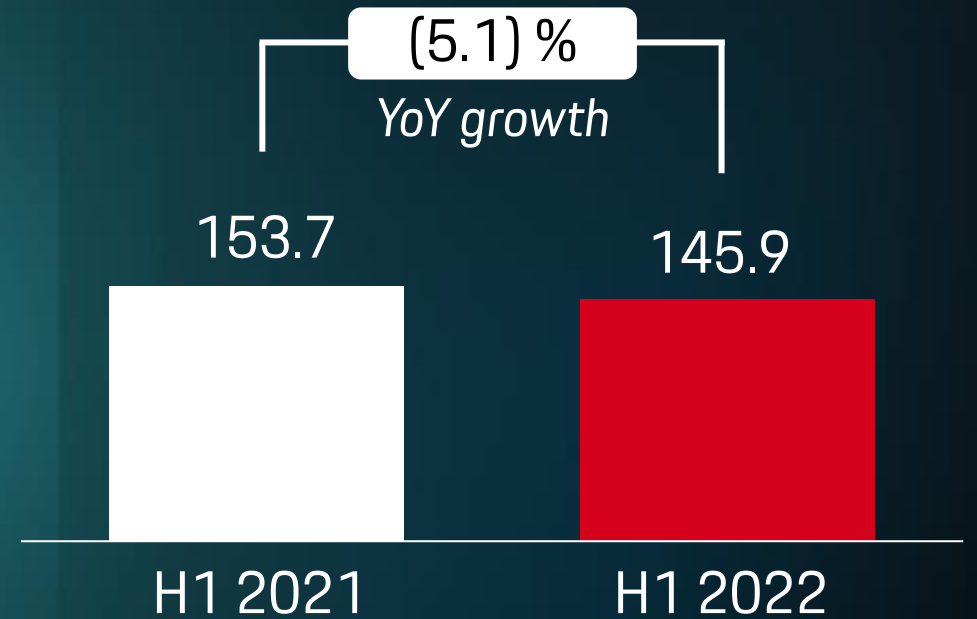
# Revenue increase despite Deliveries decline

Group Revenue, in € bn



Automotive Revenue, in € bn

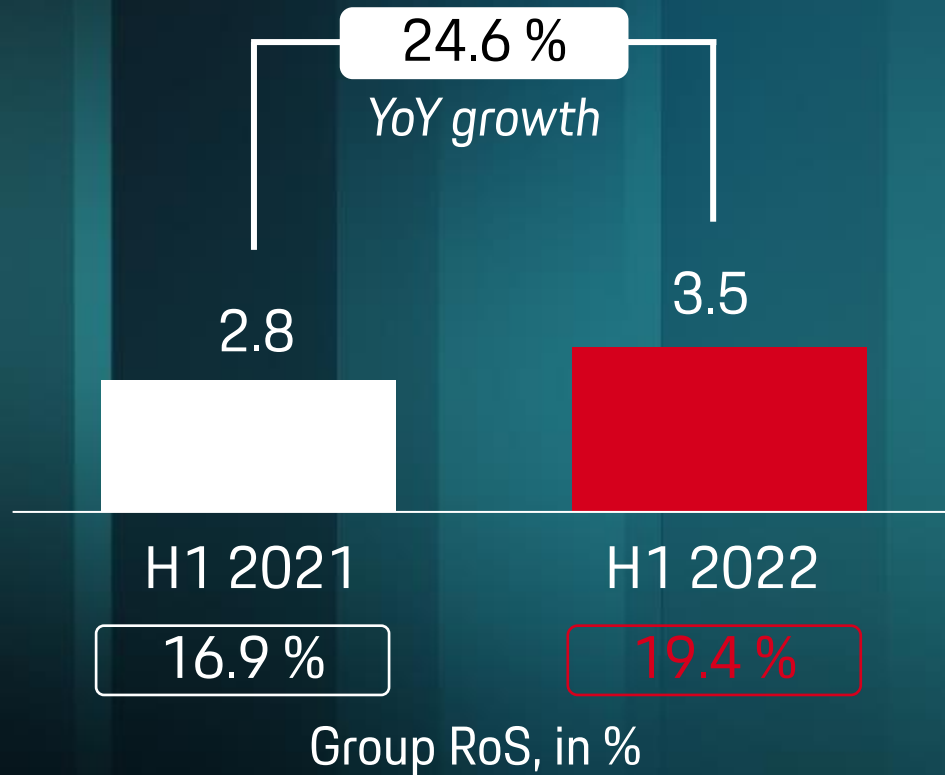
Deliveries, in k cars



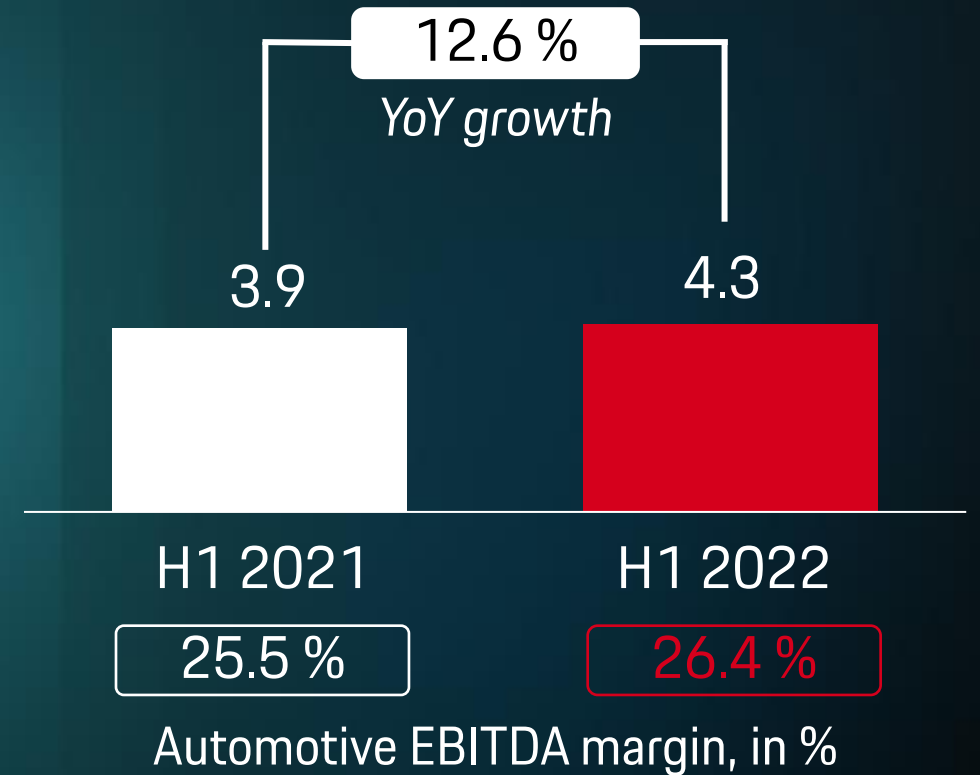
Automotive Revenue per car, in € k

# Strong profit increase

Group operating profit, in € bn

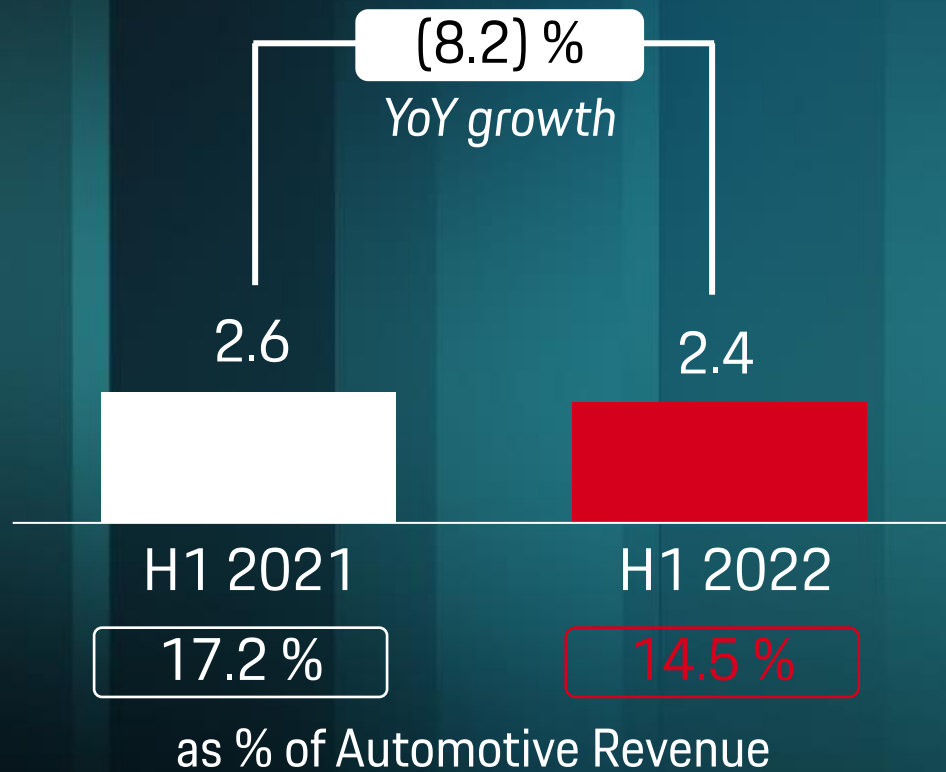


Automotive EBITDA, in € bn

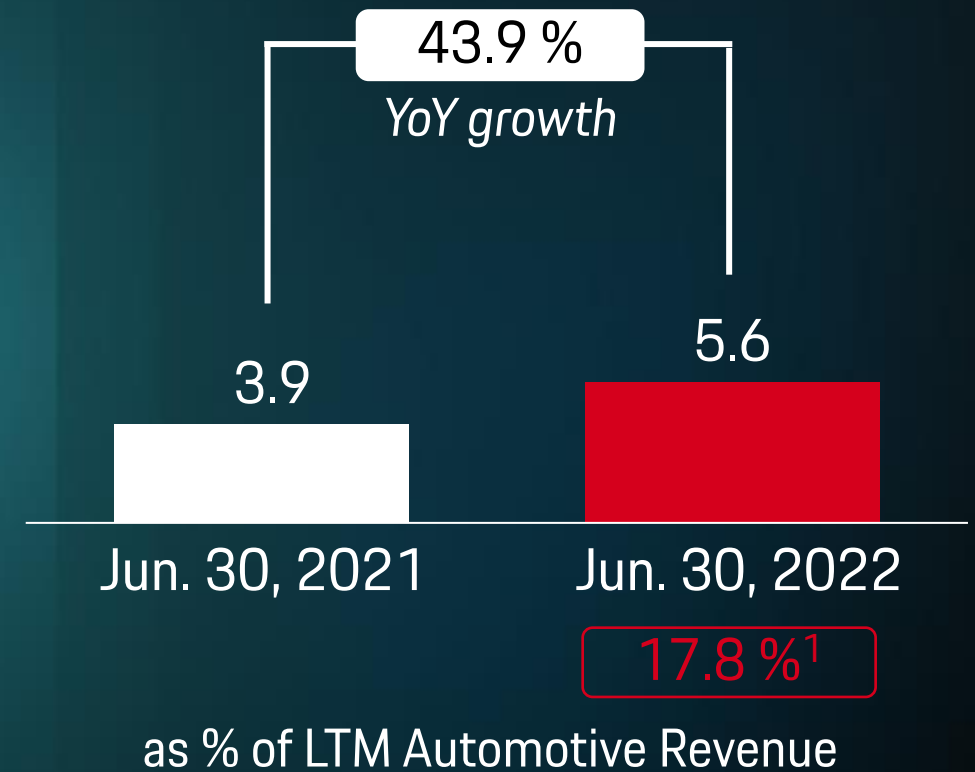


# Continued solid cash flow generation

Automotive net cash flow, in € bn



Automotive net liquidity, in € bn



<sup>1</sup> LTM refers to last twelve months; LTM Automotive Revenue calculated as H1 2022 Automotive Revenue + 2021 Automotive Revenue – H1 2021 Automotive Revenue. Values for Automotive segment before elimination / consolidation: € 16.4 bn (H1 2022), € 30.3 bn (2021), € 15.1 bn (H1 2021)



# 03

**OUTLOOK**

“Ready to deliver.”

911 Sport Classic: Fuel consumption combined in l/100 km: 12.6 (WLTP), 12.8 (NEDC); CO<sub>2</sub> emissions combined in g/km: 285 (WLTP), 292 g/km (NEDC)

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# Porsche financial outlook

## Key Performance Indicators

		<u>2021A</u>	<u>2022E</u>	<u>Mid-term target</u>
<b>Group</b>	Revenue	€ 33.1 bn	~€ 38-39 bn	~7-8 % CAGR
	RoS	16.0 %	~17-18 %	~17-19 %
<b>Automotive</b>	EBITDA margin	24.5 %		~25-27 %
	Net cash flow margin	12.1 %		~12.5-14 %

Our long-term ambition



**20+ %** Group RoS

Note: Subject to FX fluctuations, amongst other assumptions

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# Capital allocation policy

**Capex  
& R&D**

**Focused investment program**

**Ventures**

**Select investments with preference for partnerships**

**Pension**

**Fund the pension deficit in mid-term**

**Liquidity**

**Keep strong Automotive net liquidity position of 15-20 % of Automotive Revenue**

**Dividend**

**Mid-term target: 50 % pay-out ratio<sup>1</sup>**

<sup>1</sup> Refers to pay-out of previous year's net income

A white Porsche 911 Sport Classic is driving on a road through a forest, followed by a white Porsche Panamera. The scene is captured from a low angle, showing the rear of both cars. The background is a lush green forest under a blue sky with white clouds. The text 'SUMMARY' and 'CONCLUSION' are overlaid on the image in red boxes, and the number '04' is in large white font. A quote is also overlaid in white text.

**SUMMARY**

**CONCLUSION**

04

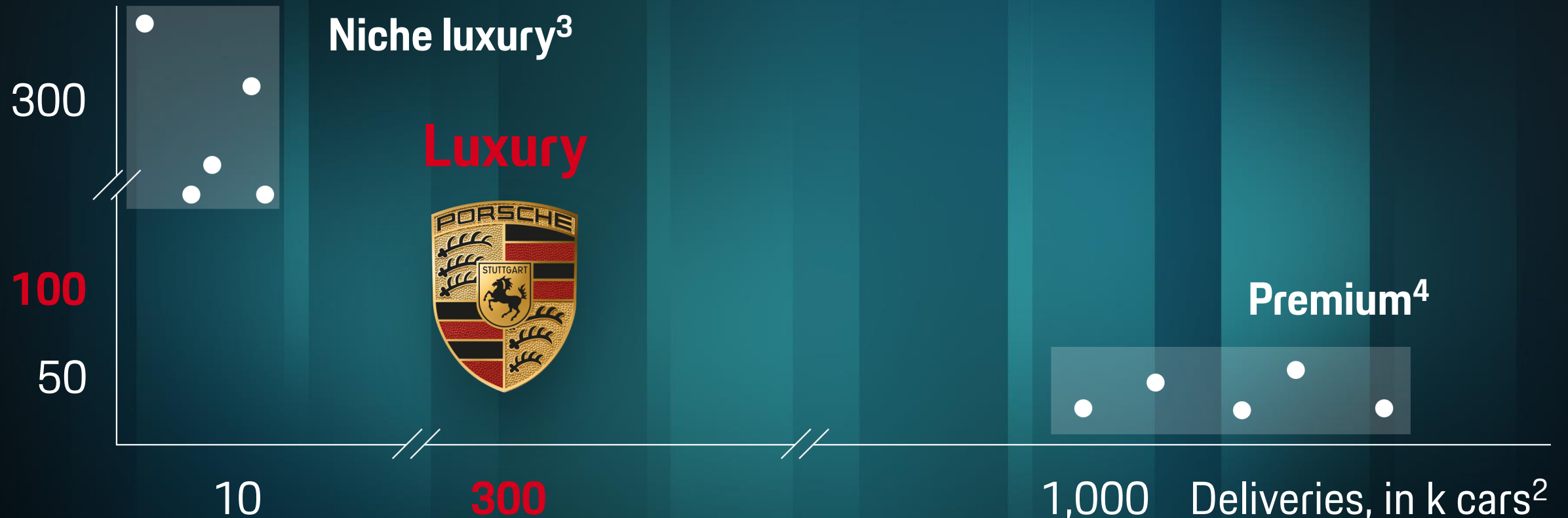
“Unique position and ...  
... only getting started”

911 Sport Classic: Fuel consumption combined in l/100 km: 12.6 (WLTP), 12.8 (NEDC); CO<sub>2</sub> emissions combined in g/km: 285 (WLTP), 292 g/km (NEDC)

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# Unique position in luxury automotive segment

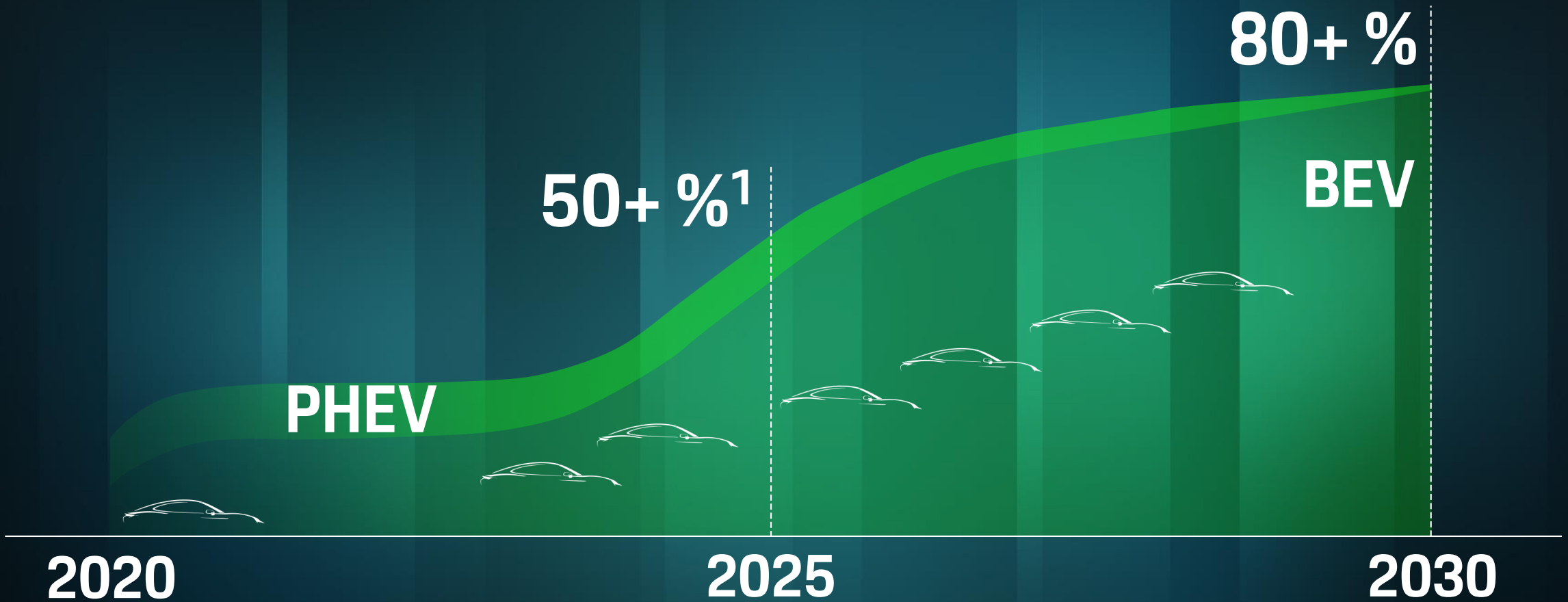
Automotive revenue per car<sup>1</sup>, in € k<sup>2</sup>



1 Ratio Automotive Revenue to Deliveries for Porsche, for other OEMs ratio of Automotive revenue to deliveries (as such terms are defined in the respective OEM annual reports. Automotive revenue to the extent possible. Such terms may not be entirely comparable due to differences in accounting policies) | 2 Data 2021 | 3 Aston Martin, Bentley, Ferrari, Lamborghini, McLaren (annual reports). Bugatti and Rolls-Royce not depicted | 4 Audi, BMW, Mercedes-Benz, Tesla, Volvo Cars (annual reports)

# Impact of BEV ramp-up on profitability

Share of Deliveries p.a., in %



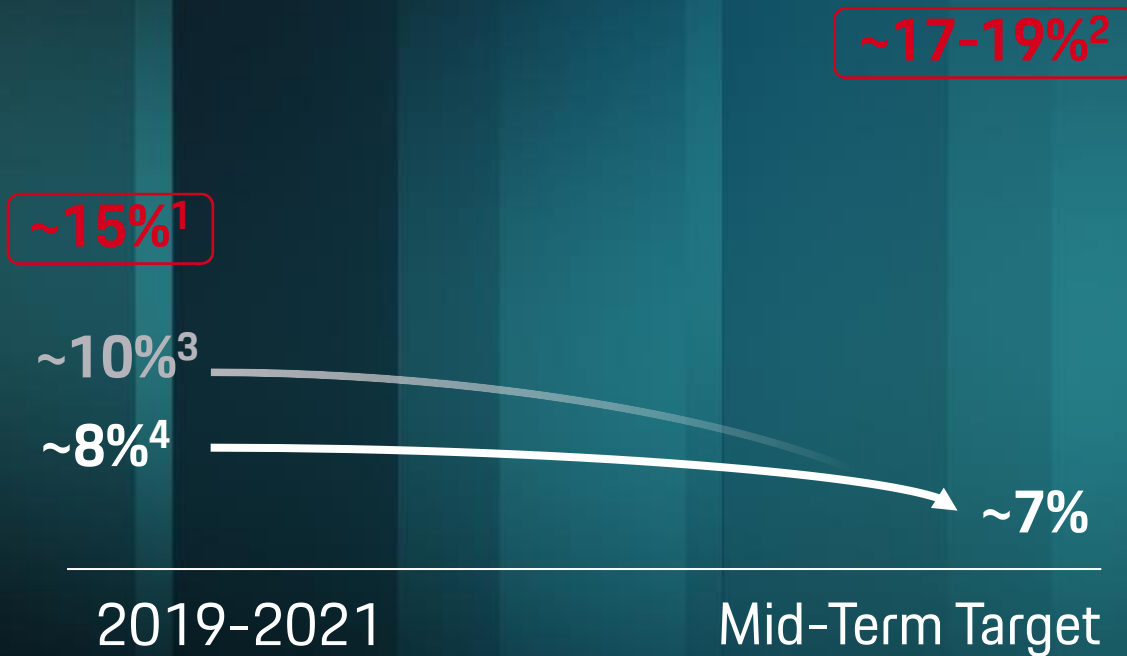
Note: Illustrative, use of silhouettes not indicative of cycle plan | 1 Including PHEV and BEV

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# Capital efficiency at inflection point

## Illustrative capital efficiency framework

■ Group RoS   ■ Automotive D&A as % of Automotive Revenue  
■ Automotive capex and capitalized R&D as % of Automotive Revenue



- » Future margin upside potential
- » Well-invested asset base
- » Focused investment strategy
- » Broadly stable D&A ratio mid-term target
- » Upside in capital efficiency

1 Average Group RoS for Porsche 2019-2021: 15.4% (2019), 14.6% (2020), 16.0% (2021). 2019 Group operating profit excl. € 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue | 2 Subject to FX fluctuations, amongst other assumptions | 3 Average Automotive additions to intangible assets (excluding capitalized development costs), and property, plant and equipment as % of Automotive Revenue 2019-2021: Automotive capital expenditure as % of Automotive Revenue = 7.6% (2019), 5.7% (2020), 4.5% (2021). Automotive additions to capitalized development costs as % of Automotive Revenue = 3.6% (2019), 4.7% (2020), 5.3% (2021) | 4 Average Automotive D&A and impairment losses / reversals of impairment losses on property, plant and equipment, capitalized development costs and other intangible assets of the Automotive segment 2019-2021 (8.1% (2019), 9.1% (2020), 7.9% (2021)) as % of Automotive Revenue

# 05

## GOVERNANCE

“Increased corporate independence”



911 Sport Classic: Fuel consumption combined in l/100 km: 12.6 (WLTP), 12.8 (NEDC); CO<sub>2</sub> emissions combined in g/km: 285 (WLTP), 292 g/km (NEDC)

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# Future Porsche Governance Principles<sup>1</sup>

- » Governance framework incl. two comprehensive agreements (ICA and ReIA)<sup>2</sup> to ensure entrepreneurial freedom to unlock Porsche's full potential
- » Porsche AG ("PAG") acts as an independently listed public company
- » DPLTA<sup>3</sup> with VW AG to be terminated by year end of IPO; ICA and ReIA in place after potential IPO already
- » Legal framework<sup>2</sup> to preserve synergies and provide PAG full optionality on cooperation
- » Effective corporate governance to be installed at PAG Supervisory Board ("PAG SB")<sup>4</sup>
- » Provisions in place to solve potential conflicts of interest regarding IPO decisions and post potential IPO
- » Capital market-oriented and completely PAG performance-focused management incentivization<sup>5</sup>

<sup>1</sup> After a potential IPO based on current plannings | <sup>2</sup> Legal framework with VW AG especially relating to ICA (Industrial Cooperation Agreement) and ReIA (Relationship Agreement) | <sup>3</sup> Domination and Profit and Loss Transfer Agreement | <sup>4</sup> shareholder representatives in PAG SB: 5 nominated by VW AG (incl. the Chairman of Volkswagen AG SB for two terms) ), full discretion for VW AG to alternatively opt for further Independents as well, 3 Porsche SE and 2 independent | <sup>5</sup> PAG CEO remuneration planned to be based 50% on PAG, PAG CFO remuneration planned to be based 85% on PAG. The remuneration will be in place starting January 1st of the year after the potential IPO



# Industrial Cooperation Agreement (“ICA”)

## Status Quo

- PAG and VW AG **currently benefit from an extensive industrial and strategic cooperation**
- **Key areas of cooperation and synergies:** R&D, production, purchasing and procurement, logistics and IT

## Guiding Principles

- **Preserve synergies** between PAG and VW Group
- **High degree of independence and flexibility to PAG i.e. self-responsibility and freedom from instructions for PAG Executive Board (“PAG EB”); PAG EB is subject to reporting obligations and to a clearly defined catalogue of approval requirements of PAG SB only and only to the extent provided by law and the rules of procedure for the PAG EB**

## Future Cooperation

- ICA to **govern the future design of the industrial and strategic cooperation** between PAG and VW Group

## Duration

- ICA to become **effective with conclusion of a potential PAG IPO**
- Agreement in **place until 31 December 2042**, 10-year renewal cycles thereafter<sup>1</sup>

## Key Content and Principles

- **Preserve synergies** from **continuation of current industrial and strategic cooperation and intention to cooperate comprehensively in the future** following the **arm's length principle**
- **Final decisions remain with the PAG EB; PAG would continue to be a member in all relevant VW Group committees / decision-making structures, VW Group decisions are not binding for PAG and have only recommendation character**
- **Principle of group-friendly behaviour and of consideration as key cornerstones for cooperation i.e. PAG and VW Group would duly consider each other's interests and the impact of their decisions on each other**

<sup>1</sup> ICA will be automatically renewed for further consecutive fixed terms of 10 years each unless ICA is terminated no later than six months prior to the expiration of the respective term by giving due notice to the other party

# Industrial Cooperation Agreement (cont'd)

## Key Content and Principles

- Continuation of existing agreements and group transfer pricing mechanisms, i.e. already today at arm's length
- Cooperation committee with equal representation to be established to ensure an early and ongoing mutual information and coordination, both parties maintain the right to decide on the respective matter autonomously<sup>1</sup>

## Product Related Cooperation

- **Independent management of PAG product cycle**, especially regarding future model strategy, pricing, positioning, go to market strategy etc.
- **Decisions for PAG to source products and services from VW Group or from third parties remain with PAG EB**
- **Intention to strive for early and binding decision about joint developments** to the extent this is in the best interest of both PAG and VW AG

## Additional Cooperation Areas

- **PAG to remain in the development alliance and the plant alliance of VW Group**
- **PAG to remain benefiting from integrated purchasing strategy together with VW Group (at PAG's decision)**
- **Higher degree of autonomy and flexibility regarding sourcing of PAG-specific parts intended** in future purchasing and procurement agreement, conclusion of agreement in the short-term targeted

<sup>1</sup> However, parties have agreed that outside of cooperations they would not market products to external partners if this is associated with significant disadvantages for the other party

# Relationship Agreement (“RelA”)

## Guiding Principles

- VW AG as parent company would continue to fully consolidate PAG in its financial accounts, following termination of DPLTA between VW AG and PAG
- Principle of group-friendly behaviour and of consideration following a potential IPO
- High degree of freedom and flexibility for PAG

## Future Cooperation

- RelA to govern the relationship between VW AG and PAG, subject to overriding provisions of ICA

## Duration

- RelA to become effective with conclusion of the potential PAG IPO
- Agreement in place until 31 December 2042, 10-year renewal cycles thereafter<sup>1</sup>

## Key Content and Principles

- Strict adherence to arm's length principle

### Group Guidelines

- Limited set of mandatory group guidelines in place to ensure that VW AG can fulfil its legal duties<sup>2</sup>

### Financing

- PAG to remain part of the cash pool of VW AG following the IPO

<sup>1</sup> RelA will be automatically renewed for further consecutive fixed terms of 10 years each unless RelA is terminated no later than six months prior to the expiration of the respective term by giving due notice to the other party | <sup>2</sup> Including accounting, tax and other legal requirements for VW AG due to the full consolidation of PAG by VW AG and to VW AG's status as a publicly listed company

# Relationship Agreement (cont'd)

## Key Content and Principles

### Information Sharing

- **PAG to provide necessary information that allow VW AG to comply with applicable laws and information requirements**
  - Financial reporting and financial group audits
  - Tax reporting
  - ESG disclosure, PAG and VW AG to discuss in good faith to reach a coherent external non-financial reporting
  - Rating and refinancing
- **Establishment of a clearing committee to identify and process inside information and to coordinate with VW AG clearing committee**

### Corporate Functions

- **PAG to continue to operate own compliance management system, internal control system and risk early warning and risk management system**
- **Operation of own governance, risk, compliance, integrity and legal functions in alignment with VW Group functions**

### Group Interactions

- **PAG to participate in most important VW Group committees, final decisions however remain with PAG**

# PAG Supervisory Board

## Guiding Principle

- PAG SB to act in the best interest of PAG as with every publicly listed company

## Planned Supervisory Board Composition<sup>1</sup>

- 3 Porsche SE representatives (incl. chairman)
- 2 independent representatives
- 5 nominated by VW AG (incl. the Chairman of Volkswagen AG SB for two terms), full discretion for VW AG to alternatively opt for further Independents as well<sup>2</sup>
- 10 employee representatives<sup>3</sup>

## Consultation Process

- **Unanimous voting of the shareholder representatives targeted, consultation process between PAG shareholder representatives** prior to PAG SB decisions regarding certain topics agreed
- Focus topics of consultation process
  - PAG business planning
  - Appointments / dismissals of PAG EB members
  - Material M&A (€150m+ valuation) or financial transactions (€200m+ liquidity impact)
  - Overall company positioning
- **In the event that an unanimous decision cannot be achieved in the consultation process between the shareholder representatives, voting of the shareholder representatives in the PAG SB is based on the simple majority in the consultation process**

<sup>1</sup> As per framework agreement Volkswagen AG/Porsche SE | <sup>2</sup> Independent members have to comply with competence profile as determined by the Nomination Committee of PAG SB in consultation with the Chairman of PAG SB | <sup>3</sup> 6 representatives of the employees, 1 representative of the Leadership Team, 3 representatives of IG Metall

# Management of potential conflicts of interest

- » Provisions in place to manage potential conflicts of interest
- » Negotiation and conclusion of ICA and ReIA prior potential IPO<sup>1</sup>
- » Long term duration (20 years +) of ICA and ReIA provides for clarity and planning security
- » For IPO related topics, Oliver Blume will continue to abstain from Executive Board meetings of VW AG and act exclusively in his role as CEO of PAG
- » Obligation to disclose conflicts of interest to both VW AG and PAG Supervisory Board and Executive Board
- » In case conflicts of interest cannot be solved, obligation to abstain from voting on behalf of one or both companies<sup>2</sup>

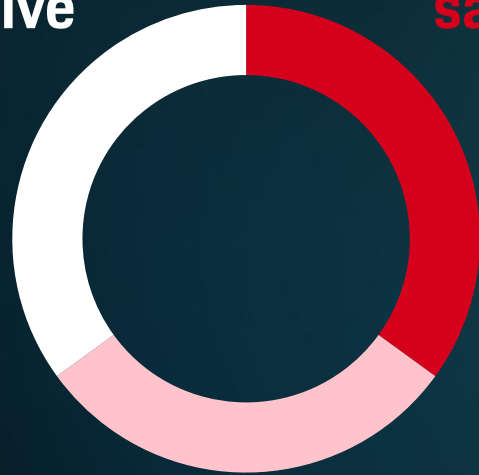
<sup>1</sup> Also prior Oliver Blume taking the role as CEO of VW AG, so that the negotiations were not influenced by any potential conflicting interests

<sup>2</sup> Regarding specific matter; also obligation to potentially not to take part in the counselling regarding certain decisions in one or both companies

# Planned capital market-oriented PAG EB incentivization<sup>1</sup>

## Compensation structure

Long-term  
incentive  
(LTI)



Short-term  
Incentive (STI)

Fixed  
salary

## Key principles of remuneration from 1<sup>st</sup> January 2023<sup>2</sup>

- » Incentivization completely based on PAG performance
- » STI based on *ROS and ROI*
- » 4-year LTI based on virtual shares (TSR<sup>3</sup> approach)
- » ESG targets and Governance as important multipliers in STI, EPS as important multiplier in LTI
- » STI and LTI capped at 180% and 200%; respectively, no floor
- » CEO remuneration based on PAG (50%)
- » CFO remuneration based on PAG (85%)

<sup>1</sup> Based on current plannings | <sup>2</sup> Following a potential IPO | <sup>3</sup> Total Shareholder Return



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# Breakdown of revenue by type of products / geography

## Revenue by type of products

in € bn	2019	2020	2021
Vehicles	22.0	21.6	25.4
Genuine parts	1.5	1.5	1.5
Used vehicles and 3P products	1.0	2.4	2.7
Rental and leasing business	2.4	1.2	1.2
FS interest and similar income	0.2	0.2	0.2
Hedges sales revenue	(0.3)	(0.3)	(0.3)
Other revenue	1.8	2.1	2.3
<b>Group Revenue</b>	<b>28.5</b>	<b>28.7</b>	<b>33.1</b>

## Revenue by geography

in € bn	2019	2020	2021
Germany	3.8	3.7	4.0
Europe without Germany	5.9	5.7	6.7
North America	7.7	7.6	8.7
China <sup>1</sup>	8.4	8.7	10.3
Rest of World	3.0	3.2	3.7
Hedges sales revenue <sup>2</sup>	(0.3)	(0.3)	(0.3)
<b>Group Revenue</b>	<b>28.5</b>	<b>28.7</b>	<b>33.1</b>

<sup>1</sup> China includes Mainland China and Hong Kong | <sup>2</sup> For the purposes of the Capital Markets Day presentation, hedges sales revenue was allocated to the respective regions

# Breakdown of revenue and operating profit by segment

## Revenue by segment

in € bn	2019	2020	2021
Automotive	26.1	26.1	30.3
Financial Services	2.7	2.8	3.1
Eliminations	(0.2)	(0.2)	(0.3)
<b>Group Revenue</b>	<b>28.5</b>	<b>28.7</b>	<b>33.1</b>

## Operating profit by segment

in € bn	2019	2020	2021
Automotive	3.7	4.0	5.0
Financial Services	0.2	0.2	0.3
Eliminations	(0.0)	(0.0)	(0.0)
<b>Group operating profit</b>	<b>3.9</b>	<b>4.2</b>	<b>5.3</b>

# Group – consolidated income statement (FY)

in € mn	2019	2020	2021
<b>Revenue</b>	<b>28,518</b>	<b>28,695</b>	<b>33,138</b>
(-) Cost of sales	(21,256)	(21,155) <sup>1</sup>	(24,281)
<b>(=) Gross profit</b>	<b>7,262</b>	<b>7,540</b>	<b>8,857</b>
(-) Distribution expenses	(2,044)	(1,881)	(2,111)
(-) Administrative expenses	(1,029)	(1,255) <sup>1</sup>	(1,426)
(+) Other operating income	846	953	1,079
(-) Other operating expenses	(1,173) <sup>2</sup>	(1,180) <sup>1</sup>	(1,085)
<b>(=) Operating profit</b>	<b>3,862<sup>2</sup></b>	<b>4,177</b>	<b>5,314</b>
(+/-) Share of profit or loss of equity-accounted investments	(1)	(10)	(22)
(+) Interest income	416	406	421
(-) Interest expenses	(148)	(129)	(113)
(+/-) Other financial result	(75)	(47)	129
<b>(=) Financial result</b>	<b>192</b>	<b>220</b>	<b>415</b>
<b>(=) Profit before tax</b>	<b>4,054<sup>2</sup></b>	<b>4,397</b>	<b>5,729</b>
(-) Income tax expense	(1,253)	(1,231)	(1,691)
<b>(=) Profit after tax</b>	<b>2,801<sup>2</sup></b>	<b>3,166</b>	<b>4,038</b>

<sup>1</sup> For the purposes of the Audited 2021 Consolidated Financial Statements, the Company reclassified certain expenses within cost of sales, administrative expenses and other operating expenses. In order to present the prior year 2020 financial information within the Audited 2021 Consolidated Financial Statements on a comparable basis, the Company adjusted cost of sales, administrative expenses and other operating expenses for the prior year 2020. The financial information for 2020 presented has been taken or derived from the adjusted prior-year figures in the Audited 2021 Consolidated Financial Statements. As a result, cost of sales, administrative expenses and other operating expenses within the financial information for 2020 are not directly comparable to the equivalent line items for 2019 presented | <sup>2</sup> Incl. € 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue. Other emission-related expenses/income incurred by the Group were not adjusted/normalized

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# Group – condensed consolidated income statement (HY)

in € mn	H1 2021	H1 2022
<b>Revenue</b>	<b>16,525</b>	<b>17,922</b>
(-) Cost of sales	(12,036)	(12,869)
<b>(=) Gross profit</b>	<b>4,489</b>	<b>5,053</b>
(-) Distribution expenses	(957)	(956)
(-) Administrative expenses	(722)	(766)
(+/-) Other operating result	(18)	149
<b>(=) Operating profit</b>	<b>2,792</b>	<b>3,480</b>
(+/-) Share of profit or loss of equity-accounted investments	(9)	12
(+/-) Interest result and other financial result	181	196
<b>(=) Financial result</b>	<b>172</b>	<b>208</b>
<b>(=) Profit before tax</b>	<b>2,964</b>	<b>3,688</b>
(-) Income tax expense	(846)	(1,183)
<b>(=) Profit after tax</b>	<b>2,118</b>	<b>2,505</b>

# Automotive net cash flow generation

in € bn	2019	2020	2021	H1 2021	H1 2022
<b>Automotive net liquidity as of Jan. 1</b>	<b>2.3</b>	<b>1.8</b>	<b>3.0</b>	<b>3.0</b>	<b>5.0</b>
<b>Operating profit<sup>1</sup></b>	<b>4.2<sup>2</sup></b>	<b>4.0</b>	<b>5.0</b>	<b>2.7</b>	<b>3.3</b>
(+) D&A <sup>3</sup>	2.1	2.4	2.4	1.2	1.1
<b>EBITDA</b>	<b>6.3<sup>2</sup></b>	<b>6.4</b>	<b>7.4</b>	<b>3.9</b>	<b>4.3</b>
(-) Change in trade working capital <sup>4</sup>	(0.7)	(1.0)	(0.0)	0.9	0.6
(+/-) Change in other working capital (including other provisions)	0.1	(0.6)	0.4	0.0	0.1
(-) Income taxes paid	(1.3)	(0.8)	(1.5)	(1.1)	(1.1)
(+) Financial result	0.2	0.2	0.5	0.2	0.2
(+) Changes in pension provisions	0.4	0.5	0.5	0.2	0.2
(+/-) Other cash flows from operating activities <sup>5</sup>	(0.6)	0.2	(0.2)	(0.1)	(0.2)
(-) Capex	(2.0)	(1.5)	(1.4)	(0.5)	(0.4)
(-) Capitalized R&D	(0.9)	(1.2)	(1.6)	(0.8)	(1.0)
(-) Other cash flows from investing activities of current operations <sup>6</sup>	(0.1)	0.0	(0.4)	(0.1)	(0.4)
<b>(=) Automotive net cash flow</b>	<b>1.5</b>	<b>2.2</b>	<b>3.7</b>	<b>2.6</b>	<b>2.4</b>
(-) Capital contributions & profit transfer and dividends	(1.0)	(0.8)	(1.4)	(1.6)	(1.6)
(-) Other changes in Automotive net liquidity <sup>7</sup>	(1.0)	(0.2)	(0.3)	(0.1)	(0.2)
<b>(=) Total change in Automotive net liquidity</b>	<b>(0.5)</b>	<b>1.2</b>	<b>2.0</b>	<b>0.9</b>	<b>0.6</b>
<b>Automotive net liquidity as of Dec. 31 / Jun. 30</b>	<b>1.8</b>	<b>3.0</b>	<b>5.0</b>	<b>3.9</b>	<b>5.6</b>

1 Refers to adjusted Operating profit, with only adjustment occurring in 2019 | 2 2019 excl. the EUR 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue. Other emission-related expenses/income incurred by the Group were not adjusted/normalized | 3 Including impairment losses/reversals of impairment losses on property, plant and equipment, capitalized development costs and other intangible assets | 4 Change in trade working capital contains changes in inventories, trade payables and trade receivables | 5 2019 incl. € 535 mn penalty notice issued by the public prosecutor's office in Stuttgart related to the diesel issue, impairments on equity-accounted investments, gain/loss on disposal of non-current assets, share of profit or loss of equity-accounted investments and other non-cash expense/income | 6 Includes change in equity investments and cash received from disposal of intangible assets and property, plant and equipment | 7 Includes changes in lease liabilities in accordance with IFRS 16, changes in the composition of the group, and foreign exchange differences on the translation of foreign operations. In 2019 first-time recognition of right-of-use assets and lease liabilities in accordance with IFRS 16

# Automotive – net liquidity bridge

in € bn	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Jun. 30, 2021	Jun. 30, 2022
<b>Automotive cash and cash equivalents plus securities, loans and time deposits</b>	<b>4.8</b>	<b>6.2</b>	<b>8.4</b>	<b>7.0</b>	<b>8.5</b>
(-) Automotive third-party borrowings	(3.0)	(3.2)	(3.4)	(3.1)	(2.9)
<b>(=) Automotive net liquidity as of Dec. 31 / Jun. 30</b>	<b>1.8</b>	<b>3.0</b>	<b>5.0</b>	<b>3.9</b>	<b>5.6</b>
<b>Automotive net liquidity as of Jan. 1</b>	<b>2.3</b>	<b>1.8</b>	<b>3.0</b>	<b>3.0</b>	<b>5.0</b>
(+) Change in Automotive net liquidity	(0.5)	1.2	2.0	0.9	0.6
<b>(=) Automotive net liquidity as of Dec. 31 / Jun. 30</b>	<b>1.8</b>	<b>3.0</b>	<b>5.0</b>	<b>3.9</b>	<b>5.6</b>

Note: Figures shown before intersegment eliminations

# Group – research and development costs

in € mn	2019	2020	2021	H1 2021	H1 2022
Research and non-capitalized development costs	1,220	1,018	816	471	319
Amortization of development costs	923	972	968	491	380
<b>Research and development costs recognized in the income statement</b>	<b>2,143</b>	<b>1,990</b>	<b>1,784</b>	<b>962</b>	<b>699</b>
Additions to capitalized development costs	949	1,225	1,601	784	985
<b>Research and development costs (without amortization)</b>	<b>2,169</b>	<b>2,243</b>	<b>2,417</b>	<b>1,255</b>	<b>1,304</b>
Capitalization ratio	43.8%	54.6%	66.2%	62.5%	75.6%

# Group – consolidated statement of financial position (FY)

in € mn	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021
Intangible assets	5,085	5,437	6,190
Property, plant and equipment	8,624	8,695	8,763
Leased assets	3,829	3,614	3,954
Equity-accounted investments <sup>1</sup>	298	167	573
Other equity investments	146	217	313
Financial services receivables	1,841	2,414	3,461
Other financial assets	8,350	8,870	8,596
Other receivables	179	164	113
Deferred tax assets	1,355	817	867
<b>Non-current assets</b>	<b>29,707</b>	<b>30,395</b>	<b>32,830</b>
Inventories <sup>2</sup>	4,013	4,108	4,517
Trade receivables	842	1,081	1,199
Financial services receivables	842	1,122	1,081
Other financial assets	2,415	2,761	5,353
Other receivables	490	606	579
Tax receivables	95	163	155
Securities	451	755	982
Cash, cash equivalents and time deposits	3,511	4,500	4,686
<b>Current assets</b>	<b>12,659</b>	<b>15,096</b>	<b>18,552</b>
<b>Total assets</b>	<b>42,366</b>	<b>45,491</b>	<b>51,382</b>

<sup>1</sup> Equity-accounted investments include the Group's joint ventures and associates | <sup>2</sup> Inventories include raw materials, consumables and supplies, as well as work in progress, finished goods and merchandise and advance payments made

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# Group – consolidated statement of financial position (FY)

in € mn	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021
Subscribed capital	45	45	45
Capital reserves	12,726	13,754	14,225
Retained earnings	4,991	6,302	9,146
Other reserves	(339)	118	(489)
<b>Equity before non-controlling interests</b>	<b>17,423</b>	<b>20,219</b>	<b>22,927</b>
Non-controlling interests	5	5	8
<b>Equity</b>	<b>17,428</b>	<b>20,224</b>	<b>22,935</b>
Provisions for pensions and similar obligations	5,438	5,932	5,525
Other provisions	996	939	1,184
Deferred tax liabilities	681	685	782
Financial liabilities	5,375	5,668	6,599
Other financial liabilities	657	285	633
Other liabilities	492	473	645
<b>Non-current liabilities</b>	<b>13,639</b>	<b>13,982</b>	<b>15,368</b>
Provisions for taxes	129	111	126
Other provisions	2,118	1,849	2,189
Financial liabilities	2,239	2,657	3,128
Trade payables	2,582	2,335	2,447
Other financial liabilities	3,082	2,959	3,638
Other liabilities	1,077	1,331	1,486
Tax payables	72	43	65
<b>Current liabilities</b>	<b>11,299</b>	<b>11,285</b>	<b>13,079</b>
<b>Total liabilities</b>	<b>24,938</b>	<b>25,267</b>	<b>28,447</b>
<b>Total equity and liabilities</b>	<b>42,366</b>	<b>45,491</b>	<b>51,382</b>

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# Group – condensed consolidated statement of fin. position (HY)

in € mn	Dec. 31, 2021	Jun. 30, 2022
Intangible assets	6,190	6,813
Property, plant and equipment	8,763	8,659
Leased assets	3,954	4,048
Financial services receivables	3,461	3,895
Equity-accounted investments <sup>1</sup> , other equity investments, other financial assets, other receivables and deferred tax assets	10,462	3,330
<b>Non-current assets</b>	<b>32,830</b>	<b>26,744</b>
Inventories <sup>2</sup>	4,517	5,245
Financial services receivables	1,081	1,338
Other financial assets and other receivables	7,131	3,885
Tax receivables	155	91
Securities and time deposits <sup>3</sup>	982	2,034
Cash and cash equivalents <sup>3</sup>	4,686	3,838
Assets held for distribution	-	11,881
<b>Current assets</b>	<b>18,552</b>	<b>28,311</b>
<b>Total assets</b>	<b>51,382</b>	<b>55,055</b>

<sup>1</sup> Equity-accounted investments include the Group's joint ventures and associates | <sup>2</sup> Inventories include raw materials, consumables and supplies, as well as work in progress, finished goods and merchandise and advance payments made | <sup>3</sup> As of Jun. 30, 2022, time deposits with an original term of contract of more than 3 months are allocated to "Securities and time deposits," which as of Dec. 31, 2021 (€ 359 mn) were reported together with cash and cash equivalents as "Cash, cash equivalents and time deposits"

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# Group – condensed consolidated statement of fin. position (HY)

in € mn	Dec. 31, 2021	Jun. 30, 2022
<b>Equity before non-controlling interests</b>	<b>22,927</b>	<b>15,036</b>
Non-controlling interests	8	7
<b>Equity</b>	<b>22,935</b>	<b>15,043</b>
Provisions for pensions and similar obligations	5,525	3,649
Financial liabilities	6,599	6,424
Other liabilities	3,244	4,655
<b>Non-current liabilities</b>	<b>15,368</b>	<b>14,728</b>
Financial liabilities	3,128	3,338
Trade payables	2,447	3,181
Other liabilities	7,504	6,885
Liabilities from distributions in-kind	-	11,881
<b>Current liabilities</b>	<b>13,079</b>	<b>25,284</b>
<b>Total liabilities</b>	<b>28,447</b>	<b>40,012</b>
<b>Total equity and liabilities</b>	<b>51,382</b>	<b>55,055</b>

# Pre-IPO reorganization

- » Company reorganization initiated in H1 2022 and completed in July 2022
- » Spin-off of € 10.4 bn misc. financial assets<sup>1</sup> against another subsidiary<sup>2</sup> of VW AG
- » Additional spin-off of € 1.5 bn cash equivalents
- » Reorganization effects of € 11.9 bn as of Jun. 30, 2022 financial statements
  - » Reclassification of spun-off assets into assets held for distribution
  - » Recognition as liabilities from distributions<sup>3</sup> resulting in a reduction of equity
- » Jun. 30, 2022 Automotive net liquidity not yet reflects € 1.5 bn cash equivalent spin-off

1 Based on € 10,377 mn included in assets held for distribution as of Jun. 30, 2022, including a loan receivable from Porsche Holding Stuttgart GmbH (€ 8,349 mn) and other financial assets of Porsche AG (€ 2,028 mn) resulting from loan to Porsche Holding Stuttgart GmbH | 2 Receivable against Porsche Holding Stuttgart GmbH | 3 Liabilities from distributions in-kind

# Glossary (1/4)

**ADAS:** Advanced Driver Assistance System

**Audited 2021 Consolidated Financial Statements:** Audited consolidated financial statements of the Company as of and for the year ended December 31, 2021

**Automotive or Auto:** Porsche automotive segment or relative to Porsche automotive segment

**Automotive BEV & PHEV ratio:** Automotive BEV & PHEV-related investments over Total product investments. Non-IFRS measure

**Automotive BEV & PHEV-related investments:** Sum of total Automotive BEV & PHEV-related research and development costs (without amortization) and Automotive BEV & PHEV-related capital expenditure. This metric is not calculated in accordance with the Taxonomy Regulation. Non-IFRS measure

**Automotive capex:** Automotive additions (costs of acquisitions) to intangible assets (excluding capitalized development costs), and to property, plant and equipment

**Automotive EBITDA:** Automotive operating profit excluding the diesel issue penalty notice in 2019 before depreciation/amortization and impairment losses/reversals of impairment losses on property, plant and equipment, capitalized development costs and other intangible assets, each in the Automotive segment. Non-IFRS measure

**Automotive EBITDA margin:** Ratio of Automotive EBITDA to Automotive Revenue. Non-IFRS measure

**Automotive investment:** Automotive capex and Automotive R&D

**Automotive investment per car:** Automotive investment per Car delivered

**Automotive net cash flow:** Cash flows from the operating activities of the Automotive segment less cash flows from the investing activities of current operations of the Automotive segment. Non-IFRS measure

**Automotive net cash flow margin:** Ratio of Automotive Net Cash Flow to Automotive Revenue. Non-IFRS measure

**Automotive net liquidity:** Total of cash and cash equivalents, securities, loans and time deposits net of third-party borrowings (non-current and current financial liabilities), each of the Automotive segment. Non-IFRS measure

**Automotive return on sales:** Ratio of Automotive operating profit excluding the diesel issue penalty notice in 2019 to Automotive Revenue. Non-IFRS measure

**Automotive Revenue per car:** Ratio of Automotive Revenue to Deliveries for Porsche, for other OEMs ratio of Automotive Revenue to Deliveries (as such terms are defined in the respective OEM annual reports. Automotive Revenue to the extent possible. Such terms may not be entirely comparable due to differences in accounting policies)

**Automotive total product investment:** Sum of total Automotive research and development costs (without amortization) and Automotive product-related capital expenditure. Non-IFRS measure

**Automotive Trade Working Capital:** Sum of the closing balances of Automotive inventories and Automotive trade receivables minus the closing balance of Automotive trade payables. Non-IFRS measure

**Automotive R&D:** Automotive expensed R&D and Automotive capitalized development costs. Automotive R&D equals Group R&D

**BEV:** Battery-electric vehicle model

**CAGR:** Compound annual growth rate

# Glossary (2/4)

**Capitalization ratio:** Defined as additions to capitalized development costs divided by research and development costs (without amortization)

**Car delivered:** Car handed over to the end customers

**Cariad:** Software subsidiary of Volkswagen Group

**China:** Mainland China and Hong Kong

**Covid:** Coronavirus disease (COVID-19)

**Covid crisis '20:** Global pandemic caused by the COVID-19 virus

**Deliveries:** Handovers of vehicles to end customers.

**Destination Porsche:** New retail formats implemented within various touchpoints such as Porsche Center (Core Format), Porsche Studio, Sales Pop-up, Porsche Now (Urban Format) and Satellite Porsche Center, Service Factory, Porsche Approved Center and Express City Service Center (Extended formats)

**Diesel fine:** € 535 mn penalty notice issued in 2019 by the public prosecutor's office in Stuttgart related to the diesel issue

**DPLTA:** Domination and profit and loss transfer agreement

**D&A:** Depreciation/amortization and impairment losses/reversals of impairment losses on property, plant and equipment, capitalized development costs and other intangible assets

**Financial crisis '09:** Refers to the economic downturn from 2007 to 2009 caused by the downturn of the U.S. housing market, leading to the global financial crisis

**Financial Services or FS:** Porsche financial services segment or relative to Porsche financial services segment

**Financial Services equity ratio:** Ratio of FS equity to FS total assets at year-end

**Financial Services return on assets or RoA:** FS profit before tax / FS avg. total assets where avg. total assets is calculated from the balance at the beginning and the end of the reporting year. Non-IFRS measure

**Financial Services return on equity or RoE:** FS profit before tax / FS avg. equity where avg. equity is calculated from the balance at the beginning and the end of the reporting year. Non-IFRS measure

**Financial Services return on sales or RoS:** Ratio of Financial Services operating profit to Financial Services Revenue. Non-IFRS measure

**Financing & others:** Includes capital contributions, profit transfers, lease liabilities in accordance with IFRS 16, changes in the composition of the group, and foreign exchange differences on the translation of foreign operations

**Fixed costs:** Include manufacturing overheads (incl. start-up costs) and indirect costs for sales (including marketing) and administration (e.g. HR, finance, procurement, IT)

**Gross margin:** Gross profit divided by Revenue

**Gross profit:** Revenue minus cost of sales

# Glossary (3/4)

**Group or Porsche:** Dr. Ing. h.c. F. Porsche Aktiengesellschaft and its consolidated subsidiaries. Group include Automotive and Financial Services segments

**HEV:** Hybrid electric vehicle

**HNWI:** High net worth individuals, defined as those with a net worth of between US\$ 1.0 and 30.0 million

**ICE:** Internal combustion engine vehicle

**Intangibles:** Carrying amount of intangible assets based on historical costs less accumulated amortization and impairment losses

**Inventories:** Inventories include raw materials, consumables and supplies, as well as work in progress, finished goods and merchandise and advance payments made

**kW:** Kilowatt

**Net SG&A:** Sum of distribution expenses, administrative expenses, other operating expenses net of other operating income

**Net SG&A ratio:** Ratio of net SG&A expenses to Group Revenue

**North America:** USA and Canada

**OEM:** Original equipment manufacturer

**Operating profit:** Revenue minus operating expenses, comprising of cost of sales, distribution expenses, administrative expenses, other operating expenses plus other operating income

**OS:** Operating system

**Other cash flows from investing activities of current operations:** Includes change in equity investments and cash received from disposal of intangible assets and property, plant and equipment

**Pay-out ratio:** Proportion of earnings paid out as dividend to shareholders

**PHEV:** Plug-In hybrid electric vehicle as defined per S&P Global Mobility

**PP&E:** Property, plant and equipment

**R&D expensed:** Research and development costs reported in the consolidated income statement. Automotive R&D expensed equals Group R&D expense

**Return on Sales:** Ratio of operating profit excluding the diesel issue penalty notice in 2019 to Revenue. Non-IFRS measure

**Revenue:** Sales revenue

**RoW:** Rest of world; includes Africa, Asia (excl. China), Australasia, Middle East, South America and Mexico

# Glossary (4/4)

**Scope 1 emissions:** Direct emissions from owned or controlled sources as defined per Greenhouse Gas Protocol

**Scope 2 emissions:** Indirect emissions from the generation of purchased energy as defined per Greenhouse Gas Protocol

**Scope 3 emissions:** All indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions as defined per Greenhouse Gas Protocol

**SUV:** Sports utility vehicle

**Taxonomy:** A taxonomy is a uniform classification system. The EU taxonomy classifies economic activities in terms of their sustainability

**Total BEV & PHEV capex:** Refers to Automotive capex

**Total BEV & PHEV R&D:** Refers to Automotive R&D

**VW or VW AG:** Volkswagen AG, also referred to as Volkswagen Group



# Range/consumptions/emissions

Weitere Informationen zum offiziellen Kraftstoffverbrauch und den offiziellen spezifischen CO<sub>2</sub>-Emissionen neuer Personenkraftwagen können dem "Leitfaden über den Kraftstoffverbrauch, die CO<sub>2</sub>-Emissionen und den Stromverbrauch neuer Personenkraftwagen" entnommen werden, der an allen Verkaufsstellen und bei DAT (Deutsche Automobil Treuhand GmbH, Hellmuth-Hirth-Str. 1, 73760 Ostfildern, <https://www.dat.de/co2/>) unentgeltlich erhältlich ist.

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A guide on fuel economy, CO<sub>2</sub> emissions and electric power consumption which contains data for all new passenger car models is available at any point of sale free of charge and from DAT (Deutsche Automobil Treuhand GmbH, Hellmuth-Hirth Str. 1, 73760 Ostfildern-Scharnhausen, Germany, <https://www.dat.de/co2/>)

Note: Range/consumptions/emissions as of 05/2022

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