



# VOLKSWAGEN GROUP

China Investor Update  
Beijing, 23 April 2026



# Disclaimer

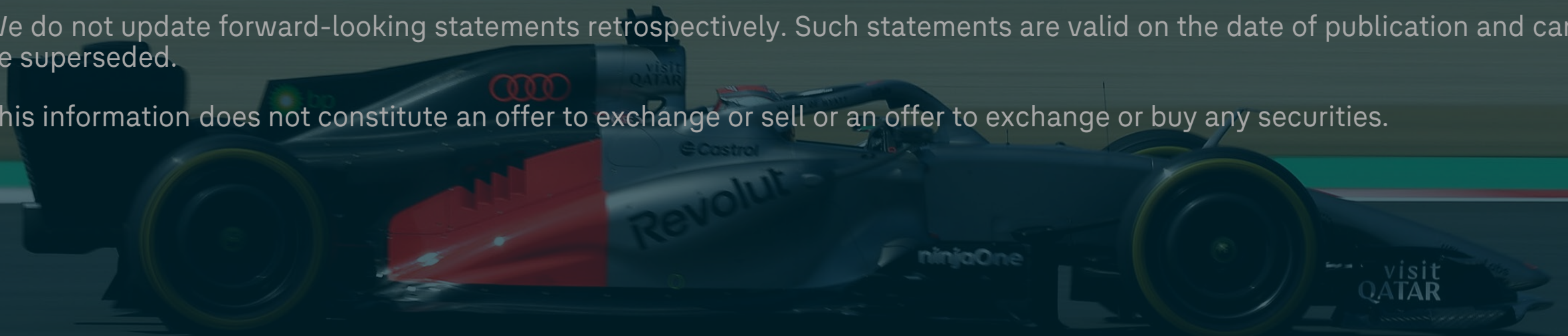
The following presentations as well as remarks/comments and explanations in this context contain forward-looking statements on the business development of the Volkswagen Group. These statements are based on assumptions relating to the development of the economic, political and legal environment in individual countries, economic regions and markets, and in particular for the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of going to press. The estimates given entail a degree of risk, and actual developments may differ from those forecast.

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Ralf Brandstätter

贝瑞德

Member of the Board of Management, Volkswagen Group  
Chairman & CEO of Volkswagen Group China

大众汽车集团（中国）董事长兼首席执行官

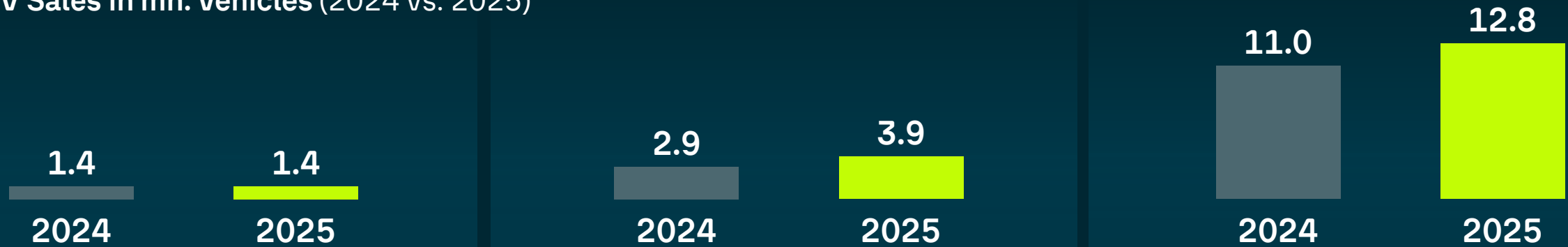
大众汽车集团(中国)  
VOLKSWAGEN  
GROUP CHINA

# China Investor Update

## Market and Strategy Update

# China has reached NEV inflection point in 2025: Electrification is no longer a trend, it is the baseline

NEV Sales in mn. vehicles (2024 vs. 2025)



## 2025 NEV Penetration

8%<sup>1</sup>



29%<sup>1</sup>



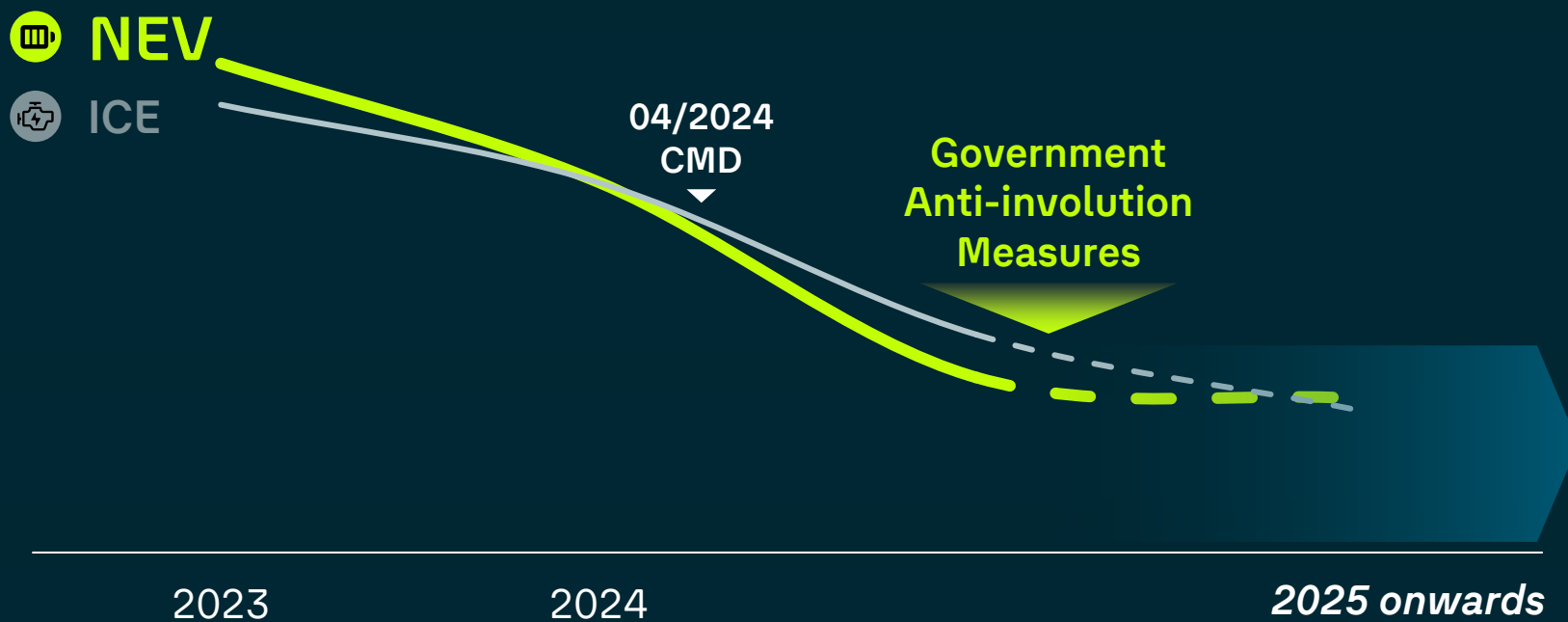
53%



Source: CKD data from China Passenger Car Association (CPCA) & FBU data from Insurance data for China; Remark: NEV includes BEV, PHEV, REEV. 1 | EU 27+4; USA figures incl. cars and LCV.

Price reduction has stabilized but there is no sign of price recovery, margin recovery shall come from cost efficiency

### Transaction price (TP)<sup>1</sup> development by fuel type



Jan 2024 - Dec 2025  
TP REDUCTION



ICE -15%

NEV -16%

1| incl. A/B segment notchback, A/B segment SUV; ICE transaction price is customer paid price incl. price tax exemption.

Despite the challenging market, we remained No.1 International OEM in China in 2025 and reached business targets

**23%**

**Regional ICE market  
share leader**

**2.7** *mn*

**VGC sales volume  
(No.1 International OEM)**

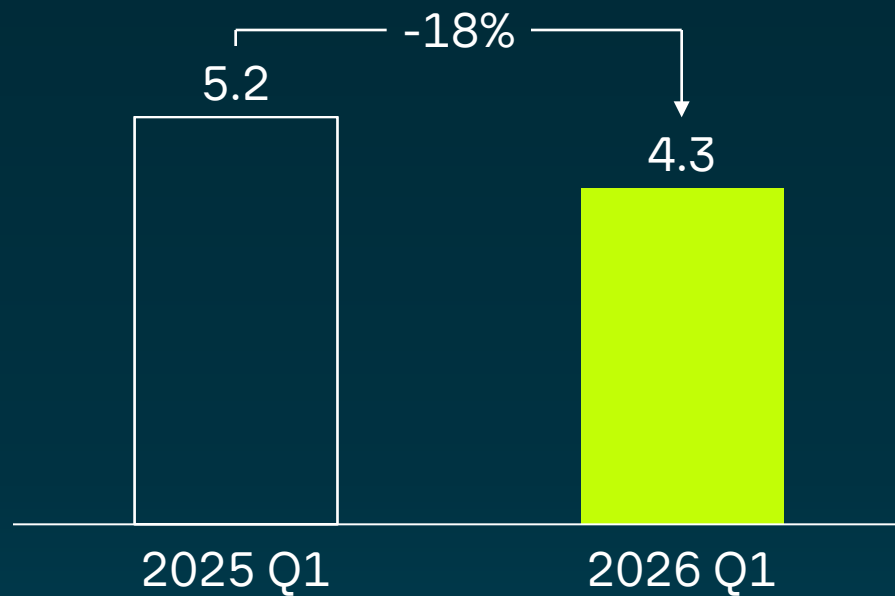
**€ 1** *bn*

**JV prop.  
operating profit**

In Q1, total market declined YoY but  
VW Group ranked No. 1 OEM in China

### Q1 Total Market

[in mn. vehicles]



### 2026 Q1 Top5 Auto Group in China

[insurance market share]

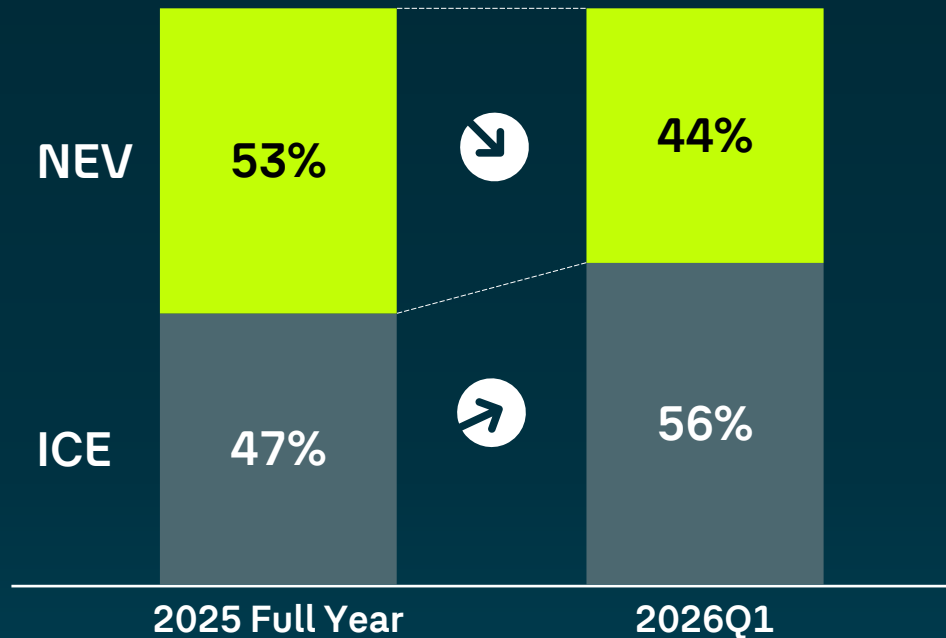
**Rank No. 1** **VW Group** **13%**

2	GEELY	12%
3	BYD	9%
4		9%
5	 CHERY	6%
...		

# In Q1 NEV stimulus reduced leading to higher ICE share

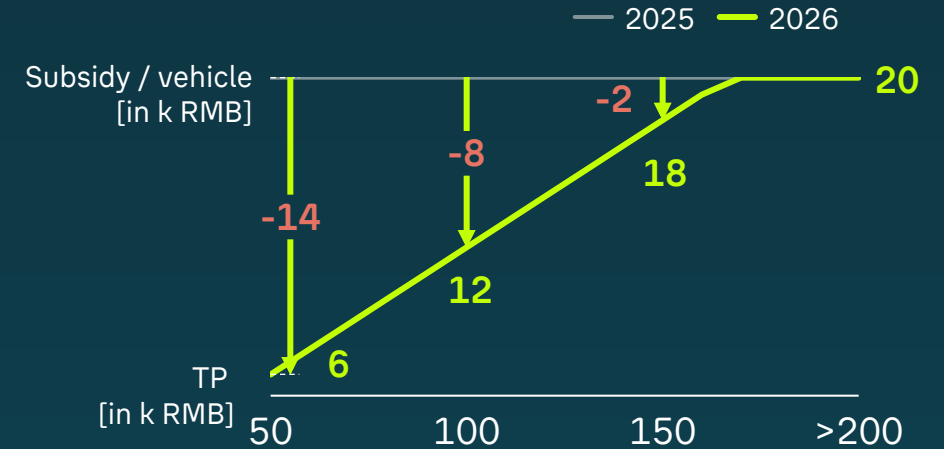
## Transitory Powertrain Re-balance

Total market [in mn. vehicles]



## NEV Stimulus Reduction in 2026

NEV SCRAPPAGE SUBSIDY **reduced >50%<sup>1</sup>**



PURCHASE TAX **+5%** vs. 2025 (0%)

1] Scrappage and trade-in subsidy reduction of Transaction Price < 100k RMB.  
Source: CKD data from China Passenger Car Association (CPCA); FBU data from Insurance data; VGC policy tracking.

The Iran conflict led to higher fuel prices, shifting customer preference and accelerating further NEV transformation

## ENERGY COST PER 100km in China

ICE



~7 €<sup>1</sup>

*With potential to further raise*

BEV



0.8~3 €<sup>2</sup>

*Remains affordable & stable*

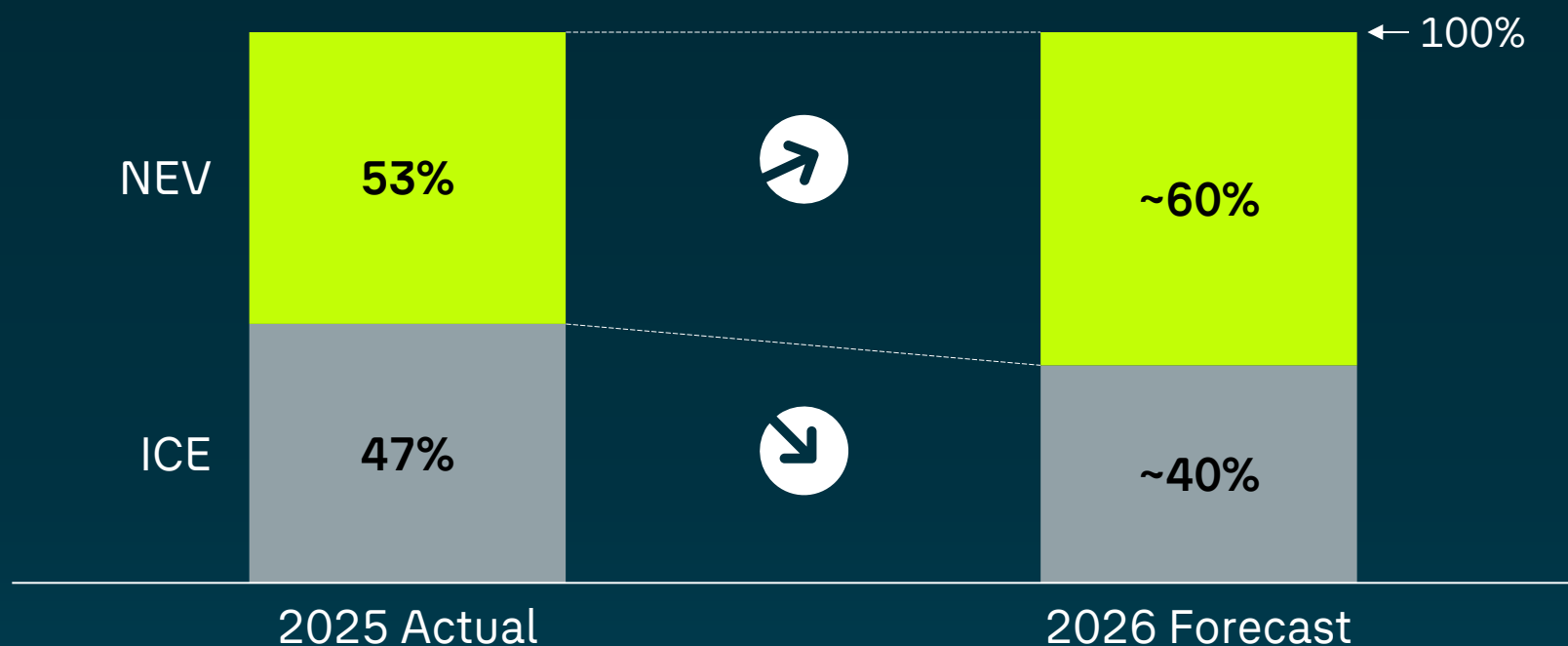
Remark: Using all ICE vs all BEV under A Segment as reference; 1 EUR = 8.01 RMB; Source: OEM website.

1| Volume weighted WLTC fuel consumption: 6.68 L/100km; Gasoline price = 8.9 RMB/L (92# in Beijing as of 07.04.2026); 2| Volume weighted WLTC fuel / elec. consumption 12.31 KWh/100km; Electricity Price: 0.54 RMB/KWh (Residential); 2 RMB/KWh (Commercial DC).

We expect higher NEV penetration in 2026 thus are at the right moment with our NEV product offensive

## 2026 Total Market Outlook

[in mn. vehicles]



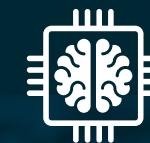
# China shifts to 'quality-driven development' and prioritization of intelligent transformation

## SHIFT TO QUALITY GROWTH



- › **China government trims GDP target to 4.5-5%** down from 5% in 2025

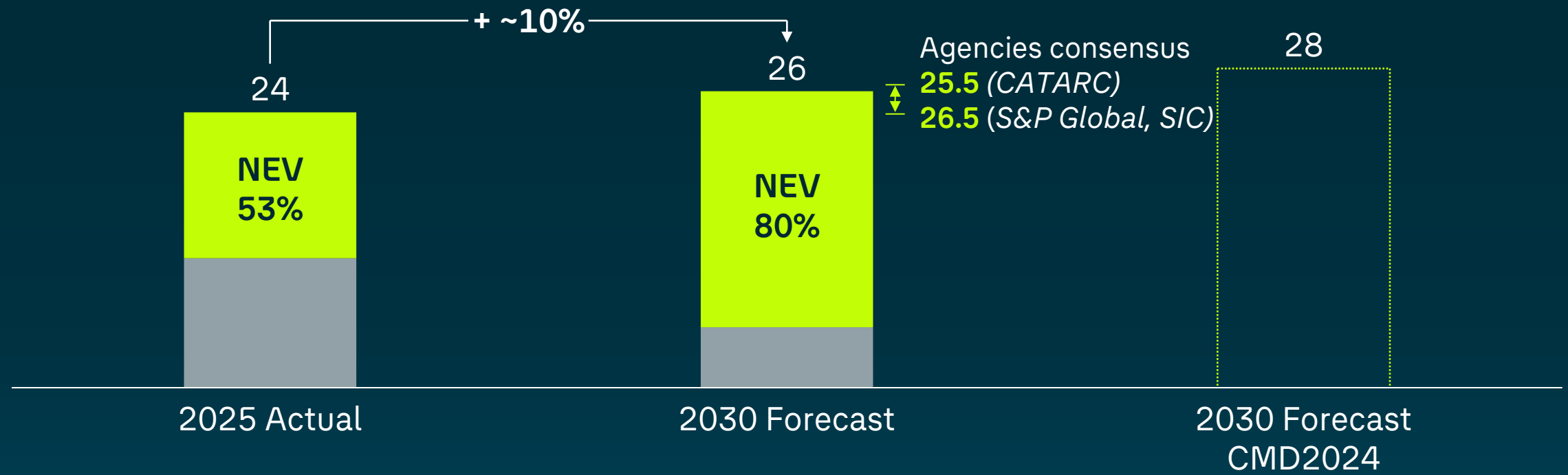
## FOCUS ON INTELLIGENT TECH



- › **"ICV+NEV" as Strategic Emerging Industries** in 15<sup>th</sup> 5-Year Plan
- › China government sets goal to achieve **90% cross industries AI adoption rate<sup>1</sup> by 2030**

Market growth is expected, with lower speed and stronger NEV growth

### Total Passenger Car Market [in mn. vehicles]

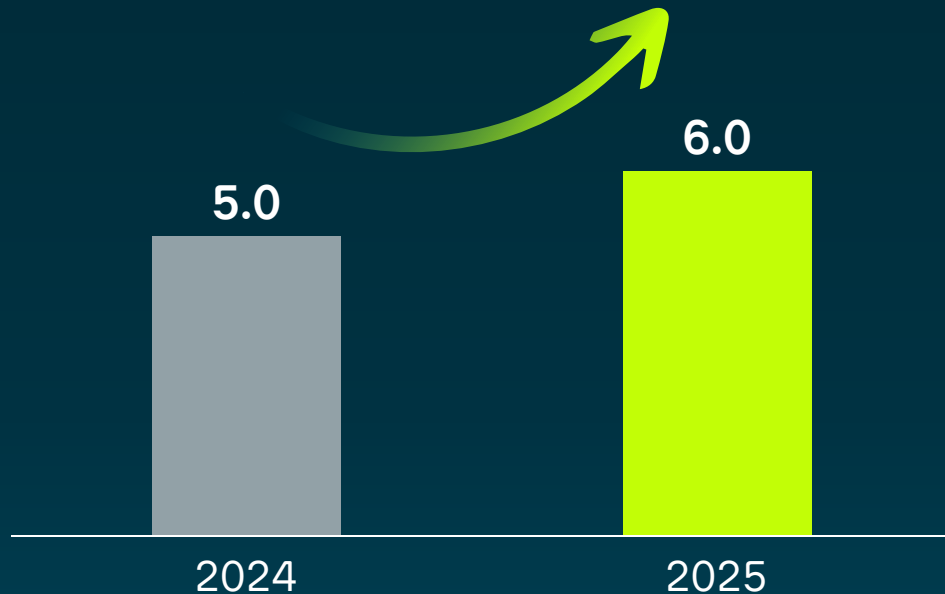


# To counter domestic pressure, Chinese OEMs are accelerating their global expansion, setting new market standards

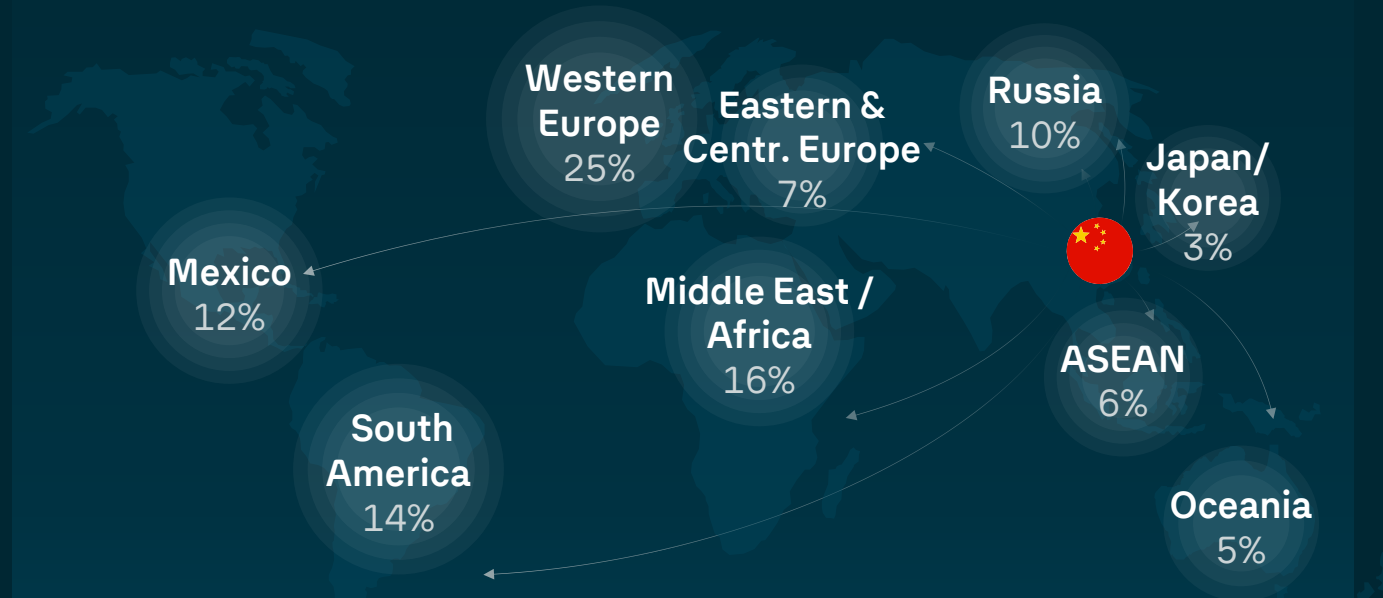
## China PV Exports [in mn. units]<sup>1</sup>



20%+ export growth



## Top Export Destinations CN Brands PV export share by region, 2025 [%]<sup>2</sup>



Remark: PV = Passenger Vehicle. 1 | Source: CAAM; Markline insights. 2 | Source: S&P Global Chinese Brands global sales database (not incl. local production).

International OEMs are racing to establish China-based capabilities – validating the strategy we set in 2024

EXEMPLARY

INTERNATIONAL OEMS  
**IN CHINA FOR CHINA  
& SUPPORT GLOBAL BUSINESS**



Leveraging China as  
**GLOBAL R&D & EXPORT HUB**

CHINA  
MARKET

GLOBAL RELEVANCE

SPEED & COST

TECH FOCUS

# Recap China Capital Markets Day 2024

2 years ago, we were the first with our 'In China, for China' strategy

TARGET PICTURE 2030

**#1** international  
OEM in **China**



Fully fledged  
**LOCAL R&D**

Utilize  
**CHINA SPEED**

**'In China, for China'**



Local  
**PARTNERSHIPS**

Resilient  
**SUPPLY CHAIN**

Today we have established unique strategic advantage among international OEMs with local R&D and in-house tech stacks

## 'IN CHINA, FOR CHINA'

LOCAL R&D



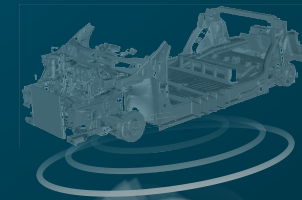
VOLKSWAGEN GROUP  
CHINA TECHNOLOGY CO.

*Esp. CEA One Team*

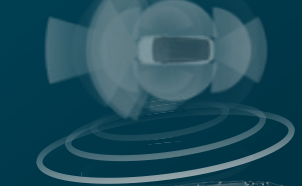
LOCAL IN-HOUSE TECH STACKS



Platform



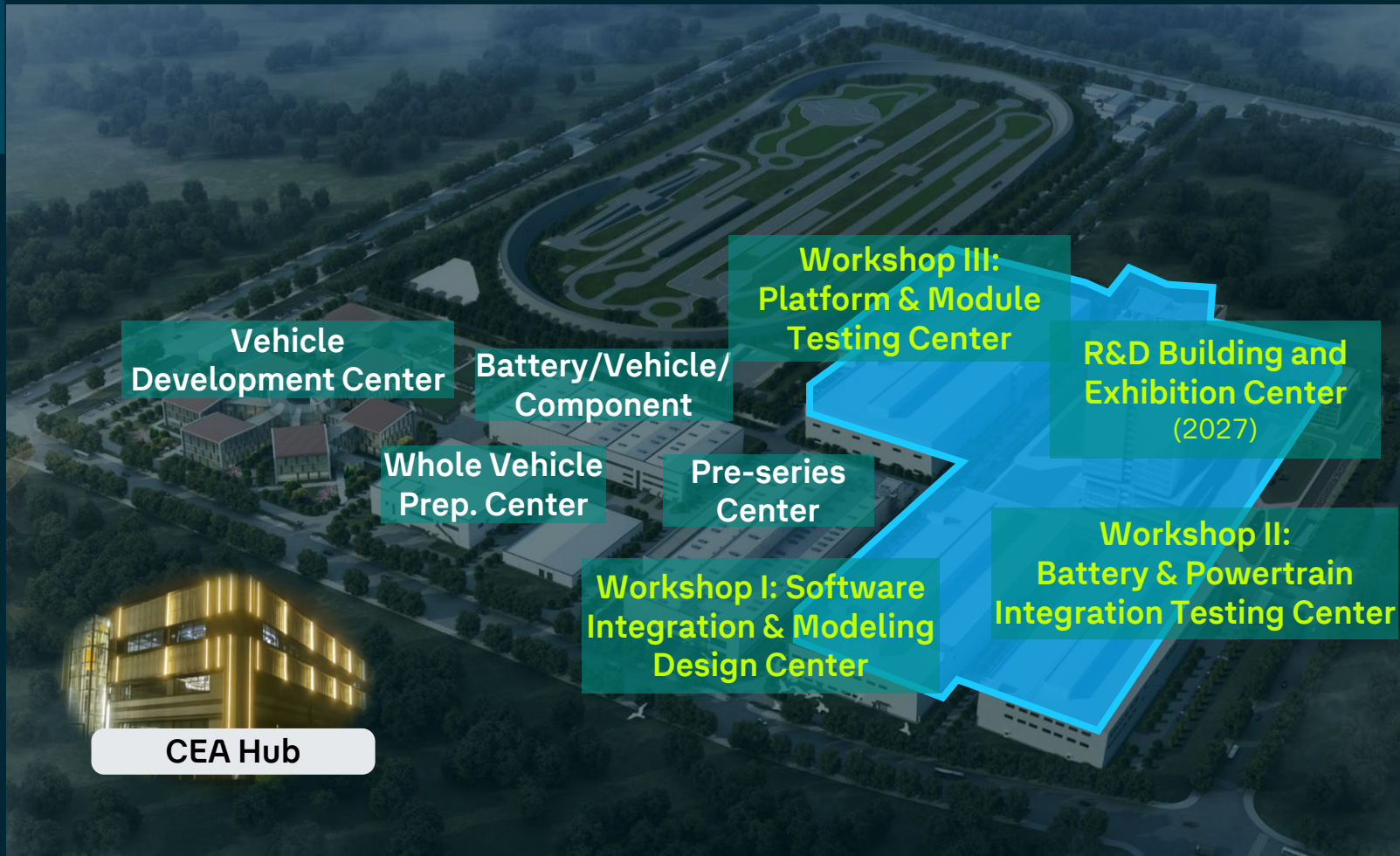
ADAS



CEA



Volkswagen China Technology Co. (VCTC) is fully operational with independent release responsibilities



**RESPONSE TO  
TECHNOLOGY  
REGIONALIZATION**

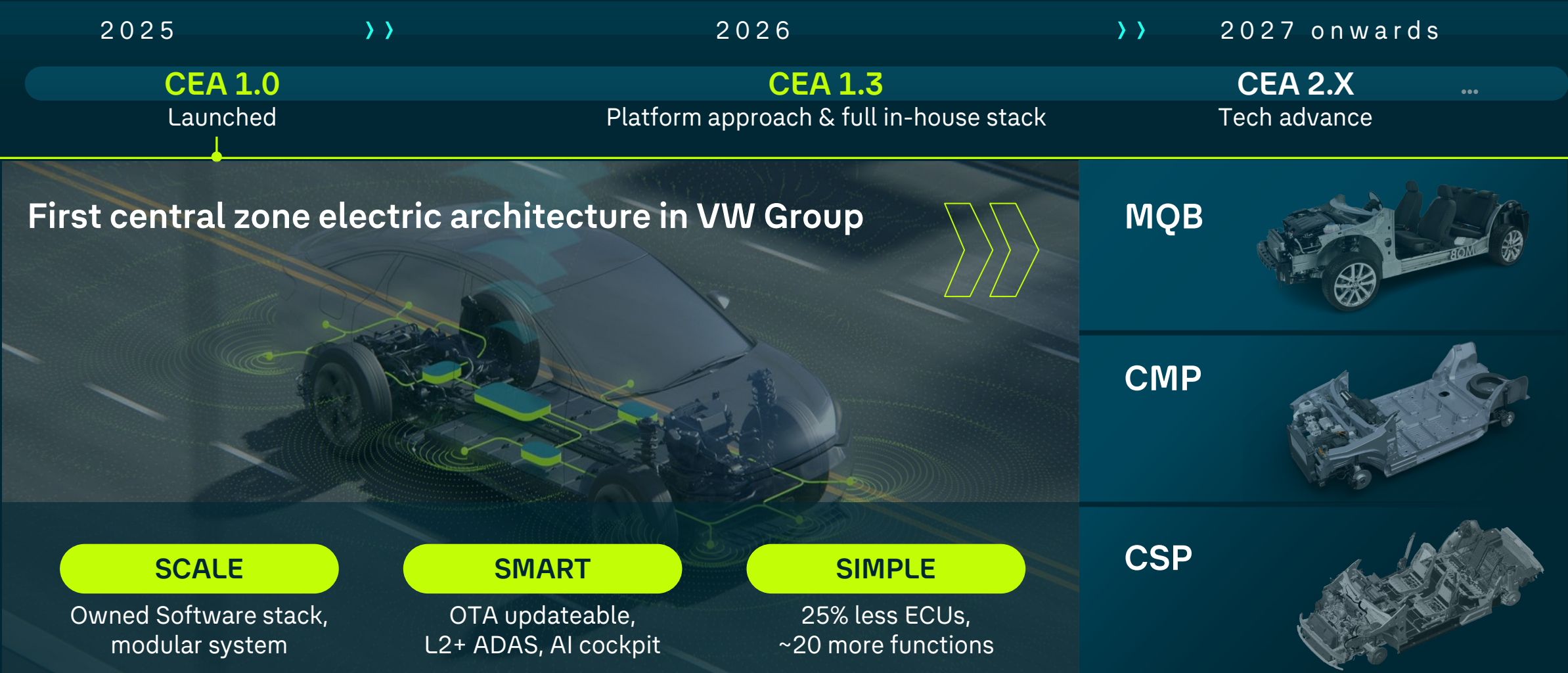
.....

**ACCESS TO LOCAL  
COST STRUCTURES**

.....

**FULL RELEASE  
RESPONSIBILITY**

# With our locally developed zonal electronic architecture CEA all our platforms will have unified tech stacks 2027 onward



Based on CEA foundation, we are on fast track to scale in-house ADAS solutions and intelligent smart cabin

Timeline

2026

2027

2029

E/E Architecture

**CEA 1.x**

**CEA 2.x**

**CEA 3.x**

**ADAS SOLUTION**  
by CARIZON



L2 Advanced



L3/L4 with in-House SoC



Proactive smart cabin



**SMART CABIN**

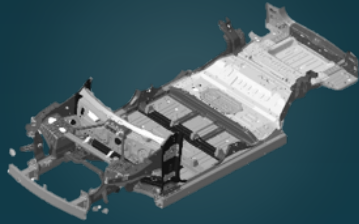
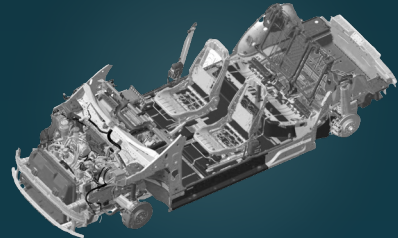






Cross Domain AI Agent



**AI-accelerated evolution**



# Our new local platforms enable us to retain NEV drivetrain flexibility

	Compact Main Platform (CMP) A segment	China Scalable Platform (CSP) A+ and higher segments
<b>1</b> HAT		
<b>2</b> DRIVETRAINS	   BEV + PHEV	   BEV + EREV
<b>1</b> TECH STACK	<b>CEA &amp; CARIZON</b>	
SOP TIMELINE	2026	2027

Deep-dive in "China Product Strategy" break-out

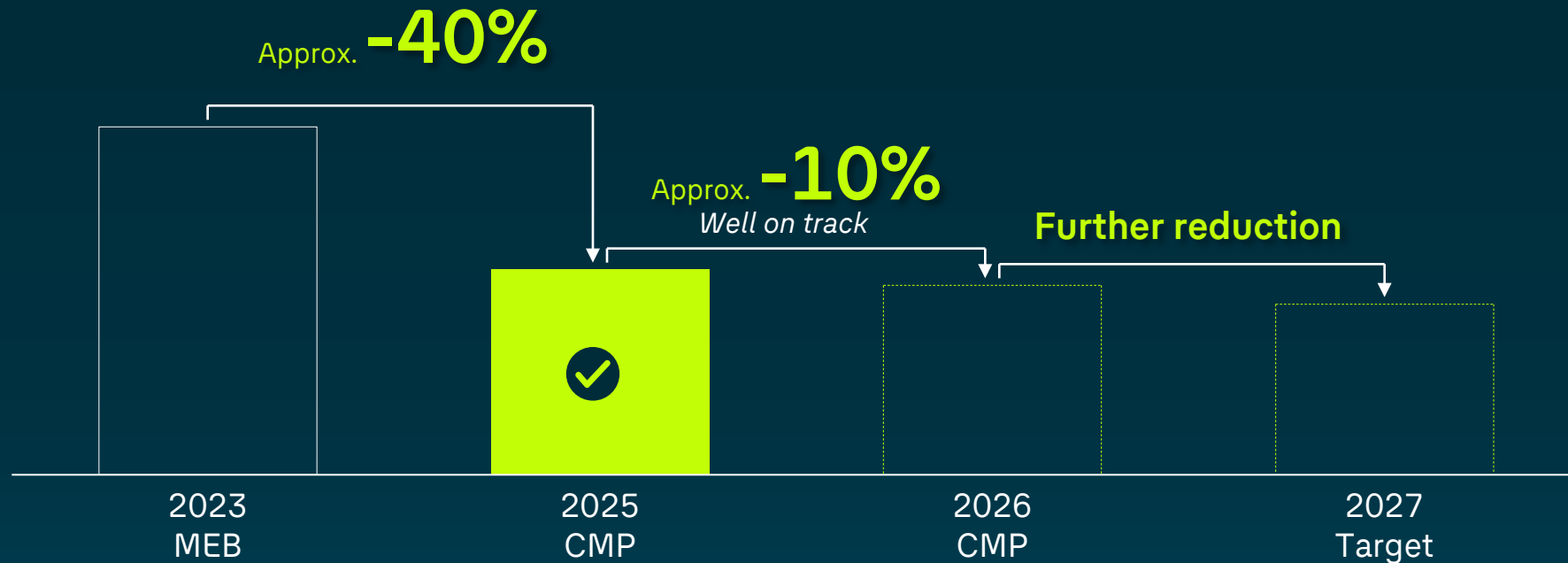
We have improved our product cost of CMP platform, and we are continuing to do so to stay competitive

PLATFORM

## Compact Main Platform

(A-notchback BEV entry-line as example)

MATERIAL  
COST  
REDUCTION  
in %



With the decision made to roll out CEA to our MQB platform, future competitiveness of our ICEs further strengthened

## MQB@CEA

### Intelligence & Competitiveness

OTA Updateable



L2++ Driving Assist System



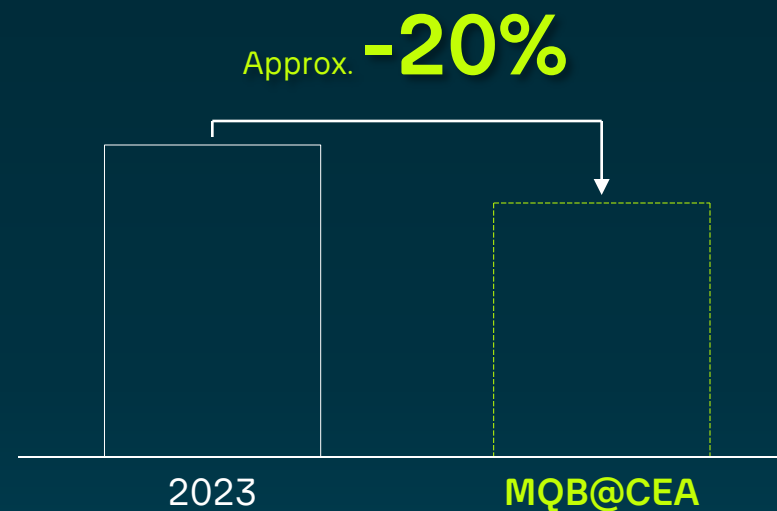
AI Cockpit



MORE INTELLIGENT & COMPETITIVE ICE MODELS FROM 2027

### Cost Optimization<sup>1</sup>

Material cost reduction in %



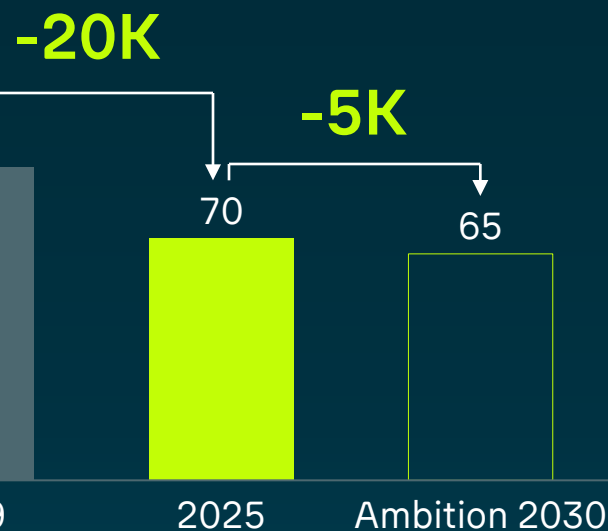
1) B-notchback as example.

In parallel, we have also streamlined our workforce and production plant capacities

STRUCTURAL AREA

### Work Force Development<sup>1</sup>

in tsd. of active employees



EFFICIENCY ACHIEVED

### Plant Capacity Rightsizing<sup>2</sup>

Non exhaustive

上汽大众  
SAIC VOLKSWAGEN

一汽-大众  
FAW-VOLKSWAGEN

Plant Anting 1	CP1 Changchun Paint Shop
Engine Plant 1	Plant 2
Plant Urumqi <sup>3</sup>	Plant 3
Plant Nangjing	
Engine Plant Loutang	Plant EOP / integrated
Plant 1	Plant optimization in progress

**Σ 1.5 mn. capacity reduction**

Remark 1 | Active employee excl. AUDI CN, CARIAD CN, excl. contractor, student volunteer or apprentice, incl. VCIC and VGIC; 2 | Plant capacities incl. SVW and FAW-VW since 2023; 3 | Sold in 2024.

**2026** is our year of delivery...



**...in which our strategy becomes  
tangible for our customers**



We are kick-starting the largest-ever NEV product offensive in China this year

ID. UNYX 08



ID. AURA T6



ID. ERA 9X



ID. UNYX 07



AUDI E7X



ID. UNYX 09



More to come...



AUDI

>20 NEV Models from 2026



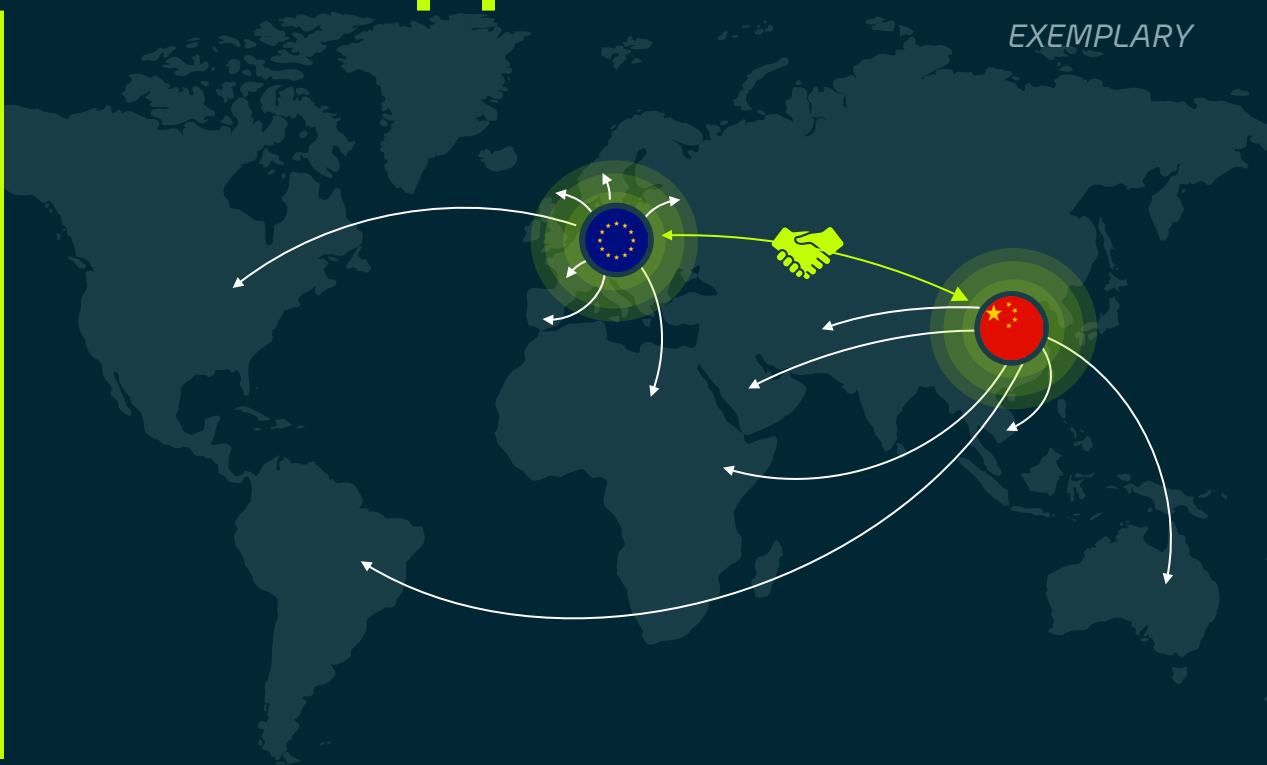
Deep-dive in "China Product Strategy" break-out

Moreover, we expand our strategic ambition to better support Volkswagen Group's global business

**'In China, for China'**



**'In China, for China & Support Global'**



Our group has established strategic advantages with our footprint in China

2023  
**'In China,  
for China'**

**TODAY**

STRATEGIC ADVANTAGES WITH CHINA FOOTPRINT

**FAST TIME  
TO MARKET**



**COMPETITIVE  
IN-HOUSE  
TECH STACKS**



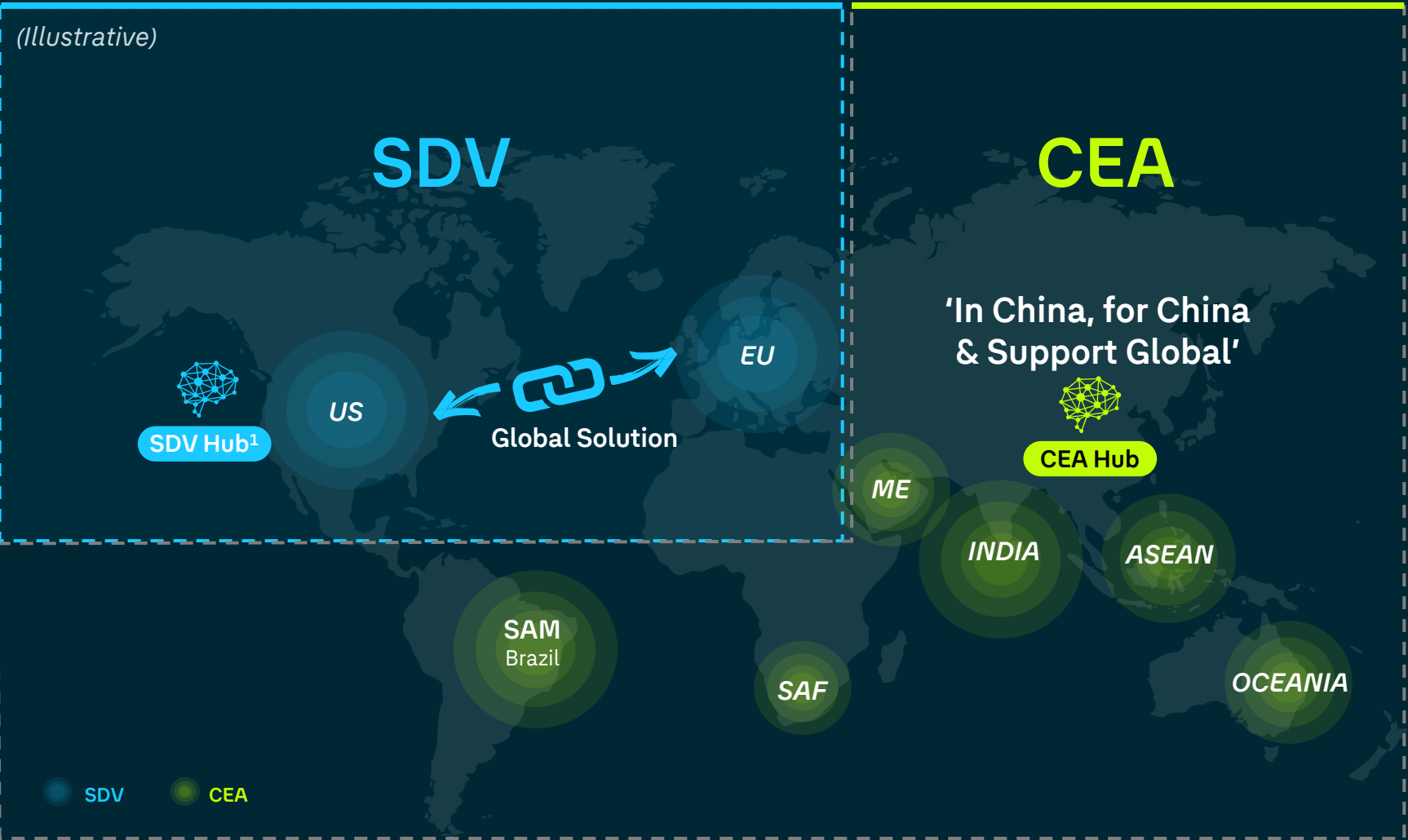
**COMPETITIVE  
COST**



**STRONG LOCAL R&D**



We are ready to contribute to better fulfill the needs of global south markets with our competitive CEA and local platforms



## CHINA TECH SUPPORTING GLOBAL SOUTH

- › with **CEA** to ensure tech competitiveness & synergies
- › via **vehicle export and technology localization**

**Strategic priorities** | We focus on 4 key action fields to support delivering on our financial targets

# VOLKSWAGEN

GROUP CHINA

01

**TECH UPGRADE  
& SCALE-UP**



02

**CONTINUOUS  
COST WORK**



03

**NEV  
PENETRATION**



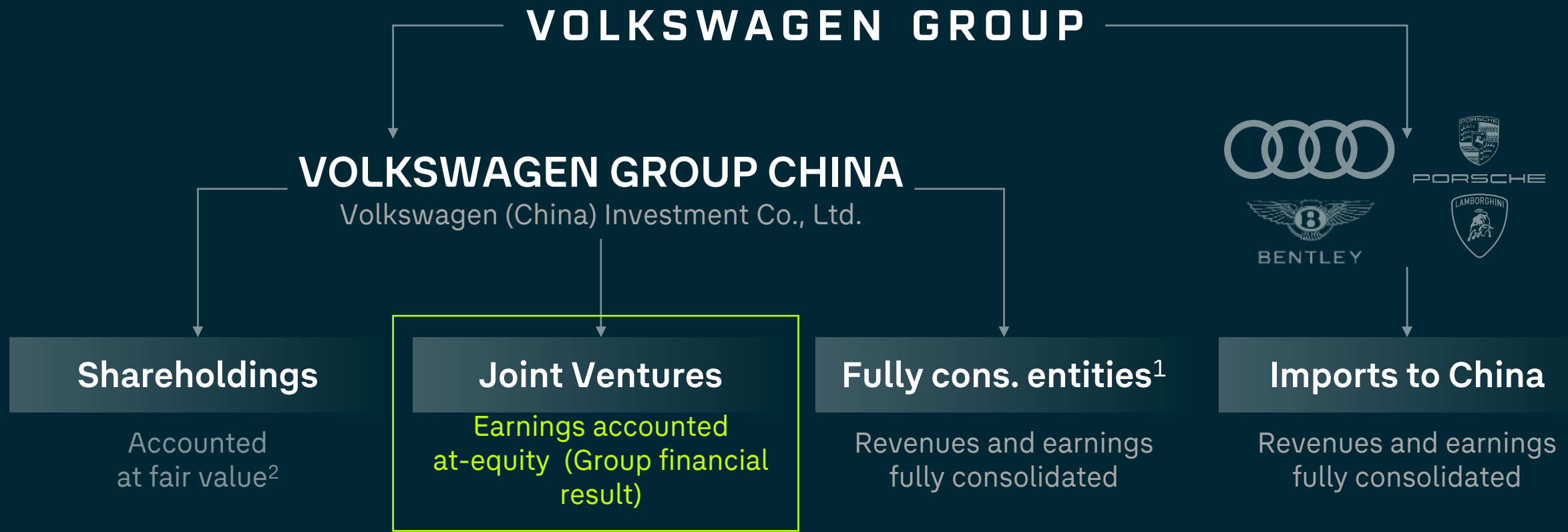
04

**SUPPORT  
GLOBAL**



# Volkswagen Group in China: Operating in Joint Venture structures combined with fully consolidated entities

**Simplified overview**



**JVs accounted for at "at-equity" in financial result**

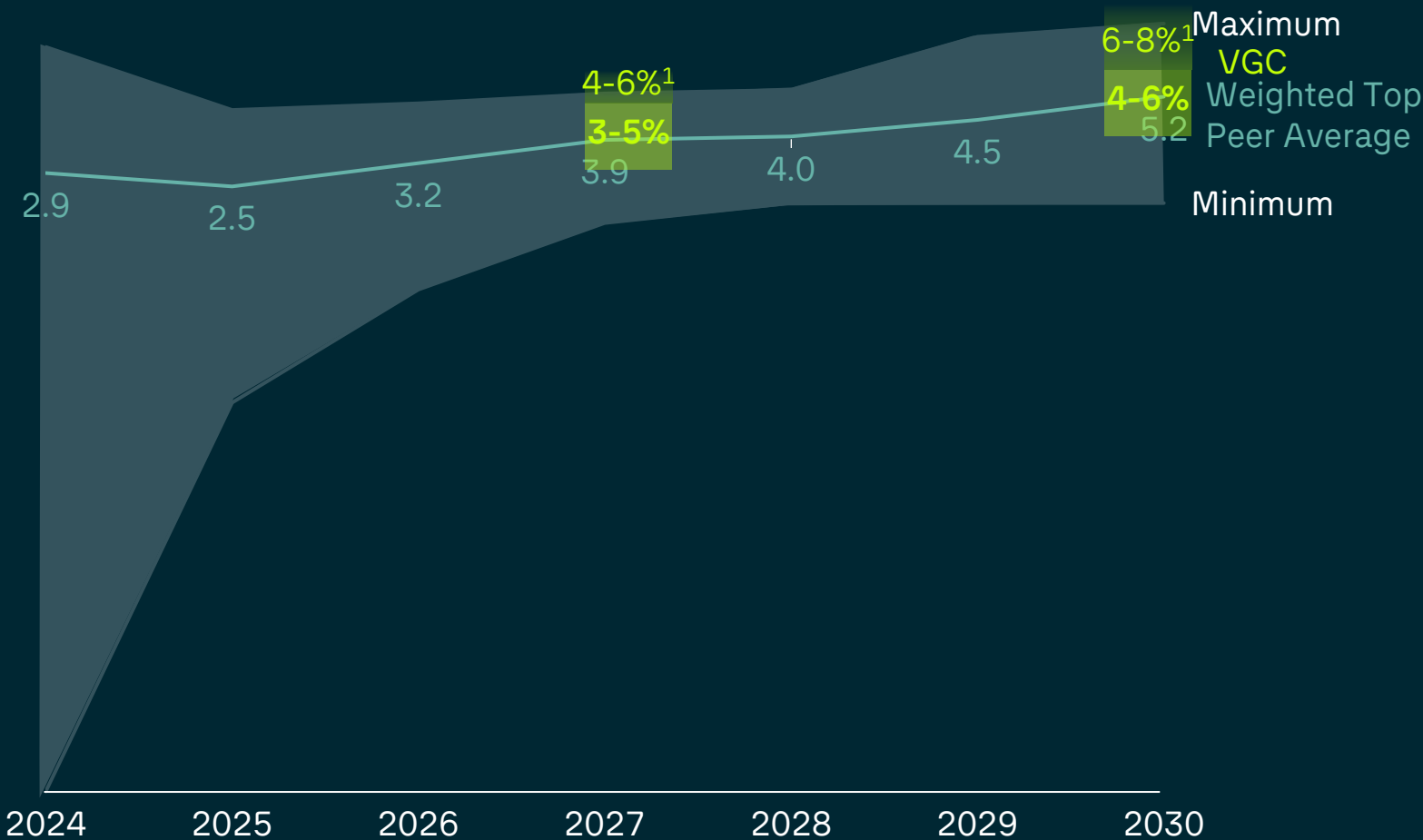
Contribution to Group net cash flow via **dividend distribution**

**Proportionate operating profit as financial metric**

Remark 1 | Includes Volkswagen (China) Investment Company Limited, (VCIC), Volkswagen (Anhui) Automotive Company Limited, Volkswagen Group (China) Technology Company (VCTC), Volkswagen Group China's Digital Sales and Services Company (DSSO), Volkswagen Automatic Transmission (Dalian) (ATD), Volkswagen Automatic Transmission (Tianjin) (ATJ), Volkswagen Group Import Company (VGIC) ; 2 | At cost only for smaller shareholdings due to materiality reasons; Gotion High Tech accounted at equity 31

# Volkswagen Group China earnings ambition on like-for-like basis, VGC margin ranges in upper half of peer corridor

[Operating profit margin, in %]



## Simplified presentation of financial target and ambition in a peer group comparison

Proportionate operating profit target and ambition translate in **return on sales of 3-5% in 2027 and 4-6% in 2030 for regional results**

Margin ranges are **in-line with** weighted average of **local Top 8 peer companies**

Adding license payments and import/export business, **margin targets range in the upper end of peer corridor**

1| Return on Sales adjusted for license payments to Volkswagen and Audi brands as well as import/export of vehicles

Note: Top 8 peer group including BYD, SAIC Motor, Great Wall Motor, Chongqing Changan, Zhejiang Leap Motor, Li Auto, XPeng, Geely; Source: Visible Alpha

# Overview of major assumptions

KEY PERFORMANCE INDICATOR	2024	2025	2027E TARGET	2030E AMBITION
<b>MARKET VOLUME</b> [mn units <sup>1</sup> ]	23.4	24.1	~25	~26
<b>VEHICLE DELIVERIES</b> [mn units <sup>1</sup> ] (IMPLIED MARKET SHARE)	2.9 (12%)	2.7 (11%)	~3.0 (12%)	~3.2 (12%)
<b>NEV PENETRATION</b> [%]	7%	5%	~40%	~70%
<b>CORRESPONDING ROS</b> [%] OPERATING PROFIT <sup>2</sup> (PROP.) [bn. EUR]	(1.7)	(1.0)	3~5% (0.8~1.2)	4~6% (1.6~2.0)

1| Acc to S&P Global from March 2026; 2| Including VW Anhui.



## Key takeaways

**01** Despite the challenging market, we **remained No.1 international OEM in China in 2025**, foundation has been set and we are **kick-starting NEV offensive**

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**02** With VW Group's strategic advantages built 'In China, for China' we are evolving our strategy to **'In China, for China & Support Global'** to contribute to Group's success in global south markets

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**03** Driven by 'In China, for China' implementation, improved earnings performance expected with **clear way forward to achieve financial targets**

大众汽车集团(中国)  
VOLKSWAGEN  
GROUP CHINA

驭势而上  
RISE UP

# Range / consumptions / emissions

Model	Fuel consumption combined (WLTP)	Electrical consumption combined (CLTP)	CO <sub>2</sub> emissions combined (CLTP)	Electric range combined (CLTP)
<b>VW</b>				
<b>ID.UNYX 07</b>	n/a	12.1 kWh/100 km	n/a	558 km
<b>ID.UNYX 08</b>	n/a	14.6-15.5 kWh/100km	n/a	630-730 km
<b>ID.ERA 9X</b>	2.41-2.72 l/100 km (WLTC)	19.7-20.9 kWh/100km	57.12-64.46 g/km (WLTC)	255-340 km
<b>ID.AURA T6/CMP A Main SUV/CSP vehicles</b>	Vehicles are not yet offered for sale. Consumption and emission data under review.			
<b>AUDI E5</b>	n/a	14.0-16.8 kWh/100 km	n/a	573-773 km
<b>AUDI E7X</b>	n/a	16.0-18.7 kWh/100 km	n/a	615-751 km
<b>Magotan</b>	5.80-6.38 l/100 km (WLTC)	n/a	137.46-151.21 g/km (WLTC)	n/a
<b>Magotan PHEV</b>	2.42 l/100 km (WLTC)	14.30 kWh/100 km	57.35 g/km (WLTC)	127 km
<b>Passat</b>	5.93-6.41 l/100 km(WLTC)	n/a	140.54-151.92 g/km	n/a
<b>Passat PHEV</b>	2.40-3.70 l/100 km(WLTC)	12.70-14.20 kWh/100 km	56.88-87.69 g/km	63 km

# Range / consumptions / emissions

Model	Fuel consumption combined (WLTP)	Electrical consumption combined (WLTP)	CO <sub>2</sub> emissions combined (WLTP)	Electric range combined (WLTP)
<b>VW</b>				
Golf 8 GTI	7.3 – 7.1 l/100km	n/a	167 -162 g/km	n/a
ID. Buzz Pro	n/a	20.5-21.7 kWh/100km	n/a	420 – 461km
ID. Buzz GTX	n/a	21.6 – 20.5 kWh/100km	n/a	402 – 423km
ID. Buzz LWB Pro	n/a	21.2 – 19.5 kWh/100km	n/a	487km
ID. EVERY1, ID. Polo, ID.Cross and new VW Atlas	The vehicle is not yet offered for sale and is therefore not subject to Directive 1999/94/EC. Consumption and emission data under review.			
Caravelle	7.9 – 7.2 l/100km	n/a	207 – 188 g/km	
ID.UNYX 08, 09, ID.AURA and ID.ERAs	The vehicles are not offered for sale in Europe.			
Tayron	0.4 – 0.8 l/100km	17.2 – 23.9 kWh/100km	9 – 18 g/km	n/a
T-Roc	6.0 – 5.5 l/100km	n/a	137 – 125 g/km	n/a

# Range / consumptions / emissions

Model	Fuel consumption combined (WLTP)	Electrical consumption combined (WLTP)	CO <sub>2</sub> emissions combined (WLTP)	Electric range combined (WLTP)
<b>Škoda</b>				
<b>Epiq</b>	The vehicle is not yet offered for sale and is therefore not subject to Directive 1999/94/EC. Consumption and emission data under review.			
<b>Enyaq</b>	n/a	15.7 - 20.3 kWh/100km	n/a	565 - 589km
<b>Enyaq Sportline</b>	n/a	15.8 - 16.6 kWh/100km	n/a	410 - 428km
<b>Elroq 85</b>	n/a	15.2 - 16.6 kWh/100km	n/a	540 - 580km
<b>Vision 7S</b>	The vehicle is not yet offered for sale and is therefore not subject to Directive 1999/94/EC. Consumption and emission data under review.			
<b>Porsche</b>				
<b>Porsche 911 Carrera S</b>	10.7 - 10.2 l/100km	n/a	242 - 230 g/km	n/a
<b>Porsche 911 Carrera</b>	10.7 - 10.1 l/100km	n/a	244 - 230 g/km	n/a
<b>Porsche GT3</b>	13.8 - 13.7 l/100km	n/a	312 - 310 g/km	n/a

# Range / consumptions / emissions

Model	Fuel consumption combined (WLTP)	Electrical consumption combined (WLTP)	CO <sub>2</sub> emissions combined (WLTP)	Electric range combined (WLTP)
<b>Bentley</b>				
Continental GT Speed	10.3 l/100 km	28.1 kWh/100km	29 g/km	n/a
Bentayga Speed	14.7 l/100 km	n/a	335 g/km	n/a
<b>Lamborghini</b>				
Revuelto	11.9 l/100km	n/a	276 g/km	n/a
Temerario	11.2 l/100km	4.3 kWh/100 Km	272 g/km	n/a
Urus S	14.1 l/100km	n/a	320 g/km	n/a
Urus SE	2.9 l/100km	39.5 kWh/100 Km	51 g/km	n/a
<b>SEAT/CUPRA</b>				
Born	n/a	14.9 - 16.7 kWh/100km	n/a	up to 594km
Raval	The vehicle is not yet offered for sale and is therefore not subject to Directive 1999/94/EC. Consumption and emission data under review.			
Tavascan VZ 250 kW 77kWh	n/a	16.6 kWh/100km	n/a	up to 522km
Terramar VZ 1.5 e-HYBRID 200 kW	0.4-0.5 l/100 km	7.6-19.0 kWh/100 km	10-12 g/km	n/a

# Range / consumptions / emissions

Model	Fuel consumption combined (WLTP)	Electrical consumption combined (WLTP)	CO <sub>2</sub> emissions combined (WLTP)	Electric range combined (WLTP)
<b>Audi</b>				
A5	7.7 – 4.8 l/100km	n/a	176 – 125 g/km	n/a
S6 e-tron	n/a	17.5 – 16.5 kWh/100km	n/a	608 – 649km
Concept C	The vehicle is not yet offered for sale and is therefore not subject to Directive 1999/94/EC. Consumption and emission data under review.			
AUDI E5 Sportback and E7X	These vehicles are not offered for sale in Europe.			
Q3	9.0-8.5 l/100km	n/a	205-193 g/km	n/a
Q3	2.2-1.7 l/100km	15.0 – 13.9 kWh/100km	49-39 g/km	n/a
Q3 Sportback	2.2-1.7 l/100km	15.1 – 14.0 kWh/100km	50-40 g/km	n/a
Q4 e-tron 55	n/a	16.8 – 19.5 kWh/100km	n/a	449 – 523km
Q5	7.9-5.9 l/100km	n/a	180-148 g/km	n/a
Q6 e-tron	n/a	17.5 – 18.4 kWh/100km	n/a	566 – 598km
Q8 55 e-tron	n/a	20.6 – 24.4 kWh/100km	n/a	460 – 595km
S5 Avant	7.5-7.9 l/100km	n/a	169-180 g/km	n/a
<b>Scout</b>				
Terra	The vehicle is not yet offered for sale and is therefore not subject to Directive 1999/94/EC. Consumption and emission data under review.			
Traveler	The vehicle is not yet offered for sale and is therefore not subject to Directive 1999/94/EC. Consumption and emission data under review.			