PORSCHE SE

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Porsche SE reports group result after tax of 4.6 billion euro for the fiscal year 2021

Dividend increase to 2.56 euro per preference share / Cornerstone agreement for possible IPO of Porsche AG / Further development of portfolio investments

Stuttgart, 29 March 2022. Porsche Automobil Holding SE (“Porsche SE”), Stuttgart, reported a group result after tax of 4.6 billion euro for the fiscal year 2021 (prior year: 2.6 billion euro). The group result after tax was significantly influenced by the result from the core investment in Volkswagen AG, Wolfsburg, accounted for at equity of 4.6 billion euro, up from 2.7 billion euro in the prior year. Net liquidity of the Porsche SE Group came to 641 million euro as of 31 December 2021, compared to 563 million euro in the prior year. The growth is primarily attributable to a dividend surplus of 80 million euro and a value realization in the investment portfolio of 51 million euro.

Hans Dieter Pötsch, chairman of the board of management of Porsche SE: “Despite negative effects from the Covid-19 pandemic and the ongoing tense supply situation for semiconductors, our group result developed well. At the same time, we also benefited from the remarkable robustness that the Volkswagen Group demonstrated in the past fiscal year. We are therefore convinced that Porsche SE can achieve a significant increase in value with its strong investments.”

Cornerstone agreement for possible IPO of Porsche AG

In February 2022, Porsche SE announced its intention to support a possible IPO of Dr. Ing. h.c. F. Porsche AG (“Porsche AG”), Stuttgart. Porsche SE and Volkswagen AG have entered into a cornerstone agreement. According to the agreement, the share capital of Porsche AG shall be divided into 50 percent ordinary shares and 50 percent preference shares. As part of a possible IPO,

Volkswagen intends to place up to 25 percent of preference shares in the capital market. At the same time, Porsche SE shall acquire 25 percent plus one share of the ordinary shares in Porsche AG. This would amount to 12.5 percent of total capital. Porsche SE thereby supports the plans of Volkswagen AG to expand its financial flexibility and accelerate the technological transformation of the group.

“With the stake in Porsche AG, Porsche SE would acquire a second core investment and thereby pushing forward our investment strategy. Due to the leading positioning of Porsche AG in the sport and luxury segment, this attractive investment would diversify our portfolio and our dividend inflows”, comments Dr. Johannes Lattwein, member of the board of management responsible for finance and IT.

The actual execution of an IPO of Porsche AG depends on a number of different parameters as well as general market conditions. No final decisions have been made.

Further development of portfolio investments

The strategic realignment of PTV Planung Transport Verkehr GmbH (“PTV”), Karlsruhe, shows results with the positive company development in the past fiscal year. Revenues increased by 8 percent and the operating result which amounted to 14 million euro was up considerably compared to the previous years. Furthermore, Porsche SE was able to attract a strong partner for the further development of PTV in private equity company Bridgepoint Advisers Limited (“Bridgepoint”), London, UK.

A first step in this further development is the acquisition of Econolite Group (“Econolite”), Anaheim, California, which Porsche SE is realizing together with Bridgepoint. Econolite is the leading provider of traffic management solutions in North America. Together with the software portfolio of PTV, this creates a fully integrated provider covering the entire value chain for smart and sustainable mobility solutions.

Lutz Meschke, member of the board of management responsible for investment management: “The further development of PTV and the joint acquisition of Econolite represent a major component of our investment strategy in the area of portfolio investments: the cooperation with strong partners and co-investors. We will continue to expand these partnerships in the future.”

The other portfolio investments also performed well in the past fiscal year. For instance, AEVA Technologies Inc., Palo Alto, California, and Markforged Inc., Watertown, Massachusetts, completed successful IPOs.

Porsche SE's portfolio currently comprises eight investments in technology companies from Europe, the US and Israel. Porsche SE is continuously exploring further promising investment opportunities in the area of mobility and industrial technology.

Few hearings for legal disputes

As for the legal disputes, only a few hearings were held in the past year due to the Covid-19 pandemic, among other things. A ruling by the Regional Court of Stuttgart in August 2021 requires a special mention. The court dismissed an action in connection with the diesel issue in the amount of 124 million euro as inadmissible. The ruling is not yet legally binding. With regard to the appeal filed by the plaintiffs concerned, the Higher Regional Court of Stuttgart has indicated that it considers the appeal to be clearly without merit and has advised the plaintiffs to withdraw it.

Dr. Manfred Döss, member of the board of management responsible for legal affairs and compliance: "In our view, one thing is certain: The lawsuits brought against the company are without merit and in some cases also inadmissible. Therefore, we are convinced that we will prevail in the proceedings that are still pending."

Dividend increased by around 16 percent to 2.56 euro per preference share

The board of management and the supervisory board of Porsche SE propose to increase the dividend for the fiscal year 2021 by around 16 percent to 2.56 euro (prior year: 2.21 euro) per preference share and to 2.554 euro (prior year: 2.204 euro) per ordinary share. This results in a payout of 783 million euro (prior year: 676 million euro). The annual general meeting will decide on the dividend proposal on 13 May 2022.

Forecast for 2022

Porsche SE expects a group result after tax of between 4.1 billion euro and 6.1 billion euro for the fiscal year 2022. It also aims to achieve positive net liquidity as of 31 December 2022, which is expected to be between 0.6 billion euro and 1.1 billion euro, not taking future investments and

divestitures into account.

The forecast does not contain any effects from a possible IPO of Porsche AG and any acquisition of ordinary shares in Porsche AG by Porsche SE. In addition, the global impact of the war against Ukraine in particular is subject to a high level of uncertainty.

The 2021 annual report of Porsche Automobil Holding SE can be found at:
www.porsche-se.com/en/investor-relations/financial-publications

Contact
Porsche Automobil Holding SE
Porscheplatz 1
70435 Stuttgart
Telefon: +49 (0)711 911 – 11021