

## **Porsche SE expects accounting related non-cash impairment in the consolidated financial statements for 2024**

- Non-cash impairment risk of the carrying amounts of the investments in Volkswagen AG and Porsche AG due to changes in measurement assumptions in impairment tests
- Porsche SE: Withdrawal of earnings forecast, confirmation of expected group net debt range
- Preliminary revaluation of core investments significantly above respective stock market values
- Porsche SE continues to assume a dividend distribution for 2024 financial year
- Porsche SE's financial strength remains high. Continued support for the Volkswagen Group in achieving its strategic goals

Stuttgart, 13 December 2024: During the preparation of the financial statements as of 31 December 2024, Porsche SE identified an expected impairment loss in the consolidated financial statements with regard to the carrying amounts of the investments in Volkswagen AG and Porsche AG. Consequently, the Board of Management expects that Porsche SE's group result after tax for the 2024 financial year will be significantly negative. Porsche SE is therefore withdrawing its forecast for the group result after tax for 2024 from previously 2.4 billion euros to 4.4 billion euros. The forecast for Porsche SE Group's net debt as of 31 December 2024 is confirmed. This is expected to be between 5.0 billion euros and 5.5 billion euros. The Board of Management of Porsche SE continues to assume that a dividend will be distributed for the 2024 financial year.

The expected impairment loss is not cash-effective, but purely accounting related. Porsche SE remains in a very solid financial position and its financial strength remains high. Porsche SE continues to support the entire Volkswagen Group in achieving its strategic goals and remains convinced of the long-term value enhancement potential of the core investments.

# PORSCHE SE

The background to the impairment risk is that Porsche SE, as of now, cannot rely on a current approved plan of Volkswagen AG and Porsche AG for accounting purposes. Therefore, in particular external analysts' expectations are used to derive future cash flows in the impairment tests for the two core investments as of 31 December 2024. On this basis, Porsche SE currently expects an impairment of the carrying amount of the investment in Volkswagen AG in the range of minus 7 billion euros to minus 20 billion euros and of the carrying amount of the investment in Porsche AG in the range of minus 1 billion euros to minus 2 billion euros in the consolidated financial statements. Porsche SE expects that the carrying amounts after the revaluation for the investments in Volkswagen AG and Porsche AG will continue to be significantly higher than the respective stock market values.

The expected impairments at Porsche SE will not have a cash effect and will not affect the forecasts communicated by Volkswagen AG and Porsche AG for the 2024 financial year.

## Contact

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*Porsche Automobil Holding SE ("Porsche SE") is a holding company with investments in the areas of mobility and industrial technology. The company employs just under 50 people as of 31 December 2023 and generated a group result of 5.1 billion euro in the fiscal year 2023. As core investments, Porsche SE holds the majority of the ordinary shares in Volkswagen AG and 25% plus one share of the ordinary shares in Porsche AG. In addition, Porsche SE acquired minority shareholdings in several technology companies in North America, Europe and Israel and invested in private equity and venture capital funds.*