

Porsche Financial Services GmbH

Bietigheim-Bissingen

Audited Financial Statements

Annual financial statements

December 31, 2023

EY GmbH & Co. KG

Certified Public Auditors (Germany)

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General Terms and Conditions of Engagement

Notice:

The following Independent Auditor's Report has been issued by us in compliance with the statutory and professional requirements and subject to the conditions described in the appendix "Engagement Terms, Limitation of Liability and Restriction on Use".

If this document is used in electronic form for disclosure purposes pursuant to section 325 of the German Commercial Code (Handelsgesetzbuch – HGB), only the files relating to the financial reporting and, where a statutory audit is required, the Independent Auditor's Report or the corresponding audit opinion issued thereon are intended for this purpose.

Independent Auditor's Report

To Porsche Financial Services GmbH

Audit Opinion

We have audited the annual financial statements of Porsche Financial Services GmbH, Bietigheim-Bissingen, comprising the balance sheet as at December 31, 2023, the income statement for the financial year from January 1 to December 31, 2023, and the accompanying notes to the annual financial statements for 2023.

Based on the knowledge obtained in the audit, in our opinion the accompanying annual financial statements comply, in all material respects, with the German commercial law provisions applicable to all merchants as well as with the presentation and disclosure requirements applicable to corporations pursuant to sections 264 to 277 of the German Commercial Code (Handelsgesetzbuch – HGB).

In accordance with section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections to the propriety of the annual financial statements.

Basis for the Audit Opinion

We conducted our audit of the annual financial statements in accordance with section 317 HGB and in compliance with the German Generally Accepted Standards for the Audit of Financial Statements as promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under these requirements and principles are further described in the section "Auditor's Responsibility for the Audit of the Annual Financial Statements" of our Independent Auditor's Report.

We are independent of the Company in accordance with German commercial and professional regulations and have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the annual financial statements.

Emphasis of Matter

By availing itself of the exemption provision of section 264 (3) HGB, no notes to the annual financial statements and no management report were prepared. At the time of completion of our audit, it could not be finally assessed whether the exemption pursuant to section 264 (3) HGB had been rightfully claimed, as the requirements set out in section 264 (3) sentence 1 no. 5 letters (a) to (e) HGB are only fulfilled at a later point in time. Our audit opinion on the annual financial statements has not been modified in this respect.

Responsibilities of Management for the Annual Financial Statements

Management is responsible for the preparation of the annual financial statements in compliance, in all material respects, with the German commercial law provisions applicable to all merchants as well as with the presentation and disclosure requirements applicable to corporations pursuant to sections 264 to 277 HGB.

Furthermore, management is responsible for such internal controls as it has determined, in accordance with the German Generally Accepted Accounting Principles (Grundsätze ordnungsmäßiger Buchführung), are necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraudulent acts (i.e. manipulation of accounting records and misappropriation of assets) or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. Moreover, management has the responsibility to disclose, as applicable, matters related to going concern. In addition, management is responsible for accounting on the going concern basis unless actual or legal circumstances preclude the use of the going concern assumption.

Auditor's Responsibility for the Audit of the Annual Financial Statements

Our objective is to obtain reasonable assurance as to whether the annual financial statements as a whole are free from material misstatement, whether due to fraudulent acts or error, and to issue an Independent Auditor's Report that includes our audit opinion on the annual financial statements.

Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with section 317 HGB and in compliance with the German Generally Accepted Standards on Auditing as promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements may arise from fraudulent acts or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

During the audit, we exercise professional judgment and maintain professional skepticism. In addition, we

- identify and assess the risks of material misstatement of the annual financial statements, whether due to fraudulent acts or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraudulent acts is higher than the risk of not detecting a material misstatement resulting from error, as fraudulent acts may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls;
- obtain an understanding of the internal control system relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the Company's internal control system;
- evaluate the appropriateness of the accounting policies applied by management and the reasonableness of accounting estimates and related disclosures made by management.
- we draw conclusions on the appropriateness of the going concern basis of accounting applied by management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.** If we conclude that a material uncertainty exists, we are required to draw attention in the Independent Auditor's Report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our Independent Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any deficiencies in the internal control system that we identify during our audit.

Stuttgart, March 28, 2024

EY GmbH & Co. KG

Audit Firm

Frey
Auditor

Massa
Auditor

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Porsche Financial Services GmbH, Bietigheim-Bissingen

Balance sheet in accordance with the German Commercial Code (HGB) as of December 31, 2023

Assets		31.12.2023		31.12.2022		Equity and liabilities		31.12.2023		31.12.2022	
		EUR	EUR	TEUR	TEUR			EUR	EUR	TEUR	TEUR
A.	Non-current assets					A.	Equity				
I.	Intangible assets					I.	Subscribed capital	24,000,000.00		24	
1	Purchased rights and licenses	6,546,182.55		7,835		II.	Capital reserve	2,556,459.41		2,556	
2	Advance payments	35,400.00		838		III.	Retained earnings				
			6,581,582.55				Other retained earnings	52,000.00		52	
II.	Property, plant and equipment							26,608,459.41			
	Operating and office equipment	194,265.69		189		B.	Provisions				
III.	Financial assets					1	Provisions for pensions and similar obligations thereof amount restricted from distribution EUR 842,220.00 (PY TEUR 3.322)	38,797,205.00		34,701	
	Shares in affiliated companies	187,744,412.78		168,518		2	Tax provisions	522,000.00		867	
		194,520,261.02				3	Other provisions	29,334,371.00		26,779	
								68,653,576.00			
B.	Current assets					C.	Liabilities				
I.	Inventories					1	Advance payments received	301,696.22		271	
	Finished goods and merchandise	119,035.16		157		2	Trade payables	15,255.05		275	
			119,035.16			3	Liabilities to affiliated companies	426,612,575.01		433,587	
II.	Receivables and other assets					4	Other liabilities thereof tax liabilities EUR 322,279.95 (PY TEUR 328)	3,233,552.72		533	
1	Trade receivables	5,920,776.81		4,293				430,163,079.00			
2	Receivables from affiliated companies	313,814,000.69		325,466		D.	Deferred income	4,224,921.34		3,608	
3	Other assets	14,115,390.18		18,079							
			333,850,167.68								
III.	Cash on hand and bank balances	1,030,461.73		1,744							
		334,999,664.57									
C.	Prepaid expenses	125,445.37		110							
D.	Difference from the offsetting of assets	4,664.79		0							
		529,650,035.75		527,23				529,650,035.75		527,23	
							Contingent liabilities				
							Contingent liabilities from the provision of collateral for third-party liabilities	54,786,284.28		9,867	

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Porsche Financial Services GmbH, Bietigheim-Bissingen
Income Statement in accordance with the German Commercial Code (HGB)
for the period from January 1 to December 31, 2023

		2023	2022
	EUR	EUR	TEUR
1. Revenue		77,987,271.02	66,799
2. Other operating income		7,324,206.40	5,82
of which income from currency translation			
EUR 229,327.25 (PY TEUR 495)			
		<u>85,311,477.42</u>	<u>72,619</u>
3. Cost of materials			
Expenses for purchased services	-25,284,472.73		-20,768
4. Personnel expenses			
a) Wages and salaries	-26,082,654.97		-25,334
b) Social security contributions and expenses			
for pensions and support	-6,387,122.34		-8,557
thereof for pensions			
EUR 3,397,063.87 (PY TEUR 5,632)			
	<u>-32,469,777.31</u>		<u>-33,891</u>
5. Depreciation and amortization			
of intangible assets and property, plant and equipment	-3,079,228.21		-2,53
6. Other operating expenses	-31,651,696.95		-26,518
of which expenses from currency translation			
EUR 160,286.86 (PY TEUR 1,037)			
		<u>-92,485,175.20</u>	<u>-83,707</u>
		-7,173,697.78	-11,089
7. Income from investments	92,520,820.48		5,113
thereof from affiliated companies			
EUR 92,520,820.48 (PY TEUR 5,113)			
8. Other interest and similar income	13,311,500.02		2,874
thereof from affiliated companies			
EUR 12,959,009.67 (PY TEUR 2.688)			
9. Depreciation on financial assets and marketable securities	-188,690.01		-16,716
10. Interest and similar expenses	-14,292,845.40		-2,299
thereof to affiliated companies			
EUR 13,687,173.40 (PY TEUR 1,742)			
thereof from unwinding of provisions			
EUR 605,672.00 (PY TEUR 557)			
		<u>91,350,785.09</u>	<u>-11,029</u>
11. Income taxes		<u>-2,496,641.00</u>	<u>-454</u>
12. Result after taxes		81,680,446.31	-22,572
13. Other taxes		0.00	0
14. Income from loss absorption		0.00	22,572
15. Profit transferred under a profit transfer agreement		<u>-81,680,446.31</u>	<u>0</u>
16. Net income for the year		<u>0.00</u>	<u>0</u>

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Porsche Financial Services GmbH, Bietigheim-Bissingen

Supplementary information to the annual financial statements 2023

I. General information

The annual financial statements of Porsche Financial Services GmbH (Register court: Stuttgart District Court, HRB 301159), Bietigheim-Bissingen, were prepared for the financial year from 1 January 2023 to 31 December 2023.

II. Notes to the balance sheet

Receivables and other assets

Receivables and other assets are broken down as follows:

	2023	2022
	in TEUR	in TEUR
With a remaining term of up to one year		
Trade receivables	5,921	4,293
Receivables from affiliated companies	136,920	141,783
Other receivables and assets	14,115	18,079
With a remaining term from 1 to 5 years		
Trade receivables	-	-
Receivables from affiliated companies	176,860	183,683
Other receivables and assets	-	-
With a remaining term of more than 5 years		
Trade receivables	-	-
Receivables from affiliated companies	34	-
Other receivables and assets	-	-

Receivables from affiliated companies amounting to TEUR 313,814 (prior year TEUR 325,466) are composed as follows:

	2023	2022
	in TEUR	in TEUR
Receivables from shareholder	1,547	22,572
of which: trade receivables	1,547	-
of which: receivables from profit transfer agreement	-	22,572
Receivables from other affiliated companies	312,267	302,894
of which: receivables from loans	310,997	299,555
of which: trade receivables	1,270	3,339

As of the reporting date, short-term foreign currency receivables amounted to TEUR 1 (prior year TEUR 0). There were no short-term foreign currency liabilities as of the reporting date. Income from foreign currency translation is reported under other operating income. Expenses from foreign currency translation are reported under other operating expenses.

Pension provisions

Provisions for pensions and similar obligations are determined using actuarial methods applying the projected unit credit method, taking into account the current mortality tables 2018 G by Prof. Dr. Klaus Heubeck. In accordance with Section 253 of the German Commercial Code (HGB), pension provisions as of 31 December 2023 amount to TEUR 38,797 (prior year TEUR 34,701). This amount is TEUR 842 (prior year TEUR 3,322) lower than the valuation amount for pension provisions that would have resulted as of 31 December 2023 if the seven-year average interest rate had been applied.

Liabilities

	2023	2022
	in TEUR	in TEUR
With a remaining term of up to one year		
Liabilities to banks	-	-
Advances received	302	271
Trade payables	15	275
Liabilities to affiliated companies	426,613	433,587
Other liabilities	3,234	533
With a remaining term from 1 to 5 years		
Liabilities to banks	-	-
Trade payables	-	-
Liabilities to affiliated companies	-	-
Other liabilities	-	-

As of the reporting date, there were no liabilities with a remaining term of more than 5 years.

Liabilities to affiliated companies amounting to TEUR 426,613 (prior year TEUR 433,587) are composed as follows:

	2023	2022
	in TEUR	in TEUR
Liabilities to shareholder	84,558	188,771
of which: liabilities from loans	-	188,292
of which: liabilities from tax allocation agreement	2,497	382
of which: VAT liabilities	87	-
of which: liabilities from profit transfer agreement	81,681	-
of which: trade payables	293	97
Liabilities to other affiliated companies	342,055	244,816
of which: liabilities from loans	339,467	243,350
of which: trade payables	2,588	1,466

III. Notes to the income statement

Revenue

Revenue is broken down as follows:

	2023	2022
	in TEUR	in TEUR
Financing business	28,377	22,974
Insurance business	4,684	2,490
Service provider activities	34,362	34,269
Credit card business	2,968	880
Leasing business	3,905	2,847
Other services	3,691	3,338

Other services amounting to TEUR 3,691 (prior year TEUR 3,338) include revenue from recharges of service costs and revenue from the provision of vehicles to the Company's employees.

Other operating income

Other operating income mainly comprises income from the reversal of value adjustments on receivables and the reversal of provisions, income from reversals of impairment losses on financial assets, and income from foreign currency translation. This includes income relating to prior periods amounting to TEUR 3,008 (prior year TEUR 3,947).

Other operating expenses

Other operating expenses include in particular external IT services, licence fees, rental expenses, expenses from additions to provisions and value adjustments, legal and consulting costs, as well as expenses from foreign currency translation.

Bietigheim-Bissingen, 13 March 2024

The Management Board

Volker Reichhardt
Managing Director and Spokesperson

Dr. Michael Löffler
Managing Director

Konrad Riedl
Managing Director

Dr. Marc Rieß
Managing Director