 911 GT3 with Touring package (WLTP): Fuel consumption combined: 13.8 – 13.7 l/100 km; CO_2 emissions combined: 312 – 310 g/km; CO_2 class: G

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

€ million	Note	2024	2023
Sales revenue	1	**40,083**	**40,530**
Cost of sales	2	–29,756	–28,924
Gross profit		**10,327**	**11,606**
Distribution expenses	3	–3,099	–2,869
Administrative expenses	4	–1,859	–1,787
Other operating income	5	1,375	1,496
Other operating expenses	6	–1,107	–1,162
Operating profit		**5,637**	**7,284**
Share of profit or loss of equity-accounted investments	7	–155	–9
Interest income	8	278	264
Interest expenses	8	–223	–184
Other financial result	9	–309	19
Financial result		**–409**	**91**
Profit before tax		**5,227**	**7,375**
Income tax income/expense	10	–1,632	–2,218
Current		–1,470	–1,987
Deferred		–163	–231
Profit after tax		**3,595**	**5,157**
thereof profit attributable to shareholders	25	3,592	5,157
thereof profit attributable to non-controlling interests	11	3	0
Basic/diluted earnings per ordinary share in €	12	**3.94**	**5.66**
Basic/diluted earnings per preferred share in €	12	**3.95**	**5.67**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

€ million	2024	2023
Profit after tax	**3,595**	**5,157**
Pension plan remeasurements recognized in other comprehensive income		
Pension plan remeasurements recognized in other comprehensive income, before tax	278	–396
Deferred taxes relating to pension plan remeasurements recognized in other comprehensive income	–84	119
Pension plan remeasurements recognized in other comprehensive income, net of tax	194	–277
Fair value valuation of equity instruments that will not be reclassified to profit or loss		
Fair value valuation of equity instruments that will not be reclassified to profit or loss, before tax	11	–3
Deferred taxes relating to fair value valuation of equity instruments that will not be reclassified to profit or loss	–2	1
Fair value valuation of equity instruments that will not be reclassified to profit or loss, net of tax	10	–2
Share of other comprehensive income of equity-accounted investments that will not be reclassified to profit or loss, net of tax	0	0
Items that will not be reclassified to profit or loss	**204**	**–279**
Foreign exchange differences		
Unrealized currency translation gains/losses	201	–217
Transferred to profit or loss	56	–
Exchange differences on translating foreign operations, before tax	257	–217
Deferred taxes relating to exchange differences on translating foreign operations	–	–
Exchange differences on translating foreign operations, net of tax	257	–217
Hedging		
Fair value changes recognized in other comprehensive income (OCI I)	–685	1,299
Transferred to profit or loss or inventories (OCI I)	–475	–291
Cash flow hedges (OCI I), before tax	–1,160	1,008
Deferred taxes relating to cash flow hedges (OCI I)	350	–308
Cash flow hedges (OCI I), net of tax	–811	700
Fair value changes recognized in other comprehensive income (OCI II)	–206	–181
Transferred to profit or loss or inventories (OCI II)	536	564
Cash flow hedges (OCI II), before tax	330	383
Deferred taxes relating to cash flow hedges (OCI II)	–100	–116
Cash flow hedges (OCI II), before tax	230	267
Fair value valuation of debt instruments that may be reclassified to profit or loss		
Share of other comprehensive income of equity-accounted investments that may be reclassified subsequently to profit or loss, net of tax	4	0
Items that may be reclassified subsequently to profit or loss	**–320**	**750**
Other comprehensive income, before tax	–280	775
Deferred taxes relating to other comprehensive income	164	–305
Other comprehensive income, net of tax	**–116**	**471**
Total comprehensive income	**3,479**	**5,627**
thereof profit attributable to shareholders	3,476	5,628
thereof profit attributable to non-controlling interests	3	0

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT AS OF DECEMBER 31, 2024

€ million	Note	Dec. 31, 2024	Dec. 31, 2023
Assets			
Non-current assets		**33,239**	**30,407**
Intangible assets	13	8,941	8,554
Property, plant and equipment	14, 35	10,048	9,394
Leased assets	15, 35	5,393	4,190
Equity-accounted investments	16	627	651
Other equity investments	16	892	814
Financial services receivables	19	5,078	4,676
Other financial assets	20	1,496	1,422
Other receivables	21	66	78
Deferred tax assets	22	698	627
Current assets		**20,288**	**20,040**
Inventories	17	6,130	5,947
Trade receivables	18	1,340	1,449
Financial services receivables	19	1,808	1,669
Other financial assets	20	1,236	2,010
Other receivables	21	1,136	1,079
Tax receivables	22	289	235
Securities and time deposits	23	1,965	1,826
Cash and cash equivalents	24	6,384	5,820
Assets held for sale		–	6
Total assets		**53,527**	**50,447**

€ million	Note	Dec. 31, 2024	Dec. 31, 2023
Equity and liabilities			
Equity	25	**23,056**	**21,668**
Subscribed capital		911	911
Capital reserves		3,822	3,822
Retained earnings		17,993	16,305
Other reserves		317	629
Equity attributable to Porsche AG shareholders		23,043	21,667
Non-controlling interests		13	1
Non-current liabilities		**16,128**	**15,211**
Provisions for pensions and similar obligations	26	4,074	4,315
Other provisions	27	1,385	1,249
Deferred tax liabilities	32	2,114	2,010
Financial liabilities	28	7,160	6,537
Other financial liabilities	30	477	364
Other liabilities	31	919	737
Current liabilities		**14,343**	**13,567**
Provisions for taxes	32	195	128
Other provisions	27	3,438	3,007
Financial liabilities	28	4,253	3,880
Trade payables	29	3,378	3,490
Other financial liabilities	30	1,153	1,231
Other liabilities	31	1,894	1,795
Tax payables	32	33	31
Liabilities associated with assets held for sale		–	5
Total equity and liabilities		**53,527**	**50,447**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

				OTHER RESERVES
€ million	Subscribed capital	Capital reserves	Retained earnings	Currency translation
Balance at Jan. 1, 2023	**911**	**3,822**	**12,387**	**454**
Changes in accounting policy to reflect IFRS 17	–	–	8	–
Balance after adjustment at Jan. 1, 2023	**911**	**3,822**	**12,395**	**454**
Profit after tax	–	–	5,157	–
Other comprehensive income, net of tax	–	–	–277	–217
Total comprehensive income	**–**	**–**	**4,880**	**–217**
Disposal of equity instruments	–	–	17	–
Capital contribution	–	–	–	–
Dividends payment	–	–	–916	–
Capital transactions involving a change in ownership interest	–	–	–72	0
Other changes	–	–	–	–
Balance at Dec. 31, 2023	**911**	**3,822**	**16,305**	**237**
Balance at Jan. 1, 2024	**911**	**3,822**	**16,305**	**237**
Profit after tax	–	–	3,592	–
Other comprehensive income, net of tax	–	–	194	257
Total comprehensive income	**–**	**–**	**3,786**	**257**
Disposal of equity instruments	–	–	1	–
Capital contribution	–	–	–	–
Dividends payment[1]	–	–	–2,100	–
Capital transactions involving a change in ownership interest[1]	–	–	–	–
Other changes	–	–	0	–1
Balance at Dec. 31, 2024	**911**	**3,822**	**17,993**	**493**

[1] For dividend distributions and capital transactions involving a change in ownership interest see → **Equity.**

Equity is explained in note → **25. EQUITY**.

	OTHER RESERVES						
	HEDGING						
	Cash flow hedges (OCI I)	Deferred costs of hedging (OCI II)	Equity and debt instruments	Equity-accounted investments	Equity before non-controlling interests	Non-controlling interests	Total equity
	238	**–804**	**11**	**0**	**17,019**	**8**	**17,027**
	–	–	–	–	8	–	8
	238	**–804**	**11**	**0**	**17,027**	**8**	**17,035**
	–	–	–	–	5,157	0	5,157
	700	267	–2	0	471	0	471
	700	**267**	**–2**	**0**	**5,628**	**0**	**5,627**
	–	–	–17	–	–	–	–
	–	–	–	–	–	–	–
	–	–	–	–	–916	–	–916
	–	–	–	–	–72	–8	–80
	–	–	–	–	–	–	–
	938	**–537**	**–9**	**1**	**21,667**	**1**	**21,668**
	938	**–537**	**–9**	**1**	**21,667**	**1**	**21,668**
	–	–	–	–	3,592	3	3,595
	–811	230	10	4	–116	0	–116
	–811	**230**	**10**	**4**	**3,476**	**3**	**3,479**
	–	–	–1	–	–	–	–
	–	–	–	–	–	–	–
	–	–	–	–	–2,100	–1	–2,101
	–	–	–	–	–	–	–
	–	–	–	0	–1	10	9
	127	**–307**	**0**	**4**	**23,043**	**13**	**23,056**

CONSOLIDATED STATEMENT OF CASH FLOWS

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT FOR THE PERIOD FROM JANUARY 1 TO DECEMBER 31, 2024

€ million	2024	2023
Cash and cash equivalents at beginning of period	**5,826**	**3,745**
Profit before tax	5,227	7,375
Income taxes paid	–1,454	–2,190
Depreciation, amortization and impairment losses[1]	4,088	3,528
Gain/loss on disposal of non-current assets and equity investments	61	14
Share of profit or loss of equity-accounted investments	185	34
Other non-cash expense/income	169	–122
Change in inventories	–75	–694
Change in receivables (excluding financial services)	177	–190
Change in liabilities (excluding financial liabilities)	–347	618
Change in pension provisions	35	251
Change in other provisions	537	366
Change in leased assets	–1,852	–1,322
Change in financial services receivables	–399	–645
Cash flows from operating activities	**6,353**	**7,023**
Investments in intangible assets (excluding capitalized development costs) and property, plant and equipment	–2,174	–2,016
Additions to capitalized development costs	–1,583	–2,081
Acquisition of subsidiaries	–34	–152
Acquisition of other equity investments	–346	–90
Disposal of subsidiaries	0	1
Disposal of other equity investments	3	6
Cash received from disposal of intangible assets and property, plant and equipment	126	11
Change in investments in securities and time deposits	–70	44
Change in loans	–43	3,075
Cash flows from investing activities	**–4,120**	**–1,203**
Profit transfer and dividends	–2,101	–4,895
Capital transactions with non-controlling interests	–	–8
Proceeds from issuance of bonds	7,997	5,633
Repayments of bonds	–7,266	–4,304
Increase in non-listed debt securities	0	0
Repayment of non-listed debt securities	–304	–229
Changes in other financial liabilities	117	207
Repayments of lease liabilities	–123	–113
Cash flows from financing activities	**–1,679**	**–3,708**
Effect of exchange rate changes on cash and cash equivalents	6	–31
Net change in cash and cash equivalents	**558**	**2,081**
Cash and cash equivalents at end of period	**6,384**	**5,826**
Cash and cash equivalents at end of period	6,384	5,826
Securities and time deposits and loans	3,379	3,308
Gross liquidity	**9,763**	**9,134**

[1] Offset against reversals of impairment losses.

The statement of cash flows is explained in note → **33. STATEMENT OF CASH FLOWS**.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

OF DR. ING. H.C. F. PORSCHE AKTIENGESELLSCHAFT AS OF DECEMBER 31, 2024

BASIS OF PRESENTATION

Dr. Ing. h.c. F. Porsche Aktiengesellschaft ("Porsche AG") has its headquarters at Porscheplatz 1 in 70435 Stuttgart, Germany, and is registered at the Stuttgart Local Court under HRB no. 730623. The fiscal year is the calendar year.

Porsche AG and its subsidiaries are included in the consolidated financial statements of Volkswagen Aktiengesellschaft, Wolfsburg ("Volkswagen AG"), which are published in the Unternehmensregister [German Company Register].

Pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council, Porsche AG has prepared its consolidated financial statements for the fiscal year 2024 in accordance with the international accounting standards adopted by the European Union, the IFRS Accounting Standards (IFRSs). All the IFRSs adopted by the EU and required to be applied have been complied with.

Moreover, the provisions pursuant to section 315e (1) of the German Commercial Code (HGB) that Porsche AG is also required to apply, and the German Corporate Governance Code have been complied with when preparing the consolidated financial statements.

The accounting policies were generally the same as those applied in the prior year.

The only changes required resulted from amended standards.

The consolidated financial statements are prepared in euros. Unless stated otherwise, all figures are stated in millions of euros (€ million).

All amounts are rounded in line with common business practice; this can lead to minor differences in total amounts. Figures of €0.00 are presented as "€– million"; figures between €0.00 and €500,000.00 are rounded in line with common business practice and presented as "€0 million".

The income statement has been prepared using the function of expense method, as is common international practice.

Preparation of the consolidated financial statements in accordance with the above standards requires assumptions to be made regarding some items that affect the amounts reported in the consolidated statement of financial position or consolidated income statement as well as the disclosure of contingent assets and liabilities. The consolidated financial statements give a true and fair view of the results of operations, financial position and net assets and the cash flows as of December 31, 2024.

The consolidated financial statements were issued for publication by the Executive Board on February 24, 2025. The period subsequent to the reporting date in which adjusting events can be recognized ends on that date.

SIGNIFICANT EVENTS

V4Smart GmbH & Co. KG and VARTA AG

In order to secure future supplies, Porsche AG and VARTA AG signed an investment agreement on October 9, 2024 relating to V4Smart GmbH & Co. KG (formerly: V4Drive Battery GmbH), a wholly owned subsidiary of VARTA AG. The agreement provides for an investment by Porsche AG in the development and production of large-format lithium-ion round cells and will give Porsche AG a majority shareholding in V4Smart GmbH & Co. KG upon completion of the transaction. Completion of the majority takeover is contingent on various factors, including antitrust approvals in various countries and the successful restructuring of VARTA AG in accordance with the German Act on the Stabilization and Restructuring Framework for Businesses (StaRUG). Against this background, Porsche AG is also participating with other investors in the planned financial restructuring of VARTA AG as part of the StaRUG proceedings. An investor agreement to this effect was concluded on October 3, 2024.

These two investments are expected to be completed at the beginning of March 2025. There was no impact on the Porsche AG Group's results of operations, financial position and net assets in the past fiscal year.

IMPACT OF CLIMATE CHANGE

Against the background of climate change and the associated tightening of emissions regulations, the transformation of the automotive industry is moving toward electromobility and further digitalization.

When preparing the consolidated financial statements, the Executive Board took into account the potential impact of climate change and future regulatory requirements, in particular the associated transformation toward electromobility. Potential effects, in particular on non-current assets, provisions for emission charges and future cash flows were included, where possible, in the significant accounting judgments and estimates being incorporated into the consolidated financial statements. The impact of the transformation of the business toward electromobility is taken into account in the multi-year operational planning and thus in the calculation of future cash flows when determining the recoverable amount in an impairment test of goodwill and of intangible assets with an indefinite useful life. This applies in particular for the planning of future vehicle models and investments in development costs as well as production facilities. Furthermore, the Porsche AG Group regularly assesses whether these developments give rise to the need for ad hoc impairment tests or for adjustments to the useful lives of other non-current non-financial assets. With reference to increasingly stringent emissions regulations, it is ensured that the various international regulations are taken into account and any obligations are recognized appropriately. This did not result in any material effects on the consolidated financial statements. The increase in development costs in the areas of electromobility and digitalization have, however, led to a corresponding increase in internally generated intangible assets.

For a detailed presentation of how sustainability has been taken into account in the group strategy, please refer to the section → **Strategic direction of the Porsche AG Group** as well as the section → **Strategy, business model and value chain** in the combined management report with non-financial statement.

BASIS OF CONSOLIDATION

In addition to Porsche AG, the consolidated financial statements include all significant German and foreign subsidiaries, including structured entities, that are controlled directly or indirectly by Porsche AG. The main purpose of the structured entities is to facilitate asset-backed securities transactions for the purpose of refinancing the financial services business and to invest financial resources in special securities funds.

Subsidiaries whose business is dormant or insignificant, both individually or in the aggregate, for the presentation of a true and fair view of the results of operations, financial position and net assets as well as the cash flows of the Porsche AG Group are not consolidated. They are carried in the consolidated financial statements at cost less any impairments and reversals of impairments required to be recognized.

Significant companies where Porsche AG is able, directly or indirectly, to significantly influence financial and operating policy decisions (associates), or where Porsche AG has joint control, directly or indirectly, together with another party (joint ventures), are accounted for at equity. Insignificant associates and joint ventures are generally recognized at their respective acquisition cost, taking into account any impairment losses and reversals of impairments.

The composition of the Porsche AG Group is shown in the table below:

	2024	2023
Parent company and consolidated subsidiaries including special security funds		
Germany	28	27
Abroad	82	90
Subsidiaries carried at cost		
Germany	12	13
Abroad	47	42
Associates, joint ventures and other equity investments		
Germany	37	33
Abroad	57	49
	263	**254**

The list of all the shareholdings, which forms part of the annual financial statements of Porsche AG, is presented in the → **50. LIST OF SHAREHOLDINGS**.

The following fully consolidated affiliated German companies with the legal form of a corporation and partnership met the requirements of section 264 (3) and section 264b HGB, respectively, and have as far as possible exercised the option not to publish annual financial statements:

— Porsche Consulting GmbH, Bietigheim-Bissingen
— Porsche Deutschland GmbH, Bietigheim-Bissingen
— Porsche Dienstleistungs GmbH, Stuttgart
— Porsche Digital GmbH, Stuttgart
— Porsche Engineering Group GmbH, Weissach
— Porsche Engineering Services GmbH, Bietigheim-Bissingen
— Porsche Erste Beteiligungsgesellschaft mbH, Stuttgart
— Porsche Financial Services GmbH, Bietigheim-Bissingen
— Porsche Immobilien GmbH & Co. KG, Stuttgart
— Porsche Leipzig GmbH, Leipzig
— Porsche Lifestyle GmbH & Co. KG, Ludwigsburg
— Porsche Logistik GmbH, Stuttgart
— Porsche Niederlassung Berlin GmbH, Berlin
— Porsche Niederlassung Berlin-Potsdam GmbH, Kleinmachnow
— Porsche Niederlassung Hamburg GmbH, Hamburg
— Porsche Niederlassung Stuttgart GmbH, Stuttgart
— Porsche Nordamerika Holding GmbH, Ludwigsburg
— Porsche Zentrum Hoppegarten GmbH, Stuttgart

Fully consolidated subsidiaries

The changes in the consolidated group during the fiscal year are presented in the table below:

Number	Germany	Abroad
Initially consolidated		
Previously carried at cost	1	2
Foundation	–	4
Others	–	–
	1	**6**
Deconsolidated		
Mergers	–	–
Liquidations	–	11
Others	–	3
	–	**14**

The first-time consolidation or deconsolidation of these subsidiaries did not have any material impact on the results of operations, financial position and net assets, either individually or in the aggregate. From the group's perspective, the non-consolidated structured companies are immaterial. In particular, there are no significant risks for the group.

Investments in associates

In the Porsche AG consolidated financial statements, the companies Bertrandt AG ("Bertrandt"), Ehningen, Rimac Group d.o.o. ("Rimac Group"), Sveta Nedelja, Bugatti Rimac d.o.o. ("Bugatti Rimac"), Sveta Nedelja, IONITY Holding GmbH & Co. KG ("IONITY"), Munich, as well as for the first time Group 14 Technologies ("Group 14"), Inc., Wilmington, Delaware, and HIF Global LLC ("HIF Global"), Houston, Texas, are accounted for using the equity method. From the group's perspective, the associates Bertrandt AG, Ehningen ("Bertrandt"), Rimac Group d.o.o., Sveta Nedelja ("Rimac Group"), and Bugatti Rimac d.o.o., Sveta Nedelja ("Bugatti Rimac"), are material for Porsche AG at the reporting date, as in the prior year.

BERTRANDT AG

Bertrandt is an engineering partner of companies in the automotive and aviation industry. Its portfolio of services ranges from developing individual components through complex modules to end-to-end solutions. Bertrandt's principal place of business is in Ehningen. Porsche AG holds around 29% and it has significant influence. Bertrandt is accounted for in Porsche AG's consolidated financial statements using the equity method.

As of December 31, 2024, the quoted price of the shares in Bertrandt amounted to €54 million (2023: €150 million).

In the fiscal year 2024, an impairment loss of €58 million (2023: reversal of impairment of €27 million) on the recoverable amount of €62 million (2023: €148 million) was recognized in other income and expenses from equity investments in the item other financial result. The recoverable amount is the value in use (2023: market value).

The calculation of the value in use for the purposes of the impairment test is based on a cost of capital before tax of 14.3% (2023: 14.3%).

RIMAC GROUP D.O.O.

The Porsche AG Group holds more than 20% of Rimac Group and continues to account for it using the equity method due to its significant influence. Rimac Group, headquartered in Sveta Nedelja, Croatia, develops and produces high-performance components for electric vehicles. Rimac Group also holds shares in Bugatti Rimac.

BUGATTI RIMAC D.O.O.

The Porsche AG Group holds 45% of the shares in Bugatti Rimac d.o.o. and exercises significant influence over the company. The investment in Bugatti Rimac d.o.o. is accounted for in Porsche AG's consolidated financial statements using the equity method. Bugatti Rimac is headquartered in Sveta Nedelja, Croatia. Bugatti Rimac develops, produces and sells Bugatti and Rimac sports cars.

IONITY HOLDING GMBH & CO. KG

IONITY develops and markets a network of fast-charging stations for electric vehicles in Europe. Porsche AG's interest amounts to around 15% and it has a significant influence on account of co-determination rights, which is why the company is classified as an associate and accounted for at equity.

GROUP 14 TECHNOLOGIES, INC.

Group 14 develops and produces a patented nanoporous silicon-carbon composite material SCC55®. Porsche AG holds around 3.4% in Group 14 Technologies, Inc. Due to supplier relationships and co-determination rights, the Porsche AG Group has significant influence and the investment is accounted for using the equity method.

HIF GLOBAL LLC

HIF Global develops and produces carbon-neutral methanol (eMethanol), gasoline (eBenzin) and sustainable aviation fuel (eSAF), collectively known as efuels, to accelerate decarbonization. Porsche AG's interest amounts to around 10.9% in the associate. Due to contractual arrangements and co-determination rights, it has significant influence and the investment is accounted for using the equity method.

Summarized financial information on material associates on a 100% basis

€ million	Bertrandt[1]	Rimac Group[2]	Bugatti Rimac[3]
2024			
Equity interest (in %)	29	21	45
Non-current assets	467	498	551
Current assets	502	323	399
Non-current liabilities	313	23	54
Current liabilities	232	188	752
Net assets	423	610	143
Sales revenue	1,186	132	182
Profit/loss from continuing operations after tax	–88	–140	–152
Profit/loss from discontinued operations after tax	–	–	–
Other comprehensive income	–2	–	–
Total comprehensive income	–89	–140	–152
Dividends received	4	–	–
2023			
Equity interest (in %)	29	21	45
Non-current assets	527	525	498
Current assets	534	353	423
Non-current liabilities	347	33	48
Current liabilities	189	92	578
Net assets	524	753	294
Sales revenue	1,157	86	336
Profit/loss from continuing operations after tax	8	–86	–17
Profit/loss from discontinued operations after tax	–	–	–
Other comprehensive income	1	–	–
Total comprehensive income	8	–86	–17
Dividends received	2	–	–

1 Bertrandt AG has a deviating fiscal year. The disclosures for Bertrandt's statement of financial position therefore relate to the September 30, 2024 reporting date; the income statement disclosures for the fiscal year 2024 relate to the period from October 1, 2023 to September 30, 2024, and those for the fiscal year 2023 to the period from October 1, 2022 to September 30, 2023.

2 Measurement using the equity method is based on the provisional consolidated results of Rimac Group d.o.o. as of December 31, 2024.

3 Measurement using the equity method is based on the provisional consolidated results of Bugatti Rimac d.o.o. as of December 31, 2024. In the prior year, adjustments on the basis of newer insights gained were taken into account in the line item "changes in reserves".

Reconciliation of the financial information to the carrying amount of the investment

€ million	Bertrandt	Rimac Group	Bugatti Rimac
2024			
Net assets at Jan. 1	524	753	294
Profit/loss	–88	–140	–152
Other comprehensive income	–2	–	–
Changes in reserves	–	8	–
Dividends	–12	–	–
Net assets at Dec. 31	423	622	143
Attributable share of net assets	123	128	64
Consolidation/goodwill/others	–61	61	67
Carrying amount of equity-accounted investments	62	189	131
2023			
Net assets at Jan. 1	524	830	270
Profit/loss	8	–86	–17
Other comprehensive income	1	–	–
Changes in reserves	–	8	41
Dividends	–9	–	–
Net assets at Dec. 31	524	753	294
Attributable share of net assets	152	155	132
Consolidation/goodwill/others	–4	61	67
Carrying amount of equity-accounted investments	148	216	199

Summarized financial information on individually immaterial associates

€ million	2024	2023
Earnings after tax from continuing operations[1, 2, 3]	–22[1]	–54
Earnings after tax from discontinued operations	–	–
Other comprehensive income	–	–
Total comprehensive income	**–22[1]**	**–54**
Carrying amount of equity-accounted investments	246	87

1 This does not include the earnings after tax from continuing operations from prior years of €-37 million from Group 14 and HIF Global, which are classified as immaterial companies accounted for using the equity method in accordance with IFRS 12.21 and which were accounted for using the equity method for the first time in the fiscal year 2024.

2 The presentation for the current fiscal year in the summary financial information for Group 14 is based on the most recent available provisional results for the period January 1, 2024 – September 30, 2024 plus the subsequent measurement of hidden reserves and liabilities for the period January 1, 2024 – December 31, 2024 and the effects of capitalization measures. The pro rata result for the period April 1, 2022 – December 31, 2023 based on the audited annual financial statements for 2022 and 2023 and the provisional results for the period January 1, 2024 – September 30, 2024 plus the pro rata subsequent measurement of hidden reserves and liabilities for the period April 1, 2022 – December 31, 2024 as well as the effects of capitalization measures were included in the measurement using the equity method.

3 The presentation for the current fiscal year in the summary financial information of HIF Global is based on the pro rata subsequent measurement of hidden reserves and liabilities for the period January 1, 2024 – December 31, 2024 plus the effects of capitalization measures. The pro rata result for the period April 1, 2022 – December 31, 2023 based on audited annual financial statements 2022 and 2023 plus the pro rata subsequent measurement of hidden reserves and liabilities for the period April 1, 2022 – December 31, 2024 as well as the effects of capitalization measures were included in the measurement using the equity method.

There are other financial obligations to associates of €209 million (2023: €206 million).

IFRS 5 – Assets held for sale

In accordance with the requirements of IFRS 5, two Russian distribution companies in the automotive segment, OOO Porsche Russia, Moscow, and OOO Porsche Center Moscow, Moscow, and a Russian company allocated to the financial services segment, OOO Porsche Financial Services Russia, Moscow, have been classified as a disposal group held for sale since September 2022. An impairment loss of €25 million was recognized for the disposal group in the fiscal year 2022 and a further impairment loss and offsetting currency translation effects were identified in the fiscal year 2023. There were no other material adjustments in the first nine months of 2024. In the fourth quarter of 2024, the Russian companies were deconsolidated. Deconsolidation resulted in a loss of €53.7 million, which was recognized in the other operating expenses; the amount includes in particular the classification of foreign exchange differences to the income statement.

EFFECTS OF NEW OR AMENDED IFRS

Porsche AG and its subsidiaries have applied all accounting pronouncements adopted by the EU and effective for periods beginning in the fiscal year 2024.

Amendments to IAS 1 clarifying the classification of liabilities as current or non-current have been mandatory since January 1, 2024. This affects in particular liabilities whose maturity date is linked to certain covenants. The decisive factor for classification is whether there is a contractual option on the reporting date to defer settlement for at least twelve months.

Amendments to IAS 7/IFRS 7 have also had to be implemented since January 1, 2024, resulting in additional disclosures in the notes on supply chain financing, in particular reverse factoring agreements. This is intended to make their effects on liabilities, cash flows and liquidity risks more transparent. In this first reporting year 2024, no disclosures or adjustments for prior years are required.

Amendments were also made to IFRS 16 that have likewise been applicable since January 1, 2024. These amendments essentially aim to ensure that variable lease payments under a sale and leaseback transaction that are not based on an index or interest rate are recognized as a lease liability.

The above amendments do not materially affect the Porsche AG Group's results of operations, financial position and net assets.

NEW AND AMENDED IFRSS NOT APPLIED

In its 2024 consolidated financial statements, Porsche AG did not apply the following accounting standards that have been adopted by the IASB as of December 31, 2024 but whose application was not yet mandatory for the fiscal year.

Standard/ Interpretation		Published by the IASB	Application mandatory[1]	Adopted by the EU	Expected impact
IFRS 9/ IFRS 7	Classification and Measurement of Financial Instruments	May 30, 2024	January 1, 2026	No	No material impact
IFRS 9/ IFRS 7	Contracts Referencing Nature-dependent Electricity	December 18, 2024	January 1, 2026	No	Impact currently being analyzed
IFRS 18	Presentation and Disclosure of Financial Information	April 9, 2024	January 1, 2027	No	Structure of the income statement; additional disclosures in the notes
IFRS 19	Subsidiaries without Public Accountability: Disclosures	May 9, 2024	January 1, 2027	No	No impact
IAS 21	Currency Translation with Lack of Exchangeability	August 15, 2023	January 1, 2025	No	No material impact
	Improvements to International Financial Reporting Standards - Volume 11[2]	July 28, 2024	January 1, 2026	No	No material impact

1 Mandatory first-time application from the perspective of Porsche AG and its subsidiaries on the basis of the IFRS effective date, subject to adoption by the EU if the EU endorsement process has yet to be completed.

2 Minor amendments to a range of IFRSs (IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7).

CURRENCY TRANSLATION

The Porsche AG Group uses the rates of an external market data provider. All rates are based on the respective euro exchange rates. All non-euro exchange rate combinations are derived from these rates.

		Closing rate		Average rate	
	€1 =	Dec. 31, 2024	Dec. 31, 2023	2024	2023
Australia	AUD	1.6761	1.6292	1.6401	1.6286
Brazil	BRL	6.4314	5.3750	5.8262	5.4031
China	CNY	7.5986	7.8700	7.7861	7.6598
United Kingdom	GBP	0.8302	0.8691	0.8467	0.8700
Hong Kong	HKG	8.0843	8.6529	8.4425	8.4685
Japan	JPY	163.2300	156.7900	163.8226	151.9382
Canada	CAD	1.4972	1.4681	1.4819	1.4596
Republic of Korea	KRW	1,534.3200	1,440.7150	1,475.4360	1,413.5047
Russia	RUB	112.4384	99.9661	100.2263	92.2994
Switzerland	CHF	0.9421	0.9264	0.9526	0.9718
USA	USD	1.0410	1.1077	1.0820	1.0817

ACCOUNTING POLICIES

Measurement principles

With the exception of certain items such as financial instruments measured at fair value and provisions for pensions and similar obligations, the consolidated financial statements are prepared using the historical cost principle (cost model). The methods used to measure the individual items are presented in more detail below.

Intangible assets

Intangible assets not acquired in a business combination are initially recognized at cost in accordance with IAS 38 plus costs directly attributable to the acquisition. The cost of intangible assets acquired as part of a business combination is their fair value as of the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Purchased intangible assets with a finite useful life are amortized, generally on a straight-line basis, over their useful life, taking any impairments into account. Useful lives range from three to five years. Useful lives, residual values and methods of amortization are reviewed, and adjusted if appropriate, at least at the end of the reporting year. If adjustments are made, these are accounted for as changes in estimates.

Goodwill, intangible assets with indefinite useful lives and intangible assets that are not yet ready for use are not amortized. Each individual asset or cash-generating unit is tested at least once a year for impairment. If there is impairment, an impairment loss is recognized. Intangible assets with indefinite useful lives are reviewed once a year to determine whether the indefinite life assessment continues to be supportable. If this is no longer the case, the change in useful life from indefinite to finite is made on a prospective basis.

Development costs are recognized for products provided that expenditures can be clearly allocated and all other recognition criteria of IAS 38 are met. The capitalized development costs include all direct costs and production overheads directly attributable to the development process incurred after the point in time at which all recognition criteria are met. Capitalized development costs are amortized beginning at the start of use (e.g., start of production) using the straight-line method over the expected product life cycle, taking any impairments into account. Useful lives mainly range from three to nine years. Research and non-capitalizable development costs are expensed as incurred.

The amortization of intangible assets is allocated to the corresponding functional areas.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less depreciation and, if necessary, impairment losses. Investment subsidies received are generally deducted from cost. Special operational equipment is reported under other equipment, furniture and fixtures. Property, plant and equipment is depreciated pro rata temporis on a straight-line basis over the expected useful life.

Depreciation is largely based on the following useful lives:

	Years
Office and factory buildings	9 to 40
Technical equipment and machinery	7 to 20
Other equipment, furniture and fixtures	3 to 13

Residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date. The depreciation of property, plant and equipment is allocated to the corresponding functional areas.

Right-of-use assets/lease liabilities

The right-of-use assets for leases recognized in the statement of financial position are reported in those items that the assets underlying the lease would be reported in if they were owned by the Porsche AG Group. As of the reporting date, right-of-use assets are therefore recognized under non-current assets, mainly in the item "Property, plant and equipment".

There are practical expedients for short-term leases and leases of low-value assets. The Porsche AG Group takes advantage of these and consequently does not recognize right-of-use assets or lease liabilities for such leases. The associated lease payments are recognized directly in profit or loss as an expense. Leases of low-value assets are those where the value of the leased asset does not exceed €5,000 when new. Furthermore, the accounting requirements of IFRS 16 are not applied to leases of intangible assets.

Many leases contain extension and termination options.

Leased assets

Vehicles leased out under operating leases are recognized at cost and depreciated on a straight-line basis to their calculated residual value over the term of the lease. Depending on the local circumstances and past experience from used vehicle sales, regularly updated internal and external data on the development of residual values are included in the residual value forecast. In doing so, assumptions must primarily be made about future vehicle supply and demand, as well as movements in vehicle prices. These assumptions are based on either qualified estimates or information published by external experts. Qualified estimates are based on external data, where available, and take into account additional information available internally, such as past experience and recent sales information.

Capitalization of borrowing costs

Borrowing costs for qualifying assets are capitalized as part of the cost of the asset. A qualifying asset is an asset that necessarily takes at least a year to get ready for its intended use.

Equity-accounted investments

The cost of shares in associates is generally accounted for using the equity method. When reviewing the recoverability of the net investment, the recoverable amount is determined using the principles described for indefinite-lived intangible assets.

Impairment testing

At the end of each reporting period, the group assesses whether there is any indication of impairment. An impairment test is performed at least once a year for goodwill, capitalized costs for intangible assets (in particular, where development costs are recognized for products under development) and intangible assets with an indefinite useful life. For intangible assets with finite useful lives, property, plant and equipment as well as leased assets an impairment test is performed only when there is an indication that the asset may be impaired.

The recoverable amount is determined in the course of impairment testing and is generally determined separately for each asset. If it is not possible to determine the recoverable amount for an individual asset because it does not generate cash inflows that are largely independent of the cash inflows from other assets, it is determined on the basis of a group of assets that constitutes a cash-generating unit.

To determine whether goodwill has to be impaired, the corresponding automotive or financial services segment is generally used as cash-generating unit. For intangible assets as well as for property, plant and equipment, the automotive segment forms the cash-generating unit and is the basis for the impairment test. If the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, an impairment loss is recognized to account for the difference.

The recoverable amount of an asset or a cash-generating unit is the higher of fair value less costs to sell and value in use. The fair value less costs to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less the costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset or cash-generating unit, excluding finance costs and income tax expense. Value in use is determined using the discounted cash flow method or capitalized earnings method on the basis of the estimated future cash flows expected to arise from the continuing use of the asset.

To determine whether goodwill, intangible assets as well as property, plant and equipment are impaired, the group uses the value in use.

Value in use is determined based on a multi-year operational plan prepared by management including material assumptions about growth and the volume of unit sales. The planning period generally extends over five years. Measures decided on after the reporting date to strengthen the earnings power in the short and medium term, in particular the expansion of the product portfolio, have not been taken into account in the impairment test as of December 31, 2024 due to the reporting date principle. The Porsche AG Group's planning is based on the assumption that global economic output in 2025 will grow overall, albeit at a somewhat slower pace than 2024. Falling inflation in major economic regions and the resulting easing of monetary policy are expected to have a positive impact on private demand. Risks will continue to arise from increasing fragmentation of the global economy and protectionist tendencies as well as turbulence in the financial markets. These will continue to negatively impact the growth prospects. Negative effects are also expected from ongoing geopolitical tensions and conflicts as well as uncertainties related to the political direction of the USA. It is assumed that both the advanced economies and emerging markets will record weaker momentum on average than in the reporting year.
The volume planning of the Porsche AG Group reflects the aforementioned regional differences and takes into account the effects of currently known regional conflicts. The Chinese and US markets in particular are expected to be challenging due to protectionist tendencies as well as increased competition in China. The planning also assumes that the transformation toward electromobility will be slower than the prior year. Positive price effects will be complemented by a globally well-balanced and value-oriented sales structure. The negative impact on earnings expected from 2025 onwards due to continuously rising material costs as well as emissions and fuel consumption regulations will be offset by efficiency programs. The "Road to 20" strategic program is designed to intensify existing activities with a focus on optimizing the cost structure in the long term.

The recoverable amount is determined based on current planning as well as reasonable assumptions about macroeconomic trends (currency, interest rate and commodity price trends) as well as historical developments. An anticipated growth rate of 1.0% is used as a basis for determining the cash flows after the end of the planning period. The growth rate is based on the circumstances specific to the industry and takes into account the specific price and cost situation.

In the case of assets that are not yet available for use, impairment testing is carried out upon initial recognition and subsequently once per year on the basis of the current business plan. Assets already in use are only tested for impairment if there is a triggering event. Value in use is determined for the impairment testing using a market-oriented discount rate for similar risks. The determination of the cost of capital rates is based on a rate of interest for risk-free investments. Furthermore, in addition to a market risk premium, specific peer group information is taken into account on beta factors, leverage ratio and borrowing rate. The composition of the peer groups used to determine beta factors is reviewed on an ongoing basis and modified when necessary. This results in a weighted average cost of capital before tax of 10.8% (2023: 10.7%).

Any impairment of leased assets from vehicle leasing contracts, determined by impairment testing in accordance with IAS 36, is reflected in impairment losses and adjusted rates of depreciation. Depending on the local circumstances and past experience from used vehicle sales, regularly updated internal and external data on the development of residual values are included in the residual value forecast. In doing so, assumptions must primarily be made about future vehicle supply and demand, as well as movements in vehicle prices. These assumptions are based on either qualified estimates or information published by external experts. Qualified estimates are based on external data, where available, and take into account additional information available internally, such as past experience and recent sales information.

An impairment loss is allocated to the corresponding functional area and is recognized in the income statement in the item “amortization of intangible assets and depreciation of property, plant and equipment and leased assets” if the recoverable amount of the asset is lower than its carrying amount.

A review of whether the reasons for a previously recognized impairment loss still exist is carried out on an annual basis. If the reasons for impairment losses recognized in prior years no longer exist, they are reversed through profit or loss (with the exception of goodwill). The amount reversed cannot result in a carrying amount that exceeds the amount that would have been determined as the carrying amount, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years.

Based on the impairment test carried out in 2024, the recoverable amounts exceed the net assets of the group’s cash-generating units. Sensitivity analyses were carried out in order to be able to test recoverability in the event of changes to key assumptions. Recoverability is given even if assumptions vary.

Inventories

Inventories primarily include raw materials, consumables and supplies, work in progress and finished goods which are carried at the lower of cost or net realizable value. Borrowing costs are not capitalized. Inventories of a similar nature are generally measured using the weighted average cost method.

Long-term construction contracts

For contracts under which performance is satisfied over time, revenue is recognized in accordance with the stage of completion. The stage of completion is determined as the proportion that contract costs incurred by the end of the reporting period bear to the estimated total contract costs (cost-to-cost method). Contract costs incurred are often the best way to measure the stage of completion of the performance obligation. If the outcome of a performance obligation satisfied over time is not yet sufficiently certain, but the company expects to at least have its costs refunded by the customer, revenue is recognized only to the extent of contract costs incurred (zero profit method). As long-term construction contracts regularly involve contingent receivables due from the customer until they are completed or the customer pays, corresponding contract assets are recognized. As soon as the company's performance is complete, a trade receivable is recognized. Any negative balance is reported under other payables. The principle of measuring assets at the lower of carrying amount and net realizable value is observed.

Financial instruments

Regular way purchases or sales of financial instruments are accounted for at the settlement date, i.e., the date on which the asset is delivered.

The Porsche AG Group allocates financial assets and liabilities to the "at amortized cost" and "at fair value" classes.

Financial assets and liabilities measured at amortized cost

Financial assets measured at amortized cost using the effective interest method are

— receivables from the financial services business,
— trade receivables,
— other receivables and financial assets,
— time deposits, and
— cash and cash equivalents.

The financial liabilities measured at amortized cost using the effective interest method arise from

— trade payables,
— other financial liabilities,
— liabilities to banks,
— bonds, commercial papers and notes,
— loans.

For reasons of materiality, discounting or unwinding of discounts is not applied to current receivables and liabilities (due within one year).

Financial assets and liabilities measured at fair value

Financial assets that are equity instruments are measured at fair value. For the most part, the Porsche AG Group exercises the option to recognize subsequent fair value changes through other comprehensive income. The only exceptions are interests in companies that are not material to the consolidated financial statements and in those that do not conduct business operations. For such interests, reasonable fair values that are free from major fluctuations cannot be reliably determined without undue cost or effort. Such interests are therefore measured at amortized cost.

Within the Porsche AG Group, the category “Financial assets at fair value through profit or loss” mainly comprises

- hedging relationships not within hedge accounting and
- investment fund units.

Financial liabilities at fair value through profit or loss relate to derivatives not within hedge accounting.

Fair value generally corresponds to the market or quoted prices (level 1). If no active market exists, the fair value is determined where possible using observable inputs other than quoted prices (level 2). If no observable inputs are available, fair value is determined using valuation techniques, such as by discounting the future cash flows at the market interest rate, or by using recognized option pricing models and—as far as possible—is verified by confirmations from the banks that handle the transactions (level 3).

For current receivables and payables, amortized cost generally corresponds to the principal or repayment amount.

The Porsche AG Group does not exercise the fair value option for financial assets and liabilities.

Shares in subsidiaries, associates and joint ventures that are neither consolidated nor accounted for using the equity method for reasons of materiality do not fall within the scope of IFRS 9 and IFRS 7.

Derivatives and hedge accounting

Porsche AG Group companies use derivatives to hedge future cash flows (hedged items). Appropriate derivatives such as swaps, forward transactions and options are used as hedging instruments.

When hedging future cash flows, the hedging instrument is measured at fair value. The designated effective portion of the hedging instrument is recognized in OCI I and the non-designated effective portion of the hedging instruments is recognized in OCI II. They are only recognized in profit or loss or in the inventories when the hedged item is recognized in profit and loss. The ineffective portion of a cash flow hedge is immediately recognized in profit or loss.

Derivatives used by the Porsche AG Group for financial management purposes to hedge against interest rate, currency, commodity price, share and bond risks, but that do not meet the strict hedge accounting criteria of IFRS 9, are classified as financial assets and liabilities at fair value through profit or loss (also referred to below as derivatives not within hedge accounting). This also applies to share options. As a general rule, external hedging instruments of intragroup hedged items that are subsequently eliminated in the consolidated financial statements are also assigned to this category. Assets and liabilities measured at fair value through profit or loss consist of derivatives or components of derivatives that are not within hedge accounting. These relate, for example, to non-designated forward exchange transactions and interest rate hedges.

Impairment of financial instruments

Financial assets are exposed to default risk, which is taken into account by recognizing loss allowances or, if losses have already been incurred, by recognizing impairment losses. Default risk on loans and receivables in the financial services segment is accounted for by recognizing specific loss allowances and general loss allowances.

In particular, in accordance with group-wide standards, a loss allowance is recognized on these financial assets in the amount of the expected loss. The actual specific loss allowances for the losses incurred are then charged to this loss allowance. A potential impairment is assumed not only for delayed payments of more than 90 days, the institution of enforcement measures, the threat of insolvency or overindebtedness, application for or the opening of insolvency proceedings or the failure of financial reorganization measures, but also for receivables that are not past due.

Insignificant receivables and significant individual receivables for which there is no indication of impairment are grouped together into homogeneous portfolios on the basis of comparable credit risk characteristics and allocated by risk class. Average historical default probabilities are used in combination with forward-looking parameters for the respective portfolio are used to calculate the amount of the impairment loss.

Credit risks must be considered for all financial assets measured at amortized cost, as well as for contract assets in accordance with IFRS 15 and lease receivables within the scope of IFRS 16. The rules on impairment also apply to risks from irrevocable credit commitments and to the measurement of financial guarantees.

As a matter of principle, a simplified process, which takes historical default rates into account, and specific loss allowances are used to account for impairment losses on receivables outside the financial services segment.

Deferred taxes

Deferred tax assets are measured taking into account estimates regarding the future availability of taxable income. This includes the amount and nature of this taxable income, the periods in which it is expected as well as available tax planning measures. The measurement of deferred tax assets for tax loss carryforwards is generally based on future taxable income over a planning horizon of five fiscal years. A previously unrecognized deferred tax asset is reassessed on an annual basis and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Loss allowances are recognized on deferred tax assets when it is unlikely that sufficient future taxable income will be available within a reasonable period of time against which the deductible temporary differences, tax loss carryforwards and tax credits can be offset.

The tax consequences of profit distributions are taken into consideration as soon as the profit distributions are planned.

Current taxes

Current income taxes are measured as income tax assets and liabilities for current and prior periods at the amount expected to be refunded by or paid to the taxation authorities. Therefore, current taxes recognized in the fiscal year also include adjustments for uncertain tax payments or refunds for periods that have not yet been finally assessed, excluding interest and penalties on back taxes. Provisions are recognized for potential obligations in respect of such tax assessments that have not yet been finally reviewed by the tax authorities. Any such identified tax risk is measured on the basis of the most likely value to be recognized to reflect the risk, should it materialize.

Share-based payment

Share-based payment comprises performance share plans, i.e., payment plans that are settled in cash and accounted for in accordance with IFRS 2.

Other provisions

Provisions not resulting in an outflow of resources within one year are recognized at their settlement value discounted to the reporting date. The discount factor is based on market interest rates. In the eurozone, an average interest rate of 2.61% (2023: 2.87%) was used. The settlement amount also includes the expected cost increases.

Other liabilities (not included within the scope of a specific IFRS)

Other non-current liabilities not included within the scope of a specific IFRS are carried at amortized cost in the statement of financial position. Differences between their historical cost and their repayment amount are accounted for using the effective interest method.

Other current liabilities not included within the scope of a specific IFRS are recognized at their repayment or settlement value.

Revenue and expenses

Revenue, interest and commission income from financial services and other operating income are recognized only when the relevant services have been rendered or the customer has obtained control of the goods or services. Revenue is reported net of discounts, customer bonuses and rebates.

Sales allowances and other variable consideration are measured on the basis of experience and by taking account of current circumstances. Vehicles are normally sold to dealers on payment terms. A trade receivable is recognized for the period between vehicle delivery and receipt of payment. Financing components included therein are only accrued if the period between the transfer of the goods and the payment of consideration is longer than one year and the amount to be accrued is material.

Revenue from receivables from financial services is recognized using the effective interest method. Income from operating leases is recorded on a straight-line basis over the term of the agreement.

Revenue from long-term construction contracts is recognized in accordance with the percentage of completion method.

If services are sold to the customer together with the vehicle and the customer pays for them in advance, the group recognizes a corresponding contract liability until the services have been rendered. Examples of services that customers pay for in advance include servicing, maintenance and certain guarantee contracts, as well as mobile online services.

Sales revenue from extended warranties or maintenance agreements is recognized when services are rendered. In the case of advance payments, deferred income is recognized proportionately by reference to the costs expected to be incurred, based on experience.

For extended warranties granted to customers for a specific model, a provision is generally recognized in the same way as for statutory warranties. If the warranty is optional for the customer or contains an additional service component, the related revenue is deferred and recognized over the warranty term.

Income from assets for which a group entity has a buy-back obligation is not recognized until the assets have finally left the group. If a fixed repurchase price was agreed when the contract was concluded, the difference between the selling and repurchase price is recognized as income ratably over the term of the contract. Until the end of the contract term, the assets are reported in inventories in case of current contract end dates and in leased assets in the case of non-current contract end dates.

Sales revenue is generally measured at the price determined in the contract. If variable consideration (e.g., volume-based bonuses) has been agreed in a contract, the large number of contracts means that revenue is generally estimated using the expected value method. The most probable amount method may also be used in exceptional cases. Once the expected sales revenue has been estimated, an additional check is performed to determine whether there are uncertainties that make it necessary to reduce the revenue initially recognized in order to effectively rule out the risk of subsequently adjusting that revenue downwards.
Provisions for reimbursements mainly result from dealer bonuses. In the case of multiple-element arrangements, the transaction price is allocated to the various performance obligations under the contract on the basis of the relative stand-alone selling prices. For reasons of materiality, the Porsche AG Group generally recognizes non-vehicle-related services at their stand-alone selling price.

Revenue is generally recorded separately for each business transaction. If two or more transactions are linked in such a way that the commercial effect cannot be understood without reference to the series of transactions as a whole, the criteria for revenue recognition are applied to these transactions as a whole. If, for example, loan or lease agreements in the financial services segment are entered into at below market interest rates to promote sales of new vehicles, revenue is reduced by the incentive arising from the agreement.

In the case of financial instruments measured at amortized cost, interest income and expenses are determined using the effective interest rate.

Production-related expenses are recognized upon delivery or utilization of the service, while all other expenses are recognized as an expense as incurred. The same applies for development costs not eligible for recognition as part of the cost of an asset.

Provisions for warranty claims are recognized upon sale of the related products.

Cost of sales include the costs incurred to generate the sales revenue and the cost of goods purchased for resale. This item also includes the cost of additions to warranty provisions. Research and development costs not eligible for capitalization and amortization of development costs are likewise carried under cost of sales. Interest and commission expenses incurred in connection with the financial services business are also reported in cost of sales.

Government grants

Government grants for assets are deducted when determining the carrying amount of the asset and recognized in profit or loss over the life of the depreciable asset by way of a reduced depreciation charge. Government grants that compensate group companies for expenses incurred are generally recognized in profit or loss in the period and allocated to those items in which the expenses to be compensated were incurred.

Significant accounting judgments and estimates

The preparation of consolidated financial statements requires certain assumptions and estimates that have an effect on the recognition, measurement and presentation of the assets, liabilities, income and expenses as well as on the disclosures on contingent assets and liabilities of the reporting period. These assumptions, judgments and estimates reflect all the information currently available. The assumptions and estimates relate to the following principal matters:

The estimation and determination of uniform group useful lives and depreciation methods for fixed assets subject to wear and tear (carrying amount of franchises, industrial rights and other intangible assets on December 31, 2024: €863 million (2023: €960 million); carrying amount of capitalized development costs for products in use as of December 31, 2024: €4,992 million (2023: €3,025 million), carrying amount of property, plant and equipment subject to wear and tear excluding factory and office buildings on December 31, 2024: €3,970 million (2023: €3,132 million)) are based on past experience and are reviewed regularly. A change in estimates results in an adjustment to the residual useful life and, if appropriate, an impairment loss. The lease term is determined in accordance with IFRS 16 based on the non-cancellable period of the lease and an assessment of whether existing options to extend or terminate the lease will be exercised. The determination of the lease term and the discount rates used affects the amounts to be recognized for the right-of-use assets (carrying amount of right-of-use assets on December 31, 2024: €1,063 million (2023: €982 million) and the lease liabilities (carrying amount of lease liabilities on December 31, 2024: €1,142 million (2023: €1,047 million)).

Determining the timing for the capitalization of development costs (carrying amount of the capitalized development costs as of December 31, 2024: €8,050 million (2023: €7,575 million)) requires assumptions and estimates of probabilities, particularly with respect to the technical feasibility of the development work and the availability of adequate technical, financial and other resources such that the development can be completed and the development work can be used or sold. In addition, the underlying cost components to be capitalized are also subject to judgment.

Testing the non-financial assets for impairment (particularly capitalized development costs) as well as investments accounted for at equity or at cost and the measurement of shares not traded in an active market and options on such shares (carrying amount of equity-accounted investments and other investments as of December 31, 2024: €1,519 million (2023: €1,465 million)) requires assumptions with respect to the future cash flows during the planning period and, possibly beyond it, as well as about the discount rate to be applied. The estimates required to be made for the purpose of deriving the cash flows mainly relate to future market shares, growth in the respective markets and the profitability of the products. When determining cash flows for conducting impairment tests on companies or equity investments with new technology operations, it is of particular importance to assess whether these new technologies are technically feasible and have the potential for industrial use.

In connection with the impairment testing of intangible assets (carrying amount of intangible assets as of December 31, 2024: €8,941 million (2023: €8,554 million)), property, plant and equipment (carrying amount of property, plant and equipment as of December 31, 2024: €10,048 million (2023: €9,394 million)) and leased assets (carrying amount of leased assets as of December 31, 2024: €5,393 million (2023: €4,190 million)) judgments are made, in particular, with regard to the determination of indicators that property, plant and equipment and leased assets are impaired. The assessment of the cash-generating unit subject to the impairment test requires judgment. The recoverability of the leased assets of the Porsche AG Group depends in particular on the estimate of the residual value of the leased vehicles after the end of the lease term as this constitutes a significant portion of the expected cash inflows (please refer to the section on impairments of leased assets in note → **15. LEASED ASSETS**).

For more information on impairment testing and on the measurement parameters used please refer to the explanations on impairment testing above.

In the absence of observable market values, the determination of the fair value of assets and liabilities acquired in a business combination is based on recognized valuation techniques such as the license price analogy method or the residual value method.

The designation of hedging instruments for hedge accounting requires in particular assumptions and estimates with respect to the underlying probabilities that revenue will be generated in the future from hedged currencies and with respect to the interest rates and the course of financing. The carrying amounts concerned are presented in the statement of changes in equity.

Testing financial assets for impairment requires estimates concerning the amount and probability of occurrence of future events. As far as possible, the estimates are arrived at on the basis of current market data as well as rating grades and scoring information based on experience. Further details on calculating loss allowances can be found in note → **36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**.

The accounting treatment and measurement of provisions (carrying amount of provisions as of December 31, 2024: €9,091 million (2023: €8,698 million)) is also based on estimates of the amount and probability of occurrence of future events as well as estimates of the discount rate. Experience or external appraisals are also drawn upon where possible. The measurement of provisions for pensions (carrying amount of provisions for pensions and similar obligations on December 31, 2024: €4,074 million (2023: €4,315 million)) is additionally dependent on the estimated development of the plan assets. The assumptions underlying the calculation of provisions for pensions and similar obligations are presented in note → **26. PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS**. Actuarial gains and losses from changes in measurement parameters are recorded directly in equity and have no effect on the result presented in the income statement. Changes in estimates relating to the amount of other provisions (carrying amount of other provisions as of December 31, 2024: €4,823 million (2023: €4,256 million)) are always recognized in profit or loss. Provisions are regularly adjusted to take account of new information. Due to the use of expected values, it is often the case that unused provisions are reversed or that subsequent additions are made to provisions. Similarly to the expenses for recognizing new provisions, income from the reversal of provisions is largely allocated to the respective functions. Warranty claims from sales transactions are calculated on the basis of losses to date, estimated future losses and the policy on ex gratia arrangements. Individual technical risks identified are recorded separately. This requires assumptions to be made about the nature and extent of future cases relating to guarantee, warranty and goodwill payments. For the provisions recognized, assumptions were made in particular in relation to working hours, material costs and hourly wage rates depending on the series, model year and country concerned. These assumptions are based on qualified estimates. The estimates rely on external data, taking into account additional information available internally such as experience relating to the parameters mentioned.

For an overview of other provisions and provisions from sales, see note → **27. NON-CURRENT AND CURRENT OTHER PROVISIONS** and for litigation see also note → **40. LITIGATION**.

Porsche AG and its subsidiaries have operations worldwide and are audited by local tax authorities on an ongoing basis. Changes in tax legislation and court rulings and their interpretation by tax authorities in the respective countries may result in tax payments that differ from the estimates made in the financial statements.

Tax provisions were recognized for potential future payments of tax arrears. Other provisions were recognized for ancillary tax payments arising in this connection. These income tax items included in the statement of financial position whose amount is uncertain are based on the best estimate of the expected tax payment.

Tax provisions are measured on the basis of the most likely value at which the risk will materialize. If there are multiple tax risks, the Porsche AG Group decides based on the merits of the individual case whether to account for them individually or in groups, depending on which type of presentation is appropriate for assessing the extent to which the tax risk will materialize. Impairment tests were performed when determining the deferred tax assets.

Transfer prices for intragroup business relationships are subject to tax law requirements in Germany and many other countries. The provisions are based on the arm's length principle, which requires that business conditions agreed between related parties must be the same as those that would have been agreed between third parties. To ensure that this requirement is met and the associated transfer pricing risks are minimized, the Porsche Group tax guidelines and the Volkswagen AG Group transfer pricing guideline apply to transfer pricing in the Porsche AG Group. Where possible and appropriate, advance pricing arrangements (APAs) are also used to provide additional legal certainty with regard to cross-border transfer pricing.

If actual developments differ from the assumptions made for recognizing the provisions, the figures actually recorded may differ compared to the estimates expected originally.

Determining deferred tax assets (carrying amount of deferred tax assets as of December 31, 2024: €698 million (2023: €627 million)) requires assumptions to be made concerning future taxable profit and the timing of the realization of the deferred tax assets. Income tax items included in the statement of financial position whose amount is uncertain are based on the best estimate of the expected tax payment.

The recognition of government grants is based on an assessment of whether there is reasonable assurance that the group companies will fulfill the conditions attached to the grant and that the grant will in fact be awarded. This estimate is based on the nature of the legal entitlement and past experience.

The assumptions and estimates are based on premises that are derived from the current information available. The anticipated future business development was assessed by reference to the circumstances prevailing at the time of preparing the consolidated financial statements and the realistically assumed future development of the global and industry-specific environment. Since the future development of business is subject to uncertainty that cannot be fully controlled by the Porsche AG Group, the assumptions and estimates continue to be subject to a high level of uncertainty. This applies in particular to short- and medium-term forecast cash flows, the discount rates used and forecast residual values.

Factors that may cause variances from the assumptions and estimates include new information about the buying behavior in the sales markets and in response to this changes in planning, dependency on suppliers, in particular exclusive suppliers, developments in exchange rates, interest rates and the prices of commodities as well as environmental or other legal provisions. Where the development of these circumstances differs from the assumptions and lies outside the control of management, the actual figures may differ from those originally expected. In such cases, the underlying assumptions and, if necessary, the carrying amounts of the assets and liabilities concerned, are adjusted accordingly.

In 2024, the global economy continued to recover but at a somewhat slower pace than the prior year. This trend was seen in both the advanced economies and the emerging markets. The Porsche AG Group's planning is based on the assumption that global economic output in 2025 will grow overall, albeit at a somewhat slower pace than 2024. Falling inflation in major economic regions and the resulting easing of monetary policy are expected to have a positive impact on private demand. Risks will continue to arise from increasing fragmentation of the global economy and protectionist tendencies as well as turbulence in the financial markets. These will continue to negatively impact the growth prospects. Negative effects are also expected from ongoing geopolitical tensions and conflicts as well as uncertainties related to the political direction of the USA. It is assumed that both the advanced economies and emerging markets will record weaker momentum on average than in the reporting year.

Significant accounting judgments and estimates were based in particular on assumptions relating to the development of the general economic environment, the automotive markets and the legal environment. These as well as further assumptions are explained in detail in the report on expected developments, which forms part of the combined management report.

SEGMENT REPORTING

The segments are based on the internal management and reporting within the Porsche AG Group. This takes into account the group objectives and policies set by the Executive Board of Porsche AG. Segment reporting is made up of the two reportable segments automotive and financial services.

The activities of the automotive segment cover the development, manufacturing and sale of vehicles as well as related services.

The activity of the financial services segment comprises customer and dealer financing, the leasing business as well as mobility services and other finance-related services.

The purchase price allocation from acquired companies is directly allocated to the corresponding segments.

In the Porsche AG Group, the segment result is determined on the basis of the operating profit after tax.

Reconciliation includes consolidation between the segments.

Investments in intangible assets and property, plant and equipment are reported net of investments in right-of-use assets from leases.

The business relationships between the companies of the segments of the Porsche AG Group are generally based on arm's length prices.

Reporting segments 2024

€ million	Automotive	Financial services	Total segments	Reconciliation	Porsche AG Group
Sales revenue from external customers	36,085	3,780	**39,864**	219	**40,083**
Intersegment sales revenue	354	130	**484**	–484	**–**
Total sales revenue	36,438	3,910	**40,349**	–265	**40,083**
Cost of sales	–26,489	–3,565	**–30,054**	298	**–29,756**
Segment profit (operating profit)	5,286	278	**5,564**	73	**5,637**
Depreciation and amortization	2,982	915	**3,897**	–39	**3,858**
Impairment losses	3	207	**210**	–	**210**
Reversal of impairment losses	0	158	**158**	–	**158**
Investments in intangible assets and property, plant and equipment	3,702	46	**3,748**	8	**3,756**

Reporting segments 2023

€ million	Automotive	Financial services	Total segments	Reconciliation	Porsche AG Group
Sales revenue from external customers	37,213	3,316	**40,530**	–	**40,530**
Intersegment sales revenue	136	128	**264**	–264	**–**
Total sales revenue	37,349	3,444	**40,793**	–264	**40,530**
Cost of sales[1]	–26,091	–3,093	**–29,184**	261	**–28,924**
Segment profit (operating profit)	6,938	302	**7,241**	44	**7,284**
Depreciation and amortization	2,654	883	**3,537**	–34	**3,504**
Impairment losses	2	160	**162**	–	**162**
Reversal of impairment losses	–	137	**137**	–	**137**
Investments in intangible assets and property, plant and equipment	4,045	33	**4,078**	19	**4,097**

1 Cost of sales is presented separately as of fiscal year 2024. The prior-year figures have been adjusted to reflect this change.

Reconciliation

€ million	2024	2023
Segment sales revenue	**40,349**	**40,793**
Consolidation	–265	–264
Group sales revenue	**40,083**	**40,530**
Segment cost of sales	**–30,054**	**–29,184**
Consolidation	298	261
Cost of sales[1]	**–29,756**	**–28,924**
Segment profit (operating profit)	**5,564**	**7,241**
Consolidation	73	44
Operating profit	**5,637**	**7,284**
Financial result	**–409**	**91**
Consolidated profit before tax	**5,227**	**7,375**

1 Cost of sales is presented separately as of fiscal year 2024. The prior-year figures have been adjusted to reflect this change.

By region 2024

€ million	Germany	Europe without Germany	North America[1]	China[2]	Overseas and Emerging Markets[3]	Hedges sales revenue	Porsche AG Group
Sales revenue from external customers	5,200	9,550	12,927	6,305	6,105	–4	**40,083**
Intangible assets, property, plant and equipment and leased assets	18,095	384	5,634	142	128	–	**24,381**

1 excl. Mexico
2 incl. Hong Kong
3 The name of the sales region rest of world was changed to Overseas and Emerging Markets in the reporting year 2024. This is a name change only and has no impact on the geographical boundaries or the operating activities in this region.

By region 2023

€ million	Germany	Europe without Germany	North America[1]	China[2]	Overseas and Emerging Markets[3]	Hedges sales revenue	Porsche AG Group
Sales revenue from external customers	4,877	8,779	11,969	9,547	5,781	–424	**40,530**
Intangible assets, property, plant and equipment and leased assets	17,115	339	4,398	135	151	–	**22,138**

4 excl. Mexico
5 incl. Hong Kong
6 The name of the sales region rest of world was changed to Overseas and Emerging Markets in the reporting year 2024. This is a name change only and has no impact on the geographical boundaries or the operating activities in this region.

Sales revenue is allocated to the regions in accordance with the destination principle.

The allocation of interregional intragroup transactions regarding the segment assets is presented uniformly according to economic ownership.

NOTES TO THE INCOME STATEMENT

1. SALES REVENUE

Structure of the group's sales revenue 2024

€ million	Automotive	Financial services	Total segments	Reconciliation	Porsche AG Group
Vehicles	30,088	–	**30,088**	–82	**30,006**
Genuine parts	1,995	–	**1,995**	0	**1,995**
Used vehicles and third-party products	1,423	1,763	**3,186**	–101	**3,084**
Rental and leasing business	1	1,573	**1,574**	–60	**1,514**
Interest and similar income from financial services business	2	554	**556**	–7	**550**
Hedges sales revenue	–4	–	**–4**	–	**–4**
Other revenue	2,933	20	**2,953**	–16	**2,937**
	36,438	**3,910**	**40,349**	**–265**	**40,083**

Structure of the group's sales revenue 2023

€ million	Automotive	Financial services	Total segments	Reconciliation	Porsche AG Group
Vehicles	31,733	–	**31,733**	–87	**31,646**
Genuine parts	1,950	–	**1,950**	0	**1,949**
Used vehicles and third-party products	1,415	1,577	**2,992**	–90	**2,903**
Rental and leasing business	1	1,401	**1,401**	–57	**1,345**
Interest and similar income from financial services business	0	450	**450**	–11	**439**
Hedges sales revenue	–424	–	**–424**	–	**–424**
Other revenue	2,674	16	**2,690**	–19	**2,671**
	37,349	**3,444**	**40,793**	**–264**	**40,530**

Other revenue mainly contains income from mobile services, consulting, development services and workshop services. In addition, other revenue contains insurance premiums from warranty insurance for used vehicles of €146 million (2023: €121 million).

Of the sales revenue recognized in the reporting period, an amount of €904 million (2023: €733 million) was included in contract liabilities as of January 1, 2024. The performance obligations that were not yet fulfilled as of the reporting date relate primarily to extended warranties and service contracts as well as mobile online services and vehicle deliveries, most of which are expected to be fulfilled or for which sales revenue is expected to be recognized by December 31, 2025.

The vast majority of the sales revenue expected from orders as of the reporting date relate to vehicle sales. The resulting sales revenue will be recognized in the short term. The services included in these vehicle sales that do not lead to sales revenue until subsequent years make up only an insignificant portion of expected sales revenue. Use is therefore made of the practical expedient pursuant to IFRS 15, according to which a quantified order backlog as of the reporting date is not disclosed on account of the short-term nature and lack of informative value.

2. COST OF SALES

Cost of sales amounted to €29,756 million (2023: €28,924 million and mainly comprises production materials, personnel expenses, non-staff overheads and depreciation and amortization.

Cost of sales also contains interest expenses attributable to the financial services business amounting to €308 million (2023: €147 million), impairment losses on leased assets amounting to €207 million (2023: €160 million) and expenses for indemnification payments from warranty insurance for used vehicles amounting to €116 million (2023: €107 million).

Profit-related government grants in the fiscal year amounted to €6 million (2023: €9 million) and were generally allocated to the corresponding function.

3. DISTRIBUTION EXPENSES

Distribution expenses of €3,099 million (2023: €2,869 million) include non-staff overheads and personnel expenses, depreciation and amortization charged in the distribution function as well as shipping, advertising and sales promotion costs incurred.

4. ADMINISTRATIVE EXPENSES

Administrative expenses of €1,859 million (2023: €1,787 million) mainly contain non-staff overheads and personnel expenses as well as depreciation and amortization charged in the administrative function.

5. OTHER OPERATING INCOME

Other operating income breaks down as follows:

€ million	2024	2023
Income from reversal of valuation allowances on receivables and other assets	29	30
Income from reversal of provisions and accruals	73	111
Income from derivatives within hedge accounting	98	157
Income from derivatives not within hedge accounting financial services segment	3	7
Income from other hedges	81	231
Income from foreign exchange gains	233	216
Income from cost allocations	239	280
Gains on asset disposals and the reversal of impairment losses	253	139
Other rental income	61	60
Miscellaneous other operating income	306	265
	1,375	**1,496**

Income from foreign exchange gains mainly comprises exchange rate gains between the date of origin and the date of payment of foreign exchange receivables as well as foreign exchange gains from measurement as of the reporting date. Resulting foreign exchange losses are included in other operating expenses.

Income from other hedges mainly includes gains from marking to market and realizing derivative financial instruments used for currency hedging in the automotive segment that are not designated in a hedging relationship. Foreign exchange losses are included in other operating expenses.

Miscellaneous other operating income mainly consists of other recourse income.

6. OTHER OPERATING EXPENSES

€ million	2024	2023
Valuation allowances on trade receivables	12	11
Valuation allowances on other receivables and other assets	95	54
Expenses from derivatives within hedge accounting	155	94
Expenses from derivatives not within hedge accounting financial services segment	7	15
Expenses from other hedges	81	148
Foreign exchange losses	226	373
Losses on disposal of non-current assets	128	38
Financial share of company pension scheme	–	70
Miscellaneous other operating expenses	403	359
	1,107	**1,162**

Foreign exchange losses mainly contain exchange rate losses between the date of origin and the date of payment of foreign exchange receivables. The resulting foreign exchange gains are included in other operating income.

Expenses from other hedges mainly include losses from marking to market and realizing derivative financial instruments used for currency hedging in the automotive segment that are not designated in a hedging relationship. Foreign exchange gains are reported in other operating income.

Miscellaneous other operating expenses consist principally of expenses for litigation costs and legal risks.

7. SHARE OF PROFIT OR LOSS OF EQUITY-ACCOUNTED INVESTMENTS

€ million	2024	2023
Share of profits of equity-accounted investments	**11**	**14**
of which from joint ventures	–	–
of which from associates	11	14
Share of losses of equity-accounted investments	**166**	**23**
of which from joint ventures	–	–
of which from associates	166	23
	–155	**–9**

8. INTEREST RESULT

€ million	2024	2023
Interest income	**278**	**264**
Other interest and similar income	278	264
Interest expense	**–223**	**–184**
Other interest and similar expenses	–14	–17
Interest expenses included in lease payments	–38	–34
Interest result from discounting other non-current liabilities	–35	–2
Net interest on the net defined benefit liability	–136	–130
Interest result	**55**	**80**

9. OTHER FINANCIAL RESULT

€ million	2024	2023
Cost of loss absorption	–135	–
Other income from equity investments	5	37
Other expenses from equity investments	–185	–47
Income and expenses from securities and loans	76	83
Realized income of loan receivables and payables in foreign currency	4	78
Realized expenses of loan receivables and payables in foreign currency	–14	–32
Gains and losses from remeasurement and impairment of financial instruments	–154	–61
Gains and losses from fair value changes of hedging instruments/derivatives not within in hedge accounting	95	–39
Other financial result	**–309**	**19**

Expenses from loss absorption mainly relate to Cellforce Group GmbH and result from the domination and profit and loss transfer agreement concluded in the fiscal year 2024.

Other expenses from equity investments include the impairment of the shares in Cellforce Group GmbH of €71 million (2023: €0 million) and the impairment loss on the investment in Bertrandt AG accounted for using the equity method of €58 million. In the prior year, the item included the reversal of an impairment loss on the investment in Bertrandt AG accounted for using the equity method of €27 million.

10. INCOME TAX

Income tax includes the tax expense and income determined for Porsche AG including the tax allocations of the tax group subsidiaries of Porsche AG as well as the tax expense and income of the consolidated subsidiaries as well as deferred taxes.

Composition of tax expense and income

€ million	2024	2023
Current tax expense, Germany	1,189	1,612
Current tax expense, other countries	281	375
Current income tax expense	**1,470**	**1,987**
of which prior-period income (–)/expense (+)	–41	–17
Deferred tax income (–)/expense (+), Germany	158	283
Deferred tax income (–)/expense (+), other countries	5	–51
Deferred tax income (–)/expense (+)	**163**	**231**
Income tax income/expense	**1,632**	**2,218**

The tax expense was reduced by €5 million (2023: €2 million) as a result of the utilization of previously unrecognized tax losses and tax credits and previously unrecognized temporary differences from prior periods. Of this, €1 million (2023: €2 million) is attributable to current taxes and €4 million (2023: €0 million) to deferred taxes.

The decrease in taxes in other countries is primarily due to the lower operating result. The share of earnings in countries with lower tax rates decreased in comparison to countries with higher tax rates, particularly Germany. This resulted in a disproportionately low decrease in tax expense.

Tax income relating to other periods largely related to Japan, Germany and, as in the prior year, the USA.

Reconciliation of estimated to recognized income tax

€ million	2024	2023
Profit before tax	5,227	7,375
Group tax rate in %	30.2	30.2
Expected income tax expense	**1,579**	**2,227**
Effects of different tax rates	–70	–90
Effects of loss carryforwards and tax credits	–3	7
Tax-exempt income and non-deductible business expenses	158	89
Taxes relating to other periods	–31	–10
Effect of tax rate changes	–1	–5
Reported income tax expense	**1,632**	**2,218**
Effective tax rate in %	31.2	30.1

The statutory corporate income tax rate for the 2024 assessment period in Germany is 15% (2023: 15%). Including trade tax and the solidarity surcharge, the nominal tax rate is 30.2% (2023: 30.2%). A tax rate of 30.2% (2023: 30.2%) was applied to measure the deferred taxes in the German consolidated tax group. This group tax rate is therefore used for the reconciliation.

The respective local tax rates for foreign entities range between 9% and 34% (2023: between 0% and 34%). These predominantly lower local tax rates, together with the lower German tax rate on income from securities, resulted in a different tax burden compared to the group tax rate. Tax rate changes led to tax income in the reporting period of €1 million (2023: €5 million).

Tax-free income amounts to €21 million (2023: €11 million) and non-deductible expenses increased to €179 million (2023: €100 million). This increase in tax-free income and non-deductible expenses is mainly due to loss allowances on investments and profit/loss from investments accounted for using the equity method. The increase in tax-free income and non-deductible expenses totaling €69 million is mainly due to impairments on equity investments and profit shares from investments accounted for using the equity method.

The tax loss carryforwards as well as the lapse of previously unused tax loss carryforwards developed as follows:

	Previously unused tax loss carryforwards		Thereof unusable tax loss carryforwards	
€ million	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Non-expiring tax loss carryforwards	50	45	19	43
Expiry within 10 years	18	17	13	17
Expiry over 10 years	87	39	43	34
Total	**155**	**101**	**75**	**94**

The tax loss carryforwards mainly stem from Luxembourg (€81 million) (2023: €33 million), Germany (€43 million) (2023: €38 million) and the USA (€14 million) (2023: €14 million).Of these total tax loss carryforwards, total deferred taxes of €17 million (2023: €2 million) were recognized for tax loss carryforwards and tax credits.

Deferred taxes by statement of financial position item

The following recognized deferred tax assets and liabilities were attributable to recognition and measurement differences in the individual items of the statement of financial position and to tax loss carryforwards:

€ million	Deferred tax assets		Deferred tax liabilities	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
Intangible assets, property, plant and equipment and leased assets	8	10	3,707	3,394
Other equity investments	11	15	2	1
Inventories	36	30	34	31
Receivables and other assets (including financial services)	31	26	211	385
Securities	0	0	–	0
Unused tax loss carryforwards and tax credits	17	2	–	–
Provisions for pensions and similar obligations	516	642	15	19
Liabilities and other provisions	1,698	1,512	4	67
Gross value	**2,316**	**2,237**	**3,973**	**3,896**
Offsetting	–1,976	–1,990	–1,976	–1,990
Consolidation	359	380	117	104
Amount recognized in the consolidated statement of financial position	**698**	**627**	**2,114**	**2,010**

Reversals of impairments were not recognized on deferred tax assets for temporary differences (2023: €1 million).

As of the reporting date, deferred taxes totaling €164 million (2023: €305 million as a decrease in equity) were recognized in the statement of financial position as an increase in equity; these are allocable to income and expenses recorded in other comprehensive income.

Deferred tax assets of €20 million (2023: €3 million) were recognized without matching deferred tax liabilities. The companies concerned can expect future tax benefits following losses in the current fiscal year or the prior year.

In accordance with IAS 12.39, deferred tax liabilities were not recognized for temporary differences on undistributed profits at subsidiaries of Porsche AG in the amount of €285 million (2023: €242 million) because control is given.

Global minimum taxation

The model rules published by the OECD on global minimum taxation (Pillar 2) were enacted or largely enacted in certain countries in which the Porsche AG Group operates. In Germany, the legislation came into force for the Porsche AG Group for the fiscal year beginning on January 1, 2024. The Porsche AG Group falls within the scope of the enacted or largely enacted legislation and has assessed the expected tax burden of the Porsche AG Group with regard to global minimum taxation.

The assessment of the potential risk arising from minimum taxation is based on the most recent country-by-country report and financial statements of Porsche AG Group's affiliates. In almost all countries in which the Porsche AG Group operates, the effective tax rates of Pillar 2 are over 15%. The United Arab Emirates and Ireland are the only countries where the temporary safe harbor exemption does not apply and the effective Pillar 2 tax rate is under 15%. The Porsche AG Group's expenses related to the introduction of global minimum taxation (Pillar 2) totaled €2 million in the fiscal year. The Porsche AG Group has applied the exception to the recognition and disclosure of deferred taxes in connection with Pillar 2 income taxes.

11. PROFIT/LOSS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

The profit/loss attributable to non-controlling interests amounts to €3 million (2023: €0 million) and relates to 25% of the shares in Porsche Singapore Pte. Ltd., Singapore, 49% of the shares in Manthey Racing GmbH, Meuspath, and 25% of the shares in Porsche Norge AS, Oslo.

12. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the share of the result of Porsche AG's shareholders by the weighted average number of ordinary and preferred shares outstanding during the fiscal year. Since there were no transactions in the years 2024 and 2023 that had a dilutive effect on the number of shares, diluted earnings per share correspond to the basic earnings per share.

Pursuant to article 28 (4) of the Articles of Association of Porsche AG, the preferred shareholders are entitled to an additional dividend of €0.01 per preferred share above the dividend allocable to the ordinary share:

		2024	2023
Weighted average number of:			
Ordinary shares – basic/diluted	Shares	455,500,000	455,500,000
Preferred shares – basic/diluted	Shares	455,500,000	455,500,000
Earnings after tax	€ million	3,595	5,157
Non-controlling interests	€ million	3	0
Earnings attributable to Porsche AG shareholders	€ million	3,592	5,157
thereof basic/diluted earnings attributable to ordinary shares	€ million	1,794	2,576
thereof basic/diluted earnings attributable to preferred shares	€ million	1,799	2,581
Earnings per ordinary share – basic/diluted	€	3.94	5.66
Earnings per preferred share – basic/diluted	€	3.95	5.67

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

13. INTANGIBLE ASSETS

The PAG Group's total research and development costs in the reporting period developed as follows:

€ million	2024	2023	%
Total research and development costs	2,515	2,834	–11.2
thereof capitalized development costs	1,583	2,081	–24.0
Amortization of capitalized development costs	1,101	960	14.7
Research and development costs recognized in the income statement	**2,033**	**1,712**	**18.8**

The carrying amount of goodwill in the Porsche AG Group as of December 31, 2024 amounts to €28 million (2023: €19 million).

Development of intangible assets from January 1 to December 31, 2024

€ million	Other intangible assets	Capitalized development costs for products currently in use	Capitalized development costs for products under development	Goodwill	Total
Cost **Balance at Jan. 1, 2024**	**2,911**	**8,477**	**4,551**	**19**	**15,959**
Foreign exchange differences	0	0	–	–1	**0**
Changes in consolidated group	3	1	–	0	**5**
Additions	432	371	1,211	10	**2,025**
Transfers	20	2,700	–2,700	–	**20**
Disposals	66	5	3	–	**74**
Balance at Dec. 31, 2024	**3,301**	**11,546**	**3,058**	**29**	**17,934**
Amortization and impairment **Balance at Jan. 1, 2024**	**1,952**	**5,452**	**0**	**1**	**7,405**
Foreign exchange differences	0	0	–	–	**1**
Changes in consolidated group	2	1	–	–	**3**
Additions to cumulative amortization	485	1,101	–	–	**1,586**
Additions to cumulative impairment losses	3	–	–	–	**3**
Transfers	0	–	–	–	**0**
Disposals	3	1	–	–	**4**
Balance at Dec. 31, 2024	**2,438**	**6,553**	**0**	**1**	**8,993**
Carrying amount at Dec. 31, 2024	**863**	**4,992**	**3,058**	**28**	**8,941**

Development of intangible assets from January 1 to December 31, 2023

€ million	Other intangible assets	Capitalized development costs for products currently in use	Capitalized development costs for products under development	Goodwill	Total
Cost **Balance at Jan. 1, 2023**	**2,556**	**7,040**	**4,150**	**20**	**13,766**
Foreign exchange differences	–1	0	–	–1	**–2**
Changes in consolidated group	0	–	–	–	**0**
Additions	373	341	1,740	–	**2,454**
Transfers	5	1,338	–1,338	–	**5**
Disposals	21	241	2	–	**264**
Balance at Dec. 31, 2023	**2,911**	**8,477**	**4,551**	**19**	**15,959**
Amortization and impairment **Balance at Jan. 1, 2023**	**1,560**	**4,732**	**–**	**1**	**6,293**
Foreign exchange differences	–1	0	–	–	**–1**
Changes in consolidated group	0	–	–	–	**0**
Additions to cumulative amortization	396	959	–	–	**1,355**
Additions to cumulative impairment losses	1	0	0	–	**1**
Transfers	–2	–	–	–	**–2**
Disposals	2	239	–	–	**240**
Balance at Dec. 31, 2023	**1,952**	**5,452**	**0**	**1**	**7,405**
Carrying amount at Dec. 31, 2023	**960**	**3,025**	**4,550**	**19**	**8,554**

Other intangible assets mainly comprise other acquired intangible assets, advance payments on intangible assets, franchises, industrial and similar rights as well as licenses in such rights and assets. Some of the additions include non-cash items.

To determine whether goodwill and intangible assets are impaired, the group uses the value in use. For more information on the general approach and key assumptions, please refer to the details in note → **Accounting policies** on impairment testing.

14. PROPERTY, PLANT AND EQUIPMENT

Development of property, plant and equipment from January 1 to December 31, 2024

€ million	Land, land rights and buildings, incl. buildings on third-party land	Technical equipment and machinery	Other equipment, furniture and fixtures	Advance payments and assets under construction	Total
Cost **Balance at Jan. 1, 2024**	**6,803**	**3,186**	**9,951**	**1,381**	**21,322**
Foreign exchange differences	38	1	4	1	**43**
Changes in consolidated group	28	2	17	1	**47**
Additions	263	220	981	678	**2,142**
Transfers	133	285	498	–936	**–20**
Disposals	–123	–56	–500	–14	**–693**
Balance at Dec. 31, 2024	**7,142**	**3,637**	**10,951**	**1,111**	**22,841**
Depreciation and impairment **Balance at Jan. 1, 2024**	**–1,922**	**–2,008**	**–7,998**	**–**	**–11,927**
Foreign exchange differences	–13	0	–4	–	**–17**
Changes in consolidated group	–10	0	–9	–	**–19**
Additions	–301	–262	–850	–	**–1,413**
Additions to cumulative impairment losses	–	0	0	–	**0**
Transfers	–1	1	0	–	**0**
Disposals	73	50	461	–	**584**
Balance at Dec. 31, 2024	**–2,175**	**–2,219**	**–8,398**	**–**	**–12,792**
Carrying amount at Dec. 31, 2024	**4,967**	**1,417**	**2,553**	**1,111**	**10,048**

Development of property, plant and equipment from January 1 to December 31, 2023

€ million	Land, land rights and buildings, incl. buildings on third-party land	Technical equipment and machinery	Other equipment, furniture and fixtures	Advance payments and assets under construction	Total
Cost **Balance at Jan. 1, 2023**	**6,544**	**2,903**	**9,039**	**1,230**	**19,717**
Foreign exchange differences	–39	–1	–6	–1	**–47**
Changes in consolidated group	0	–	0	–	**0**
Additions	243	193	802	558	**1,796**
Transfers	125	121	332	–401	**178**
Disposals	70	30	217	5	**322**
Balance at Dec. 31, 2023	**6,803**	**3,186**	**9,951**	**1,381**	**21,322**
Depreciation and impairment **Balance at Jan. 1, 2023**	**1,696**	**1,782**	**7,315**	**–**	**10,793**
Foreign exchange differences	–13	0	–3	–	**–17**
Changes in consolidated group	0	–	0	–	**0**
Additions	286	248	780	–	**1,315**
Additions to cumulative impairment losses	–	0	–	–	**0**
Transfers	1	1	112	–	**113**
Disposals	49	23	205	–	**277**
Balance at Dec. 31, 2023	**1,922**	**2,008**	**7,998**	**–**	**11,927**
Carrying amount at Dec. 31, 2023	**4,881**	**1,179**	**1,953**	**1,381**	**9,394**

Government grants of €49 million (2023: €25 million) were deducted from the cost of property, plant and equipment.

15. LEASED ASSETS

Development of leased assets from January 1 to December 31, 2024

€ million	Leased assets
Cost **Balance at Jan. 1, 2024**	**6,121**
Foreign exchange differences	343
Changes in consolidated group	0
Additions	4,019
Transfers	14
Disposals	3,104
Balance at Dec. 31, 2024	**7,392**
Depreciation and impairment **Balance at Jan. 1, 2024**	**1,931**
Foreign exchange differences	97
Changes in consolidated group	0
Additions	860
Additions to cumulative impairment losses	207
Disposals	937
Reversal of impairment losses	158
Balance at Dec. 31, 2024	**2,000**
Carrying amount at Dec. 31, 2024	**5,393**

Development of leased assets from January 1 to December 31, 2023

€ million	Leased assets
Cost **Balance at Jan. 1, 2023**	**5,781**
Foreign exchange differences	–194
Changes in consolidated group	0
Additions	2,900
Transfers	2
Disposals	2,367
Balance at Dec. 31, 2023	**6,121**
Depreciation and impairment **Balance at Jan. 1, 2023**	**1,926**
Foreign exchange differences	–63
Changes in consolidated group	0
Additions	833
Additions to cumulative impairment losses	160
Disposals	789
Reversal of impairment losses	137
Balance at Dec. 31, 2023	**1,931**
Carrying amount at Dec. 31, 2023	**4,190**

Leased assets contain assets leased to customers under the terms of operating leases. Any impairment of leased assets from these vehicle leasing contracts is recognized as an impairment loss (2024: €207 million (2023: €160 million). Depending on the local circumstances and past experience from used vehicle sales, regularly updated internal and external data on the development of residual values are included in the residual value forecast.

Group entities in the financial services segment act as lessor, primarily leasing their own products.

16. EQUITY-ACCOUNTED INVESTMENTS AND OTHER EQUITY INVESTMENTS

Development of equity-accounted investments and other equity investments from January 1 to December 31, 2024

€ million	Equity-accounted investments	Other equity investments	Total
Cost **Balance at Jan. 1, 2024**	**817**	**866**	**1,683**
Foreign exchange differences	–	3	**3**
Changes in consolidated group	176	–187	**–11**
Additions	12	379	**391**
Disposals	–	33	**33**
Changes recognized directly in equity	4	11	**15**
Changes recognized in profit or loss	–155	–5	**–160**
Dividends	–4	–	**–4**
Balance at Dec. 31, 2024	**850**	**1,034**	**1,884**
Impairment losses **Balance at Jan. 1, 2024**	**165**	**52**	**217**
Additions	58	120	**178**
Disposals	–	30	**30**
Reversal of impairment losses	–	–	**–**
Balance at Dec. 31, 2023	**–223**	**–142**	**–365**
Carrying amount at Dec. 31, 2024	**627**	**892**	**1,519**

Development of equity-accounted investments and other equity investments from January 1 to December 31, 2023

€ million	Equity-accounted investments	Other equity investments	Total
Cost **Balance at Jan. 1, 2023**	**815**	**662**	**1,477**
Foreign exchange differences	–	–2	**–2**
Changes in consolidated group	–	–4	**–4**
Additions	13	232	**245**
Disposals	–	7	**7**
Changes recognized directly in equity	0	–3	**–2**
Changes recognized in profit or loss	–9	–13	**–22**
Dividends	–2	–	**–2**
Balance at Dec. 31, 2023	**817**	**866**	**1,683**
Impairment losses **Balance at Jan. 1, 2023**	**192**	**26**	**218**
Additions	–	31	**31**
Disposals	–	–	**–**
Reversal of impairment losses	27	5	**31**
Balance at Dec. 31, 2023	**165**	**52**	**217**
Carrying amount at Dec. 31, 2023	**651**	**814**	**1,465**

The equity-accounted investments include associates amounting to €627 million (2023: €651 million).

Accounting for Group 14 and HIF Global using the equity method for the first time due to materiality resulted in a change in the consolidated group and consequently in an addition to equity-accounted investments and a disposal of other financial assets. Further explanations on equity-accounted investments can be found in sections "Basis of consolidation" and "Investments in associates."

Other investments primarily comprise shares in affiliated companies measured at cost of €327 million (2023: €391 million), shares in associates measured at cost of €77 million (2023: €193 million) and other equity investments measured at fair value of €449 million (2023: €193 million).

17. INVENTORIES

€ million	Dec. 31, 2024	Dec. 31, 2023
Raw materials, consumables and supplies	467	400
Work in progress	327	325
Finished goods and merchandise	4,638	4,839
Current rental and leasing assets	42	49
Advance payments made	656	333
Hedges on inventories	1	1
	6,130	**5,947**

Of the total inventories reported as of the reporting date of €6,130 million (2023: €5,947 million), an amount of €68 million (2023: €54 million) is recognized at net realizable value. Inventories of €24,116 million (2023 (adjusted): €24,841 million) were expensed at the time revenue was recognized. The write-downs recognized in profit or loss in the reporting period amounted to €27 million (2023: €21 million) and resulted from the remeasurement of used vehicles. Reversals of impairment of €3 million (2023: €2 million) were recognized in profit or loss in the reporting period, also resulting primarily from the remeasurement of used vehicles. Of the total amount of inventories, leased vehicles returned amounting to €31 million (2023: €24 million) are pledged as security under asset-backed securities transactions.

18. TRADE RECEIVABLES

€ million	Dec. 31, 2024	Dec. 31, 2023
Trade receivables from		
third parties	844	1,008
related parties	496	440
	1,340	**1,449**

The maximum default risk corresponds to the carrying amounts of the net receivables. The fair values of the trade receivables essentially correspond to the carrying amounts due to the remaining terms. All trade receivables are due in less than one year.

19. NON-CURRENT AND CURRENT FINANCIAL SERVICES RECEIVABLES

As of the end of the reporting period, financial services receivables break down as follows:

	Carrying amount			Fair value	Carrying amount			Fair value
€ million	Current	Non-current	Dec. 31, 2024	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023	Dec. 31, 2023
Receivables from financing business								
Customer financing	1,022	3,374	**4,396**	4,520	895	3,039	**3,934**	4,057
Dealer financing	43	139	**182**	207	49	107	**156**	169
	1,065	**3,513**	**4,577**	**4,727**	**944**	**3,146**	**4,089**	**4,226**
Receivables from operating leases	5	–	**5**	5	5	–	**5**	5
Receivables from finance leases	738	1,566	**2,303**	2,457	720	1,531	**2,251**	2,349
	1,808	**5,078**	**6,886**	**7,188**	**1,669**	**4,676**	**6,345**	**6,580**

20. NON-CURRENT AND CURRENT OTHER FINANCIAL ASSETS

€ million	Carrying amount Current	Non-current	Dec. 31, 2024	Carrying amount Current	Non-current	Dec. 31, 2023
Positive fair value of derivative financial instruments	434	392	**825**	631	813	**1,445**
Miscellaneous financial assets	802	1,105	**1,907**	1,379	609	**1,988**
	1,236	**1,496**	**2,732**	**2,010**	**1,422**	**3,432**

Miscellaneous financial assets include restricted cash in the amount of €503 million (2023: €331 million). This relates to collected customer payments for receivables sold under asset-backed securities programs, which have to be passed on to the contracting partners in a timely manner, as well as collateral in connection with vehicle financing.

No significant valuation allowances were recognized for miscellaneous financial assets. The maximum default risk corresponds to the net carrying amounts of miscellaneous financial assets.

The positive fair values of derivative financial instruments relate to the following items:

€ million	Dec. 31, 2024	Dec. 31, 2023
Transactions for hedging:		
foreign currency and interest rate risk from future cash flows (cash flow hedges)	736	1,215
Hedging transactions (interest and currency)	**736**	**1,215**
Assets related to derivatives not included in hedging relationships	89	230
	825	**1,445**

Further details on derivative financial instruments as a whole are provided in note → **36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**.

21. NON-CURRENT AND CURRENT OTHER RECEIVABLES

As of the end of the reporting period, other receivables break down as follows:

€ million	Carrying amount Current	Non-current	Dec. 31, 2024	Carrying amount Current	Non-current	Dec. 31, 2023
Other recoverable income taxes	570	0	**570**	603	0	**603**
Miscellaneous receivables	541	66	**607**	457	78	**534**
Conditional receivables from long-term construction contracts	25	–	**25**	19	–	**19**
	1,136	**66**	**1,202**	**1,079**	**78**	**1,157**

Miscellaneous receivables include prepaid expenses of €215 million (2023: €204 million). These are primarily attributable to rent and marketing expenses, as well as prepaid maintenance costs for hardware and software.

The current other receivables are mainly non-interest-bearing.

Other receivables include contingent receivables under long-term construction contracts recognized in application of the percentage of completion method. They correspond to the contract assets from contracts with customers, and developed as follows:

€ million	2024	2023
Contingent construction contract receivables at Jan. 1	**19**	**20**
Additions and disposals	6	0
Change in valuation allowances	0	0
Contingent construction contract receivables at Dec. 31	**25**	**19**

The contingent receivables from long-term construction contracts break down as follows:

€ million	2024	2023
Contract costs including outcome of the long-term construction contracts	87	99
thereof services billed to customers	–43	–33
Future receivables from long-term construction contracts	44	66
Advance payments received	–18	–47
	25	**19**

Revenue from long-term construction contracts totals €251 million (2023: €298 million). Contracts and parts of contracts billed to customers are presented within trade receivables. No material write-downs were recognized for these.

22. TAX ASSETS

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Deferred tax assets	–	698	**698**	–	627	**627**
Tax receivables	289	–	**289**	235	–	**235**
Total	**289**	**698**	**987**	**235**	**627**	**862**

Of the deferred tax assets, an amount of €641 million (2023: €602 million) relates to recognition and measurement differences between IFRSs and the tax base that will reverse within a year.

23. SECURITIES AND TIME DEPOSITS

The securities serve to safeguard liquidity. They are short-term fixed-income securities and shares. The securities are measured at fair value. Securities amounting to €0 million (2023: €0 million) have been furnished as collateral for financial liabilities and contingent liabilities. The recipient of collateral has no original right of disposal or pledge with respect to the furnished collateral.

24. CASH AND CASH EQUIVALENTS

€ million	Dec. 31, 2024	Dec. 31, 2023
Bank balances	3,066	1,647
Checks, cash-in-hand, bills and call deposits	3,318	4,173
	6,384	**5,820**

Bank balances are held at various banks in different currencies and, among other things, include time deposits with a term of less than three months. Call deposits comprise balances with affiliated companies (cash pool), which include overnight or short-term deposits that are only subject to an immaterial risk of fluctuations in value.

25. EQUITY

The composition and development of equity and of non-controlling interests is presented in the statement of changes in equity. Capital transactions presented as of December 31, 2023 involving a change in ownership interest relate to the acquisition of the non-controlling interests in Porsche Taiwan Motors Ltd., Taipei.

Subscribed capital

The subscribed capital of Porsche AG is composed of no-par value bearer shares. Porsche AG's share capital amounts to €911 million and is divided into 455,500,000 no-par value ordinary shares and 455,500,000 no-par value preferred shares. Each share grants a notional share of €1.00 in share capital. Compared to the ordinary shares, the preferred shares carry the right to an additional dividend that is €0.01 higher than the ordinary shares, but are non-voting.

Of Porsche AG's ordinary shares, 75% is held by Porsche Holding Stuttgart GmbH less one ordinary share and 25% by Porsche Automobil Holding SE, Stuttgart ("Porsche SE"), plus one ordinary share. Of the preferred shares, 75.8% is indirectly held by Volkswagen AG via Porsche Holding Stuttgart GmbH and 24.2% is in free float.

Capital reserves

The capital reserves contain contributions from premiums and other capital contributions and in the reporting period amount to €3,822 million (2023: €3,822 million).

Retained earnings

Retained earnings include the reserve for accumulated profits and the reserve for remeasurements from pension plans.

The reserve for accumulated profits includes the profits earned in the reporting year and those earned by consolidated subsidiaries in prior years and not yet distributed as well as transactions recognized within equity.

Changes in pension provisions recognized directly in equity are posted to the reserve for remeasurements from pension plans.

Dividends and proposed dividend

In accordance with section 58 (2) AktG, the dividend payment by Porsche AG is based on the net retained profits reported in the annual financial statements of Porsche AG prepared in accordance with the German Commercial Code.

It will be proposed to the Annual General Meeting of Porsche AG that, of the net retained profit of €2,100 million (2023: €3,420 million), a total dividend of €2,100 million be distributed, i.e., €2.30 per ordinary share and €2.31 per preferred share. Shareholders are not entitled to a dividend payment until a resolution has been taken by the Annual General Meeting.

In the fiscal year 2024, Porsche AG's Annual General Meeting on June 7, 2024 passed a resolution on the appropriation of the net retained profit for the fiscal year 2023, resulting in a distribution of €2.30 per ordinary share and €2.31 per preferred share. This brought the total amount distributed to €2,100 million.

Other reserves

The other reserves are the reserves for currency translation, for cash flow hedges (OCI I), for deferred hedging costs (OCI II), for equity and debt instruments and for equity-accounted investments.

The currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. In addition, exchange differences from the translation of capital have been reported in this reserve to allow the uniform recording of foreign currency effects within equity.

The cash flow hedge reserve (OCI I) is only used to record the designated effective portions of changes in the value of hedging instruments. By contrast, the non-designated portions of changes in the value of hedging instruments are accounted for through the reserve for deferred hedging costs (OCI II).

The reserve for equity-accounted investments is used to record the proportionate changes in equity-accounted investments recognized in other comprehensive income.

Non-controlling interests

Non-controlling interests in equity relate to 25% of the shares in Porsche Singapore Pte. Ltd., Singapore, 49% of the shares in Manthey Racing GmbH, Meuspath, and 25% of the shares in Porsche Norge AS, Oslo.

26. PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

Provisions for pensions and similar obligations are recognized for benefits in the form of retirement, invalidity and dependents' benefits payable under pension plans. The benefits of the group vary according to legal, tax, and economic circumstances of the country concerned, and usually depend on the length of service and remuneration of the employees.

Porsche AG Group companies provide both defined contribution plans and defined benefit plans. In the case of defined contribution plans, the company makes contributions to state or private pension schemes based on legal or contractual requirements, or on a voluntary basis. Once the contributions have been paid, there are no further obligations for the group. Current contributions are recognized as expenses of the period concerned. In the reporting period, expenses for state and private defined contribution plans within the Porsche AG Group amounted to €302 million (2023: €280 million). Of that amount, contributions to the compulsory state pension system in Germany amounted to €277 million (2023: €262 million).

In the case of defined benefit plans, a distinction is made between pensions funded by provisions and pensions funded by plan assets. Pension provisions for defined benefit plans are primarily measured in accordance with IAS 19 by independent actuaries using the internationally accepted projected unit credit method. The future obligations are measured on the basis of the ratable benefit entitlements earned as of the reporting date. The measurement takes into account, among other things, actuarial assumptions for the discount rates, payroll and pension trends as well as longevity, which are calculated for each group company depending on economic conditions. Remeasurements result from deviations of the actual development compared to the assumptions made in the prior year, from changes in assumptions as well as income or expenses from plan assets, excluding amounts included in net interest income or expenses. These are recognized directly in equity in the period in which they were incurred taking into account deferred taxes.

The following amounts were recognized in the statement of financial position for defined benefit plans:

€ million	Dec. 31, 2024	Dec. 31, 2023
Present value of funded benefit obligations	3,964	150
Fair value of plan assets	–407	–142
Funded status (net)	3,557	8
Present value of unfunded benefit obligations	511	4,306
Net liability recognized in the statement of financial position	**4,068**	**4,314**
thereof pension provisions	4,074	4,315
thereof other assets	6	1

Significant pension arrangements at the Porsche AG Group

The Porsche AG Group offers its employees benefits from a pension scheme for the time after their active working life. A substantial part of the benefit obligations within the group are pension plans for employees in Germany that are classified as defined benefit plans within the meaning of IAS 19 and that are generally covered by collective agreements. To reduce the risks associated with these pension plans, in particular longevity, salary increases and inflation, new domestic defined benefit plans have been introduced at the Porsche AG Group since 2022, whose benefits are funded by external plan assets. The risks mentioned above were reduced in these pension plans. The proportion of the total defined benefit obligation attributable to pension obligations funded by plan assets is expected to rise in the future. The significant pension plans in Germany are described in the following.

GERMAN PENSION PLANS FUNDED SOLELY BY RECOGNIZED PROVISIONS

The employer-funded pension plans are largely contribution-based plans with guarantees. In the case of defined contribution plans, an annual service cost dependent on income and status is converted into a lifelong pension entitlement based on annuity conversion factors (guaranteed components). The annuity conversion factors contain a guaranteed yield. At retirement, the pension components earned each year are added.

The employee-funded pension plans are largely contribution-based plans with guarantees. The annual service cost (according to individual deferred compensation agreements) is converted to capital components by multiplying them with age factors. A guaranteed yield is integrated in the age factors. At retirement, the pension components earned each year are paid out—depending on the respective pension plan—as a lump sum, in multiple installments or as a lifelong pension (by converting the capital for pension benefits into an annuity).

The present value of the guaranteed obligation increases as interest rates fall and is thus exposed to interest rate risks.

If the respective pension system provides for lifelong pension payments, the companies bear the longevity risk. This is accounted for by using the most recent mortality tables - the "Heubeck 2018 G" mortality tables - to determine the annuity conversion factors and the present value of the guaranteed obligation; these tables already reflect a future increase in life expectancy.

To reduce the inflation risk inherent in adjusting current pension payments by the inflation rate, a pension adjustment that is not linked to inflation was introduced for pension obligations where this is legally permitted.

GERMAN PENSION PLANS FUNDED BY EXTERNAL PLAN ASSETS

In the fiscal year 2024, the Porsche AG Group partially funded its domestic employer- and employee-funded pension plans, which had previously been financed exclusively by provisions recognized in the statement of financial position, for the first time with external plan assets of €250 million.

The employer-funded pension plans, some of which are externally funded by plan assets, are largely defined contribution plans with guarantees. In the case of defined contribution plans, an annual service cost dependent on income and status is converted into a lifelong pension entitlement based on annuity conversion factors (guaranteed components). The annuity conversion factors contain a guaranteed yield. At retirement, the pension components earned each year are added.

The employee-funded pension plans, some of which are externally funded by plan assets, are largely defined contribution plans with guarantees. The annual service cost (according to individual deferred compensation agreements) is converted to capital components by multiplying them with age factors. A guaranteed yield is integrated in the age factors. At retirement, the pension components earned each year are paid out—depending on the respective pension plan—as a lump sum, in multiple installments or as a lifelong pension (by converting the capital for pension benefits into an annuity).

For both the employer-funded and the employee-funded pension plans, the external plan assets are administered in trust by Porsche Trust e.V. and invested in the capital markets. The performance of the capital investment has no influence on the pension expenses of the plan participants.

The pension plans entirely funded by external plan assets are defined contribution, capital-market-oriented plans. In this case, the contributions dependent on income and status plus a capital market yield form the pension capital, which is generally paid out in a lump sum. The pension capital amounts to at least 80% of contributions made. For the pension plans, contributions are made on an ongoing basis to a separate pool of assets that is administered in trust by Porsche Trust e.V. and invested in the capital markets.

Since the trust assets meet the IAS 19 criteria for classification as plan assets, they are offset against the obligation. The offsetting was performed separately for the fully funded employer-funded and employee-funded domestic pension plans and the pension plans funded entirely via external plan assets.

The amount of the plan assets is exposed to general market risk. The investment strategy and its implementation are therefore continuously monitored by the governing bodies of Porsche Trust e.V., which include representatives of both the employer and employees. For example, investment policies are stipulated in the trustors' investment guidelines with the aim of limiting market risk and its impact on plan assets. In addition, asset-liability management studies are conducted if required so as to ensure that the capital investment is in line with the obligations that need to be covered. Depending on the pension plan being funded in each case, the trust assets are currently invested primarily in investment funds, which are included in the breakdown of plan assets as equity, bond, real estate and other funds. The investment focus is on money market funds, which are disclosed as "other funds."

The present value of the obligation is the present value of the guaranteed obligation after deducting the plan assets. If the plan assets fall below the present value of the guaranteed obligation, a provision must be recognized in that amount. The present value of the guaranteed obligation increases as interest rates fall and is thus exposed to interest rate risks.

In the case of lifelong pension payments, the Porsche AG Group bears the longevity risk. This is accounted for by using the most recent mortality tables - the "Heubeck 2018 G" mortality tables - to determine the annuity conversion factors and the present value of the guaranteed obligation; these tables already reflect a future increase in life expectancy.

To reduce the inflation risk inherent in adjusting current pension payments by the inflation rate, a pension adjustment that is not linked to inflation was introduced for pension obligations where this is legally permitted.

Measurement of the provisions for pensions of the Porsche AG Group

The calculation of pension provisions was based on the following significant actuarial assumptions:

	Germany		Abroad	
%	2024	2023	2024	2023
Discount rate at December 31	3.40	3.20	4.22	4.15
Payroll trend	3.80	4.60	2.42	2.44
Pension trend	2.00	2.20	1.59	1.65

These disclosures are averages that were weighted using the present values of the defined benefit obligations. With regard to life expectancy, the latest mortality tables are used in all countries. The discount rates are generally determined based on the return on high-quality corporate bonds whose terms and currency match the respective obligations. The iBoxx AA Corporate Bond index was used as a basis for the obligations pertaining to the group's entities in Germany. Comparable indices are used for foreign pension obligations.

The payroll trends cover expected wage and salary increases, which also include increases attributable to career development.

The pension trends correspond to either the contractually agreed guaranteed adjustments or are based on the rules applicable locally in each country for pension adjustments.

The following table shows changes in the net defined benefit pension liability recognized in the statement of financial position:

€ million	2024	2023
Net liability recognized in the statement of financial position at January 1	**4,314**	**3,667**
Current service cost	177	167
Net interest expense	136	130
Actuarial gains (–)/losses (+) arising from changes in demographic assumptions	–2	1
Actuarial gains (–)/losses (+) arising from changes in financial assumptions	–292	377
Actuarial gains (–)/losses (+) arising from experience adjustments	11	18
Income/expenses from plan assets not included in interest income	2	–1
Employer contributions to plan assets	–275	–27
Employee contributions to plan assets	1	1
Pension payments from company assets	–69	–63
Past service cost (including plan curtailments)	0	–1
Gains (–) / losses (+) from plan settlements	0	–
Other changes	–1	–6
Foreign exchange differences from foreign plans	0	–1
Employee contributions and deferred compensation	66	50
Net liability recognized in the statement of financial position at December 31	**4,068**	**4,314**

The development of the present value of the defined benefit pension obligations is attributable to the following factors:

€ million	2024	2023
Present value of obligations at January 1	**4,456**	**3,781**
Current service cost	177	167
Interest expense	143	136
Actuarial gains(–)/losses (+) arising from changes in demographic assumptions	–2	1
Actuarial gains(–)/losses (+) arising from changes in financial assumptions	–292	377
Actuarial gains(–)/losses (+) arising from experience adjustments	11	18
Employee contributions to plan assets	2	2
Pension payments from company assets	–69	–63
Pension payments from plan assets	–4	–5
Past service cost (including plan curtailments)	0	–1
Gains (–) or losses (+) arising from plan settlements	0	–
Other changes	–19	–6
Foreign exchange differences from foreign plans	5	0
Employee contributions and deferred compensation	66	50
Present value of obligations at December 31	**4,475**	**4,456**

The actuarial gains from changes in financial assumptions primarily result from the change in the discount rate in Germany.

Changes in the relevant actuarial assumptions would have had the following effects on the defined benefit obligation:

		Dec. 31, 2024		Dec. 31, 2023	
Present value of defined benefit obligation if		€ million	change in percent	€ million	change in percent
Discount trend	is 0.5 percentage points higher	4,032	–9.89	3,998	–10.28
	is 0.5 percentage points lower	4,995	11.63	4,997	12.15
Pension trend	is 0.5 percentage points higher	4,696	4.95	4,687	5.19
	is 0.5 percentage points lower	4,275	–4.47	4,248	–4.68
Payroll trend	is 0.5 percentage points higher	4,505	0.68	4,494	0.85
	is 0.5 percentage points lower	4,450	–0.55	4,426	–0.68
Longevity	increases by one year	4,573	2.20	4,560	2.33

Each of the sensitivity analyses presented considers the change in one assumption at a time, leaving the other assumptions unchanged versus the original calculation, i.e., possible correlation effects between the individual assumptions are not taken into account.

To analyze the sensitivity of the present value of the defined benefit obligation to a change in the assumed longevity, the mortality rates assumed in the comparative calculation have been reduced to the extent that doing so increases life expectancy by approximately one year.

The weighted average duration (the Macaulay duration) of the defined benefit obligation based on the present values of the obligation is 22 years (2023: 23 years).

The present value of the defined benefit obligation is attributable as follows to the members of the plan:

€ million	2024	2023
Active members with pension entitlements	3,377	3,377
Members with vested entitlements who have left the company	250	247
Pensioners	847	832
	4,475	**4,456**

A maturity profile of payments under defined benefit obligations is presented in the following based on an allocation of the present value of the obligation to the maturity of the underlying payments:

€ million	2024	2023
Payments due within the next fiscal year	96	82
Payments due between two and five years	422	379
Payments due in more than five years	3,957	3,995
	4,475	**4,456**

The table below shows the development of plan assets:

€ million	2024	2023
Fair value of plan assets at January 1	**142**	**113**
Interest income on plan assets determined using the discount rate	6	6
Income/expenses from plan assets not included in interest income	–2	1
Employer contributions to plan assets	275	27
Employee contributions to plan assets	1	1
Pension payments from plan assets	–4	–5
Other changes	–17	0
Foreign exchange differences from foreign plans	5	0
Fair value of plan assets at December 31	**407**	**142**

The investment of plan assets to cover future pension obligations resulted in income of €4 million (2023: €6 million).

In the next fiscal year, employer contributions to plan assets are expected to amount to €25 million (2023: €22 million for the fiscal year 2024).

Plan assets are invested in the following asset categories:

€ million	Dec. 31, 2024 Quoted prices in active markets	Dec. 31, 2024 No quoted prices in active markets	Dec. 31, 2024 Total	Dec. 31, 2023 Quoted prices in active markets	Dec. 31, 2023 No quoted prices in active markets	Dec. 31, 2023 Total
Cash and cash equivalents	2	–	**2**	8	–	**8**
Equity instruments	–	–	**–**	19	–	**19**
Debt instruments	6	–	**6**	5	–	**5**
Equity funds	23	–	**23**	35	–	**35**
Pension funds	45	–	**45**	34	–	**34**
Real estate funds	4	–	**4**	4	–	**4**
Other funds	325	–	**325**	38	–	**38**
Other	1	0	**1**	1	0	**1**
Fair value of plan assets	**407**	**0**	**407**	**142**	**0**	**142**

The following amounts were recognized in the income statement:

€ million	2024	2023
Current service cost	177	167
Net interest on the net defined benefit liability	136	130
Past service cost (including plan curtailments)	0	–1
Gains (–) or losses (+) arising from plan settlements	0	–
Net income (–) and expenses (+) recognized in profit or loss	**314**	**297**

The figures above are generally included in the personnel costs of the functional areas in the income statement; net interest on the net defined benefit liability is recognized in interest expenses.

27. NON-CURRENT AND CURRENT OTHER PROVISIONS

€ million	Obligations arising from sales	Employee expenses	Litigation and legal risks	Miscellaneous provisions	Total
Balance at Jan. 1, 2024	**2,020**	**1,010**	**49**	**1,176**	**4,256**
Foreign exchange differences	19	2	0	1	**22**
Changes in consolidated group	2	4	0	2	**8**
Utilization	1,246	726	12	357	**2,342**
Additions/New provisions	1,567	604	10	836	**3,016**
Unwinding of discount/effect of change in discount rate	10	5	–	–	**15**
Reversals	23	19	5	104	**152**
Balance at Dec. 31, 2024	**2,349**	**879**	**41**	**1,554**	**4,823**
of which current	1,265	629	41	1,503	**3,438**
of which non-current	1,084	250	–	51	**1,385**
Balance at Jan. 1, 2023	**1,725**	**893**	**79**	**1,213**	**3,909**
Foreign exchange differences	–16	–2	–1	–4	**–24**
Changes in consolidated group	–	–	–	1	**1**
Utilization	1,011	613	21	585	**2,229**
Additions/New provisions	1,356	732	15	695	**2,799**
Transfers	41	–	–	–41	**–**
Unwinding of discount/effect of change in discount rate	–17	17	–	–3	**–3**
Reversals	58	16	23	100	**197**
Balance at Dec. 31, 2023	**2,020**	**1,010**	**49**	**1,176**	**4,256**
of which current	1,066	746	49	1,146	**3,007**
of which non-current	954	264	–	31	**1,249**

Provisions for obligations arising from sales primarily concern warranty obligations and bonuses. The warranty obligations in the Porsche AG Group mainly arise from product warranties granted for the vehicles it produces. The provisions include both estimated expenses from legal and contractual guarantee claims as well as estimated expenses for constructive warranties. The provisions are recognized taking account of the past or estimated future claims pattern per series, model year and country. Individual technical risks identified are recorded separately. The timing of the utilization of the warranty provisions depends on the occurrence of the guarantee/warranty claim and can extend over the entire legal and constructive warranty period. Provisions for expected repair measures have been recognized for the vehicles affected by the diesel issue, as described in note → **40. LITIGATION**, and a corresponding receivable due from Audi AG has been recognized under other financial assets. Estimated expenses for constructive warranties were taken into consideration for further customer and dealer measures relating to these vehicles. The provisions for bonuses are intended to cover the cost of subsequent reductions in revenue already realized.

Provisions for personnel expenses are recognized principally for employee and management bonuses, long-service awards, time credits, top-up amounts for phased retirement schemes, severance payments and similar obligations.

Provisions for legal and litigation risks primarily relate to the legal risks described in note → **40. LITIGATION**.

Miscellaneous provisions include provisions amounting to €211 million (2023: €170 million) relating to the insurance business.

In addition, miscellaneous provisions contain a wide range of identifiable risks, price risks and uncertain obligations, such as those stemming from product liability, measured according to the probability of their occurrence. Depending on the jurisdiction concerned, this item also includes loss allowances for any instances of non-compliance with statutory emissions limits. These were measured by, among other things, taking into account the respective sales volume and the legally defined fee or the cost of acquiring emission rights from other manufacturers. Synergies with other brands of the Volkswagen Group were utilized where possible by creating emission pools. Also included as of the reporting date are supplier receivables.

69% of the other provisions is expected to result in cash outflows within one year, 24% in between one and five years and 7% thereafter.

28. NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

Financial liabilities break down as follows:

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
ABS refinancing	3,538	4,973	**8,511**	3,104	4,316	**7,420**
Debenture bonds	176	781	**957**	304	957	**1,260**
Liabilities to banks	339	386	**725**	299	329	**629**
Lease liabilities	122	1,019	**1,142**	113	934	**1,047**
Other financial liabilities	77	–	**77**	61	–	**61**
	4,253	**7,160**	**11,413**	**3,880**	**6,537**	**10,417**

ABS refinancing of €8,511 million (2023: €7,420 million) relates to transactions in connection with refinancing the portfolio of lease and financing agreements. These are explained in more detail in note → **36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**. The commercial papers and notes in the form of debenture bonds were placed in different tranches with fixed and variable interest and have been partially repaid. The principal amounts of the debenture bonds totaled €957 million (2023: €1,261 million).

Liabilities to banks are used for refinancing in the financial services business and, to a small extent, for current financing. Depending on the currency, maturity and contractual terms and conditions, the nominal interest rate varies between 0.4% and 4.04% (2023: 0.24% and 4.43%).

29. TRADE PAYABLES

€ million	Dec. 31, 2024	Dec. 31, 2023
Trade payables	3,378	3,490
	3,378	**3,490**

The fair values of the trade payables essentially correspond to the carrying amounts due to the remaining terms.

All trade payables are due in less than one year.

30. NON-CURRENT AND CURRENT OTHER FINANCIAL LIABILITIES

As of the end of the reporting period, other financial liabilities break down as follows:

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Negative fair values of derivative financial instruments	567	407	**975**	368	299	**667**
Interest payable	11	–	**11**	16	–	**16**
Miscellaneous financial liabilities	575	70	**645**	848	64	**912**
	1,153	**477**	**1,630**	**1,231**	**364**	**1,595**

The item derivative financial instruments marked to market mainly comprises forward exchange transactions, currency options and interest rate swaps.

The negative fair values of derivative financial instruments relate to the following items:

€ million	Dec. 31, 2024	Dec. 31, 2023
Transactions for hedging:		
foreign currency and interest rate risk from future cash flows (cash flow hedges)	926	565
Hedging transactions (interest and currency)	**926**	**565**
Liabilities related to derivatives not included in hedging relationships	49	103
	975	**667**

Further details on derivative financial instruments as a whole are provided in note → **36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS**.

31. NON-CURRENT AND CURRENT OTHER LIABILITIES

As of the end of the reporting period, other liabilities break down as follows:

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Advance payments received on account of orders	942	631	**1,573**	904	562	**1,466**
Liabilities relating to						
other taxes	361	3	**364**	407	4	**411**
social security	9	–	**9**	8	–	**8**
wages and salaries	229	93	**321**	223	2	**225**
Miscellaneous liabilities	353	192	**545**	253	169	**422**
	1,894	**919**	**2,813**	**1,795**	**737**	**2,532**

Liabilities from payroll accounting include deferred performance from liabilities from phased retirement. In the fiscal year 2024, the plan assets of €140 million previously used to secure phased retirement obligations were replaced by an external bank guarantee of equal value. This resulted in cash of this amount being returned to the group.

Miscellaneous liabilities include deferred income consisting of special rent payments of €427 million (2023: €336 million) and other deferred income of €95 million (2023: €78 million).

Liabilities from advance payments received under contracts with customers match the contractual liabilities from contracts with customers and are part of advance payments received on account of orders. These developed as follows:

€ million	2024	2023
Liabilities from advance payments received under contracts with customers at Jan. 1	**1,466**	**1,315**
Additions and disposals	81	183
Changes in consolidated group	0	–
Foreign exchange differences	25	–32
Liabilities from advance payments received under contracts with customers at Dec. 31	**1,573**	**1,466**

This also includes liabilities from long-term construction contracts:

€ million	Dec. 31, 2024	Dec. 31, 2023
Cost of conversion including outcome of the long-term construction contracts	13	143
thereof services billed to customers	–11	–141
Future receivables from long-term construction contracts	1	2
Advance payments received	–21	–22
	20	**21**

32. TAX LIABILITIES

	Carrying amount			Carrying amount		
€ million	Current	Non-current	Dec. 31, 2024	Current	Non-current	Dec. 31, 2023
Deferred tax liabilities	–	2,114	**2,114**	–	2,010	**2,010**
Income tax provisions	195	–	**195**	128	–	**128**
Tax payables	33	–	**33**	31	–	**31**
Total	**227**	**2,114**	**2,341**	**159**	**2,010**	**2,169**

Of the deferred tax liabilities, an amount of €19 million (2023: €48 million) relates to recognition and measurement differences between IFRSs and the tax base that will reverse within a year.

OTHER NOTES

33. STATEMENT OF CASH FLOWS

The statement of cash flows presents cash inflows and outflows from operating, investing and financing activities, regardless of how they are classified in the statement of financial position.

The cash flow from operating activities is derived indirectly, starting from profit/loss before tax. The profit/loss before tax is adjusted to eliminate non-cash expenses and income (primarily depreciation, amortization and write-downs, the gain/loss from the disposal of assets and other non-cash items). Other non-cash expenses and income primarily comprise measurement effects of financial instruments as well as changes in the fair value of hedging instruments. Factoring in changes in working capital, which include changes in leased assets and changes in receivables from financial services, results in the cash flow from operating activities.

Investing activities include additions to property, plant and equipment, and changes in equity investments, as well as additions of capitalized development costs, changes in investments in securities and time deposits as well as loans.

Financing activities include outflows due to payments for profit transfers and dividend distributions and the repayment of bonds, as well as inflows from capital increases, the issuance of bonds and changes in other financial liabilities.

The changes in the items of the statement of financial position from which the statement of cash flows is derived are adjusted for non-cash effects. Changes in the items in the statement of financial position concerned can therefore not be reconciled directly with the figures in the published consolidated statement of financial position.

Cash flows from operating activities presented in the statement of cash flows include:

€ million	Dec. 31, 2024	Dec. 31, 2023
Interest paid	462	312
Interest received	676	592
Dividends received[1]	5	4

1 Dividends from joint ventures and associates as well as other equity investments.

The interest paid and received also contains the interest income and interest expenses from the financial services segment reported in cost of sales or sales revenue.

€ million	Dec. 31, 2024	Dec. 31, 2023
Cash and cash equivalents as reported in the statement of financial position	6,384	5,820
Cash and cash equivalents classified as held for sale	–	6
Cash and cash equivalents as reported in the statement of cash flows	6,384	5,826

Time deposits with contractual maturities of more than three months are not classified as cash equivalents. The maximum default risk corresponds to the carrying amount of the cash and cash equivalents. The following table shows the classification of changes in financial liabilities into cash effective and non-cash transactions:

€ million	Balance at Jan. 1, 2024	Cash-effective changes	Non - cash changes: Foreign exchange differences	Changes in consolidated group	Classified as held for sale	Other changes	Balance at Dec. 31, 2024
ABS-refinancing	7,420	731	360	–	–	–	**8,511**
Non-listed debt securities	1,260	–303	–	–	–	–	**957**
Other total third-party borrowings	690	117	–36	0	–	31	**803**
Lease liabilities[1]	1,047	–123	14	20	–	184	**1,142**
Total third-party borrowings	**10,417**	**421**	**339**	**20**	**–**	**215**	**11,413**
Other financial assets and liabilities	0	0	0	–	–	–	**0**
Financial assets and liabilities in financing activities	**10,417**	**421**	**339**	**20**	**–**	**215**	**11,413**

1 Other changes in lease liabilities largely contain non-cash additions of lease liabilities.

€ million	Balance at Jan. 1, 2023	Cash-effective changes	Non - cash changes: Foreign exchange differences	Changes in consolidated group	Classified as held for sale	Other changes	Balance at Dec. 31, 2023
ABS-refinancing	6,282	1,329	–190	–	–	0	**7,420**
Non-listed debt securities	1,488	–228	–	–	–	–	**1,260**
Other total third-party borrowings	664	206	–91	–	0	–89	**690**
Lease liabilities[1]	1,046	–113	–18	–	–	132	**1,047**
Total third-party borrowings	**9,480**	**1,194**	**–299**	**–**	**0**	**42**	**10,417**
Other financial assets and liabilities	–1	1	0	–	–	–	**0**
Financial assets and liabilities in financing activities	**9,480**	**1,194**	**–299**	**–**	**0**	**42**	**10,417**

1 Other changes in lease liabilities largely contain non-cash additions of lease liabilities.

34. IAS 23 (BORROWING COSTS)

Capitalized borrowing costs amounted to €93 million (2023: €113 million) in the fiscal year and related to capitalized development costs. At the Porsche AG Group, an average borrowing rate of 2.8% (2023: 3.4%) was used as the basis for capitalization.

35. IFRS 16 (LEASES)

35.1 Lessee accounting

The Porsche AG Group primarily acts as lessee with respect to leases of office premises, real estate and other production resources. The leases are negotiated individually and include a wide range of contractual terms. Right-of-use assets under leases are included in the following items in the statement of financial position:

Presentation of and changes in right-of-use assets from January 1 to December 31, 2024

€ million	Right of use on land, land rights and buildings incl. buildings on third party land	Right of use on technical equipment and machinery	Right of use on other equipment, operational and office equipment	Total
Cost				
Balance at Jan. 1, 2024	**1,323**	**14**	**58**	**1,394**
Foreign exchange differences	18	–	0	**18**
Changes in consolidated group	25	1	4	**30**
Additions	182	6	16	**204**
Disposals	72	0	13	**86**
Balance at Dec. 31, 2024	**1,475**	**21**	**65**	**1,561**
Depreciation and impairment				
Balance at Jan. 1, 2024	**377**	**4**	**31**	**412**
Foreign exchange differences	5	–	0	**5**
Changes in consolidated group	10	0	2	**12**
Additions to cumulative depreciation	127	2	12	**141**
Disposals	60	0	12	**73**
Balance at Dec. 31, 2024	**459**	**6**	**33**	**497**
Carrying amount at Dec. 31, 2024	**1,017**	**15**	**32**	**1,063**

Presentation of and changes in right-of-use assets from January 1 to December 31, 2023

€ million	Right of use on land, land rights and buildings incl. buildings on third party land	Right of use on technical equipment and machinery	Right of use on other equipment, operational and office equipment	Total
Cost				
Balance at Jan. 1, 2023	**1,264**	**15**	**61**	**1,340**
Foreign exchange differences	–23	–	0	**–23**
Additions	145	–	9	**154**
Disposals	64	1	11	**76**
Balance at Dec. 31, 2023	**1,323**	**14**	**58**	**1,394**
Depreciation and impairment				
Balance at Jan. 1, 2023	**310**	**4**	**30**	**344**
Foreign exchange differences	–8	–	0	**–8**
Additions to cumulative depreciation	117	1	12	**131**
Disposals	43	1	11	**55**
Balance at Dec. 31, 2023	**377**	**4**	**31**	**412**
Carrying amount at Dec. 31, 2023	**946**	**10**	**27**	**982**

Income of €5 million (2023: €5 million) was generated in the fiscal year from subleasing right-of-use assets.

The measurement of right-of-use assets and the associated lease liability is subject to best estimates with regard to the exercise of options to extend or terminate the lease. This estimate is updated if there are material changes in circumstances or in the agreement.

The tables below show how the lease liabilities are assigned in the statement of financial position and give an overview of their contractual maturities:

Assignment of lease liabilities to the respective statement of financial position items

€ million	Dec. 31, 2024	Dec. 31, 2023
Non-current financial liabilities	1,019	934
Current financial liabilities	122	113
Total lease liabilities	**1,142**	**1,047**

Maturity analysis of undiscounted lease liabilities

	Remaining contractual maturities			
€ million	under one year	within one to five years	over five years	Total
Lease liabilities at Dec. 31, 2024	162	499	936	**1,597**
Lease liabilities at Dec. 31, 2023	150	454	866	**1,470**

Interest expenses of €42 million (2023: €38 million) were incurred for lease liabilities in the fiscal year.

Right-of-use assets were not recognized for short-term leases and leases of low-value assets. Expenses totaling €39 million (2023: €38 million) were incurred for leases of low-value assets in the fiscal year. This figure does not include expenses for short-term leases, which totaled €105 million in the fiscal year (2023: €113 million). Variable lease expenses, which were not included in the measurement of lease liabilities, came to €5 million in the reporting year (2023: €2 million).

In the fiscal year, cash outflows of €307 million (2023: €304 million) were attributable to leases entered into as lessee.

The table below gives an overview of potential future cash outflows not taken into consideration in the measurement of the lease liabilities:

€ million	2024	2023
Future cash outflows to which the lessee is potentially exposed		
Variable lease payments	4	3
Extension options	343	277
Termination options	2	2
Obligations under leases not yet commenced	37	23
Total	**387**	**305**

35.2 Lessor accounting

The Porsche AG Group acts as lessor under both finance and operating leases. These relate primarily to vehicles.

The Porsche AG Group fully accounts for the default risk arising in respect of lease receivables by recognizing loss allowances in accordance with IFRS 9. As lessor, the Porsche AG Group counters risks from assets underlying the lease by, among other things, taking into account residual value guarantees received for parts of the lease portfolio as well as forward-looking residual value forecasts on the basis of internal and external information as part of residual value management. The residual value forecasts are reviewed regularly.

35.2.1 OPERATING LEASES

Assets leased under long-term operating leases, which are recognized separately in the statement of financial position as leased assets, amounted to €5,393 million as of the end of the fiscal year (2023: €4,190 million) and primarily include vehicles of €5,393 million (2023: €4,190 million). Further explanations on the value development of leased assets can be found in the section “Development of leased assets”.

The following cash inflows are expected in the next few years from non-discounted expected lease payments outstanding under operating leases:

Figures as of December 31, 2024

€ million	2025	2026	2027	2028	2029	From 2030	Total
Lease payments	231	688	1,051	329	55	53	**2,407**

Figures as of December 31, 2023

€ million	2024	2025	2026	2027	2028	From 2029	Total
Lease payments	205	471	928	244	53	52	**1,954**

Breakdown of income from operating leases

€ million	2024	2023
Lease income	1,358	1,225
Income from variable lease payments	0	0
Total	**1,358**	**1,225**

35.2.2 FINANCE LEASES

Interest income from the net investment in the leases amounted to €142 million in the fiscal year (2023: €119 million).

The table below presents the reconciliation of outstanding lease payments from finance leases to net investment value:

€ million	Dec. 31, 2024	Dec. 31, 2023
Non-guaranteed residual value	289	279
Non-discounted lease payments	2,429	2,328
Unearned interest income	–273	–231
Loss allowance on lease receivables	–137	–120
Net investment	**2,308**	**2,256**

The following payments are expected in the next few years from non-discounted expected lease payments outstanding under finance leases:

Figures as of December 31, 2024

€ million	2025	2026	2027	2028	2029	From 2030	Total
Lease payments	917	691	608	206	3	4	**2,429**

Figures as of December 31, 2023

€ million	2024	2025	2026	2027	2028	From 2029	Total
Lease payments	865	663	535	231	31	5	**2,328**

36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

36.1 Hedging guidelines and financial risk management principles

Due to the international activities in the automotive and financial services segments, financial risks arise that affect the results of operations, financial position and net assets of the Porsche AG Group. These risks are broken down into credit and default risks, liquidity risks and market risks. The risks are regularly monitored, reported and centrally managed using financial instruments. The primary objective of using financial instruments is to limit the financial risk exposure in order to safeguard the Porsche AG Group's ability to continue as a going concern and its earnings power.

The principles and responsibilities for managing and controlling the risks that could arise from financial instruments are defined by the Executive Board and monitored by the Supervisory Board. Internal guidelines exist within the Porsche AG Group that clearly define the risk management and control processes. These guidelines regulate, among other things, the use of financial instruments or derivatives and the requisite control procedures, such as a clear segregation of functions between trading and settlement. In addition, it is also stipulated that financial transactions should always be based around the needs of the underlying transaction. Consequently, financial transactions are not concluded for speculative purposes. The treasury department identifies, analyzes and monitors risks group-wide. The underlying guidelines and the supporting systems are checked regularly and brought into line with current market and product developments.

Derivative financial instruments and hedge accounting are mainly used to control currency, interest rate and commodity price risks. Currency risks from future sales revenue denominated in foreign currencies are hedged through the use of exchange rate hedging instruments for a period of up to five years. The main hedging instruments used are forward exchange transactions and currency options. The volume of exchange rate hedges is determined on the basis of the planned sales figures in the respective foreign currency, taking into account procurement volumes. The interest rate risk from variable-rate financing and the interest rate risk from refinancing the financial services business are largely hedged through the use of suitable derivatives such as interest rate swaps. Commodity price risks are hedged for a period of several years using hedging instruments in the form of averaging swaps. The counterparties for the exchange rate, interest rate and commodity price hedges are mainly large national and international financial institutions and Volkswagen AG. Cooperation is subject to uniform regulations and continuous monitoring.

The financial instruments entered into for hedging purposes can give rise to counterparty risks that may have a negative impact on the results of operations, financial position and net assets. Channeling excess liquidity into investments also exposes the group to counterparty risks. Partial or complete default by a counterparty would have a negative impact on the results of operations, financial position and net assets. In order to manage these risks, the Porsche AG Group has set out guidelines to ensure that transactions are concluded only in approved financial instruments, only with approved counterparties and only on the admissible scale.

See also the explanations in the results of operations, financial position and net assets of the combined management report in section → **Principles and goals of financial management**.

36.2 Credit and default risk

The credit and default risk arising from financial assets involves the risk of default by counterparties, and therefore comprises at a maximum the amount of recognized carrying amounts against the respective counterparty. Default risks in receivables are reduced by a strict receivables management system. Furthermore, the maximum credit and default risk is reduced by collateral held. Collateral is primarily held for financial assets in the "at amortized cost" category. Vehicles, collateral assignments, guarantees and cash are used as collateral. For level 3 financial assets with objective indications of impairment as of the reporting date, the collateral provided led to a reduction in risk by €12 million (2023: €8 million).

The counterparties to material cash and capital investments and to derivatives are national and international financial institutions, as well as Volkswagen International Belgium S.A. and Volkswagen AG. Credit and default risk is limited by a limit system that is primarily based on credit assessments of the counterparties. The maximum amounts for default risk are presented in section → **36.2.3 MAXIMUM CREDIT RISK**.

The global allocation of business activities and the resulting diversification meant that there were no material risk concentrations at individual counterparties or counterparty groups in the fiscal year.

36.2.1 LOSS ALLOWANCE

The Porsche AG Group applies the expected credit loss model under IFRS 9 on a uniform basis for all financial assets, with the exception of financial assets measured at fair value through profit or loss, and for other risk exposures.

IFRS 9 differentiates between the general approach and the simplified approach. The expected credit loss model under IFRS 9 comprises both loss allowances for financial assets where there are no objective indications of impairment, as well as loss allowances for financial assets that are already impaired.

Under the general approach, financial assets are allocated to one of three stages plus an additional stage for financial assets that were already impaired when acquired (stage 4). Stage 1 comprises financial assets at initial recognition or for which there has not been any significant increase in probability of default. Expected credit losses for the next twelve months are calculated at this stage. Stage 2 comprises financial assets with a significant increase in probability of default, and stage 3 comprises financial assets for which there are objective indications of default. Lifetime expected credit losses are calculated in stage 2 to 4.

The Porsche AG Group applies the simplified approach to trade receivables. The same applies to receivables from operating or finance leases accounted for in accordance with IFRS 16. Under the simplified approach, expected credit losses are consistently determined over the entire life of the asset.

The tables below present a reconciliation of gross receivables and loss allowances for the different classes of financial assets.

Change in the gross carrying amounts of financial assets measured at amortized cost

€ million	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Carrying amount at Jan. 1, 2024	**11,620**	**284**	**14**	**1,487**	**13,405**
Foreign exchange differences	174	18	1	–1	**192**
Changes in consolidated group	11	–	–	7	**18**
Changes	835	–	–24	–121	**690**
Transfers to					
Stage 1	111	–99	–12	–	**–**
Stage 2	–644	644	–	–	**–**
Stage 3	–61	–	61	–	**–**
Carrying amount at Dec. 31, 2024	**12,046**	**848**	**40**	**1,371**	**14,305**

€ million	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Carrying amount at Jan. 1, 2023	**12,949**	**198**	**15**	**1,330**	**14,492**
Foreign exchange differences	–247	–9	0	–12	**–268**
Changes in consolidated group	3	–	–	0	**3**
Changes	–964	–	–26	168	**–822**
Transfers to					
Stage 1	194	–183	–11	–	**–**
Stage 2	–278	278	–	–	**–**
Stage 3	–36	–	36	–	**–**
Carrying amount at Dec. 31, 2023	**11,620**	**284**	**14**	**1,487**	**13,405**

Change in the loss allowance for financial assets measured at amortized cost

€ million	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Carrying amount at Jan. 1, 2024	**47**	**11**	**11**	**35**	**104**
Foreign exchange differences	2	1	1	0	**3**
Changes in consolidated group	0	–	–	0	**0**
Newly extended/purchased financial assets (additions)	98	–	–	8	**106**
Other changes within a stage	0	–	0	–	**0**
Transfers to					
Stage 1	7	–4	–3	–	**–**
Stage 2	–43	43	–	–	**–**
Stage 3	–53	–	53	–	**–**
Financial instruments derecognized during the period (disposals)	–9	–	–2	–10	**–21**
Utilization	–	–	–25	–2	**–27**
Carrying amount at Dec. 31, 2024	**48**	**51**	**34**	**31**	**164**

€ million	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Carrying amount at Jan. 1, 2023	**50**	**11**	**14**	**36**	**111**
Foreign exchange differences	–1	0	0	0	**–2**
Changes in consolidated group	0	–	–	0	**0**
Disposal due to spin-off	–	–324	–	–	**–324**
Newly extended/purchased financial assets (additions)	44	–	–	10	**54**
Other changes within a stage	0	–	0	–	**0**
Transfers to					
Stage 1	9	–5	–3	–	**–**
Stage 2	–6	6	–	–	**–**
Stage 3	–28	–	28	–	**–**
Financial instruments derecognized during the period (disposals)	–21	–	–1	–9	**–31**
Utilization	–	–	–27	–1	**–28**
Carrying amount at Dec. 31, 2023	**47**	**11**	**11**	**35**	**104**

Change in the gross carrying amounts of lease receivables

	Simplified approach	
€ million	2024	2023
Carrying amount at Jan. 1	**2,396**	**2,313**
Foreign exchange differences	–24	–37
Changes in consolidated group	0	–
Changes	98	120
Carrying amount at Dec. 31	**2,471**	**2,396**

Change in the loss allowance for lease receivables

	Simplified approach	
€ million	2024	2023
Carrying amount at Jan. 1	**121**	**113**
Foreign exchange differences	0	0
Changes in consolidated group	0	–
Newly extended/purchased financial assets (additions)	39	23
Financial instruments derecognized during the period (disposals)	–10	–8
Utilization	–13	–8
Carrying amount at Dec. 31	**137**	**121**

The gross carrying amount of the financial guarantees and credit commitments totals €58 million (2023: €63 million). As of December 31, 2024, the loss allowance recognized for this amounts to €0 million (2023: €0 million).

36.2.2 MODIFICATIONS

There were no contractual modifications of financial assets during the reporting period that led to the derecognition of the asset.

36.2.3 MAXIMUM CREDIT RISK

The table below shows the maximum credit risk to which the Porsche AG Group is exposed, broken down into the classes to which the impairment model is applied:

Maximum credit risk by category

€ million	Dec. 31, 2024	Dec. 31, 2023
Financial assets measured at fair value	–	–
Financial assets measured at amortized cost	14,143	13,302
Financial guarantees and credit commitments	58	63
Not allocated to a measurement category	2,334	2,276
Total	**16,534**	**15,640**

The item “Not allocated to a measurement category” combines receivables from long-term construction contracts pursuant to IFRS 15 and lease receivables pursuant to IFRS 16, the maximum default risk of which corresponds to their carrying amounts and which are described in notes → **21. NON-CURRENT AND CURRENT OTHER RECEIVABLES** and → **35. IFRS 16 (LEASES)**.

36.2.4 RATING GRADES

The Porsche AG Group performs a credit assessment of the borrower for every loan and lease agreement, using scoring systems in the retail business, and rating systems for major customers and receivables from dealer financing. Receivables rated as good are contained in risk class 1. Receivables from customers whose credit rating is not good but have not yet defaulted are contained in risk class 2. All defaulted receivables are contained in risk class 3.

The table below shows the gross carrying amounts of financial assets by rating grade:

Gross carrying amounts of financial assets by rating grade as of December 31, 2024

€ million	Stage 1	Stage 2	Stage 3	Simplified approach
Credit risk rating grade 1 (receivables with no credit risk – standard loans)	12,046	–	–	3,820
Credit risk rating grade 2 (receivables with credit risk – intensified loan management)	–	848	–	10
Credit risk rating grade 3 (cancelled receivables – non-performing loans)	–	–	40	12
Total	**12,046**	**848**	**40**	**3,842**

Gross carrying amounts of financial assets by rating grade as of December 31, 2023

€ million	Stage 1	Stage 2	Stage 3	Simplified approach
Credit risk rating grade 1 (receivables with no credit risk – standard loans)	11,620	–	–	3,867
Credit risk rating grade 2 (receivables with credit risk – intensified loan management)	–	284	–	10
Credit risk rating grade 3 (cancelled receivables – non-performing loans)	–	–	14	7
Total	**11,620**	**284**	**14**	**3,883**

The default risk for financial guarantees and credit commitments amounts to €58 million as of December 31, 2024 (2023: €63 million) and is allocated to rating grade 1 and stage 1.

36.3 Liquidity risk

The solvency and liquidity of the Porsche AG Group are ensured at all times by rolling liquidity planning, a liquidity reserve in the form of cash, confirmed credit lines and borrowing of loans. As of December 31, 2024, a syndicated line of credit of €2,500 million was available (€0 million drawn).

In certain countries (e.g., China), the Porsche AG Group can only use local cash funds for cross-border transactions in compliance with applicable exchange controls. There are no other material restrictions.

The following overview shows the contractual undiscounted cash outflows from financial instruments:

Maturity analysis of undiscounted cash outflows from financial instruments

	Remaining contractual maturities				Remaining contractual maturities			
€ million	up to one year	within one to five years	more than five years	2024	up to one year	within one to five years	more than five years	2023
Financial liabilities	4,617	6,879	942	**12,437**	4,325	6,238	1,075	**11,639**
Trade payables	3,378	–	–	**3,378**	3,490	–	–	**3,490**
Other financial liabilities	586	70	–	**656**	863	64	–	**928**
Derivatives	15,463	19,802	–	**35,265**	11,980	17,143	–	**29,122**
	24,044	**26,751**	**942**	**51,737**	**20,658**	**23,445**	**1,075**	**45,178**

The cash outflows for other financial liabilities include liabilities for tax allocations amounting to €2 million (2023: €4 million).

Derivatives comprise both cash outflows from derivatives with negative fair values and cash outflows from derivatives with positive fair values for which gross settlement has been agreed. The cash outflows also include derivatives entered into by means of offsetting transactions. The cash outflows from derivatives for which gross settlement has been agreed are partly offset by cash inflows that are not taken into consideration in this maturity analysis. If these cash inflows were taken into account, the cash outflows presented would be significantly lower. This particularly applies if hedges have been closed with offsetting transactions.

There are also financial guarantees and credit commitments in place that are presented in the table → **Maximum credit risk by category** in note → **36.2.3 MAXIMUM CREDIT RISK**. The financial guarantees and credit commitments primarily relate to a syndicated loan agreement with a total credit commitment of €113 million. The total credit commitment is split into facilities A to C, with a term of up to five years. Under this loan agreement, Porsche AG acts as guarantor for maximum utilization of up to €38 million (facilities A and B) and €19 million (facility C), respectively.

The Porsche AG Group mainly generates liquidity through its business operations, external financing and the securitization of receivables. The funds are chiefly used to finance net working capital and capital expenditures and to cover the finance requirements of the leasing and sales financing business. Operational liquidity management uses cash pools in which material cash and cash equivalents in the Porsche AG Group are pooled on a daily basis. There is also a cash pool in place with Volkswagen International Belgium S.A. This enables liquidity surpluses and shortfalls to be controlled in line with requirements. The maturities of financial assets and financial liabilities as well as forecasts of cash flows from operating activities are included in short and medium-term liquidity management.

36.4 Market risk

36.4.1 HEDGING POLICY AND FINANCIAL DERIVATIVES

In the course of its general business activities, the Porsche AG Group is exposed to foreign currency, interest rate, share and bond risks as well as risks relating to commodity prices. It is company policy to exclude or limit these risks as far as possible by entering into hedging transactions.

Disclosures on gains and losses from cash flow hedges
Cash flow hedges are a hedge of the exposure to fluctuation in future cash flows. These cash flows can result from a recognized asset or liability, as well as a highly probable forecast transaction. The table below shows the gains and losses from cash flow hedges by risk type:

Disclosures on gains and losses from cash flow hedges

€ million	2024	2023
Hedging interest rate risk		
Gains or losses from changes in fair value of hedging instruments within hedge accounting		
Recognized in equity	–38	–112
Recognized in profit or loss	–5	–5
Reclassification from the cash flow hedge reserve to profit or loss		
Due to early discontinuation of the hedging relationships	–	–
Due to realization of the hedged item	4	4
Hedging currency risk		
Gains or losses from changes in fair value of hedging instruments within hedge accounting		
Recognized in equity	–589	882
Recognized in profit or loss	–	–
Reclassification from the cash flow hedge reserve to profit or loss		
Due to early discontinuation of the hedging relationships	–1	–61
Due to realization of the hedged item	39	248
Combined interest rate and currency risk hedging		
Gains or losses from changes in fair value of hedging instruments within hedge accounting		
Recognized in equity	–	0
Recognized in profit or loss	–	–
Reclassification from the cash flow hedge reserve to profit or loss		
Due to early discontinuation of the hedging relationships	–	–
Due to realization of the hedged item	–	–1
Hedging commodities price risk		
Gains or losses from changes in fair value of hedging instruments within hedge accounting		
Recognized in equity	4	5
Recognized in profit or loss	–	–
Reclassification from the cash flow hedge reserve to profit or loss		
Due to early discontinuation of the hedging relationships	–	–
Due to realization of the hedged item	2	1

The effects on equity shown in the table are net of deferred taxes.

The gains or losses on changes in the fair value of hedging instruments within hedge accounting correspond to the basis for determining hedge ineffectiveness. The ineffective portion of cash flow hedges is the income or expense from changes in the fair value of the hedging instrument that exceeds the changes in the fair value of the hedged item. This hedge ineffectiveness arises due to differences in parameters between the hedging instrument and the hedged item. The respective income or expenses are recognized in other operating income or expenses and in the financial result.

The Porsche AG Group uses two different methods to present market risk from non-derivative and derivative financial instruments in accordance with IFRS 7. For quantitative risk measurement, the financial services segment uses a value-at-risk (VaR) model to measure interest rate risk. By contrast, the market risk in the automotive segment is determined using a sensitivity analysis. The VaR calculation indicates the extent of the maximum potential loss on the overall portfolio within a time horizon of ten days at a confidence level of 99%. It is based on aggregating all of the cash flows from the non-derivative and derivative financial instruments in an interest rate gap analysis. The historical market data used to calculate VaR covers a period of 521 trading days. The sensitivity analysis calculates the effect on equity and/or profit or loss by modifying risk variables within the respective market risk.

Disclosures on hedging instruments used in hedge accounting

The Porsche AG Group enters into hedging instruments to hedge its exposure to variability in future cash flows. The table below shows the notional amounts, fair values, and inputs used to determine the ineffectiveness of the hedging instruments included in cash flow hedges:

Disclosures on hedging instruments used in cash flow hedges 2024

€ million	Notional amount	Other assets	Other liabilities	Fair value changes to determine hedge ineffectiveness
Hedging interest rate risk				
Interest rate swaps	5,347	2	31	–28
Hedging currency risk				
Currency forwards and cross-currency swaps	34,075	594	837	153
Currency options	5,558	113	47	68
Hedging commodities price risk				
Commodity forwards/swaps	447	27	11	15

Disclosures on hedging instruments used in cash flow hedges 2023

€ million	Notional amount	Other assets	Other liabilities	Fair value changes to determine hedge ineffectiveness
Hedging interest rate risk				
Interest rate swaps	5,857	26	21	6
Hedging currency risk				
Currency forwards and cross-currency swaps	32,043	969	484	1,215
Currency options	11,445	205	53	117
Hedging commodities price risk				
Commodity forwards/swaps	431	15	6	9

The change in fair value presented in the table to calculate ineffectiveness corresponds to the change in fair value of the designated components.

Disclosures on hedged items used in hedge accounting

In addition to disclosures on the hedging instruments, disclosures must also be made on the hedged items, broken down by risk category and type of designation in hedge accounting. The table below lists the hedged items designated in cash flow hedges:

Disclosures on hedged items used in cash flow hedges 2024

		Reserve for	
€ million	Changes in fair value to determine hedge ineffectiveness	Active cash flow hedges	Discontinued cash flow hedges
Hedging interest rate risk			
Designated components	–28	–25	–9
Non-designated components	–	–	–
Deferred taxes	–	7	2
Total hedging interest rate risk	–28	–18	–6
Hedging currency risk			
Designated components	219	199	0
Non-designated components	–	–440	0
Deferred taxes	–	73	0
Total hedging currency risk	219	–168	0
Hedging commodity price risk			
Designated components	16	17	–
Non-designated components	–	–	–
Deferred taxes	–	–5	–
Total hedging commodity price risk	16	12	–

Disclosures on hedged items used in cash flow hedges 2023

€ million	Changes in fair value to determine hedge ineffectiveness	Reserve for Active cash flow hedges	Reserve for Discontinued cash flow hedges
Hedging interest rate risk			
Designated components	6	15	–
Non-designated components	–	–	–
Deferred taxes	–	–5	–
Total hedging interest rate risk	6	11	–
Hedging currency risk			
Designated components	1,342	1,301	18
Non-designated components	–	–765	–5
Deferred taxes	–	–162	–4
Total hedging currency risk	1,342	374	9
Combined interest rate and currency risk hedging			
Designated components	–	0	–
Non-designated components	–	–	–
Deferred taxes	–	–	–
Total hedging combined interest rate and currency risk	–	0	–
Hedging commodity price risk			
Designated components	10	9	–
Non-designated components	–	–	–
Deferred taxes	–	–3	0
Total hedging commodity price risk	10	6	–

Changes in the reserve

The accounting treatment of cash flow hedges requires that the designated effective portions of hedges be recognized in OCI I. Any excess changes in the fair value of the designated components are recognized through profit or loss as hedge ineffectiveness. The table below shows the changes in the reserve:

Development of the cash flow hedge reserve (OCI I) 2024

€ million	Interest rate risk	Currency risk	Interest rate/ currency risk	Commodity price risk	Total
Balance at Jan. 1, 2024	**11**	**921**	**0**	**6**	**938**
Gains or losses from effective hedging relationships	–38	–445	0	4	**–480**
Reclassifications due to changes in whether the hedged item is expected to occur	–	–12	–	–	**–12**
Reclassifications due to realization of the hedged item	4	–325	–	2	**–319**
Balance at Dec. 31, 2024	**–24**	**139**	**–**	**12**	**127**

Development of the cash flow hedge reserve (OCI I) 2023

€ million	Interest rate risk	Currency risk	Interest rate/ currency risk	Commodity price risk	Total
Balance at Jan. 1, 2023	**118**	**119**	**1**	**–**	**238**
Gains or losses from effective hedging relationships	–112	1,008	0	5	**902**
Reclassifications due to changes in whether the hedged item is expected to occur	–	–102	–	–	**–102**
Reclassifications due to realization of the hedged item	4	–104	–1	1	**–100**
Balance at Dec. 31, 2023	**11**	**921**	**0**	**6**	**938**

In general, changes in the fair value of the non-designated components of a derivative must likewise be immediately recognized in profit or loss. An exception to this principle are fair value changes in the non-designated time values of options, to the extent they relate to the hedged item. In addition, the Porsche AG Group initially recognizes in OCI II changes in the fair value of the non-designated forward components of currency forwards and non-designated cross-currency basis spreads (CCBS) on currency hedges used in cash flow hedging. This means that the Porsche AG Group recognizes changes in the fair value of the non-designated components or parts thereof immediately through profit or loss in the case of hedge ineffectiveness.

The tables below show an overview of the changes in the reserve for hedging costs resulting from the non-designated portions of options and currency hedges.

Changes in the reserve for hedging costs–non-designated time value of options

	Currency risk	
€ million	2024	2023
Balance at Jan. 1	**–12**	**–70**
Gains and losses from non-designated time value of options		
Hedged item is recognized at a point in time	–28	21
Reclassifications due to changes in whether the hedged item is expected to occur		
Hedged item is recognized at a point in time	1	1
Reclassification due to realization of the hedged item		
Hedged item is recognized at a point in time	23	35
Balance at Dec. 31	**–16**	**–12**

Changes in the reserve for hedging costs–non-designated forward components and cross-currency basis spreads (CCBS)

	Currency risk	
€ million	2024	2023
Balance at Jan. 1	**–525**	**–735**
Gains and losses from non-designated forward components and CCBS		
Hedged item is recognized at a point in time	–116	–148
Reclassifications due to realization of the hedged item		
Hedged item is recognized at a point in time	341	317
Reclassification due to changes in whether the hedged item is expected to occur		
Hedged item is recognized at a point in time	10	40
Balance at Dec. 31	**–291**	**–525**

36.4.2 MARKET RISK IN THE AUTOMOTIVE SEGMENT

Interest rate risk

Interest rate risk in the automotive segment results from changes in market interest rates, primarily for medium- and long-term floating-rate receivables and liabilities. Floating-rate items are included in cash flow hedges and–depending on the market situation–some are hedged by means of interest rate swaps.

In the automotive segment, interest rate risk within the meaning of IFRS 7 is calculated using sensitivity analyses. The effect of risk-variable market interest rates on the financial result are presented net of tax.

If market interest rates had been 100 bps higher as of December 31, 2024, profit after tax would have been €9 million lower (2023: €31 million). If market interest rates had been 100 bps lower as of December 31, 2024, profit after tax would have been €7 million higher (2023: €25 million).

Currency risk

The currency risk in the automotive segment results in particular from transactions as part of operating activities that do not take place in the functional currency of the respective group company. Currency forwards and currency options are the main instruments used to reduce currency risks. The volume of exchange rate hedges is determined on the basis of the planned sales figures in the respective foreign currency, taking into account procurement volumes.

As part of currency risk management, hedges were entered into in the fiscal year 2024 in the following currencies in particular: Australian dollar (AUD), Brazilian real (BRL), British pound sterling (GBP), Canadian dollar (CAD), Chinese renminbi (CNY), Hong Kong dollar (HKD), Japanese yen (JPY), Mexican peso (MXN), Norwegian krone (NOK), Polish zloty (PLN), Singapore dollar (SGD), South Korean won (KRW), Swedish krona (SEK), Swiss franc (CHF), Taiwan dollar (TWD), and US dollar (USD).

All non-functional currencies in which the Porsche AG Group enters into financial instruments are included as relevant risk variables in the sensitivity analysis in accordance with IFRS 7.

If the functional currency euro had appreciated or depreciated by 10% against the other currencies, this would have resulted in the following effects on the hedging reserve in equity and profit after tax for the following currency pairs. It is not appropriate to add together the individual figures, since the results of the various functional currencies concerned are based on different scenarios.

The table below shows the sensitivities as of December 31, 2024 with respect to the key currencies held.

€ million	Dec. 31, 2024 +10%	Dec. 31, 2024 –10%	Dec. 31, 2023 +10%	Dec. 31, 2023 –10%
Exchange rate				
EUR/USD				
Hedging reserve	677	–680	787	–772
Profit/loss after tax	–31	31	–18	18
EUR/TWD				
Hedging reserve	72	–72	65	–65
Profit/loss after tax	–5	5	–8	8
EUR/MXN				
Hedging reserve	20	–20	23	–23
Profit/loss after tax	–0	0	–1	1
EUR/PLN				
Hedging reserve	76	–76	64	–64
Profit/loss after tax	–0	0	–0	0
EUR/GBP				
Hedging reserve	332	–332	185	–185
Profit/loss after tax	–19	19	–11	11
EUR/CNY				
Hedging reserve	747	–706	740	–630
Profit/loss after tax	–33	33	–77	77
EUR/CHF				
Hedging reserve	121	–125	121	–125
Profit/loss after tax	–3	3	–2	2
EUR/SEK				
Hedging reserve	57	–56	24	–23
Profit/loss after tax	–1	1	–0	0
EUR/HKD				
Hedging reserve	16	–16	17	–18
Profit/loss after tax	–1	1	–2	2
EUR/SGD				
Hedging reserve	8	–7	8	–8
Profit/loss after tax	–0	0	0	–0
EUR/KRW				
Hedging reserve	80	–79	130	–125
Profit/loss after tax	–13	13	–11	11
EUR/CAD				
Hedging reserve	73	–73	109	–110
Profit/loss after tax	–3	3	–3	3
EUR/JPY				
Hedging reserve	90	–88	93	–91
Profit/loss after tax	–18	18	–11	11
EUR/AUD				
Hedging reserve	44	–44	50	–50
Profit/loss after tax	–5	5	–9	9
EUR/BRL				
Hedging reserve	16	–16	41	–41
Profit/loss after tax	–5	5	–14	14
EUR/NOK				
Hedging reserve	7	–7	1	–1
Profit/loss after tax	–1	1	–0	0

Equity and bond price risks
The fully consolidated special funds in which the Porsche AG Group invests surplus liquidity are exposed in particular to equity and bond price risks that may arise from fluctuations in quoted market prices, stock exchange indices and market interest rates. The risks to which the special funds are exposed are generally countered by the Porsche AG Group by ensuring a broad diversification across a range of products, issuers and regional markets when making investment decisions, as stipulated in the investment policy. The risk management system in place is partially based on a minimum value threshold and, if the market situation is appropriate, exchange rate hedges are entered into.

IFRS 7 stipulates that the presentation of market risk must include disclosures on how hypothetical changes in risk variables impact the price of financial instruments. The risk variables include in particular quoted market prices or indices, as well as interest rate changes as a bond pricing parameter.

If share prices had been 10% higher as of December 31, 2024, profit after tax would have been €108 million (2023: €29 million) higher. If share prices had been 10% lower as of December 31, 2024, profit after tax would have been €132 million (2023: €36 million) lower.

Commodity price risk
Commodity risks for the Porsche AG Group arise, among other things, from the price development of commodities. Commodity price risks are partly hedged through the use of hedging instruments for a period of several years. The hedging instruments used are averaging swaps which are accounted for as cash flow hedges. The volume of hedges is determined on the basis of the planned commodity exposure in the respective procurement contracts. In 2024, price hedges were entered into for aluminum, copper, nickel, cobalt and lithium hydroxide.

Commodity price risk within the meaning of IFRS 7 is presented using sensitivity analyses.

If the commodity prices of the hedging instruments accounted for using hedge accounting as of December 31, 2024 had been 10% higher (lower), equity would have been €23 million (2023: €27 million) higher (lower).

36.4.3 MARKET RISK IN THE FINANCIAL SERVICES SEGMENT

Interest rate risk
Interest rate risk in the financial services segment mainly results from changes in market interest rates, primarily for medium- and long-term floating-rate liabilities and from non-maturity-matched refinancing. Interest rate hedges are used to limit these risks.

As of December 31, 2024, the VaR for interest rate risk amounted to €23 million (2023: €34 million).

36.5 Methods for monitoring hedge effectiveness

The Porsche AG Group mainly assesses the effectiveness of hedges on a prospective basis using the critical terms match method. Retrospective analysis of effectiveness uses effectiveness tests in the form of the dollar offset method. Under the dollar offset method, the changes in value of the hedged item expressed in monetary units are compared with the changes in value of the hedging instrument expressed in monetary units.

For this purpose, cumulative changes in the value of the designated components of the hedging instrument and the hedged item are compared. If there is no critical terms match, the same procedure is applied to the non-designated components.

The table below shows the remaining maturities profile of the notional amounts of hedging instruments recognized under the Porsche AG Group hedge accounting requirements, as well as derivatives not within hedge accounting:

Notional amount of derivative financial instruments

	Term of maturity			Total notional amount	Total notional amount
€ million	up to one year	within one to five years	more than five years	Dec. 31, 2024	Dec. 31, 2023
Notional amount of hedging instruments within hedge accounting					
Hedging interest rate risk					
Interest rate swap	896	4,451	–	5,347	5,857
Hedging currency risk					
Currency forwards/ Cross-currency swaps					
Currency forwards/ Cross-currency swaps in CNY	3,224	6,843	–	10,068	8,056
Currency forwards/ Cross-currency swaps in GBP	4,582	5,274	–	9,856	11,167
Currency forwards/ Cross-currency swaps in USD	1,686	3,373	–	5,059	2,761
Currency forwards/ Cross-currency swaps in other currencies	3,826	5,267	–	9,093	10,058
Currency options					
Currency options in CNY	1,974	–	–	1,974	6,639
Currency options in USD	480	768	–	1,249	2,437
Currency options in other currencies	508	1,827	–	2,335	2,369
Hedging commodity price risk					
Commodity forwards/swaps aluminum	155	–	–	155	234
Commodity forwards/swaps copper	64	118	–	182	145
Commodity forwards/swaps other	102	8	–	110	52
Notional amount of other derivatives					
Hedging interest rate risk					
Interest rate swap	53	410	–	463	882
Hedging currency risk					
Currency forwards/ Cross-currency swaps	3,114	154	–	3,268	5,100
Currency options	320	–	–	320	328

In addition to the other derivatives used to hedge currency and interest rate risks, as presented above, on the December 31, 2024 reporting date the Porsche AG Group held credit swaps with a notional amount of €0 million (2023: €52 million) and remaining maturities of between one and five years. The Porsche AG Group also held fixed income futures (€123 million; 2023: €403 million), equity futures (€418 million; 2023: €213 million), other swaps (€0 million; 2023: €123 million), currency futures (€213 million; (2023: €43 million), stock options (€1 million; 2023: €1 million), with a remaining maturity of less than one year, and other swaps (€0 million; 2023: €14 million), with a remaining maturity of more than five years.

With respect to the interest rate swaps and cross-currency interest rate swaps presented above, the Porsche AG Group achieved an average hedging interest rate of 3.6% (2023: 3.0%), weighted by total notional amount.

With respect to the currency forwards and currency options, the Porsche AG Group achieved a hedging exchange rate for the key currencies of 7.55 and 7.12, respectively (EUR/CNY; 2023: 7.41 and 7.24, respectively), 0.89 (EUR/GBP; 2023: 0.88) and 1.12 and 1.07, respectively (EUR/USD; 2023: 1.14 and 1.09, respectively), weighted by total notional amount.

To hedge commodity price risks, the average hedging rates were US$2,351.28/t (2023: US$2,332.15/t) for aluminum and US$8,417.31/t (2023: US$8,359.11/t) for copper.

The total notional amount includes both derivatives entered into by means of offsetting transactions, as well as the offsetting transactions themselves. The offsetting transactions partly offset effects resulting from the original hedge, meaning that the respective notional amount would be higher were the offsetting transaction not taken into account.

Another effect that increases the notional amount results from cylinder options, where both the put and call options are taken into consideration in the notional amount.

The hedged items in cash flow hedges are expected to be realized in accordance with the maturity buckets of the hedges presented in the table.

The market values of the derivatives are determined using market data on the reporting date and suitable valuation techniques. The calculation was based on, among other things, the following interest rate structure:

	Dec. 31, 2024					Dec. 31, 2023				
%	EUR	USD	GBP	CNY	JPY	EUR	USD	GBP	CNY	JPY
Interest rate for 6 months	2.38	4.24	4.56	1.58	0.39	3.68	5.16	5.14	2.38	0.02
Interest rate for 1 year	2.12	4.16	4.46	1.45	0.52	3.21	4.79	4.75	2.31	0.07
Interest rate for 5 years	2.06	4.01	4.05	1.42	0.80	2.18	3.56	3.38	2.57	0.45
Interest rate for 10 years	2.23	4.03	4.07	1.54	1.06	2.27	3.48	3.30	2.77	0.84

36.6 Other disclosures on financial instruments

The table below presents the carrying amounts of the financial instruments by measurement category:

36.6.1 CARRYING AMOUNTS OF FINANCIAL INSTRUMENTS BY MEASUREMENT CATEGORY OF IFRS 9

€ million	Dec. 31, 2024	Dec. 31, 2023
Financial assets measured at fair value through profit or loss	2,181	2,160
Financial assets measured at fair value through other comprehensive income (equity instruments)	388	132
Financial assets measured at amortized cost	14,143	13,302
of which classified as held for sale	–	6
Financial liabilities measured at fair value through profit or loss	49	103
Financial liabilities measured at amortized cost	14,305	13,788
of which classified as held for sale	–	1

The measurement category “financial assets measured at fair value through other comprehensive income (equity instruments)” contains equity investments in companies in which the Porsche AG Group holds between 0.03% and 14.90% of the shares. As these are long-term equity investments, they are irrevocably measured at fair value through other comprehensive income.

The fair values recognized as of December 31, 2024 relate to the shares in Applied Intuition, Inc., Mountain View, CA (€241 million), 1KOMMA5° GmbH, Hamburg (€52 million); 2023: €52 million), Nozomi Networks, Inc., San Francisco, CA (€8 million; 2023: €8 million), DSP Concepts, Inc., Santa Clara, CA (€6 million; 2023: €6 million), Tomorrow GmbH, Hamburg (€6 million), Zededa, Inc., San Jose, CA (€5 million; 2023: €3 million), Bumper International Ltd., London (€5 million; 2023: €5 million), Hangzhou Wanxiang Culture Technology Co., Ltd., Hangzhou (€5 million; 2023: €4 million) as well as other smaller equity investments (€61 million; 2023: €55 million).

36.6.2 CLASSES OF FINANCIAL INSTRUMENTS

The Porsche AG Group allocates financial instruments to the following classes:

- financial instruments measured at fair value
- financial instruments measured at amortized cost
- derivative financial instruments included in hedge accounting
- not allocated to any measurement category
- credit commitments and financial guarantees (not recognized in the statement of financial position)

36.6.3 RECONCILIATION OF ITEMS IN THE STATEMENT OF FINANCIAL POSITION TO CLASSES OF FINANCIAL INSTRUMENTS

The table below presents a reconciliation of the line items in the statement of financial position to the relevant classes of financial instruments, broken down by the carrying amounts and fair values of the financial instruments.

Reconciliation of items in the statement of financial position to classes of financial instruments as of December 31, 2024

	Measured at fair value	Measured at amortized cost		Derivative financial instruments within hedge accounting	Not allocated to a measurement category	Statement of financial position item at Dec. 31, 2024
€ million	Carrying amount	Carrying amount	Fair value	Carrying amount	Carrying amount	
Non-current assets						
Equity-accounted investments	–	–	–	–	627	**627**
Other equity investments	449	–	–	–	443	**892**
Financial services receivables	–	3,513	3,662	–	1,566	**5,078**
Other financial assets[1]	84	1,039	1,036	373	–	**1,496**
Current assets						
Trade receivables	–	1,340	1,340	–	–	**1,340**
Financial services receivables	–	1,065	1,065	–	743	**1,808**
Other financial assets[2]	71	802	802	363	–	**1,236**
Marketable securities and time deposits	1,965	–	–	–	–	**1,965**
Cash and cash equivalents	–	6,384	6,384	–	–	**6,384**
Non-current liabilities						
Financial liabilities	–	6,141	6,095	–	1,019	**7,160**
Other financial liabilities[3]	21	70	70	386	–	**477**
Current liabilities						
Financial liabilities	–	4,130	4,130	–	122	**4,253**
Trade payables	–	3,378	3,378	–	–	**3,378**
Other financial liabilities[4]	28	586	586	540	–	**1,153**

1 Other assets that are not financial assets are not included (other receivables and deferred tax assets: €764 million).

2 Other assets that are not financial assets are not included (other receivables and income tax receivables: €1,425 million).

3 Other liabilities that are not financial liabilities are not included (other provisions, deferred tax liabilities and other liabilities: €4,418 million).

4 Other liabilities that are not financial liabilities are not included (income tax provisions, other provisions, other liabilities and income tax liabilities: €5,560 million).

Reconciliation of items in the statement of financial position to classes of financial instruments as of December 31, 2023

€ million	Measured at fair value	Measured at amortized cost		Derivative financial instruments within hedge accounting	Not allocated to a measurement category	Statement of financial position item at Dec. 31, 2023
	Carrying amount	Carrying amount	Fair value	Carrying amount	Carrying amount	
Non-current assets						
Equity-accounted investments	–	–	–	–	651	**651**
Other equity investments	193	–	–	–	621	**814**
Financial services receivables	–	3,146	3,282	–	1,531	**4,676**
Other financial assets[1]	82	549	545	791	–	**1,422**
Current assets						
Trade receivables	–	1,449	1,449	–	0	**1,449**
Financial services receivables	–	944	944	–	725	**1,669**
Other financial assets[2]	207	1,379	1,379	424	–	**2,010**
Marketable securities and time deposits	1,810	16	16	–	–	**1,826**
Cash and cash equivalents	–	5,820	5,820	–	–	**5,820**
Assets held for sale	–	6	6	–	–	**6**
Non-current liabilities						
Financial liabilities	–	5,602	5,545	–	934	**6,537**
Other financial liabilities[3]	15	64	64	284	–	**364**
Current liabilities						
Financial liabilities	–	3,768	3,768	–	113	**3,880**
Trade payables	–	3,490	3,490	–	–	**3,490**
Other financial liabilities[4]	88	864	864	280	–	**1,231**
Liabilities associated with assets held for sale	–	1	1	–	–	1

1 Other assets that are not financial assets are not included (other receivables and deferred tax assets: €705 million).

2 Other assets that are not financial assets are not included (other receivables and income tax receivables: €1,314 million).

3 Other liabilities that are not financial liabilities are not included (other provisions, deferred tax liabilities and other liabilities: €3,996 million).

4 Other liabilities that are not financial liabilities are not included (income tax provisions, other provisions, other liabilities and income tax liabilities: €4,961 million).

The fair value of financial instruments measured at amortized cost, such as receivables and liabilities, is calculated by discounting the carrying amount using a market rate of interest for a similar risk and matching maturity. For reasons of materiality, the fair value of current statement of financial position items is generally deemed to be their carrying amount.

For the reconciliation to the carrying amounts in the statement of financial position, the “Not allocated to a measurement category” column in the table also includes items that are not financial instruments.

The key risk variables for the fair values of receivables are risk-adjusted interest rates.

“Financial instruments measured at fair value” also include shares in partnerships and corporations.

36.6.4 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Fair values are allocated to the levels of the fair value hierarchy based on the availability of observable market prices. Level 1 shows the fair values of financial instruments for which a quoted price is directly available in active markets. Within the Porsche AG Group, this includes marketable securities and other equity investments measured at fair value that are listed and traded on a public market. Fair values in level 2, for example of derivatives, are derived from market data using market valuation techniques. These market data include in particular currency exchange rates, yield curves and commodity prices which are observable on the relevant markets and can be obtained from pricing service providers. Level 3 fair values are calculated using valuation techniques with inputs that are not based on directly observable market data. In particular, the Porsche AG Group allocated options on equity instruments and long-term commodity futures to level 3. Equity instruments are primarily measured on the basis of the respective business plans and entity-specific discount rates.

The tables below provide an overview of the financial assets and liabilities measured at fair value by level:

Financial assets and liabilities measured at fair value by level:

€ million	Dec. 31, 2024	Level 1	Level 2	Level 3
Non-current assets				
Other equity investments	**449**	0	–	449
Other financial assets	**84**	–	19	66
Current assets				
Other financial assets	**71**	–	71	0
Marketable securities and time deposits	**1,965**	1,965	–	–
Non-current liabilities				
Other financial liabilities	**21**	–	1	20
Current liabilities				
Other financial liabilities	**28**	–	28	–

€ million	Dec. 31, 2023	Level 1	Level 2	Level 3
Non-current assets				
Other equity investments	**193**	0	–	193
Other financial assets	**82**	–	82	–
Current assets				
Other financial assets	**207**	–	207	–
Marketable securities and time deposits	**1,810**	1,810	–	–
Non-current liabilities				
Other financial liabilities	**15**	–	15	–
Current liabilities				
Other financial liabilities	**88**	–	88	–

The fair values of financial assets and liabilities measured at amortized cost are presented in the following overview. The fair value of receivables from financial services allocated to level 3 is determined using the current market interest rates valid on the reporting date instead of the internal interest rate. The material inputs used to calculate the fair value of receivables from financial services are forecasts and estimates of used vehicle residual values for the respective models. The receivables from financial services also include assets amounting to €2,308 million (2023: €2,256 million) that are measured in accordance with IFRS 16.

Fair values of financial assets and liabilities measured at amortized cost by level

€ million	Dec. 31, 2024	Level 1	Level 2	Level 3
Financial services receivables	**4,727**	–	–	4,727
Trade receivables	**1,340**	–	1,340	–
Other financial assets	**1,838**	951	867	21
Tax receivables	**–**	–	–	–
Marketable securities and time deposits	**–**	–	–	–
Cash and cash equivalents	**6,384**	6,384	–	–
Assets held for sale	**–**	–	–	–
Fair value of financial assets measured at amortized cost	**14,289**	**7,335**	**2,207**	**4,747**
Trade payables	**3,378**	–	3,378	–
Financial liabilities	**10,225**	94	10,014	117
Other financial liabilities	**656**	223	305	127
Tax payables	**–**	–	–	–
Liabilities associated with assets held for sale	**–**	–	–	–
Fair value of financial liabilities measured at amortized cost	**14,259**	**317**	**13,697**	**244**

€ million	Dec. 31, 2023	Level 1	Level 2	Level 3
Financial services receivables	**4,226**	–	–	4,226
Trade receivables	**1,449**	–	1,449	–
Other financial assets	**1,924**	1,134	788	2
Marketable securities and time deposits	**16**	–	16	–
Cash and cash equivalents	**5,820**	5,820	–	–
Assets held for sale	**6**	–	6	–
Fair value of financial assets measured at amortized cost	**13,440**	**6,954**	**2,258**	**4,227**
Trade payables	**3,490**	–	3,490	–
Financial liabilities	**9,313**	65	9,247	1
Other financial liabilities	**928**	89	700	138
Liabilities associated with assets held for sale	**1**	–	1	–
Fair value of financial liabilities measured at amortized cost	**13,731**	**154**	**13,438**	**139**

Derivative financial instruments included in hedge accounting by level

€ million	Dec. 31, 2024	Level 1	Level 2	Level 3
Non-current assets				
Other financial assets	**373**	–	368	5
Current assets				
Other financial assets	**363**	–	363	–
Non-current liabilities				
Other financial liabilities	**386**	–	386	–
Current liabilities				
Other financial liabilities	**540**	–	540	–

€ million	Dec. 31, 2023	Level 1	Level 2	Level 3
Non-current assets				
Other financial assets	**791**	–	791	–
Current assets				
Other financial assets	**424**	–	424	–
Non-current liabilities				
Other financial liabilities	**284**	–	284	–
Current liabilities				
Other financial liabilities	**280**	–	280	–

The table below summarizes the changes in items in the statement of financial position measured at fair value and allocated to level 3:

Changes in items in the statement of financial position measured at fair value based on level 3

€ million	Financial assets measured at fair value	Financial liabilities measured at fair value
Balance at Jan. 1, 2024	**193**	**–**
Foreign exchange differences	0	–
Additions (purchases)	319	14
Transfers from level 3 into level 1	–	–
Transfers from level 3 into level 2	–	–
Total comprehensive income	12	6
recognized in profit or loss	1	6
recognized in other comprehensive income	11	–
Settlements	–6	–
Disposals (sales)	–3	–
Changes in participation structure	–	–
Balance at Dec. 31, 2024	**515**	**20**
Total gains or losses recognized in profit or loss	**1**	**–6**
Net other operating expense/income	–	–
of which attributable to assets/liabilities held at the reporting date	–	–
Financial result	1	–6
of which attributable to assets/liabilities held at the reporting date	1	–6

€ million	Financial assets measured at fair value	Financial liabilities measured at fair value
Balance at Jan. 1, 2023	**263**	**–**
Additions (purchases)	49	–
Transfers from level 3 into level 1	–	–
Transfers from level 3 into level 2	–	–
Total comprehensive income	–11	–
recognized in profit loss	–9	–
recognized in other comprehensive income	–3	–
Settlements	–76	–
Disposals (sales)	–6	–
Changes in participation structure	–26	–
Balance at Dec. 31, 2023	**193**	**–**
Total gains or losses recognized in profit or loss	**–9**	**–**
Net other operating expense/income	–	–
of which attributable to assets/liabilities held at the reporting date	–	–
Financial result	–9	–
of which attributable to assets/liabilities held at the reporting date	–9	–

Changes in derivative financial instruments based on level 3

€ million	Financial assets measured at fair value
Balance at Jan. 1, 2024	**–**
Foreign exchange differences	–
Changes in consolidated Group	–
Total comprehensive income	5
recognized in profit or loss	–
recognized in other comprehensive income	5
Transfers non Hedge Accounting	–
Transfers into Level 2	–
Balance at Dec. 31, 2024	**5**

Transfers between the levels of the fair value hierarchy are reported as of the respective reporting dates. There were no transfers between the levels of the fair value hierarchy during the reporting period.

Commodity prices are the key risk variable for the fair value of commodity swaps. Sensitivity analyses are used to present the effect of changes in commodity prices on equity. If commodity prices for commodity swaps classified as Level 3 had been 10% higher (lower) as of December 31, 2024, equity would have been €4 million (2023: €0 million) higher (lower).

The key risk variable for equity instruments held by the company is the corresponding enterprise value. A sensitivity analysis is used to present the effects of a change in the risk variables on profit after tax. If the assumed enterprise values had been 10% higher as of December 31, 2024, profit after tax would have been €9 million (2023: €4 million) higher. If the assumed enterprise values had been 10% lower as of December 31, 2024, profit after tax would have been €9 million (2023: €4 million) lower. If the assumed enterprise values had been 10% higher as of December 31, 2024, equity would have been €27 million (2023: €9 million) higher. If the assumed enterprise values had been 10% lower as of December 31, 2024, equity would have been €27 million (2023: €9 million) lower.

36.6.5 OFFSETTING FINANCIAL ASSETS AND LIABILITIES

The following tables contain information about the effects of offsetting in the statement of financial position and the potential financial effects of offsetting in the case of instruments that are subject to a legally enforceable master netting arrangement or a similar agreement.

				Amounts that are not set off in the statement of financial position		
€ million	Gross amounts of recognized financial assets	Gross amounts of recognized financial liabilities set off in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Financial instruments	Collateral received	Net amount at Dec. 31, 2024
Derivative financial instruments	825	–	825	–507	–	**318**
Financial services receivables	6,886	–	6,886	–	–	**6,886**
Trade receivables	1,340	–	1,340	–	–	**1,340**
Marketable securities and time deposits	1,965	–	1,965	–	–	**1,965**
Cash and cash equivalents	6,384	–	6,384	–	–	**6,384**
Other financial assets	2,356	–	2,356	–	–	**2,356**

				Amounts that are not set off in the statement of financial position		
€ million	Gross amounts of recognized financial assets	Gross amounts of recognized financial liabilities set off in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Financial instruments	Collateral received	Net amount at Dec. 31, 2023
Derivative financial instruments	1,445	–	1,445	–497	–	**948**
Financial services receivables	6,345	–	6,345	–	–	**6,345**
Trade receivables	1,449	–	1,449	–	–	**1,449**
Marketable securities and time deposits	1,826	–	1,826	–	–	**1,826**
Cash and cash equivalents	5,820	–	5,820	–	–	**5,820**
Other financial assets	2,180	–	2,180	–	–	**2,180**

€ million	Gross amounts of recognized financial liabilities	Gross amounts of recognized financial assets set off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Amounts that are not set off in the statement of financial position: Financial instruments	Amounts that are not set off in the statement of financial position: Collateral pledged	Net amount at Dec. 31, 2024
Derivative financial instruments	975	–	975	–507	–	**468**
Financial liabilities	11,413	–	11,413	–	–455	**10,958**
Trade payables	3,378	–	3,378	–	–	**3,378**
Other financial liabilities	656	–	656	–	–	**656**

€ million	Gross amounts of recognized financial liabilities	Gross amounts of recognized financial assets set off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Amounts that are not set off in the statement of financial position: Financial instruments	Amounts that are not set off in the statement of financial position: Collateral pledged	Net amount at Dec. 31, 2023
Derivative financial instruments	667	–	667	–497	–	**170**
Financial liabilities	10,417	–	10,417	–	–	**10,417**
Trade payables	3,490	–	3,490	–	–	**3,490**
Other financial liabilities	928	–	928	–	–	**928**

Other financial assets contain other equity investments measured at fair value of €449 million (2023: €193 million).

The “Financial instruments” column presents amounts subject to a master netting arrangement but that are not offset because they do not meet the conditions for offsetting in the statement of financial position. The “Collateral received” and “Collateral pledged” columns present the amounts in relation to the total amount of assets and liabilities received or pledged as collateral in the form of cash or financial instruments that do not meet the conditions for offsetting in the statement of financial position.

36.6.6 ASSET-BACKED SECURITIES TRANSACTIONS

In the financial services segment, asset-backed securities transactions are largely used to refinance its portfolio of lease and financing agreements. This involves assigning the expected payments to structured finance companies and transferring the financed vehicles as collateral. A distinction is made here between revolving, non-public facilities with one or a syndicate of refinancing partners and amortizing, public asset-backed securities bonds that are broadly marketed to investors in the capital markets. In the event that asset-backed securities bond issues are not possible to the planned extent on account of unfavorable market conditions, Porsche Financial Services also uses asset-backed, amortizing private placements as the need arises by directly approaching selected major investors as an alternative refinancing instrument.

Transactions in asset-backed securities conducted to refinance the financial services business amounted to €8,511 million (2023: €7,420 million) and were reported in ABS refinancing. The corresponding carrying amount of the receivables from customer and dealer financing and the finance lease business was €4,869 million (2023: €4,622 million). Collateral totaling €10,505 million (2023: €9,197 million) was provided for transactions in asset-backed securities, of which €4,869 million (2023: €4,622 million) relates to collateral in the form of financial assets. The transactions in asset-backed securities did not result in the disposal of receivables from the financial services business since del credere and repayment risks were retained within the Porsche AG Group. The difference between the pledged receivables and the associated liabilities resulted from the share of vehicles financed within the Porsche AG Group.

A majority of the group's asset-backed securities transactions may be repaid ahead of schedule ("clean up call") if a contractually fixed minimum percentage of the original transaction volume is still outstanding. The pledged receivables may not be pledged further or otherwise serve as collateral. The claims of the bond holders are limited to the amount of the receivables pledged and the proceeds from these receivables are earmarked for repayment of the corresponding liability. As of December 31, 2024, the fair value of the receivables from the financing business that have been pledged but not disposed of amounted to €4,965 million (2023: €4,023 million). The fair value of the associated liabilities as of the reporting date amounted to €4,623 million (2023: €3,823 million).

36.6.7 NOTES TO THE INCOME STATEMENT PURSUANT TO IFRS 7

The following table shows the net gains or losses from financial assets and financial liabilities by measurement category, followed by a detailed explanation of the material items:

Net gains/losses from financial assets by IFRS 9 measurement category

€ million	2024	2023
Financial instruments measured at fair value through profit or loss	223	161
Financial assets measured at amortized cost	497	257
Financial assets measured at fair value through other comprehensive income (debt instruments)	0	–
Financial liabilities measured at amortized cost	–730	–304
	–10	**114**

The net gains or losses in the financial instruments measured at fair value through profit or loss category mainly result from the fair value measurement of derivatives, including interest and gains or losses on currency translation.

The net gains or losses in the financial assets and liabilities measured at amortized cost category mainly comprise interest income and expenses under the effective interest method pursuant to IFRS 9, currency translation effects, and the recognition of loss allowances. Interest also includes interest income and expenses from the lending business in the financial services segment.

The total interest income attributable to financial assets and liabilities measured at amortized cost, as calculated using the effective interest method, amounted to €703 million (2023: €539 million) and the total interest expenses amounted to €517 million (2023: €363 million).

The disposal of financial assets measured at amortized cost results in gains of €2 million (2023: €2 million) and losses of €17 million (2023: €35 million).

37. CAPITAL MANAGEMENT

The Porsche AG Group's capital management ensures that it is possible to realize the group's objectives and strategies in the interests of the shareholder, employees and other stakeholders. The primary objective of capital management at the Porsche AG Group is to ensure the financial flexibility necessary to realize its value-adding business and growth targets and to increase its enterprise value over the long term. The management's focus lies on increasing the return on invested capital in the automotive segment and on increasing the return on equity in the financial services segment. In general, the aim of the Porsche AG Group and its segments is to achieve as high a return as possible to the benefit of all stakeholders in the company.

In order to structure the use of resources as efficiently as possible in the automotive segment and to measure its success, return on investment (ROI) is applied as performance indicator. ROI is the average return on invested capital for a particular period based on the operating profit after tax. Invested capital is calculated as total operating assets (property, plant and equipment, intangible assets, inventories and receivables) less non-interest-bearing liabilities (trade payables and advance prepayments received). Average invested capital is calculated using total assets at the beginning and the end of the reporting year.

Given the particular features of the financial services segment, control focuses on the return on equity, a target indicator which is based on the equity invested. This indicator is calculated as the ratio of earnings before tax to average equity. Average equity is calculated from the balance at the beginning and at the end of the reporting year. In addition, the financial services segment aims to satisfy the capital requirements of the banking supervisory authorities, as well as to obtain the necessary equity to finance the growth planned for the next few fiscal years and to support external ratings by ensuring capital adequacy. The capital requirements of the banking supervisory authorities were complied with in the fiscal year 2024 and in the prior year.

The return on investment in the automotive segment and the return on equity in the financial services segment are presented in the tables below:

€ million	2024	2023
Automotive segment		
Operating profit after tax	3,700	4,857
Assets invested (average)	20,544	19,646
Return on investment (ROI) in %	**18.0**	**24.7**
Financial services segment		
Profit before tax	282	309
Average equity	1,413	1,576
Pre-tax return on equity in %	**19.9**	**19.6**

38. CONTINGENT LIABILITIES

€ million	Dec. 31, 2024	Dec. 31, 2023
Guarantees	1	25
Warranties	0	0
Other contingent liabilities	45	39
	46	**64**

In the case of liabilities from guarantees, the group is required to make specific payments if the debtors fail to meet their obligations.

Other contingent liabilities mainly comprise potential expenses arising from legal and product-related matters; in particular, several product-related class actions brought by customers are pending in the USA. The plaintiffs' claims are for a variety of different quality defects in Porsche AG vehicles. Porsche AG and its subsidiaries will continue to defend themselves against the claims. The contingent liabilities do not include amounts connected with the diesel issue described in note → **40. LITIGATION**. Further official investigations/ proceedings are at a stage where the basis for claims has not yet been specified and/or the amounts cannot be determined with sufficient precision. To the extent that they meet the definition of a contingent liability, these official investigations/proceedings were generally not disclosed due to the lack of measurable data.

In accordance with IAS 37.92, no further disclosures are made in respect of estimates of the financial impact or disclosures relating to uncertainties surrounding the amount or timing of contingent liabilities, so as not to prejudice the outcome of the proceedings or the company's interests. Further information can be found in note → **40. LITIGATION**.

39. OTHER FINANCIAL OBLIGATIONS

	Maturity			
€ million	Within one year	Within one to five years	More than five years	Total
Dec. 31, 2024				
Purchase commitments in respect of				
Property, plant and equipment	1,710	99	1	**1,809**
Intangible assets	526	69	1	**596**
Obligations from				
Loan commitments	–	156	–	**156**
Leasing and rental contracts	141	111	12	**263**
Miscellaneous other financial obligations	1,845	843	136	**2,824**
Total	**4,221**	**1,277**	**150**	**5,648**

€ million	Maturity: Within one year	Within one to five years	More than five years	Total
Dec. 31, 2023				
Purchase commitments in respect of				
Property, plant and equipment	1,605	196	3	**1,803**
Intangible assets	665	85	1	**751**
Obligations from				
Loan commitments	–	–	–	**–**
Leasing and rental contracts	97	88	25	**211**
Miscellaneous other financial obligations	1,534	975	118	**2,627**
Total	**3,901**	**1,344**	**147**	**5,392**

40. LITIGATION

In the course of their operating activities, Porsche AG and the companies in which it holds direct or indirect interests are involved in a large number of legal disputes and official proceedings, both in Germany and abroad. Among others, these legal disputes and proceedings relate to or are connected with employees, authorities, services, dealers, investors, customers, products or other contractual partners. They may lead to payments such as fines as well as other obligations and consequences for the companies involved. In particular, substantial compensation or punitive damages may have to be paid and cost-intensive measures may be necessary. In this context, a specific assessment of the objectively likely consequences is often possible only to a very limited extent, if at all.

Various legal proceedings are pending worldwide, particularly in the USA, in which customers are asserting purported product-related claims, either individually or in class actions. These claims are as a rule based on alleged vehicle defects, including defects alleged in vehicle parts supplied to the Porsche AG Group. Compliance with legal or regulatory requirements (such as the GDPR) is another area in which risks may arise. This applies in particular to gray areas, where Porsche AG or the companies in which it holds direct or indirect interests may make interpretations that differ from those of the competent authorities.

In connection with their business activities, Porsche AG Group companies engage in constant dialog with regulatory agencies, including the Kraftfahrt-Bundesamt (KBA–German Federal Motor Transport Authority) as type approval and market surveillance authorities. It is not possible to predict with assurance how government regulators will assess certain issues of fact and law in a particular situation. For this reason, the possibility that certain vehicle characteristics and/or type approval aspects may in particular ultimately be deemed deficient or impermissible cannot be ruled out. This is also fundamentally a question of the regulatory agency's specific evaluation in a concrete situation.

Risks may also result from actions for infringement of intellectual property, including infringement of patents, brands, or other third-party rights, particularly in Germany and the USA. If the Porsche AG Group is alleged or determined to have violated third-party intellectual property rights, it may for instance have to pay damages, modify manufacturing processes, or redesign products, and may be barred from selling certain products; this may result in delivery and production restrictions or interruptions.

Legal risks may also arise due to the criminal actions of individuals, which even the best compliance management system can never fully rule out.

Where doing so was manageable and economically feasible, adequate insurance cover was taken out to cover these risks. Where necessary based on the information currently available, identified and correspondingly measurable risks have been reflected by recognizing provisions in amounts considered appropriate or disclosing contingent liabilities, as the case may be. Since some risks cannot be assessed, or only to a limited extent, it cannot be ruled out that significant losses or damage may arise in an amount not covered by the insurance or provisions.

Unless otherwise explicitly stated, the amounts disclosed for the litigation reported on here refer only to the respective claim of the other party. Other legal defense costs, such as any legal and consulting fees and litigation costs, are not as a rule reported in connection with the legal disputes presented here.

Diesel issue

On November 2, 2015, the United States Environmental Protection Agency (EPA) issued a notice of violation of the Clean Air Act to Volkswagen AG, AUDI AG, Volkswagen Group of America, Inc., Porsche AG and Porsche Cars North America, Inc.

The notice alleges that certain 3.0 liter V6 Volkswagen Group diesel engines are in contravention of the applicable emissions certification standards.

Porsche AG decided to voluntarily halt sales of the roughly 11,500 3.0 liter V6 US diesel engines affected by the notice of violation pending a decision and recertification by the US authorities.

On January 4, 2016, the US Department of Justice filed a complaint at the request of the EPA against the above companies, among others. In addition, class actions were filed by customers, dealers and investors and proceedings were initiated by further authorities and institutions (including the Department of Justice (civil and criminal), state attorney generals, the Federal Trade Commission and the Customs and Border Protection Agency) over the course of 2016. Porsche AG cooperated with all of the parties involved to clarify the matter.

On January 11, 2017, the US Department of Justice published the agreement with the Volkswagen Group, including Porsche AG. The agreement with Porsche AG is limited to civil penalties. Volkswagen AG has signed a hold harmless agreement for the fines. The Porsche AG Group will not be supervised by an external monitor. The organizational and process requirements have already been largely addressed in the Porsche remediation plan. On May 11, 2017, the agreement of January 2017 was confirmed by the courts. On April 13, 2017, the US Department of Justice concluded the third partial consent decree ("3PCD") in connection with the diesel issue. On July 21, 2017, a comparable agreement ("California PCD") was reached with the United States District Court for the Northern District of California. In this agreement, Porsche AG undertook to meet conditions from the areas of organization, processes, employees and sustainability and to provide evidence of meeting these conditions. These essentially corresponded with the remediation plan.

On October 23, 2017, the US authorities approved the software update submitted for review by the Volkswagen Group relating to emissions compliant repair (ECR) for around 38,000 US vehicles with 3.0 liter V6 TDI generation 2.1 and 2.2 engines. The recall of the approximately 11,500 US Cayenne V6 diesel vehicles began in November 2017. The requisite software update was successfully rolled out in the fiscal year 2018. The recall quota specified in the agreement with the US authorities was thus exceeded.

In September 2022, the 3PCD was lifted by the court. Porsche has thus met all required conditions. The California PCD was also lifted by the court in September 2022.

AUDI AG has held Porsche AG harmless from the costs of legal risks, litigation, product liability claims or other third-party claims relating to the 2013-2016 Porsche Cayennes affected in North America and the waiver of the defense of the statute of limitations was agreed until July 31, 2023 and subsequently extended until July 31, 2027. Consequently, from today's perspective, it is not expected that the Porsche AG Group will be subject to any significant outflow of resources in this regard.

No receivables were recognized for other costs incurred in connection with the diesel issue in North America, for which AUDI AG has signed a hold harmless agreement, as an outflow of resources is not virtually certain as of the reporting date. The waiver of the defense of the statute of limitations was agreed until July 31, 2023 and this was subsequently extended until July 31, 2027.

For the legal proceedings outside of the USA and Canada in connection with the diesel issue, Porsche AG expects - based on previous agreements and accounting practice - that the costs incurred in this connection for legal risks and litigation costs will be borne by AUDI AG and will pass the costs on to the latter. No extensive provisions will be recognized for future expected outflows of resources.

On January 21, 2019, the public prosecutor's office in Stuttgart instigated administrative fine proceedings pursuant to sections 30 and 130 of the German Act on Breaches of Administrative Regulations (OWiG). The administrative offense proceedings initiated against Porsche AG in connection with the diesel issue ended with the fine notice issued by the public prosecutor's office in Stuttgart on May 7, 2019. The fine notice is based on a negligent breach of supervisory duty in the organizational unit Prüffeld Entwicklung Gesamtfahrzeug/Qualität (Overall Vehicle Development/Quality—Testing Facility) or its respective successor organization. The fine notice imposes a total fine of €535 million, comprising a penalty payment of €4 million and the forfeiture of economic benefits amounting to €531 million. After a thorough review, Porsche AG did not appeal the penalty payment, rendering the fine notice legally binding. The fine has been paid in full, thus ending the administrative offense proceedings against Porsche AG. As a consequence, it is highly unlikely that any further penalties or forfeitures will be imposed on Porsche AG in Europe in connection with the uniform circumstances underlying the fine notice.

Furthermore, a number of administrative investigations and proceedings are pending around the world against Porsche AG and its subsidiaries as well as against its executive directors with regard to the diesel issue.

At the end of March 2021, the supervisory board of Volkswagen AG announced the completion of the investigation initiated in October 2015 into the causes of and those responsible for the diesel issue. In this context, the Volkswagen AG group has reached agreement with the relevant insurers under its directors and officers liability policies (D&O insurance) on payment of an aggregate sum of €270 million (coverage settlement). In addition, agreement was reached on damage payments by a former member of AUDI AG's board of management and the former member of Porsche AG's Executive Board, Mr. Wolfgang Hatz (liability settlement). As a result of this liability settlement as well as the coverage settlement, Porsche AG recognized other operating income of €30 million in the fiscal year 2021. On June 27, 2023, Mr. Wolfgang Hatz was sentenced to a suspended prison term by the Munich II Regional Court on a charge of fraud. The ruling is not yet legally binding. The liability settlement remains in effect.

In 2018, the public prosecutor's office in Stuttgart instigated a criminal investigation into the diesel issue against individual persons on suspicion of fraud and illegal advertising. Proceedings against an Executive Board member have since been discontinued without determining any misconduct pursuant to section 153a of the German Code of Criminal Procedure (StPO) against payment of a court-imposed sum. A penalty order was also issued against a Porsche AG employee. This only relates to the Cayenne-V8-TDI-EU6 and to a period as of 2016. The penalty order has since become legally binding, meaning that these proceedings have also come to an end. According to the information available, the other individual proceedings have also been discontinued pursuant to section 153 StPO/section 153a StPO. In connection with these proceedings being discontinued, Porsche AG made reimbursements of €2 million to the employees.

THERMAL WINDOWS

In July 2022, the European Court of Justice (ECJ) ruled in one specific case that a so-called thermal window (i.e., a built-in temperature-dependent control of exhaust gas recirculation) in the range of 15°C and 33°C outside temperature represents a defeat device. In this context, the ECJ has developed a new, unwritten criterion according to which a thermal window, even if it serves to prevent sudden and extraordinary engine damage, is inadmissible if it leads to the exhaust gas recirculation being only active to a limited extent for the "largest part of a year under the driving conditions which are actually prevailing in the European Union area".

In November 2022, an action plan for a software update for the Euro 5 3.0-liter-V6-diesel Generation 1 Cayenne with EY type approvals was submitted to the KBA in the course of ongoing talks with the authorities on the impact of this decision. On January 12, 2023, Porsche AG received a notification of a hearing on this vehicle from the KBA, in which the KBA now deems said thermal windows to be a prohibited defeat device. Porsche AG considers this provisional classification by the KBA to be without merit. It has duly delivered an opinion on the letter.

For the Cayenne and Panamera 3.0 l V6-TDI EU5 Generation 2 vehicles with EU type approvals, an action plan had already been approved by the KBA on September 11, 2020. A software update for these vehicles approved by the KBA had already been available since the beginning of 2020. On February 28, 2023, Porsche received a notification of a hearing from the KBA for these vehicles too, in which the KBA deems the aforementioned thermal windows to be a prohibited defeat device. Furthermore, the KBA demands that Porsche AG name all other vehicle concepts that include a comparable temperature-controlled exhaust gas recirculation system. Porsche duly delivered an opinion on the notification of a hearing from the KBA. In its opinion, Porsche AG explains why, according to Porsche's legal position, the aforementioned thermal windows are not a prohibited defeat device.

In a notice to Porsche AG dated December 20, 2023, the KBA determined that the original calibrations used to control exhaust gas recirculation in Cayenne and Panamera 3.0 l V6-TDI EU5 Generation 1 and 2 vehicles were prohibited defeat devices. The measures already underway (Generation 2) or agreed by Porsche AG during the hearing (Generation 1) were provisionally recognized as suitable by the KBA. Porsche AG filed an objection on January 18, 2024 with regard to the finding of non-conformity associated with this decision.

Neither provisions nor contingent liabilities have been recognized as there are currently no specific indications that this will result in any significant outflow of resources.

Other litigation

ANTITRUST INVESTIGATIONS: SCR SYSTEMS

In July 2021, the EU-Commission, as part of a settlement decision, imposed a fine of €502 million on the three brands of the Volkswagen Group concerned (Volkswagen AG, AUDI AG, Porsche AG). The subject matter of the European Commission's decision regarding the fine is the cooperation between German car manufacturers regarding the development of technology to purify emissions of diesel passenger cars fitted with SCR systems that were sold in the European Economic Area. The Volkswagen Group accepted the fine decision of the EU-Commission and did not appeal, thus rendering the decision legally binding. There was no recourse against Porsche AG by Volkswagen AG.

Following the EU-Commission's decision to impose a fine (July 2021), several class actions were filed in the United Kingdom at the end of 2021, among others against Porsche AG and several of its UK subsidiaries. Neither provisions nor contingent liabilities have been recognized as a realistic risk assessment of these proceedings is currently not possible.

In July 2024, the Brazilian antitrust authority CADE initiated proceedings against Porsche AG, among others, also based on the EU subject matter. Neither provisions nor contingent liabilities have been recognized as a realistic risk assessment of these proceedings is currently not possible.

VIOLATIONS OF COMPETITION LAW (KOREA, TÜRKIYE, CHINA)

The Korean antitrust authorities KFTC also analyzed potential breaches based on the EU subject matter. In April 2023, the KFTC issued its final decision together with the grounds for the decision. Porsche AG is not affected by the alleged antitrust violation and is therefore not covered by the fines decision.

The Turkish antitrust authorities, which investigated similar matters, issued their final decision in January 2022, finding that there had been alleged anti-competitive behavior, but that it did not have an impact on Türkiye, which is why no fines were imposed on the German car manufacturers. Legally binding grounds for the decision have not yet been given. Volkswagen AG, AUDI AG and Porsche AG have filed an appeal.

The Chinese antitrust authorities initiated proceedings against companies including Volkswagen AG, AUDI AG and Porsche AG due to similar matters and issued requests for information. Neither provisions nor contingent liabilities have been recognized. In the opinion of the Porsche AG Group, the current status of the investigations does not permit a final assessment of the risk.

RELIABILITY OF SPECIFIC HARDWARE AND SOFTWARE COMPONENTS ("FOCUS TOPICS")

With regard to vehicles for various markets worldwide, Porsche AG has identified potential regulatory issues. Potential issues relating to sport functionalities were found. These issues further relate to questions of the reliability of specific hardware and software components that were used in typing measurements. In individual cases, there may be deviations from the series status. The internal investigations into this matter at Porsche AG have largely been completed. Based on the results of the internal investigation, this is an historical matter. Current production is not affected. These issues are not related to the diesel issue. Porsche AG cooperated with the responsible authorities, including the public prosecutor's office in Stuttgart, which instigated a criminal investigation against twelve (former) employees at Porsche AG. Proceedings against all those accused were closed pursuant to section 153 StPO in April 2022. Administrative fine proceedings were not instigated against the company.

In June 2022, the US Department of Justice declared that it would not instigate an investigation for the focus topics ("declination").

To date, six different class actions relating to these issues have been filed in the USA. According to the statement of claims, software and/or hardware allegedly used in the affected vehicles resulted in actual exhaust emissions and/or fuel consumption being higher than legally permitted. In January 2021, a consolidated complaint was filed combining the six filed class actions into one lawsuit. The six lawsuits were originally directed against Porsche AG and its US importer subsidiary, Volkswagen AG as well as AUDI AG, although not every company is being sued in all of the cases at hand. In December 2021, a draft settlement of US$85 million (including a potential additional payment liability of US$5 million) was negotiated with the representatives of the plaintiffs. The agreement has since been finally approved following the final hearing by the US judge responsible on November 9, 2022. Payment was made in the fiscal year 2022 and the provision utilized in the same amount. An appeal was filed against the agreement in December 2022. However, based on the current assessment, it is unlikely that this will have a significant impact on the financial significance of the settlement overall. Based on the information available, the additional payment liability of US$5 million does not apply.

A class action in this regard is also pending in Canada. However, at around 10%, the number of vehicles potentially affected is considerably lower than in the USA. Talks are currently being held with representatives of the plaintiffs. A settlement – most likely in the single-digit million range – is expected for the second quarter of 2025.

The NHTSA (National Highway Traffic Safety Administration) and the EPA are expected to adjust the CO_2 Credits (Corporate Average Fuel Economy ("CAFE"/Greenhouse Gas ("GHG")) for some of Porsche AG's vehicles. The expected payments will come to US$7 million.

For the focus topics discussed, provisions were recognized covering the above mentioned risks.

CONFORMITY OF PRODUCTION MEASUREMENTS

Porsche AG has also investigated potential issues regarding conformity of production measurements. The internal investigation has been completed. These issues are not related to the diesel issue. Porsche AG is cooperating with the relevant authorities, including the KBA and the public prosecutor's office in Stuttgart. However, based on the information available, no administrative fine proceedings have been instigated against the company. Proceedings brought by the public prosecutor's office in Stuttgart against unknown were discontinued in August 2022 pursuant to section 170 (2) StPO. The only significant deviation determined from internal measurements of just over 4% compared to the manufacturer's figure for a model year of a Cayenne derivative with UNECE type approval according to UN R101 issued by the KBA was reported to the KBA. On March 20, 2023, the KBA submitted a notification of a hearing on this vehicle. According to this, the vehicle exceeds the values seen as relevant by the KBA and more measurements may be taken to verify the manufacturer's figure. Porsche AG has duly delivered an opinion on the notification and recommended that further action be coordinated with the local authorities depending on the relevance of the manufacturer's figure. This was approved by the KBA. Following clarification of the matter, Porsche proposed to the KBA at the beginning of March 2024 that the matter be closed without further action. The KBA has not yet responded to this. There are only 108 vehicles on the market from the relevant model year 2018.

Neither provisions nor contingent liabilities have been recognized as there are currently no specific indications that this will result in any significant outflow of resources.

ANTITRUST INVESTIGATIONS (RECYCLING OF END-OF-LIFE VEHICLES)

In March 2022, the European Commission and the Competition and Markets Authority (CMA), the English antitrust authorities, searched the premises of various automotive manufacturers and automotive industry organizations and/or served them with formal requests for information. Volkswagen AG has received a group-wide information request from the European Commission and the CMA. The investigation concerns European, Japanese, and Korean manufacturers as well as national organizations operating in these countries and the European organization European Automobile Manufacturers' Association (ACEA), which are suspected of having colluded from 2001/2002 to the initiation of proceedings not to pay for the services of recycling companies that dispose of end-of-life vehicles (ELVs). Also alleged is an agreement to refrain from competitive use of ELV issues, that is, not to publicize relevant recycling data for competitive purposes. The violation under investigation is alleged to have taken place in particular in working groups of the ACEA. A response was given to the European Commission's and the CMA's information requests. Neither provisions nor contingent liabilities have been recognized as an assessment of these proceedings is currently not possible.

In the same context, the Korean antitrust authorities (KFTC) conducted searches at Porsche Korea and issued requests for information, which have been answered. Neither provisions nor contingent liabilities have been recognized as it is also not currently possible to assess these proceedings.

KBA HEARING ON NOISE FUNCTIONS

In August 2022, Porsche AG received a notification of a hearing from the KBA, in which it criticizes the use of certain noise functions in the 991 II Carrera 4S and 981 Cayman S vehicles. The KBA invited Porsche AG to comment and also requested additional measurements.

On October 13, 2022, Porsche submitted its response with technical and legal arguments. Proceedings are currently ongoing. All of the KBA's queries to date have been duly answered. Should a notice be issued, the resulting costs for retrofits would depend heavily on the content. This would affect around 12,000 vehicles within the EU, of which around 5,200 in Germany.

Neither provisions nor contingent liabilities were recognized because the early stage of the proceedings makes a realistic assessment of the risk exposure impossible.

Further disclosure in respect of estimates

In accordance with IAS 37.92, no further disclosures are made in respect of estimates of the financial impact or disclosures relating to uncertainties surrounding the amount or timing of provisions and contingent liabilities in connection with material litigation, so as not to prejudice the outcome of the proceedings or the company's interests.

41. PERSONNEL EXPENSES

€ million	2024	2023
Wages and salaries	4,318	4,356
Social security contributions	613	567
Pension and other benefit costs	207	226
	5,138	**5,149**

42. AVERAGE NUMBER OF EMPLOYEES DURING THE YEAR

Average number of employees

	2024	2023
Direct area[1]	9,384	10,004
Indirect area	31,780	29,833
	41,164	**39,837**
Trainees	727	678
	41,891	**40,515**
Employees in the release phase of partial retirement	812	528
	42,703	**41,043**

1 The direct area includes all employees directly involved in the vehicle manufacturing process.

43. REMUNERATION BASED ON PERFORMANCE SHARES (SHARE-BASED PAYMENT)

Following the IPO in 2022, the Supervisory Board of Porsche AG decided to adjust management remuneration from fiscal year 2023 onwards. As a result of this change, Porsche AG has three share-based remuneration models until the end of the respective terms: The performance share plan based on Volkswagen preferred shares, the performance share plan based on Porsche preferred shares and the IPO bonus.

In 2019, the group of persons eligible as performance share plan beneficiaries based on the Volkswagen preferred shares was expanded to include top managers. The first performance shares were granted to top managers at the beginning of 2019. At the end of 2019, the group of persons eligible as performance share plan beneficiaries based on the Volkswagen preferred shares was expanded to include all other members of management. At the beginning of 2020, the members of management were granted remuneration based on performance shares for the first time. In the course of introducing the performance share plan based on the Porsche preferred shares, no further Volkswagen performance shares will be granted. Grants have been made to members of the Executive Board and members of top management. The group of persons eligible as performance share plan beneficiaries based on the Porsche preferred shares includes all members of the Executive Board, top management and all other members of management.

The performance share plan based on the Volkswagen preferred shares for top management and the other beneficiaries works in essentially the same way as the performance share plan granted to members of the Executive Board. Upon introduction of the performance share plan based on the Volkswagen preferred shares, top managers were guaranteed a minimum bonus amount for the first three years based on the remuneration for 2018, while the Executive Board and all other beneficiaries received a guarantee for the first three years based on the remuneration for 2019. There is a supplementary agreement in place for the performance share plan based on Porsche preferred shares for top management, which entitles the company to make an advance payment of up to 100% of the target amount in the second year of the performance period of the respective tranche. At the end of the performance period of a tranche, the associated advance payment is offset against the calculated payout amount.

As part of the IPO, the Supervisory Board of Porsche AG also granted an IPO bonus for the members of the Executive Board in the form of a virtual share plan. The aim of this IPO bonus is to provide appropriate incentives for the commitment of the Executive Board members in preparing the IPO and, by its design, take into account the long-term success of the IPO.

Performance shares

The performance period of the performance share plan based on the Volkswagen preferred shares has a three-year term, while the performance period of the performance share plan based on the Porsche preferred shares has a four-year term. For the members of the Executive Board and the top management, upon awarding the long-term incentive (LTI) the annual target amount under the LTI is converted into performance shares on the basis of the initial reference price of Volkswagen or Porsche preferred shares and is granted to the respective beneficiary purely for calculation purposes.

The number of performance shares is granted on the basis of a three-year/four-year, forward-looking performance period in line with the degree of target achievement for the annual earnings per Volkswagen/Porsche preferred share. Settlement is effected in cash at the end of the performance period. The payment amount corresponds to the final number of determined performance shares multiplied by the respective closing reference price at the end of the term plus a dividend equivalent.

For all other beneficiaries, the amount paid out is determined by multiplying the target amount by the degree of target achievement for the annual earnings per Porsche preferred share and the ratio of the closing reference price at the end of the term plus a dividend equivalent and the initial reference price. Target achievement is based on a four-year performance period with one year of that period relating to future periods.

For all beneficiaries, the payment amount under the performance share plans is limited to 200% of the target amount.

Executive Board and top management

		Dec. 31, 2024	Dec. 31, 2023
Total expense of the reporting period	€ million	7	12
Carrying amount of the obligation	€ million	19	17
Intrinsic value of the obligation	€ million	21	12
Fair value on granting date	€ million	58	29
Advance payment on the respective tranche of performance shares based on Porsche preferred shares	€ million	13	–
Granted performance shares based on the Volkswagen preferred share	Shares	59,369	120,266
of which granted during the reporting period	Shares	–	–
Granted performance shares based on the Porsche preferred share	Shares	513,053	214,167
of which granted during the reporting period	Shares	298,904	214,167

Members of management

In the fiscal year, all other beneficiaries were granted a target amount, based on a target achievement of 100%, of €55 million (2023: €50 million). As of December 31, 2024, the total carrying amount of the obligation corresponding to the intrinsic value of the liabilities amounted to €37 million (2023: €56 million). In the reporting period, a total expense of €37 million (2023: €56 million) was recognized for this amount granted.

IPO bonus

The IPO bonus was granted in three tranches. Each third is paid out on the anniversary of the IPO of Porsche AG. The second sub-tranche was paid out during the current fiscal year. The payment amount of the IPO bonus is subject to a cap and a floor for each sub-tranche.

		Dec. 31, 2024	Dec. 31, 2023
Total expense of the reporting period	€ million	0	0
Carrying amount of the obligation	€ million	2	5
Intrinsic value of the obligation	€ million	2	5
Fair value at grant date	€ million	–	–
Granted performance shares	Shares	28,480	56,960
of which granted during the reporting period	Shares	–	–

44. RELATED PARTY DISCLOSURES IN ACCORDANCE WITH IAS 24

In accordance with IAS 24, related parties are natural persons and companies that can be influenced by Porsche AG, that can exert influence on Porsche AG or are under the influence of another related party of Porsche AG.

Since August 1, 2012, Volkswagen AG had held 100% of the shares in Porsche AG via Porsche Holding Stuttgart GmbH. On September 28, 2022, Volkswagen placed 25% of the preferred shares (including surplus allocation) of Porsche AG with investors. Since the following day, these preferred shares have been traded on the stock exchange. Since the end of the stabilization period on October 11, 2022, the free float of the preferred shares amounts to 24.2% of the preferred share capital of Porsche AG. The basis for the IPO was a comprehensive agreement on the conclusion of several contracts between Volkswagen and Porsche SE. In this context, both parties agreed, among other things, that Porsche SE acquire 25% of the ordinary shares plus one ordinary share of Porsche AG from Volkswagen. There are restrictions on the sale of these ordinary shares of Porsche AG by Porsche SE until 2027. The other shares in ordinary share capital of 75% less one ordinary share in Porsche AG continue to be held by Porsche Holding Stuttgart GmbH as of the reporting date.

As of the reporting date, Porsche AG remains a subsidiary of Porsche Holding Stuttgart GmbH. No domination and profit and loss transfer agreement was in place between Porsche AG and Porsche Holding Stuttgart GmbH in the reporting year. In connection with the IPO and the sale of ordinary shares in Porsche SE, Volkswagen AG and Porsche SE agreed on a significant participation of representatives of Porsche SE on the Supervisory Board of Porsche AG. Final decision-making rights of the shareholder representatives on the Supervisory Board determined by Volkswagen with regard to directing relevant activities within the meaning of IFRS 10 at Porsche AG continue to result in the control of Porsche AG by Volkswagen AG (de facto group).

As of the reporting date, Porsche SE held the majority of voting rights in Volkswagen AG. The creation of rights of appointment for the State of Lower Saxony was resolved at the extraordinary general meeting of Volkswagen AG on December 3, 2009. This means that Porsche SE, via the Annual General Meeting, cannot elect all shareholder representatives to Volkswagen AG's supervisory board for as long as the State of Lower Saxony holds at least 15% of the ordinary shares. The Porsche SE group (Porsche SE) is therefore classified as a related party as defined by IAS 24.

As part of the transfer of the operating business and, in turn, the transfer of Porsche Holding Stuttgart GmbH by Porsche SE to Volkswagen AG in the fiscal year 2012, Porsche SE entered into the following agreements with Volkswagen AG and entities of the Porsche Holding Stuttgart GmbH group in particular:

- Under the transfer agreement, Porsche SE in certain circumstances holds Porsche Holding Stuttgart GmbH, Porsche AG and their legal predecessors harmless from tax disadvantages that exceed the obligations from periods up to and including July 31, 2009 recognized at the level of these entities. In return, Volkswagen AG has undertaken to reimburse Porsche SE for any tax benefits of Porsche Holding Stuttgart GmbH, Porsche AG and their legal predecessors and subsidiaries relating to tax assessment periods up to July 31, 2009.
- Porsche SE under certain circumstances holds its subsidiaries transferred under the contribution agreement, Porsche Holding Stuttgart GmbH and Porsche AG and its subsidiaries, harmless from certain obligations toward Porsche SE pertaining to the period up to and including December 31, 2011 and that go beyond the obligations recognized for these entities for this period.
- It was also agreed to allocate any subsequent VAT receivables and/or VAT liabilities arising from transactions up to December 31, 2009 between Porsche SE and Porsche AG to the entity concerned.

- Various information, conduct and cooperation duties were agreed between Porsche SE and the Volkswagen Group.
- Volkswagen AG assumed responsibility for general financing for Porsche AG in the same way as it does for other subsidiaries of Volkswagen AG.

In connection with the IPO of Porsche AG, on September 5, 2022, Porsche AG and Volkswagen AG concluded an agreement regulating future relations, in particular the cooperation, coordination and collaboration regarding certain matters. The agreement regarding collaboration in tax matters between Porsche AG and Volkswagen AG of September 18, 2022, encompasses the following in particular:

- Volkswagen AG bears the tax risk of additional taxes, to the extent to which these are not already covered by corresponding risk provisioning.
- Volkswagen AG assumes all pre-IPO costs, which also include potential taxes from pre-IPO structuring.
- Statement of financial position items that resulted in higher income taxes at Volkswagen AG for assessment periods until the end of 2022, but can lead to tax benefits at Porsche AG through reversal effects in subsequent years from 2023 onwards, will be reimbursed to Volkswagen AG.
- Various information, conduct and cooperation duties were agreed between Porsche AG and Volkswagen AG.

Furthermore, Porsche AG entered into an industrial cooperation agreement with Volkswagen AG on September 5, 2022, which regulates the future design of the industrial and strategic cooperation between the Volkswagen Group and the Porsche AG Group. Under this agreement, Porsche AG and Volkswagen AG have agreed to further develop and detail out the existing cooperation between the contractual parties in the fields of purchase and procurement in a separate agreement. Therefore, and in accordance with the specifications of the Industrial Cooperation Agreement, Porsche AG and Volkswagen AG entered into a purchasing and procurement cooperation agreement. This agreement contains general principles for the continuation of the existing cooperation between the contractual parties, including rules on its general organization as well as specific provisions for certain essential areas of purchasing and procurement.

Pursuant to a consortium agreement, the Porsche and Piëch families have direct and indirect control, respectively, over Porsche SE. Therefore, relations with individuals and entities of the Porsche and Piëch families are subject to the disclosure requirements.

Pursuant to the announcement from January 2, 2025, the State of Lower Saxony and Hannoversche Beteiligungsgesellschaft Niedersachsen mbH, Hanover, hold 20.00% of the voting rights in Volkswagen AG on December 31, 2024. Furthermore, as mentioned above, the Annual General Meeting of Volkswagen AG resolved on December 3, 2009 that the State of Lower Saxony may appoint two members of the Supervisory Board (right of appointment).

The tables below show the amounts of the supplies and services transacted as well as outstanding receivables and liabilities between fully consolidated companies of the Porsche AG Group and related parties:

Related parties

€ million	Supplies and services rendered 2024	Supplies and services rendered 2023	Supplies and services received 2024	Supplies and services received 2023
Porsche und Piëch families	0	0	0	0
Porsche SE	3	3	0	0
State of Lower Saxony, its majority interests and joint ventures	–	0	–	–
Volkswagen AG - Group	4,789	4,889	6,970	6,685
Porsche Holding Stuttgart GmbH	0	3	–	–
Non-consolidated entities	110	175	229	256
Joint ventures and their majority interests	3	2	70	53
Associates and their majority interests	5	6	156	203
Pension plans	1	1	1	0
Members of the Executive Board and the Supervisory Board Porsche AG	2	1	–	–
Other related parties	–	–	–	–
Total	**4,913**	**5,079**	**7,427**	**7,197**

€ million	Receivables Dec. 31, 2024	Receivables Dec. 31, 2023	Liabilities Dec. 31, 2024	Liabilities Dec. 31, 2023
Porsche und Piëch families	0	0	0	0
Porsche SE	0	0	2	0
State of Lower Saxony, its majority interests and joint ventures	–	0	–	–
Volkswagen AG - Group	4,428	6,399	1,801	2,015
Porsche Holding Stuttgart GmbH	–	–	67	67
Non-consolidated entities	1,073	708	276	147
Joint ventures and their majority interests	66	60	7	6
Associates and their majority interests	153	137	90	115
Pension plans	–	–	0	0
Members of the Executive Board and the Supervisory Board Porsche AG	0	0	–	–
Other related parties	–	–	–	–
Total	**5,720**	**7,305**	**2,243**	**2,351**

All transactions with related parties are regularly carried out at arm's length conditions.

There were no material trade relationships with the Porsche and Piëch families and their affiliated companies in the reporting period or the prior period.

Receivables from the Volkswagen Group largely relate to cash pool receivables of €3,210 million (2023: €4,064 million), loans granted of €0 million (2023: €530 million), receivables from intragroup balances of €0 million (2023: €85 million) and trade receivables of €467 million (2023: €407 million).

The supplies and services rendered to the Volkswagen group contain amounts of €114 million (2023: €119 million) for service transfers in the area of research and development.

In addition, there were other obligations not recognized in the statement of financial position in 2024 to Volkswagen Group companies amounting to €391 million (2023: €365 million).

Receivables from non-consolidated subsidiaries primarily result from loans granted of €909 million (2023: €624 million), with €30 million (2023: €33 million) relating to Dastera Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG, as well as trade receivables of €27 million (2023: €34 million). Receivables from associates mainly result from receivables from non-current finance leases of €27 million (2023: €24 million) as well as from loans granted €105 million (2023: €105 million).

In 2024, there were other obligations not recognized in the statement of financial position to non-consolidated subsidiaries amounting to €195 million (2023: €409 million), to associates of €210 million (2023: €227 million) and to joint ventures of €21 million (2023: €5 million).

The tables above do not contain the dividend payments received from joint ventures and associates of €4 million (2023: €2 million). Nor do the tables contain the dividends of €1,584 million (2023: €690 million) paid to Porsche Holding Stuttgart GmbH and the dividends of €262 million (2023: €114 million) paid to Porsche SE.

The maximum default risk for financial guarantees issued to joint ventures amounted to €57 million (2023: €62 million).

The disclosure requirements under IAS 24 also extend to persons who have the power to exercise significant influence over the entity, i.e., who have the power to participate in the financial and operating policies of the entity, but do not control it, including close family members. In the reporting period, this related to the members of the Executive Board of Porsche AG and its Supervisory Board as well as their close family members. Supplies and services rendered and receivables from members of management bodies and the Supervisory Board only included services from the vehicle, parts and design business, and other services. The employee representatives appointed to the Supervisory Board continue to be entitled to a normal salary in accordance with their employment contracts.

The benefits and compensation paid to the members of the Executive Board and of the Supervisory Board for their work as members of those bodies are presented below and are not included in the above list of supplies and services rendered or received or the list of the receivables and liabilities.

In addition, the following benefits and compensation granted to the members of the Executive Board and of the Supervisory Board of Porsche AG have been recognized as expenses for their work as members of those bodies at Porsche AG:

€ million	**2024**	**2023**
Short-term employee benefits	20	16
Benefits based on performance shares	2	4
Post-employment benefits	3	3
	25	**23**

There were balances outstanding at the end of the period including obligations for short-term and long-term benefits including post-employment benefits as well as for the fair values of the performance shares granted to the Executive Board members under the performance share plans based on the Volkswagen and Porsche preferred shares and virtual shares in connection with the IPO bonus of €63 million (2023: €62 million) → **43. REMUNERATION BASED ON PERFORMANCE SHARES (SHARE-BASED PAYMENT)**. The post-employment benefits concern the additions to pension provisions for service cost relating to active Executive Board members including the pension plans funded by Executive Board members. The chairman of the Executive Board of Porsche AG, who is also chairman of the board of management of Volkswagen AG, receives half of his remuneration from Porsche AG and half from Volkswagen AG.

In the fiscal year, the Porsche AG Group made capital contributions at related parties of €154 million (2023: €217 million).

45. TOTAL FEES OF THE GROUP AUDITOR

Porsche AG is required by German commercial law to disclose the total fees charged by the group auditor, “EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft”, Stuttgart, for the fiscal year.

€ million	2024	2023
Financial statement audit services	4	5
Other assurance services	1	0
Tax advisory services	–	–
Other services	0	0
	5	**5**

The financial statement audit services related to the audit of the consolidated financial statements of Porsche AG and of annual financial statements of German group companies, to reviews of the interim consolidated financial statements of Porsche AG as well as of interim financial statements of German group companies during the year. Other assurance services mainly related to non-statutory audits as well as non-statutory assurance services for capital market transactions.

46. SUBSEQUENT EVENTS

There were no events of significance for the results of operations, financial position and net assets after the end of the fiscal year 2024.

47. NOTIFICATIONS OF CHANGES IN THE VOTING RIGHTS IN PORSCHE AG PURSUANT TO THE GERMAN SECURITIES TRADING ACT (WPHG)

47.1 Publication pursuant to section 40 (1) WpHG from December 18, 2024

1. Details of issuer
Dr. Ing. h.c. F. Porsche Aktiengesellschaft, Porscheplatz 1, 70435 Stuttgart, Deutschland

2. Reason for notification
Other reason:
Control relinquished

3. Details of party subject to the notification obligation

Name:	City and country of registered office:
Ing. Hans-Peter Porsche	

4. Names of shareholder(s) holding directly 3% or more voting rights, if different from 3.

5. Date on which threshold was crossed or reached:
Dec. 18, 2024

6. Total positions				
	% of voting rights attached to shares (total of 7.a.)	% of voting rights through instruments (total of 7.b.1. + 7.b.2.)	Total of both % (7.a. + 7.b.)	Total number of voting rights of issuer
Resulting situation	0.00%	0.00%	0.00%	455,500,000
Previous notification	100.00%	0.00%	100.00%	

7. Notified details of the resulting situation
a. Voting rights attached to shares (section 33, 34 WpHG)

ISIN	absolute		%	
	Direct (section 33 WpHG)	Indirect (section 34 WpHG)	Direct (section 33 WpHG)	Indirect (section 34 WpHG)
DE000PAG9113	0	0	0.00%	100.00%
Total	0		0.00%	

b.1. Instruments according to section 38 (1) no. 1 WpHG				
Type of instrument	Expiration or maturity date	Exercise or conversion period	Voting rights absolute	Voting rights %
				0.00%
		Total		0.00%

b.2. Instruments according to section 38 (1) no. 2 WpHG					
Type of instrument	Expiration or maturity date	Exercise or conversion period	Cash or physical settlement	Voting rights absolute	Voting rights %
			Total		

8. Information in relation to the party subject to the notification obligation
Party subject to the notification obligation is not controlled nor does it control any other undertaking(s) that directly or indirectly hold(s) an interest in the (underlying) issuer (1.).

9. In case of proxy voting according to section 34 (3) WpHG Date of Annual General Meeting:		
% of voting rights attached to shares	% of voting rights through instruments	Total of both
%	%	%

48. GERMAN CORPORATE GOVERNANCE CODE

In December 2024, the Executive Board and the Supervisory Board of Porsche AG issued a declaration of conformity with the German Corporate Governance Code pursuant to section 161 AktG and made it permanently available to the shareholders of Porsche AG at ↗ **https://investorrelations.porsche.com/en/corporate-governance/.**

49. REMUNERATION OF THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The total remuneration granted to this group of people amounts to €30 million (2023: €25 million).

Under the performance share plan, the active members of the Executive Board were not granted any new performance shares for the fiscal year 2024, as in the prior year. For the fiscal year 2024, a total of 138,057 performance shares were allocated based on the Porsche preferred share (2023: 85,266), the value of which came to €13 million (2023: €12 million) as of the date of allocation. As part of the IPO, the Supervisory Board of Porsche AG also granted an IPO bonus for the members of the Executive Board in the form of a virtual share plan → **43. REMUNERATION BASED ON PERFORMANCE SHARES (SHARE-BASED PAYMENT))**. In this context, the members of the Executive Board were not granted any new virtual shares in the fiscal year 2024, as in the prior year.

The total remuneration granted to the members of the Supervisory Board amounts to €3 million (2023: €3 million).

Pension claims and payments to former members of the executive board

The former members of the Executive Board and their surviving dependents were granted €2 million (2023: €2 million). For this group of people, there were provisions for pensions of €40 million (2023: €46 million).

The individual remuneration of members of the Executive Board and the Supervisory Board is explained in the remuneration report. This also contains an extensive assessment of the individual remuneration components.

50. LIST OF SHAREHOLDINGS

					Porsche AG's interest in capital %						
Name of company	Domicile	Country	Currency	Exchange rate (€1 =) Dec. 31, 2024	Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
I. PARENT COMPANY											
Dr. Ing. h.c. F. Porsche AG	Stuttgart										
II. SUBSIDIARIES											
A. Consolidated companies											
1. Germany											
Manthey Racing GmbH	Meuspath	Germany	EUR		51.00	–	51.00	12,345	2,270		2023
MHP Management- und IT-Beratung GmbH	Ludwigsburg	Germany	EUR		–	100.00	100.00	312,487	77,362		2023
Porsche Consulting GmbH	Bietigheim-Bissingen	Germany	EUR		100.00	–	100.00	700	–	1	2023
Porsche Deutschland GmbH	Bietigheim-Bissingen	Germany	EUR		100.00	–	100.00	18,120	–	1	2023
Porsche Dienstleistungs GmbH	Stuttgart	Germany	EUR		100.00	–	100.00	43	–	1	2023
Porsche Digital GmbH	Ludwigsburg	Germany	EUR		100.00	–	100.00	20,025	–	1	2023
Porsche Engineering Group GmbH	Weissach	Germany	EUR		100.00	–	100.00	4,000	–	1	2023
Porsche Engineering Services GmbH	Bietigheim-Bissingen	Germany	EUR		100.00	–	100.00	1,601	–	1	2023
Porsche Erste Beteiligungs-gesellschaft mbH	Stuttgart	Germany	EUR		100.00	–	100.00	534,920	–	1	2023
Porsche Financial Services GmbH	Bietigheim-Bissingen	Germany	EUR		100.00	–	100.00	26,608	–	1	2023
Porsche Financial Services GmbH & Co. KG	Bietigheim-Bissingen	Germany	EUR		–	100.00	100.00	184,474	14,502		2023
Porsche Financial Services Verwaltungs-gesellschaft mbH	Bietigheim-Bissingen	Germany	EUR		–	100.00	100.00	119	7		2023
Porsche Immobilien GmbH & Co. KG	Stuttgart	Germany	EUR		100.00	–	100.00	59,971	8,113		2023
Porsche Leipzig GmbH	Leipzig	Germany	EUR		100.00	–	100.00	2,500	–	1	2023
Porsche Lifestyle GmbH & Co. KG	Ludwigsburg	Germany	EUR		100.00	–	100.00	10,539	22,090		2023
Porsche Logistik GmbH	Stuttgart	Germany	EUR		100.00	–	100.00	1,000	–	1	2023
Porsche Nieder-lassung Berlin GmbH	Berlin	Germany	EUR		–	100.00	100.00	2,500	–	1	2023
Porsche Niederlassung Berlin-Potsdam GmbH	Klein-machnow	Germany	EUR		–	100.00	100.00	1,700	–	1	2023
Porsche Niederlassung Hamburg GmbH	Hamburg	Germany	EUR		–	100.00	100.00	2,000	–	1	2023
Porsche Niederlassung Stuttgart GmbH	Stuttgart	Germany	EUR		–	100.00	100.00	2,500	–	1	2023

					Porsche AG's interest in capital %						
Name of company	Domicile	Country	Currency	Exchange rate (€1 =) Dec. 31, 2024	Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Footnote	Year
Porsche Nordamerika Holding GmbH	Ludwigsburg	Germany	EUR		100.00	-	100.00	58,311	-	1	2023
Porsche Sales & Marketplace GmbH	Stuttgart	Germany	EUR		100.00	-	100.00	2,200	2	1	2023
Porsche Verwaltungs-gesellschaft mit beschränkter Haftung	Ludwigsburg	Germany	EUR		100.00	-	100.00	43	5		2023
Porsche Werkzeugbau GmbH	Schwarzen-berg	Germany	EUR		100.00	-	100.00	70,881	2,688		2023
Porsche Zentrum Hoppegarten GmbH	Stuttgart	Germany	EUR		-	100.00	100.00	2,556	-	1	2023
UI-356 fund	Frankfurt am Main	Germany	EUR		84.59	15.41	100.00	1,597,567	97,606	2	2023
UI-SP25 fund	Frankfurt am Main	Germany	EUR		100.00	-	100.00	412,175	17,974	2	2023
2. International											
Carrera Finance S.A.	Luxembourg	Luxembourg	EUR		-	-	-	31	-	2	2023
Carrera Italia SPV S.r.l.	Conegliano	Italy	EUR		-	-	-	10	-	2	2023
MHP Consulting Romania S.R.L.	Cluj-Napoca	Romania	RON	4.9744	-	100.00	100.00	31,044	10,390		2023
Nardò Technical Center S.r.l.	Santa Chiara di Nardò	Italy	EUR		-	100.00	100.00	16,751	3,127		2023
PCREST II Holdings Ltd.	Vancouver/BC	Canada	CAD	1.4972	-	100.00	100.00	990	-	2	2023
PCREST Ltd.	Mississauga/ON	Canada	CAD	1.4972	-	100.00	100.00	3	-	3	2023
PCTX LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	506	-		2023
PJOLT-1 LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	99,673	44,654	2, 4	2023
Porsamadrid S.L.	Madrid	Spain	EUR		-	100.00	100.00	11,611	4,897		2023
Porsche (China) Motors Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	5,294,453	2,141,019		2023
Porsche (Shanghai) Commercial Services Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	615,462	108,210		2023
Porsche Asia Pacific Pte. Ltd.	Singapore	Singapore	SGD	1.4189	100.00	-	100.00	101,454	21,647		2023
Porsche Auto Funding LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	49,000	-	2	2023
Porsche Aviation Products, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	697	26		2023
Porsche Brasil Importadora de Veículos Ltda.	São Paulo	Brazil	BRL	6.4314	100.00	-	100.00	240,117	230,117		2023
Porsche Business Services, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	20,066	5,544		2023
Porsche Canadian Funding II L.P.	Mississauga/ON	Canada	CAD	1.4972	-	100.00	100.00	229,893	10,616	2	2023
Porsche Canadian Funding L.P.	Mississauga/ON	Canada	CAD	1.4972	-	100.00	100.00	106,913	6,170		2023
Porsche Canadian Investment ULC	Halifax/NS	Canada	CAD	1.4972	-	100.00	100.00	616	-61		2023
Porsche Cars Australia Pty. Ltd.	Collingwood	Australia	AUD	1.6761	100.00	-	100.00	197,715	21,996		2023
Porsche Cars Canada Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	246,472	31,795		2023
Porsche Cars Great Britain Ltd.	Reading	Great Britain	GBP	0.8302	-	100.00	100.00	197,817	33,446		2023

Name of company	Domicile	Country	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
Porsche Cars North America, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	2,141,374	635,917		2023
Porsche Central and Eastern Europe s.r.o.	Prague	Czech Republic	CZK	25.1505	100.00	-	100.00	169,196	17,502		2023
Porsche Centre Beijing Central Ltd.	Beijing	China	CNY	7.5986	-	100.00	100.00	42,458	37,267		2023
Porsche Centre Beijing Goldenport Ltd.	Beijing	China	CNY	7.5986	-	100.00	100.00	24,445	22,945		2023
Porsche Centre North Toronto Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	26,430	5,093		2023
Porsche Centre Shanghai Pudong Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	85,173	54,448		2023
Porsche Centre Shanghai Waigaoqiao Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	92,214	22,982		2023
Porsche Consulting Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	69,296	15,423		2023
Porsche Consulting S.r.l.	Milan	Italy	EUR		-	100.00	100.00	22,372	3,621		2023
Porsche Consulting, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	5,205	489		2023
Porsche Design GmbH	Zell am See	Austria	EUR		-	100.00	100.00	4,393	1,741		2023
Porsche Design of America, Inc.	Ontario/CA	USA	USD	1.0410	-	100.00	100.00	2,832	159		2023
Porsche Distribution S.A.S.	Vélizy-Villacoublay	France	EUR		-	100.00	100.00	44,641	3,420		2023
Porsche Engineering Services s.r.o.	Prague	Czech Republic	CZK	25.1505	-	100.00	100.00	502,017	121,563		2023
Porsche Enterprises, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	246,660	1,016,969		2023
Porsche Financial Auto Securitization Trust 2023-1	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	17,379	-6,621	2, 4	2023
Porsche Financial Auto Securitization Trust 2023-2	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	19,114	-1,886	2, 4	2023
Porsche Financial Auto Securitization Trust 2024-1	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-	-	2, 4, 5	2024
Porsche Financial Auto Securitization Trust 2025-1	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-	-	2, 4, 5	2024
Porsche Financial Leasing Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	315,161	82		2023
Porsche Financial Services Australia Pty. Ltd.	Collingwood	Australia	AUD	1.6761	-	100.00	100.00	5,439	945		2023
Porsche Financial Services Canada G.P.	Mississauga/ON	Canada	CAD	1.4972	-	100.00	100.00	34,815	2,891	6	2023
Porsche Financial Services France S.A.S.	Asnières-sur-Seine	France	EUR		-	100.00	100.00	25,286	3,649		2023
Porsche Financial Services Great Britain Ltd.	Reading	United Kingdom	GBP	0.8302	-	100.00	100.00	36,054	9,268		2023
Porsche Financial Services Italia S.p.A.	Padua	Italy	EUR		-	100.00	100.00	101,020	10,796		2023
Porsche Financial Services Japan K.K.	Tokyo	Japan	JPY	163.2300	-	100.00	100.00	8,605,696	976,254		2023
Porsche Financial Services Korea Ltd.	Seoul	South Korea	KRW	1,534.3200	-	100.00	100.00	106,305,485	6,604,656		2023

Name of company	Domicile	Country	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Footnote	Year
Porsche Financial Services Schweiz AG	Rotkreuz	Switzerland	CHF	0.9421	-	100.00	100.00	22,001	3,332		2023
Porsche Financial Services, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	242,037	33,690	6	2023
Porsche France S.A.S.	Asnières-sur-Seine	France	EUR		-	100.00	100.00	149,810	10,446		2023
Porsche Funding L.P.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	257,844	489,752		2023
Porsche Hong Kong Ltd.	Hong Kong	Hong Kong	HKD	8.0843	100.00	-	100.00	2,297,711	532,180		2023
Porsche Ibérica S.A.	Madrid	Spain	EUR		99.99	-	99.99	128,115	13,140		2023
Porsche Innovative Lease Owner Trust 2016-A	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	44,848	-4,609	2	2023
Porsche Innovative Lease Owner Trust 2024-1	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-	-	2, 4, 5	2024
Porsche Innovative Lease Owner Trust 2024-2	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-	-	2, 4, 5	2024
Porsche International Financing DAC	Dublin	Ireland	EUR		100.00	-	100.00	189,105	4,408		2023
Porsche International Reinsurance DAC	Dublin	Ireland	EUR		-	100.00	100.00	271,015	33,734		2023
Porsche Investments Management S.A.	Luxembourg	Luxembourg	EUR		100.00	-	100.00	2,726,057	-41,556		2023
Porsche Italia S.p.A.	Padua	Italy	EUR		-	100.00	100.00	165,441	14,781		2023
Porsche Japan K.K.	Tokyo	Japan	JPY	163.2300	100.00	-	100.00	9,391,076	3,570,960		2023
Porsche Korea Ltd.	Seoul	South Korea	KRW	1,534.3200	100.00	-	100.00	72,823,155	43,081,379		2023
Porsche Latin America, Inc.	Miami/FL	USA	USD	1.0410	-	100.00	100.00	5,504	526		2023
Porsche Leasing Ltd.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-980,391	-589,915	2	2023
Porsche Logistics Services LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	5,003	161		2023
Porsche Middle East and Africa FZE	Dubai	United Arab Emirates	USD	1.0410	100.00	-	100.00	34,675	25,056		2023
Porsche Motorsport North America, Inc.	Santa Ana/CA	USA	USD	1.0410	-	100.00	100.00	18,075	2,928		2023
Porsche Norge AS	Oslo	Norway	NOK	11.7832	75.00	-	75.00	25,540	-40,460		2023
Porsche Retail Group Australia Pty. Ltd.	Collingwood	Australia	AUD	1.6761	-	100.00	100.00	76,145	14,452		2023
Porsche Retail Group Ltd.	Reading	United Kingdom	GBP	0.8302	-	100.00	100.00	88,341	16,622		2023
Porsche Retail Italia S.r.l.	Milan	Italy	EUR		-	100.00	100.00	29,103	7,611		2023
Porsche Sales & Marketplace Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	-1,887	-227		2023
Porsche Schweiz AG	Rotkreuz	Switzerland	CHF	0.9421	-	100.00	100.00	52,602	10,831		2023
Porsche Services Ibérica, S.L.	Madrid	Spain	EUR		-	100.00	100.00	2,061	274		2023
Porsche Singapore Pte. Ltd.	Singapore	Singapore	SGD	1.4189	-	75.00	75.00	2,239	13		2023
Porsche Taiwan Motors Ltd.	Taipei	Taiwan	TWD	34.1011	-	100.00	100.00	1,375,395	1,193,730		2023
Porsche Zentrum Zug, Risch AG	Rotkreuz	Switzerland	CHF	0.9421	-	100.00	100.00	17,964	5,496		2023
PPF Holding AG	Zug	Switzerland	CHF	0.9421	100.00	-	100.00	6,632	-31		2023
PREV LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	79,378	3,952	2	2023

Name of company	Domicile	Country	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
Shanghai Jie Gang Enterprise Management Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	23,642	-79		2023
B. Unconsolidated companies											
1. Germany											
Cellforce Group GmbH	Tübingen	Germany	EUR		-	100.00	100.00	-64,252	-79,956	1	2023
Cetitec GmbH	Pforzheim	Germany	EUR		100.00	-	100.00	5,838	1,701		2023
Dastera Grundstücks-verwaltungsgesell-schaft mbH & Co. Vermietungs KG	Mainz	Germany	EUR		94.00	-	94.00	-522	-74	2	2023
Datura Grundstücks-verwaltungsgesell-schaft mbH & Co. Vermietungs KG	Mainz	Germany	EUR		94.00	-	94.00	-172	15	2	2023
Initium GmbH	Berlin	Germany	EUR		-	100.00	100.00	125	-	1	2023
Manthey Servicezentrum GmbH	Meuspath	Germany	EUR		-	100.00	100.00	1,493	625		2023
OverTake GmbH	Cologne	Germany	EUR		100.00	-	100.00	707	-994		2023
Porsche eBike Performance GmbH	Ottobrunn	Germany	EUR		-	60.00	60.00	108,477	-31,436		2023
Porsche Sechste Beteiligungsgesellsch aft mbH	Stuttgart	Germany	EUR		100.00	-	100.00	27	0		2023
serva GmbH, in liquidation	Stuttgart	Germany	EUR		-	100.00	100.00	1,163	-24	7	2023
Smart Zero UG (haftungsbeschränkt), in liquidation	Berlin	Germany	EUR		-	100.00	100.00	-	-	7	2024
2. International											
AFN Ltd.	Reading	United Kingdom	GBP	0.8302	-	100.00	100.00	0	-	3	2023
Cetitec d.o.o.	Cakovec	Croatia	EUR		-	100.00	100.00	469	466		2023
Cetitec USA Inc., in liquidation	Dublin/OH	USA	USD	1.0410	-	100.00	100.00	177	-27	7	2023
Greyp ESOP d.d., jsc	Zagreb	Croatia	EUR		-	90.05	90.05	42	7	2	2023
MHP (Shanghai) Management Consultancy Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	32,808	1,598		2023
MHP Americas, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	438	-1,347		2023
MHP Consulting UK Ltd.	Birmingham	United Kingdom	GBP	0.8302	-	100.00	100.00	-83	38		2023
MHP Management and IT Consulting Mexico, S. de R.L. de C.V.	Guadalajara	Mexico	MXN	21.5892	-	100.00	100.00	6,209	1,005		2023
OOO Porsche Center Moscow	Moscow	Russian Federation	RUB	112.4384	-	100.00	100.00	923,176	-82,121		2023
OOO Porsche Financial Services Russland	Moscow	Russian Federation	RUB	112.4384	-	100.00	100.00	292,344	4,072		2023
OOO Porsche Russland	Moscow	Russian Federation	RUB	112.4384	99.00	1.00	100.00	2,291,165	-690,375		2023
Porsche (Shanghai) Investment Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	-	-	5	2024
Porsche Arctic Center Oy	Hanhimaa	Finland	EUR		-	100.00	100.00	2,554	242	8	2024
Porsche Consulting Canada Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	2,860	452		2023

					Porsche AG's interest in capital %						
Name of company	Domicile	Country	Currency	Exchange rate (€1 =) Dec. 31, 2024	Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
Porsche Consulting Ltda.	São Paulo	Brazil	BRL	6.4314	-	100.00	100.00	1,500	-1,185		2023
Porsche Consulting S.A.S.	Paris	France	EUR		-	100.00	100.00	1,000	1,451		2023
Porsche Design Asia Hong Kong Ltd.	Hong Kong	Hong Kong	HKD	8.0843	-	100.00	100.00	3,507	118		2023
Porsche Design Great Britain Ltd.	Reading	United Kingdom	GBP	0.8302	-	100.00	100.00	1	6,479		2023
Porsche Design Italia S.r.l.	Padua	Italy	EUR		-	100.00	100.00	272	-4		2023
Porsche Design Netherlands B.V.	Roermond	Netherlands	EUR		-	100.00	100.00	938	-53		2023
Porsche Design Sales (Shanghai) Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	660	-143	3	2023
Porsche Design Studio North America, Inc.	Beverly Hills/ CA	USA	USD	1.0410	-	100.00	100.00	48	-	3	2023
Porsche Design Timepieces AG	Solothurn	Switzerland	CHF	0.9421	-	100.00	100.00	5,717	1,103		2023
Porsche Digital China Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	33,394	10,506		2023
Porsche Digital Croatia d.o.o.	Zagreb	Croatia	EUR		-	50.00	50.00	3,418	2,222	9	2023
Porsche Digital España, S.L.	Barcelona	Spain	EUR		-	100.00	100.00	465	285		2023
Porsche Digital Israel Ltd.	Tel Aviv	Israel	ILS	3.7953	-	100.00	100.00	2,783	784		2023
Porsche Digital, Inc.	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	22,578	-5,622		2023
Porsche Drive Canada, Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	777	-656		2023
Porsche Drive LLC	Atlanta/GA	USA	USD	1.0410	-	100.00	100.00	536	-5,001		2023
Porsche Drive S.r.l.	Trento	Italy	EUR		-	100.00	100.00	1,582	369		2023
Porsche eBike Performance d.o.o.	Sveta Nedelja	Croatia	EUR		-	68.17	68.17	1,716	-11,251		2023
Porsche Engineering (Shanghai) Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	122,533	50,465		2023
Porsche Engineering Romania S.R.L.	Cluj-Napoca	Romania	RON	4.9744	-	100.00	100.00	19,312	5,887		2023
Porsche Engineering Services North America, Inc.	Carson/CA	USA	USD	1.0410	-	100.00	100.00	505	5	4	2023
Porsche Investments Management I S.à r.l.	Luxembourg	Luxembourg	EUR		-	100.00	100.00	1,981	-19	4	2023
Porsche Motorsport Asia-Pacific Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	17,773	3,659		2023
Porsche Polska Sp. z o.o.	Warsaw	Poland	PLN	4.2719	-	100.00	100.00	-	-	5	2024
Porsche Private Markets GP S.à r.l.	Luxembourg	Luxembourg	EUR		-	100.00	100.00	-	-	5	2024
Porsche Sales & Marketplace Canada, Ltd.	Toronto/ON	Canada	CAD	1.4972	-	100.00	100.00	1,690	632		2023
Porsche Services Korea LLC	Seoul	South Korea	KRW	1,534.3200	-	100.00	100.00	4,105,963	240,744		2023
Porsche Services Middle East & Africa FZE	Dubai	United Arab Emirates	USD	1.0410	-	100.00	100.00	1,356	473		2023
Porsche Services Singapore Pte. Ltd.	Singapore	Singapore	SGD	1.4189	-	100.00	100.00	-546	-150		2023
Porsche Smart Battery Shop s.r.o.	Dubnica nad Váhom	Slovakia	EUR		-	100.00	100.00	31,540	466		2023

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Porsche Werkzeugbau s.r.o.	Dubnica nad Váhom	Slovakia	EUR		-	100.00	100.00	19,118	1,362		2023
Ruso IT Solutions Pvt. Ltd.	Bangalore	India	INR	89.1080	-	100.00	100.00	-	-	10	2024
Shanghai Advanced Automobile Technical Centre Co., Ltd.	Shanghai	China	CNY	7.5986	-	100.00	100.00	17,257	3,821		2023
III. JOINT VENTURES											
A. Equity-accounted companies											
1. Germany											
2. International											
B. Companies accounted for at cost											
1. Germany											
Axel Springer Porsche GmbH & Co. KG	Berlin	Germany	EUR		-	50.00	50.00	25,468	-3,016		2023
Axel Springer Porsche Management GmbH	Berlin	Germany	EUR		-	50.00	50.00	31	19		2022
FlexFactory GmbH, in liquidation	Stuttgart	Germany	EUR		-	50.00	50.00	240	-1,255	7	2023
Intelligent Energy System Services GmbH	Ludwigsburg	Germany	EUR		-	50.00	50.00	3,364	1,136		2023
PDB-Partnership for Dummy Technology and Biomechanics GbR	Gaimersheim	Germany	EUR		20.00	-	20.00	-	-	11, 12	2023
Smart Press Shop GmbH & Co. KG	Halle	Germany	EUR		50.00	-	50.00	27,055	3,860		2023
Smart Press Shop Verwaltungs-GmbH	Stuttgart	Germany	EUR		50.00	-	50.00	39	3		2023
2. International											
Bugatti International Holding S.à r.l.	Luxembourg	Luxembourg	EUR		49.00	-	49.00	92,829	-86		2023
Material Science Center Qatar QSTP-LLC, in liquidation	Doha	Qatar	QAR	3.7948	25.00	-	25.00	-	-	3, 7	2024
IV. ASSOCIATES											
A. Equity-accounted associates											
1. Germany											
Bertrandt AG	Ehningen	Germany	EUR		28.97	-	28.97	364,702	14,935	8	2023
IONITY Holding GmbH & Co. KG	Munich	Germany	EUR		-	15.12	15.12	559,530	-36,516		2023
2. International											
Bugatti Rimac d.o.o.	Sveta Nedelja	Croatia	EUR		45.00	-	45.00	481,387	-18,776		2023
Group14 Technologies, Inc.	Wilmington/DE	USA	USD	1.0410	-	3.36	3.36	596,490	-40,304	13	2023
HIF Global LLC	Houston/TX	USA	USD	1.0410	-	10.98	10.98	67,708	-69,602	13	2023
Rimac Group d.o.o.	Sveta Nedelja	Croatia	EUR		-	20.63	20.63	882,137	-10,043		2023

Name of company	Domicile	Country	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Footnote	Year
B. Associates accounted for at cost											
1. Germany											
&Charge GmbH	Frankfurt am Main	Germany	EUR		–	21.65	21.65	-1,051	-1,151		2023
Customcells Holding GmbH	Itzehoe	Germany	EUR		–	11.33	11.33	–	–	14	2023
cylib GmbH	Aachen	Germany	EUR		–	5.48	5.48	–	–	10	2024
Fanzone Media GmbH	Berlin	Germany	EUR		–	4.99	4.99	–	–	14	2023
New Horizon GmbH	Berlin	Germany	EUR		–	16.64	16.64	-1,878	-4,852		2023
P2 eBike GmbH	Stuttgart	Germany	EUR		–	40.00	40.00	535	-158		2023
The Business Romantic Society Verwaltungs GmbH	Berlin	Germany	EUR		–	20.72	20.72	-2,245	-278		2023
VfB Stuttgart 1893 AG	Stuttgart	Germany	EUR		10.41	–	10.41	–	–	10	2024
2. International											
Autounify, Inc.	Wilmington/ DE	USA	USD	1.0410	–	33.33	33.33	–	–	10	2024
BrainPower Energy, Inc.	Wilmington/ DE	USA	USD	1.0410	–	33.33	33.33	–	–	10	2024
IonRoad, Inc.	Wilmington/ DE	USA	USD	1.0410	–	33.33	33.33	–	–	10	2024
Pull Data Inc.	Santa Monica/CA	USA	USD	1.0410	–	33.33	33.33	–	–	14	2023
Sensigo, Inc.	Wilmington/ DE	USA	USD	1.0410	–	33.33	33.33	–	–	4, 14	2023
Stellar Tele-communications S.A.S.	Meudon	France	EUR		–	20.00	20.00	-875	-434		2023
Vulog S.A.	Nice	France	EUR		–	6.62	6.62	–	–	10	2024
V. OTHER EQUITY INVESTMENTS											
1. Germany											
1KOMMA5° GmbH	Hamburg	Germany	EUR		–	6.24	6.24	248,151	-12,126		2023
aware THE PLATFORM GmbH, in liquidation	Berlin	Germany	EUR		–	5.00	5.00	–	–	7, 14	2023
Black Semiconductor GmbH	Aachen	Germany	EUR		–	7.12	7.12	–	–	10	2024
Denizen GmbH	Berlin	Germany	EUR		–	5.00	5.00	–	–	14	2023
e.ventures europe V GmbH & Co. KG	Hamburg	Germany	EUR		–	7.91	7.91	66,630	5,599	2	2023
e.ventures europe VI GmbH & Co. KG	Hamburg	Germany	EUR		–	3.33	3.33	107,134	-3,118	2	2023
Fiducia Mailing Services eG	Karlsruhe	Germany	EUR		0.07	–	0.07	–	–		2024
Headline Europe VII GmbH & Co. KG	Berlin	Germany	EUR		–	3.13	3.13	53,841	-8,369	2	2023
Heartfelt APX GmbH & Co. KG	Berlin	Germany	EUR		–	14.41	14.41	3,626	-948		2023
HWW - Höchst-leistungsrechner für Wissenschaft und Wirtschaft GmbH	Stuttgart	Germany	EUR		10.00	–	10.00	1,450	49		2023
Impact Labs GmbH	Hamburg	Germany	EUR		–	7.75	7.75	-1,266	-1,113		2023
My Inner Health Club GmbH, in liquidation	Berlin	Germany	EUR		–	5.00	5.00	–	–	7, 14	2023

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NitroBox GmbH	Hamburg	Germany	EUR		–	7.35	7.35	–	–	14	2023
onGRID Sports Technology GmbH	Berlin	Germany	EUR		–	8.09	8.09	-1,126	-986		2023
Retorio GmbH	Munich	Germany	EUR		–	7.99	7.99	4,433	-1,561		2023
RYDES GmbH	Berlin	Germany	EUR		–	11.57	11.57	3,457	1,310		2023
Sharpist GmbH	Berlin	Germany	EUR		–	3.70	3.70	–	–	14	2023
Tomorrow GmbH	Hamburg	Germany	EUR		–	3.14	3.14	–	–	10	2024
Triple AI GmbH	Berlin	Germany	EUR		–	5.69	5.69	900	-275		2023
WORKERBASE GmbH	Munich	Germany	EUR		–	5.41	5.41	7,957	-1,972		2023
2. International											
actnano Inc.	Dover/DE	USA	USD	1.0410	–	3.59	3.59	–	–	14	2023
AM Batteries LLC	Billerica/MA	USA	USD	1.0410	–	1.80	1.80	–	–	14	2023
Anagog Ltd.	Tel Aviv	Israel	ILS	3.7953	–	4.74	4.74	–	–	14	2023
Applied Intuition, Inc.	Mountain View/CA	USA	USD	1.0410	–	4.46	4.46	–	–	10	2024
Atomic Industries Inc.	Cleveland Heights/OH	USA	USD	1.0410	–	5.35	5.35	–	–	14	2023
Bcomp Ltd.	Fribourg	Switzerland	CHF	0.9421	–	3.50	3.50	11,033	-8,084		2023
Beijing Achievers Management Consulting Co., Ltd.	Beijing	China	CNY	7.5986	–	14.90	14.90	7,596	-3,308		2023
BQ Holding Ltd.	Weymouth	United Kingdom	GBP		–	0.30	0.30	–	–	14	2023
Bumper International Ltd.	London	United Kingdom	GBP	0.8302	–	4.60	4.60	22,520	-368		2023
CarPutty Inc.	Wilmington/DE	USA	USD	1.0410	–	10.08	10.08	–	–	14	2023
Chemix, Inc.	Sunnyvale/CA	USA	USD	1.0410	–	5.33	5.33	–	–	10	2024
Connect IQ Labs, Inc.	Redwood City/CA	USA	USD	1.0410	–	4.90	4.90	–	–	14	2023
Cresta Intelligence Inc.	Wilmington/DE	USA	USD	1.0410	–	0.79	0.79	–	–	14	2023
Dream Machine Innovations Inc.	Wilmington/DE	USA	USD	1.0410	–	5.52	5.52	1	-908		2023
DSP Concepts, Inc.	Dover/DE	USA	USD	1.0410	–	4.17	4.17	–	–	14	2023
e.ventures US V, L.P.	San Francisco/CA	USA	USD	1.0410	–	3.99	3.99	379,526	-52,463	2	2023
Eve One L.P.	Grand Cayman	Cayman Islands	USD	1.0410	–	4.64	4.64	465,017	-3,574	2	2023
Fontinalis Capital Partners III, L.P.	Detroit/MI	USA	USD	1.0410	–	9.64	9.64	78,774	-531	2	2023
Griiip Automotive Engineering Ltd.	Petach Tikva	Israel	ILS	3.7953	–	4.89	4.89	–	–	14	2023
Grove Ventures II L.P.	Grand Cayman	Cayman Islands	USD	1.0410	–	2.50	2.50	85,811	-5,889	2	2023
Grove Ventures III L.P.	Grand Cayman	Cayman Islands	USD	1.0410	–	1.63	1.63	35,182	-3,833	2	2023
Grove Ventures L.P.	Grand Cayman	Cayman Islands	USD	1.0410	–	9.09	9.09	188,606	-38,085	2	2023
Hangzhou Wanxiang Culture Technology Co., Ltd.	Hangzhou	China	CNY	7.5986	–	3.31	3.31	–	–	14	2023
Intamsys Technology Ltd.	Dongguan	China	CNY	7.5986	–	4.78	4.78	–	–	14	2023
KeySavvy, Inc.	Big Lake/MN	USA	USD	1.0410	–	7.44	7.44	–	–	10	2024

Name of company	Domicile	Country	Currency	Exchange rate (€1 =) Dec. 31, 2024	Porsche AG's interest in capital % Direct	Indirect	Total	Equity in thousands, local currency	Profit/loss in thousands, local currency	Foot-note	Year
LAKA Ltd.	London	United Kingdom	GBP	0.8302	-	4.10	4.10	5,077	-5,256	13	2023
Magma Growth Equity I L.P.	Grand Cayman	Cayman Islands	USD	1.0410	-	11.33	11.33	47,680	-11,939	2	2023
Nozomi Networks, Inc.	San Francisco/CA	USA	USD	1.0410	-	0.73	0.73	-	-	14	2023
Playbook Technologies Inc.	Ridgewood/NJ	USA	USD	1.0410	-	6.04	6.04	245	-3,135		2023
RSE Markets, Inc.	Dover/DE	USA	USD	1.0410	-	4.61	4.61	-	-	14	2023
RunBuggy OMI, Inc.	Newark/DE	USA	USD	1.0410	-	2.05	2.05	-	-	14	2023
Semper Vivus Private Markets SCSp SICAV-RAIF	Luxembourg	Luxembourg	EUR		-	0.01	0.01	-	-	5	2024
Shanghai Powershare Tech Ltd.	Shanghai	China	CNY	7.5986	-	2.84	2.84	-	-	14	2023
StretchMe Sp. z o.o.	Krakow	Poland	PLN	4.2719	-	9.00	9.00	-	-	14	2023
Tactile Mobility Ltd.	Haifa	Israel	USD	1.0410	-	11.14	11.14	12,898	-6,786		2023
The Embassies of Good Living AG	Zurich	Switzerland	CHF	0.9421	-	7.15	7.15	-1,707	-835		2023
TriEye Ltd.	Tel Aviv	Israel	USD	1.0410	-	3.41	3.41	-	-	14	2023
Urgent.ly Inc.	Vienna/VA	USA	USD	1.0410	-	2.08	2.08	9,604	74,169	13	2023
Valence Security Inc.	Wilmington/DE	USA	USD	1.0410	-	3.67	3.67	-	-	14	2023
Via Transportation, Inc.	New York/NY	USA	USD	1.0410	-	0.03	0.03	-	-	14	2023
Wayray AG	Zurich	Switzerland	USD	1.0410	-	7.90	7.90	-	-	14	2023
Xuanlin (Shanghai) Information Technology Co., Ltd.	Shanghai	China	CNY	7.5986	-	6.00	6.00	-	-	14	2023
Zededa, Inc.	San Jose/CA	USA	USD	1.0410	-	2.13	2.13	-	-	14	2023
Zync Inc.	San Francisco/CA	USA	USD	1.0410	-	5.00	5.00	-	-	14	2023

1 Profit and loss transfer agreement
2 Structured entity in accordance with IFRS 10 and IFRS 12
3 Currently not trading
4 Short fiscal year
5 Newly established/split off-company
6 Figures in accordance with IFRSs
7 In liquidation
8 Different fiscal year
9 Circumstance in accordance with §1 UmwG
10 Newly acquired company
11 Joint operation in accordance with IFRS 11
12 The parent company is shareholder with unlimited liability
13 Consolidated financial statement
14 No published financial statement

Stuttgart, 24. February 2025

Dr. Ing. h.c. F. Porsche Aktiengesellschaft

The Executive Board