UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of September 2026

Commission File Number: 001-41431

Polestar Automotive Holding UK PLC

Assar Gabrielssons Väg 9
405 31 Göteborg, Sweden
(Address of Principal Executive Office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

INFORMATION CONTAINED IN THIS REPORT ON FORM 6-K

Attached as exhibits to this report on Form 6-K are (i) Polestar's Management's Discussion and Analysis of Financial Condition and Results of Operations for the six-month period ended June 30, 2026 and 2025 which is attached as Exhibit 99.1; (ii) Polestar's Unaudited Condensed Consolidated Interim Financial Statements as of June 30, 2026 and for the six months ended June 30, 2026 and 2025, which are attached as Exhibit 99.2, and (iii) a press release containing Polestar's preliminary unaudited financial and operational results for the fiscal quarter and six-month period ended June 30, 2026 and 2025. A copy of the press release is attached hereto as Exhibit 99.3.

The information contained in Exhibit 99.1 and Exhibit 99.2 shall be deemed to be incorporated by reference into Polestar's registration statements on Form S-8 (File No: 333-267146) and Form F-3 (File Nos. 333-274918 and 333-266101) and to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.

Exhibit 99.3 to this report on Form 6-K shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act.

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
99.1	Management's Discussion and Analysis of Financial Condition and Results of Operations for the six-month period ended June 30, 2026 and 2025.
99.2	Unaudited Condensed Consolidated Interim Financial Statements as of June 30, 2026 and for the six-month period ended June 30, 2026 and 2025.
99.3	Press Release of Polestar Automotive Holding UK PLC, dated September 3, 2026.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Label Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

POLESTAR AUTOMOTIVE HOLDING UK PLC

Date: September 3, 2026

By: /s/ Michael Lohscheller
Name: Michael Lohscheller
Title: Chief Executive Officer

By: /s/ Jean-François Mady
Name: Jean-François Mady
Title: Chief Financial Officer

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion includes information that is relevant to understanding Polestar's consolidated financial condition and results of operations and should be read together with the Unaudited Condensed Consolidated Interim Financial Statements for the six months ended June 30, 2026 and 2025, included elsewhere in this report. Refer to Polestar's consolidated financial statements as of December 31, 2025 and 2024, and for each of the years in the three-year period ended December 31, 2025 (the "Consolidated Financial Statements") that were included in Polestar's annual report on Form 20-F filed with the SEC on April 17, 2026 (the "2025 20-F") for more information about the year ended December 31, 2025. All figures presented in the tables below are in thousands of U.S. dollars, unless otherwise stated.

Forward-looking statements

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") contains forward-looking statements that are based on Polestar's current expectations and beliefs concerning future developments and their potential effects on the Company. Forward-looking statements generally relate to future events or the future financial or operating performance of Polestar, including the number of vehicle deliveries and gross margin. For example, statements regarding expectations of future needs for funding and plans related thereto are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expect", "intend", "will", "estimate", "anticipate", "believe", "predict", "potential", "forecast", "plan", "seek", "future", "propose" or "continue", or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward-looking statements.

These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by Polestar and its management, as the case may be, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: (1) Polestar's ability to enter into or maintain agreements or partnerships with its strategic partners, including Volvo Cars and Geely, original equipment manufacturers, vendors and technology providers; (2) Polestar's ability to maintain relationships with its existing suppliers, source new suppliers for its critical components and enter into longer term supply contracts and complete building out its supply chain; (3) Polestar's ability to raise additional funding; (4) Polestar's ability to successfully execute cost-cutting activities and strategic efficiency initiatives; (5) Polestar's estimates of expenses, profitability, gross margin, cash flow, and cash reserves; (6) Polestar's ability to continue to meet stock exchange listing standards; (7) changes in domestic and foreign business, market, financial, political and legal conditions; (8) demand for Polestar's vehicles or car sale volumes, revenue and margin development based on pricing, variant and market mix, cost reduction efficiencies, logistics and growing aftersales; (9) delays in the expected timelines for the development, design, manufacture, launch and financing of Polestar's vehicles and Polestar's reliance on a limited number of vehicle models to generate revenues; (10) increases in costs, disruption of supply or shortage of materials, in particular for lithium-ion cells or semiconductors; (11) risks related to product recalls, regulatory fines and/or an unexpectedly high volume of warranty claims; (12) Polestar's reliance on its partners to manufacture vehicles at a high volume, some of which have limited experience in producing electric vehicles, and on the allocation of sufficient production capacity to Polestar by its partners in order for Polestar to be able to increase its vehicle production volumes; (13) the ability of Polestar to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; (14) risks related to future market adoption of Polestar's offerings; (15) risks related to Polestar's current distribution model and the evolution of its distribution model in the future; (16) the effects of competition and the high barriers to entry in the automotive industry and the pace and depth of electric vehicle adoption generally on Polestar's future business; (17) changes in regulatory requirements (including environmental laws and regulations and regulations related to connected vehicles and Polestar's response to the U.S. government's denial of a specific authorization for the U.S.), governmental incentives, tariffs and fuel and energy prices; (18) Polestar's reliance on the development of vehicle charging networks to provide charging solutions for its vehicles and its strategic partners for servicing its vehicles and their integrated software; (19) Polestar's ability to establish its brand and capture additional market share, and the risks associated with negative press or reputational harm, including from electric vehicle fires; (20) the outcome of any potential litigation, government and regulatory proceedings, tax audits, investigations and inquiries; (21) Polestar's ability to continuously and rapidly innovate, develop and market new products; (22) the impact of the ongoing conflict between Ukraine and Russia and the conflict with Iran and the conflict in the Red Sea; and (23) other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in Polestar's Form 20-F, and other documents filed, or to be filed, with the SEC by Polestar. There may be additional risks that Polestar presently does not know or that Polestar currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements.

Nothing in this MD&A should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. Polestar assumes no obligation to update these forward-looking statements, even if new information becomes available in the future, except as may be required by law.

Certain defined terms

Unless otherwise stated in this MD&A, or the context otherwise requires, references to:

- "Polestar," "the Company" or the "Group" means Polestar Automotive Holding UK PLC together with its subsidiaries.
- "Geely" means Zhejiang Geely Holding Group Company Limited, together with its subsidiaries, excluding Volvo Cars.
- "Renault Korea Co Ltd", "Renault Korea Motors", "Renault Korea", "RK" or "RKM" refers to Geely's joint venture involved in the production of Polestar 4.
- "Volvo Cars" means Volvo Car AB (publ) and its subsidiaries.
- "Snita" means Snita Holding B.V., a corporation organized under the laws of the Netherlands and a wholly owned subsidiary of Volvo Car AB (publ).

- "H1 2026" means the six months ended June 30, 2026.
- "H1 2025" means the six months ended June 30, 2025.
- "PS2", "PS3", "PS4", "PS5", "PS6" and "PS7" refer to car models Polestar 2, Polestar 3, Polestar 4, Polestar 5, Polestar 6 and Polestar 7 respectively.

Currencies

All references to "U.S. dollar", "USD" and "$" are to the currency of the United States of America ("U.S."). All references to "EUR" refer to the currency issued by the European Central Bank. All references to "SEK", "GBP" and "CNY" refer to the currencies issued by the central banks of Sweden, the United Kingdom, and the People's Republic of China, respectively.

Unless otherwise stated, Polestar's financial information is presented in USD. All amounts in all currencies are rounded to the nearest thousand unless otherwise stated.

Key financial highlights

	For the six months ended June 30,		Change
	2026	**2025**	**%**
Revenue	1,360,091	1,422,605	(4.4)
Gross loss	*(114,810)*	*(703,124)*	*83.7*
Gross margin %	*(8.4)%*	*(49.4)%*	*41.0*
Adjusted Gross Profit / (Loss)[1]	(115,964)	20,400	(668.5)
Adjusted Gross Margin[1]	*(8.5)%*	*1.4 %*	*(9.9)*
Net loss	(842,448)	(1,193,079)	29.4
Adjusted EBITDA[1]	(521,438)	(302,301)	(72.5)

	As of June 30,		Change
	2026	**2025**	**%**
Cash and cash equivalents	887,577	718,625	23.5

1 - Adjusted EBITDA, Adjusted Gross Profit / (Loss) and Adjusted Gross Margin are non-GAAP measures. For further details on their calculation, see the Non-GAAP Financial Measures section in this MD&A.

	For the six months ended June 30,		Change
	2026	**2025**	**%**
Business metrics			
Retail sales[1]	30,423	30,289	0.4
Including external vehicles with repurchase obligations[2]	1,384	979	41.4
Including internal vehicles	2,166	1,906	13.6

	As of June 30,		Change
	2026	**2025**	**%**
Markets[3]	29	28	3.6
Sales points[4]	235	170	38.2
of which sales points, excluding China	235	169	39.1
Service points[5]	1,255	1,237	1.5

1 - Retail sales figures are sales to end customers. Retail Sales include new cars handed over via all sales channels and all sale types, including but not restricted to internal, fleet, retail, rental and leaseholders' channels across all markets irrespective of their market model and setup and may, or may not, directly generate revenue for Polestar. Figures for external vehicles with repurchase obligations and internal vehicles are provided on an estimated basis and subject to future revision.

2 - In the six months ended June 30, 2025, includes 177 cars that were handed-over as security under a financing arrangement. There were no arrangements of this type in the six months ended June 30, 2026.

3 - Represents the number of markets in which Polestar is present, whether currently active or not yet active.

4 - Represents Sales Points, including retail locations which are physical facilities (such as showrooms), actively selling Polestar cars, and pre-space activations, which represent locations with an ongoing project to build a retail location but that have started selling Polestar cars.

5 - Represents Volvo Cars service centers to provide access to customer service points worldwide in support of Polestar's international expansion.

Key factors affecting performance

Polestar's historic and future financial performance depends on numerous factors and trends. While these factors and trends provide opportunities for Polestar, they also pose risks and challenges as discussed in item 3.D *Risk Factors* in the 2025 20-F. The following paragraphs explain the key factors that impacted Polestar's financial performance during the six months ended June 30, 2026, as well as the key factors and trends which are expected to have a material effect on Polestar's financial condition and results of operations in future periods.

Market trends and competition

Polestar is a pure play, premium electric performance car brand, designing products engineered to excite consumers and drive change. Global consumer demand for Polestar's vehicles is primarily driven by:

- The speed and scale of the transition to electric vehicles from internal combustion engine cars ("ICEs") in general, which is driven by a number of factors, among which are affordability, range covered by an electric car on a single charge, availability of a sufficiently dense charging network, the general public's perception and concerns relating to electric vehicles, the scope and size of government incentives, availability of alternative mobility solutions, quality and availability of after-sales services, and the cost of electricity and alternative fuels as well as the overall cost of car ownership.
- Demand for premium performance vehicles in general, which is impacted by, among other things, changes in disposable income, the cost and availability of financing arrangements and customer preferences.
- Customer preferences within the luxury car segment and breadth and depth of available options.

Polestar competes with other pure play electric vehicle manufacturers, such as Tesla, as well as established premium automotive manufacturers that also sell vehicles with ICEs.

According to the annual publication "Global EV outlook 2026", released in May 2026, the International Energy Agency forecasts global sales of electric vehicles ("EVs"), which include battery electric vehicles ("BEVs") and plug-in hybrid vehicles ("PHEVs"), to reach 23 million in 2026. This represents an increase of approximately 10% from the agency's estimate of more than 20 million electric cars sold in 2025. EV sales represented a quarter of cars sold globally in 2025. A new factor in 2026 that highlights the economic benefits of driving EVs is the volatile and high oil price environment due to the conflict in the Middle East, although longer-term impacts of this trend are yet to be understood. The key factors driving the adoption of EVs still remain important, such as emissions targets and falling EVs prices.

In the first six months of 2026, Benchmark Mineral Intelligence estimates that global EV sales reached 9.6 million vehicles, an increase of 2.4% year-on-year, which reflected different dynamics across regions. EV sales in Europe grew by 27% year-on-year supported by high gasoline prices due to the conflict in the Middle East, updated or new consumer incentives in some EU countries, and the increasing availability of more affordable EV models. Polestar sold approximately 80% of its volumes in the first half of the year in the European markets. The expiration of federal tax credits for used and new electric vehicles at the end of the third quarter of 2025 held back sales in the U.S., which declined 20% year-on-year; Polestar sold approximately 6% of its vehicles in this market in the period. Sales in China were down 14% reflecting policy changes impacting the purchase price of electric vehicles. The rest of the world, excluding China, demonstrated a healthy growth year-on-year. Polestar's sales in the rest of the world represented 14% of its volumes.

Uncertainty around tariffs and import duties poses downside risks to the automotive industry. Overall, continued government support, improving affordability of BEVs, higher density of the charging network and the level of fossil fuel prices will continue to determine the pace of adoption of BEVs.

Sales performance

In the first half of 2026, Polestar achieved an increase in retail sales volumes of approximately 0.4% compared to the same period in 2025. This growth was driven by the continued rollout of an even stronger product range compared to the previous period and the strong market performance of the Polestar 4. Additionally, the strategic shift toward "active selling" significantly contributed to higher volumes across all key markets with noticeable growth in Korea and the Southern European region.

Polestar's sales and distribution model

Polestar is present across key markets in Europe, North America, and the Asia Pacific region and sells its vehicles to both retail and fleet customers. Of the brand's 28 markets active throughout the first half of 2026, 19 are operated through Polestar's own dedicated sales units and, in nine, the Company leveraged strategic partnerships with importers. Towards the end of the first half of 2026, Polestar launched sales activities in Estonia in the Baltic region.

During the first half of 2026, Polestar has also significantly expanded its global retail network, enhancing customer access and strengthening its presence in both established and emerging markets with a further 24 sales points opened with a total of 235 sales points as of June 30, 2026, predominantly in Europe. Since the start of 2026, Polestar signed up 20 new retail partners.

Market demand and response

Against the backdrop of a persisting challenging geopolitical environment and intensifying competition, Polestar continues to implement targeted actions to support sales of its models. These measures included pricing optimization, product and channel mix development, inventory management, and strategic marketing campaigns.

Product portfolio and model mix

As of June 30, 2026, Polestar's portfolio consisted of the following models open for orders:

- Polestar 2 - As the most established model in the lineup, Polestar 2 continues to enjoy strong demand and maintains a competitive position in its segment.
- Polestar 3 - Since its launch in the late first half of 2024, Polestar 3 has steadily increased its segment share, fueled by positive media coverage, multiple industry accolades, and strong performance in range tests, including the winter El Prix 2025 range test.
- Polestar 4 coupé - A key strategic focus ever since Polestar started ramp-up of deliveries of the car in Q3 2024, Polestar 4 has made a significant contribution to overall volumes and enhanced brand visibility.
- Polestar 5 - A halo car for the brand, designed around the bespoke Polestar Performance Architecture ("PPA") platform, which is available to order now with first deliveries expected in Q3 2026. At the start of June 2026, the model received highly positive reviews during the global press drive boosting the brand's visibility and credibility in the premium performance EV segment.

Each Polestar model has a number of variants, and the list price varies for each variant of each model, as well as for the same variant in different markets. Therefore, Polestar's new car gross sales revenues are driven by the volume of cars sold, the mix of models and variants in those sales, the channel mix, as well as the market where those sales occur.

In the first half of 2026, Polestar received several awards and accolades, with the most significant being:

- ECO Car Magazine's Used Car award for Polestar 2.
- The European Centre for Architecture, Art and Design's Green GOOD Design Award for Polestar 4.
- Gentleman's Journal's Design award for Polestar 5.
- Drive Car of the Year's best EV under $90,000 (Aus) for Polestar 5.

Costs of sales and gross profit (loss)

The following is a summary of the status of production of each of our announced vehicle models in production and under development:

Model	Production location	Plant operator	Status
Polestar 2	Taizhou, China	Volvo Cars	In production since H1 2020
Polestar 2 *successor*	TBA	TBA	In development - launch planned for H1 2027
Polestar 3	Chengdu, China / Charleston, U.S.	Volvo Cars / Volvo Cars	In production since H1 2024 / In production since H2 2024
Polestar 4 coupé	Hangzhou Bay, China / Busan, South Korea	Geely / RK	In production since H2 2023 / In production since H2 2025
Polestar 4 SUV	Busan, South Korea	RK	In development - start of production Q3 2026
Polestar 5	Wuhan and Chongqing, China	Geely	In production since January 2026
Polestar 6	TBC, China	Geely	In development
Polestar 7	Kosice, Slovakia	Under assessment (Memorandum of Understanding signed)	In development - launch planned for 2028

Polestar's ability to leverage the manufacturing footprint of both Volvo Cars and Geely provides it with access to a substantial combined installed production capacity. Polestar also plans to expand its production capacity to Europe, having signed a memorandum of understanding with Volvo Cars to have Polestar 7 manufactured in Kosice, Slovakia.

The most significant component of Polestar's cost of sales is the inventory cost of vehicles sold. Inventory cost is composed of all the costs directly related to the manufacture of Polestar's vehicles and the costs to bring the cars to their present location. This includes, among other expenditures, the amounts paid for materials, components and production cost (e.g. labor, overhead and depreciation and amortization) under the manufacturing and vehicle supply agreements with Volvo Cars and Geely and contracts with other third-party suppliers, costs of freight and any tariffs payable on the import of components and / or vehicles.

Other components of costs of sales include, when applicable: (i) impairment of tangible assets (property, plant and equipment), intangible assets and leased assets when there are indicators of impairment and the recoverable amount of one or more of Polestar's cash-generating units ("CGU") is below its carrying amount, which may be a result of, among other things, changes in forecasts of lifecycle volumes, prices, manufacturing costs and / or interest rates; (ii) changes in the net realizable value ("NRV") of inventory which is primarily driven by changes in the margin between the expected sales price of vehicles in inventory and their cost as well as the volume of this inventory; and (iii) warranty costs.

Polestar's gross margins are dependent upon its ability to grow sales of its vehicles and manage these costs as well as implement cost savings initiatives.

Macroeconomic and geopolitical factors

Inflation and price risk

Polestar's costs and expenses are impacted by, among other things, the prices of components, materials, labor and equipment used in the production of Polestar vehicles as well as the cost of freight. Historically the prices of lithium, cobalt, and nickel, which are used in car batteries, and oil, which has a significant impact on freight costs, have been volatile. The cost of labor and other inputs are generally linked to inflation.

Interest rates and foreign exchange rates

Polestar faces interest rate risks from its exposure to floating and variable interest rates primarily on its borrowings. The majority of Polestar's borrowings have floating rates and, therefore, its finance costs are linked to movements in interest rates as well as the volume of the borrowings. The most relevant interest rates are: 1-, 6- and 12-month Term SOFR, 3-month EURIBOR and 1-year LPR which are shown in the table below:

Index	**Daily average rate in H1 2026 (% per year)**	**Daily average rate in H1 2025 (% per year)**
1-month Term SOFR	3.65	4.32
6-month Term SOFR	3.68	4.22
12-month Term SOFR	3.67	4.05
3-month EURIBOR	2.15	2.33
1-year LPR	3.00	3.07

The global nature of Polestar's business exposes the Group's financial performance to risks arising from fluctuations in currency exchange rates ("FX rates"). Changes in FX rates primarily impact the Group's profit or loss when a Group entity has a monetary item denominated in a currency different from its functional currency, such as a foreign currency borrowing or a trade payable in a foreign currency. The Group presents foreign currency gains or losses related to its borrowings as part of finance income or finance expense. All other foreign currency gains or losses are presented as part of other operating income.

The most relevant currency pairs for Polestar are:

	Rate as of		**End of day average rate in**	
Currency pair	**June 30, 2026**	**December 31, 2025**	**H1 2026**	**H1 2025**
CNY – SEK	1.43	1.32	1.35	1.40
USD – SEK	9.74	9.21	9.25	10.18
CNY – USD	0.15	0.14	0.15	0.14
EUR – USD	1.14	1.18	1.17	1.09
EUR – SEK	11.09	10.82	10.79	11.10
GBP – SEK	12.87	12.40	12.44	13.18
USD – GBP	0.76	0.74	0.74	0.77
KRW – SEK	0.0063	0.0064	0.0062	0.0071

Tariffs and trade policies

The implementation of higher tariffs by the U.S. in 2025 and the EU in October 2024 on BEVs, components, and raw materials imported from China has introduced new headwinds for globally integrated manufacturers such as Polestar. Given Polestar's utilization of manufacturing resources in China and many car-makers' reliance on components from China, these tariffs are increasing cost pressures on Polestar, and the industry as a whole.

For Polestar, elevated tariffs may impact pricing flexibility, volume and margin performance. The Company is actively advancing its manufacturing diversification strategy, including North America, Asia and Europe (e.g., Polestar 3 in the U.S., Polestar 4 in South Korea and Polestar 7 in Slovakia), to mitigate medium- to long-term exposure.

In the U.S. Polestar is currently importing vehicles manufactured in South Korea but will not be able to import new vehicles when transitioning to model year 2027. This is due to the new U.S. Information and Communications Technology and Services ("ICTS") regulation.

Polestar continues to monitor the geopolitical trade environment and is taking proactive measures to preserve profitability, safeguard delivery timelines, and ensure alignment with long-term electrification strategies.

Other key factors impacting performance

During the first half of 2026, Polestar has continued to implement changes and headcount reductions to its cost structure in order to maintain competitiveness and improve its financial results. This includes restructuring efforts initiated in 2025 (mainly the R&D and Procurement departments in the UK and manufacturing in China), that continued into the first half of 2026, mainly impacting the R&D department in Sweden.

Polestar has also continued the cost discipline program implemented in 2025 towards reductions in general and administrative activities through continuous improvements in operational efficiency, resulting in reduced costs during the first half of 2026.

Going forward, the benefits of the R&D, Procurement and Manufacturing restructuring are expected to impact positively towards the end of the fourth quarter 2026 with the full financial benefit to come in 2027.

U.S. Restructuring

On June 25, 2026, Polestar announced that it was informed by the U.S. Department of Commerce's Bureau of Industry and Security of its decision to not grant Polestar an authorization under the current Connected Vehicle Rule to sell vehicles in the U.S. from model year 2027 onwards. The Company expects to continue selling previous model years in the U.S. from its inventory after which it will cease the sale of new vehicles, with its remaining activities in the U.S. then expected to focus on supporting customers in the U.S., including providing access to its service network and honoring warranty and other product commitments.

As a result of the Bureau of Industry and Security decision, Polestar has implemented a number of measures affecting its U.S. new vehicles sales operations, including actions relating to employees, dealers and other commercial arrangements (the "U.S. Restructuring"). While Polestar will continue to perform certain activities in the U.S. to support its existing customers, the aforementioned actions, together with the resulting effects on vehicles and related assets, led to material adjustments that are included in the Company's interim financial statements for the six-month period ended June 30, 2026. For more information on the nature of these adjustments please see *Note 1 - Overview and basis of preparation* in the Unaudited Condensed Consolidated Interim Financial Statements included elsewhere in this report.

Noting the significant judgement and subjectivity involved in arriving at these calculations, in aggregate the Company estimates that the U.S. operations increased its consolidated operating loss by approximately $211 million during the six months ended June 30, 2026, compared to an increase of approximately $110 million in the six months ended June 30, 2025, and that the U.S. operations increased its consolidated net loss by approximately $211 million during the six months ended June 30, 2026, compared to an increase of approximately $104 million in the six months ended June 30, 2025.

Based on current estimates, approximately $130 million of negative adjustments related to U.S. operations arose as a result of the decision from the U.S. Department of Commerce's Bureau of Industry and Security and are included in the Company's consolidated operating loss and net loss for the six months ended June 30, 2026. These adjustments primarily related to residual value guarantees costs, net realizable value of inventory and restructuring provisions related to employees and suppliers / partners incurred in the U.S in the reporting period. While these adjustments reflect the Company's assessment of the U.S. Restructuring based on current information, further negative adjustments should be expected in future periods to reflect additional costs related to personnel and inventory as the U.S. Restructuring proceeds through its phases.

Results of operations

Polestar conducts business under one operating segment with commercial operations in Europe, North America, China, Asia-Pacific, and various importer markets. Refer to *Note 1 - Overview and basis of preparation* in the Unaudited Condensed Consolidated Interim Financial Statements included elsewhere in this report for more information on the basis of presentation. Refer to *Note 2 - Material accounting policies and judgements* in the Consolidated Financial Statements included in the 2025 20-F for more information related to segment reporting.

Comparison of the six months ended June 30, 2026 and 2025

The following table summarizes Polestar's Unaudited Condensed Consolidated Statement of Loss and Comprehensive Loss for the six months ended June 30, 2026 and 2025.

	For the six months ended June 30,		Variance	
	2026	2025	$	%
Revenue	1,360,091	1,422,605	(62,514)	(4.4)
Cost of sales	(1,474,901)	(2,125,729)	650,828	30.6
Impairment reversal (expense), net	1,154	(723,524)	724,678	100.2
Other cost of sales	(1,476,055)	(1,402,205)	(73,850)	(5.3)
Gross loss	**(114,810)**	**(703,124)**	**588,314**	**83.7**
Selling, general and administrative expense	(430,908)	(431,283)	375	0.1
Research and development expense	(15,332)	(31,262)	15,930	51.0
Other operating income	12,799	41,087	(28,288)	(68.8)
Other operating expense	(50,538)	(20,333)	(30,205)	(148.6)
Foreign exchange (losses) gains on operating activities, net	(30,077)	49,321	(79,398)	(161.0)
Operating loss	**(628,866)**	**(1,095,594)**	**466,728**	**42.6**
Finance income	5,256	3,415	1,841	53.9
Finance expense	(205,162)	(185,319)	(19,843)	(10.7)
Foreign exchange (losses) gains on financial activities, net	(14,795)	49,382	(64,177)	(130.0)
Fair value changes - Earn-out rights and Class C shares	6,374	15,813	(9,439)	(59.7)
Share of losses in associates	—	(24,261)	24,261	(100.0)
Loss before income taxes	**(837,193)**	**(1,236,564)**	**399,371**	**32.3**
Income tax (expense) benefit	(5,255)	43,485	(48,740)	(112.1)
Net loss	**(842,448)**	**(1,193,079)**	**350,631**	**29.4**

Revenue

The following table summarizes the components of revenue and related changes between interim periods:

	For the six months ended June 30,		Variance	
	2026	2025	$	%
Sales of vehicles	1,278,805	1,317,756	(38,951)	(3.0)
Sales of carbon credits	52,414	72,155	(19,741)	(27.4)
Sales of licenses and royalties	19,907	10,920	8,987	82.3
Vehicle leasing revenue	4,338	7,579	(3,241)	(42.8)
Sales of software and performance engineered kits	2,515	5,628	(3,113)	(55.3)
Other revenue	2,112	8,567	(6,455)	(75.3)
Total	**1,360,091**	**1,422,605**	**(62,514)**	**(4.4)**

The decrease in revenue from Sales of vehicles was primarily due to pressures on pricing, and the increase in the reversal of revenue for the additional amounts expected to be paid out under the residual value guarantees due to the U.S. Restructuring. This was partially offset by improved foreign exchange rates in some of our markets and an improved carline mix with a higher contribution from PS4 more than compensating for a lower share of PS3.

The decrease in revenue from Sales of carbon credits was primarily driven by increased competition and a changed regulatory environment in the EU that caused a shift in the demand/supply curve that negatively impacted the demand and pricing.

The increase in Sales of licenses and royalties was mainly due to an increase in royalties received from Volvo Cars under the license enabling Volvo Cars to source and sell parts and accessories for Polestar's vehicles. This increase was due to the increase in the cumulative volume of Polestar vehicles in circulation (the "car park") which results in more demand for parts and accessories.

The decrease in Sales of software and performance engineered kits was primarily a result of Polestar's continued emphasis on its own vehicles, coupled with a continued decline in Volvo Cars' sales of Polestar's performance engineered kits.

Cost of sales

The decrease was primarily due to the impairment expense, net of reversals of $724.7 million recognized in H1 2025 with no equivalent in H1 2026 and a positive impact on the net realizable value on inventory outside of the U.S. This was partially offset by a higher cost carline mix with higher duties (increased tariffs for imported cars, parts and components for the EU and the U.S.), smaller product costs reduction due to higher raw materials costs (mainly in batteries), negative impacts relating to the net realizable value of the U.S. inventory due to the U.S. Restructuring, and H1 2025 one-off positive impacts, which did not repeat in H1 2026, mainly due to reversals of costs related to Polestar terminating commercial operations of its investment in Polestar Times Technology.

Gross loss

The decrease in gross loss is primarily due to impairment expense, net of reversals recognized in H1 2025 and not in H1 2026 of $724.7 million and margin improvement due to model mix, partially offset by decreased vehicle sales revenue of $39.0 million, an increase in Other cost of sales of $73.9 million and decreased sales of carbon credits revenue of $19.7 million. No associated cost of sales was recognized upon the sale of these carbon credits.

Selling, general and administrative expense

The decrease was primarily due to lower other general and administrative costs resulting from cost discipline measures and restructuring with reduced headcount, mostly offset by increased advertising, selling and promotion activities expense connected especially with the impact of the France market launched in June 2025 and those related to the launch of the Polestar 5, amounting to $10.0 million and increased sales agent remuneration expense of $9.7 million mainly due to volumes and changes in carline and sales channel mix.

Research and development expense

The decrease from $31 million to $15 million was primarily driven by higher spending in H1 2025 on vehicle development programs not yet eligible for capitalization and reduced headcount.

Other operating income

The decrease was mainly related to Polestar terminating the commercial operations of its investment in Polestar Times Technology, and the related rendering of transition services, in 2025 and, therefore, having no equivalent income in H1 2026 compared to $13.2 million in H1 2025 as well as a lower carbon credit related income of $13.3 million.

Other operating expense

The increase was mainly related to U.S. Restructuring costs mainly related to the U.S Polestar organizational changes, investments and suppliers / partners. This was partially offset by a reduction of expense due to other restructuring expenses recognized in H1 2025 and not in H1 2026.

Foreign exchange (losses) gains on operating activities, net

The decrease is primarily due to a devaluation of the Swedish krona/Chinese yuan exchange rate during H1 2026 as compared to an strengthening of the Swedish krona/Chinese yuan exchange rate during H1 2025.

Finance income

The increase was the result of increased interest income of $1.8 million.

Finance expense

The increase was primarily the result of higher interest expense on non-related and related parties financing of $15.4 million due to an increase in outstanding loans, partially offset by a decrease in benchmark interest rates.

Foreign exchange (losses) gains on financial activities, net

The decrease was primarily due to negative changes in foreign exchange rates of $64.2 million mainly driven by Chinese yuan and U.S. dollar fluctuations.

Fair value changes - Earn-out rights and Class C shares

The decrease was primarily attributable to the further declines in Polestar's share price over H1 2026 which have a relatively lower negative impact on the fair value of these instruments than the declines in Polestar's share price over H1 2025 as they move further out-of-the-money.

Share of losses in associates

The $24.3 million decrease in loss was primarily attributable to Polestar terminating commercial operations of its investment in Polestar Times Technology in 2025 and therefore having no investment, and no share of loss, in H1 2026 when compared to H1 2025.

Income tax (expense) benefit

The movement from an income tax benefit in H1 2025 to an income tax expense in H1 2026 was primarily driven by reduced deferred tax asset recognition in the UK, no further deferred tax recognition in the U.S., and the absence of prior-year tax expense reversals related to UK Group Relief compared with H1 2025.

Liquidity and capital resources

Overview

Polestar's principal uses for liquidity and capital are for funding of operations, repayment of debt, market expansion, and investments in the tangible and intangible assets required to develop and manufacture Polestar's vehicles and related technologies.

Polestar finances its operations primarily through debt and equity. As it relates to debt, Polestar procures some long-term committed finance, but also shorter-term bilateral loans and inventory financing. Polestar may, on occasion, also engage with related parties to extend payment terms.

As of June 30, 2026, Polestar had net current liabilities of $4,701.9 million. In the six months ended June 30, 2026, Polestar generated negative operating and investing cash flows of $849.9 million and $210.9 million, respectively, primarily as a result of scaling up commercialization efforts globally along with more challenging market conditions and with continuing capital expenditure optimization for its vehicles and related technologies. In the six months ended June 30, 2026, Polestar generated positive cash flows of $768.7 million from financing activities, including $400.0 million equity investment by Feathertop Funding Limited, a special purpose vehicle consolidated to Sumitomo Mitsui Banking Corporation, and Standard Chartered Bank (Hong Kong) Limited, with each investor contributing $200.0 million in February 2026, and an additional $300.0 million equity investment by various purchasers including Crédit Agricole CIB, Vida Finance S.A., Innovator Limited and Proximastar Holdings Company Limited in March 2026.

Managing Polestar's liquidity profile and funding needs remains one of management's key priorities. Management's plans to ensure it has sufficient liquidity for the Company's present and future requirements are described further in this section.

Going concern

Refer to *Note 1 - Overview and basis of preparation* in the accompanying Unaudited Condensed Consolidated Interim Financial Statements for further details on management's going concern assessment, including its conclusion that a material uncertainty related to the execution of management's liquidity and funding plan casts significant doubt upon Polestar's ability to continue as a going concern.

Evaluation of sources and amounts of cash flows

The following table summarizes Polestar's cash flows for the periods presented:

	For the six months ended June 30,		Variance
	2026	2025	$
Cash used for operating activities	(849,906)	(497,652)	(352,254)
Cash used for investing activities	(210,853)	(321,675)	110,822
Cash provided by financing activities	768,725	687,455	81,270

Cash used for operating activities

The increase in Cash used for operating activities in H1 2026 when compared to H1 2025 was primarily a result of:

- A net negative change in operating assets and liabilities of $261.5 million in H1 2026 compared to a net negative change of $148.7 million in H1 2025, primarily due to:
  - A negative change in Trade payables, accrued expenses, and other liabilities of $340.1 million in H1 2026, mainly due to payments made to Volvo Cars and Geely, compared to a negative change of $335.3 million in H1 2025.
  - A negative change in restricted cash in H1 2026 of $17.7 million compared to a negative change of $2.6 million in H1 2025, partially offset by;
  - A net positive change in Trade receivables, prepaid expenses, and other assets of $64.1 million in H1 2026 compared to a net negative change of $149.3 million in H1 2025; and
  - A positive change in Inventories of $37.6 million in H1 2026 compared to $345.2 million in H1 2025, primarily due to the normalization of inventory levels after the significant reduction achieved in 2025.
- Partially offset by:
  - The decrease in net loss of $350.6 million.
  - An increase in the net negative value of reconciling items of $583.8 million, primarily due to:
    - the non-cash impairment expense of $723.5 million in H1 2025, offset by:
    - a net increase of $67.4 million related to financial income and expense; and
    - a net increase of $73.1 million in the Exchange rate income (loss), net in H1 2026 when compared to H1 2025.

Cash used for investing activities

The decrease in Cash used for investing activities in H1 2026 when compared to H1 2025 was primarily a result of:

- A decrease of $56.4 million in cash investments in intangible assets.

- A decrease of $21.7 million in cash investments in property, plant and equipment.
- A decrease in investment in associates of $38.8 million.
- Partially offset by lower proceeds from sale of PPE of $6.3 million.

Cash provided by financing activities

The increase in Cash provided by financing activities in H1 2026 when compared to H1 2025 was primarily the result of:

- An increase of $500.0 million in proceeds from equity issuances, from $200.0 million in H1 2025 to $700.0 million in H1 2026.

  Partially offset by:
- A decrease of $225.9 million in proceeds from short-term borrowings.
- An increase of $167.0 million in repayments of borrowings in H1 2026 when compared to H1 2025; and
- An increase of $33.3 million in transaction costs.

Contractual obligations and commitments

In addition to the liabilities recognized in its Unaudited Condensed Consolidated Statement of Financial Position, Polestar has contractual commitments of $0.8 million for capital expenditure and $392.8 million in other commitments, primarily related to vehicle manufacturing. Refer to *Note 15 - Commitments and contingencies* in the Company's Unaudited Condensed Consolidated Interim Financial Statements included elsewhere in this report.

Management expects to meet these requirements through existing cash balances, operating cash flows, and available credit facilities.

Cash and cash equivalents

Cash and cash equivalents are held by different entities in the Group. The following table summarizes Polestar's cash and cash equivalents as of June 30, 2026 and the currencies in which it is held, converted to U.S. dollars and presented in thousands:

Currency held	Cash and cash equivalents
SEK	362,432
USD	358,907
EUR	57,398
GBP	28,642
KRW	24,458
NOK	15,354
Other	40,386
Total	**887,577**

Legal and regulatory requirements in certain of the countries in which the Group operates may restrict or limit the ability to transfer funds, whether in the form of cash dividends, loans or advances, from the entities in those countries to other entities of the Group.

As of June 30, 2026, the Group had restricted cash of $73.2 million which is presented under current and non-current other assets in the Unaudited Condensed Consolidated Statement of Financial Position and is primarily related to its financial obligations under its syndicated multi-currency green term loan facility ("Club Loan") and under its residual value guarantees in its contracts with financial institutions in North America which provide leases to customers purchasing Polestar's vehicles, and cash collateral pledged in connection with bank guarantees and other regulatory requirements.

Funding types, maturity, currency and interest rate structure

Polestar finances itself through debt arrangements with credit institutions and related parties as further detailed below.

Credit institutions

Financing arrangements with credit institutions can be categorized as follows:

Type	Characteristics
Chinese loan facilities	Facilities provided by Chinese banks which are denominated in CNY or USD. Drawdowns have a maturity of 12 months or less. Bullet payment at maturity. Fixed or floating interest rates based on SOFR or LPR.
International loan facilities	Facilities provided by international banks which are denominated in EUR or USD. Drawdowns have a maturity of 12 months or less. Bullet payment at maturity. Floating interest rates are based on SOFR or EURIBOR.

Type	Characteristics
Trade finance facility ("TFF")	EUR denominated secured, syndicated green trade facility entered into on February 28, 2022 and subsequently amended on February 27, 2023 and renewed on February 27, 2025 and on February 25, 2026. On June 5, 2026, Fubon Bank Hong Kong was onboarded with an additional EUR 50 million, increasing the total facility from EUR 400 million to EUR 450 million. All outstanding principal is 100% secured by the new vehicle inventory financed via this facility in accordance with first-ranking English law charge. Drawdowns have a maturity of 6 months. Floating rates indexed to EURIBOR.
Market RCFs and Buy-Back facilities	Multiple credit facilities with various financial service providers to finance vehicles at the sales locations. The facilities are secured by the underlying assets, and financial terms and legal form vary from market to market.
Club Loan	Syndicated multicurrency green term loan facility entered into on February 22, 2024. The facility consists of two tranches: Facility A (EUR denominated at €340.0 million with an interest rate at the relevant EURIBOR plus 2.85%) and Facility B (USD denominated at $583.5 million, with an interest rate at the Chicago Mercantile Exchange Term SOFR plus 3.35%). Both facilities have a 36-month repayment period with repayment of all drawdowns due in full at the end of the term, including any unpaid interest and other fees.

As of June 30, 2026, Polestar had an equivalent amount of $4,468.9 million in drawn working capital facilities, bilateral and/or syndicated loans from credit institutions, and an uncommitted financing from credit institutions equivalent to $696.4 million available for drawdown.

Related party financing

Term credit facilities

The Group's term credit facilities with its related parties which were fully drawn as of June 30, 2026 are summarized as follows:

Counterparty	Total facility	Maturity	Interest rate
Snita[1]	$665.3 million	December 31, 2031	SOFR rate plus 5.40% per annum
Geely[2]	$300.0 million	June 30, 2027	SOFR rate plus 3.20% per annum

1 - Under the terms of this term credit facility, if Polestar announces an offering of shares of any class of share capital, with a proposed capital raising of at least $350.0 million, and no fewer than five institutional investors participating in the offering, then Snita has the right to convert the principal amount of any outstanding loans into equity.

2 - Under the terms of this term credit facility, Geely can request all or portion of the outstanding loan principal into Polestar equity at a price calculated on the average closing price of the Class A American Depositary Shares on NASDAQ for the 5 trading days immediately preceding the date of the equity conversion exercise notice.

Asset transfer agreement

On December 8, 2023, Polestar and Geely entered into an asset transfer arrangement which was designed to provide financing to Polestar in exchange for Polestar transferring legal ownership of certain Polestar unique tooling and equipment that will be used in the manufacturing of the PS3 (the "PS3 Tooling and Equipment") to Geely. In 2025, Polestar executed two separate tooling transfer arrangements at fixed interest rates with Geely entities for the PS4 and PS5 unique vendor tooling.

Market RCFs

Polestar maintains a Market RCF facility in the UK with its related party Volvo Cars Financial Services, a joint venture between Banco Santander ES and Polestar related party, Volvo Car Corporation SE.

Other

Polestar may also delay payments on its related party trade payables, allowing additional liquidity to remain available for other working capital and financial needs. Delays in trade payables usually incur 'interest for late payment' and may result in further collection actions by the supplier.

Funding maturity

The following table (presented in thousands of U.S. dollars) summarizes the maturity of the Group's primary funding instruments as of June 30, 2026:

	0-3 months	3-6 months	6-12 months	1-2 years	2-5 years	More than 5 years	Total
Loans and borrowings	1,822,044	884,155	2,250,356	112,814	168,661	665,345	5,903,375
Lease liabilities	7,363	7,269	14,009	28,108	45,966	10,386	113,101

Funding currency

The following table (presented in thousands of U.S. dollars) summarizes the currency of the Group's primary funding instruments as of June 30, 2026:

	USD	CNY	EUR	SEK	GBP	Other	Total
Loans and borrowings	3,699,109	1,287,867	851,927	—	—	64,472	5,903,375
Lease liabilities	7,117	902	7,291	65,924	25,569	6,298	113,101

Funding interest rate structure

The following table (presented in thousands of U.S. dollars) summarizes the interest rate structures of the Group's primary funding instruments as of June 30, 2026:

	Fixed	Floating - SOFR	Floating - EURIBOR	Floating - LPR	Floating - Other	Total
Loans and borrowings	2,331,566	2,656,533	852,042	—	63,234	5,903,375
Lease liabilities	113,101	—	—	—	—	113,101

Covenants

Polestar's syndicated Club Loan is subject to covenant requirements including, but not limited to, a defined minimum annual revenue, a defined range for Polestar's debt-to-asset ratio (calculated on a quarterly basis), minimum quarterly cash levels of €400.0 million and maximum quarterly financial indebtedness (as defined in the Club Loan facilities agreement) of $5,500.0 million. Polestar was not in default related to the syndicated loan as of June 30, 2026.

On March 31, 2026, Standard Chartered Bank and the syndicated lenders agreed to amend the debt-to-asset ratio range for all test periods for 2026, including an increase from 0.85:1 to 1.50:1 for the second quarter of 2026. The outcome of the debt-to-asset ratio as of Q2 2026 was 1.47:1, and, as a result, Polestar was not in default related to the syndicated loan as of June 30, 2026.

Polestar's TFF is subject to certain covenant requirements and shares the same minimum quarterly cash covenant as the syndicated Club Loan. As of June 30, 2026, Polestar was not in breach of these covenants.

Some of Polestar's Chinese loan facilities are subject to covenant requirements, including, but not limited to, a 300% liability-to-asset ratio of any single borrowing entity within the Group. Additionally, one specific loan facility required Polestar to reach a retail sales volume of 30,000 units in H1 2026, otherwise allowing the lender to claim repayment from Polestar of 25% of the outstanding amount of the loan per month thereafter. Polestar reported a retail sales volume of 30,423 cars in H1 2026. As of June 30, 2026, Polestar was not in breach of its Chinese loan covenants.

Funding and treasury policies and objectives

Polestar has established a liquidity risk management framework for management of its short-term and long-term funding and liquidity requirements and prepares long-term planning in order to mitigate funding and re-financing risks. Polestar's liquidity management takes into account the maturities of financial assets and financial liabilities and estimates of cash flows from business operations. Certain key stakeholders engage in a weekly meeting to discuss Polestar's current and forecasted liquidity position to determine the Group's funding needs. Polestar prepares long-term planning to mitigate funding and re-financing risks. Depending on the liquidity needs, Polestar will assess the most appropriate financing option – entering into financing or debt agreements or procuring equity investments to reinforce its capital structure. All drawdowns on loans are evaluated against future liquidity needs, investment plans and the restrictions on debt levels arising from financial covenants on certain of its borrowings.

Liquidity and funding plan – Short term (<12 months)

In the short term, the Group works with a series of financing alternatives, which includes, in addition to opportunistic equity financing, the use of credit lines for general corporate purposes, lines that can be utilized in relation to working capital needs (Chinese loan facilities), lines that can finance the cars while the cars are on transport (TFF), Market RCFs for cars in Polestar's inventories, non-recourse factoring of its receivables and may, from time to time, defer related party payments.

Liquidity and funding plan – Long term (>12 months)

For the long-term, the Group looks to optimize and extend credit lines as detailed in *Funding types, maturity, currency and interest rate structure.* The Group also looks for opportunities for additional equity offerings such as the $400.0 million and $300.0 million signed in February and March, respectively.

In this regard, the Group continues to expect its long-term financing lines to be provided by a pool of banks and credit lines provided by Chinese and International counterparties.

For many of its short- and long-term credit lines provided by Chinese and International counterparties, the Group benefits from either a comfort letter or security that is provided by Geely.

Non-GAAP Financial Measures

Polestar uses both generally accepted accounting principles ("GAAP", i.e., IFRS) and non-GAAP (i.e., non-IFRS) financial measures to evaluate operating performance and for other strategic and financial decision-making purposes. Polestar believes non-GAAP financial measures are helpful to investors as they provide useful perspective on underlying business trends and assist in period-on-period comparisons. These measures also improve the ability of management and investors to assess and compare the financial performance and position of Polestar with those of other companies.

These non-GAAP measures are presented for supplemental information purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. The measures are not presented under a comprehensive set of accounting rules and, therefore, should only be read in conjunction with financial information reported under GAAP when assessing Polestar's operating performance.

The measures may not be the same as similarly titled measures used by other companies due to possible differences in calculation methods and items or events being adjusted. A reconciliation between non-GAAP financial measures and the most comparable GAAP performance measures is provided below.

Non-GAAP financial measures used by management are *Adjusted EBITDA*, *Free Cash Flow*, *Adjusted Gross Profit / (Loss)* and *Adjusted Gross Margin*.

Adjusted EBITDA is calculated as net loss, adjusted to exclude:

- Fair value change - Earn-out rights and Class C Shares.
- Finance expense.
- Finance income.
- Foreign exchange gains (losses) on financial activities, net.
- Income tax benefit (expense).
- Depreciation and amortization[1.]
- Impairment of property, plant and equipment, vehicles under operating leases, and intangible assets, net of reversals.
- Gains (losses) on disposals of investments[2].
- Restructuring costs[3]; and
- Unusual other operating income and expenses that are considered rare or discrete events and are infrequent in nature.

1 - Depreciation and amortization include (a) depreciation and amortization capitalized into the carrying value of inventory sold (i.e., part of inventory costs) and (b) depreciation and amortization expense.

2 - Disposals of investments include disposals, by sales or otherwise, of: (a) debt or equity financial instruments issued by another entity that are held as investments, (b) intangible assets, (c) property, plant, and equipment, and (d) groups of assets and liabilities representing disposal groups that were transferred together as part of individual transactions.

3 - Restructuring costs include expenses associated with programs that were planned and controlled by management and materially changed either (a) the scope of a business undertaken by the Group or (b) the manner in which business is conducted including actions undertaken in response to significant regulatory events.

Management reviews this measure and believes it provides meaningful insight into the core business's underlying operating performance and trends, before the effect of any adjusting items.

Free Cash Flow

Free Cash Flow is calculated as cash used for operating activities *plus* cash used to acquire property, plant and equipment and intangible assets. This measure is reviewed by management and management considers it to be a relevant measure for assessing cash generated by operating activities that are available to repay debts and spend on other strategic initiatives.

Adjusted Gross Profit / (Loss) and Adjusted Gross Margin

Adjusted Gross Profit / (Loss) is calculated as gross loss, adjusted to exclude: (i) expenses arising from the impairment of property, plant and equipment, vehicles under operating leases, and intangible assets; and (ii) unusual other items of income or expense that are considered rare or discrete events and are infrequent in nature. Adjusted Gross Margin is calculated as Adjusted Gross Profit / (Loss) divided by revenue. These measures are reviewed by management and management considers them to be useful measures for assessing Polestar's historical operating performance as they facilitate comparison between periods by excluding the non-cash impairment expense, the measurement of which includes significant assumptions related to future periods.

Reconciliation of GAAP and Non-GAAP Measures

	For the six months ended June 30,	
	2026	**2025**
Adjusted EBITDA		
Net loss	(842,448)	(1,193,079)
Fair value changes on Earn-out rights and Class C shares	(6,374)	(15,813)
Finance expense	205,162	185,319
Finance income[1]	(5,256)	(3,415)
Foreign exchange losses (gains) on financial activities, net[1]	14,795	(49,382)
Income tax expense (benefit)	5,255	(43,485)
Depreciation and amortization	62,431	75,772
Impairment (reversal) expense, net	(1,154)	723,524
Losses on disposals of investments	1,904	4,629
Restructuring costs	44,247	13,629
Adjusted EBITDA	**(521,438)**	**(302,301)**

1 - The *Foreign exchange (losses) gains on operating activities, net* were previously presented under *Finance income* in the six months ended June 30, 2025. Refer to Volu*ntary re-presentation from previous year in Note 2 - Material accounting policies and judgements)* in the Unaudited Condensed Consolidated Interim Financial Statements for further information.

	For the six months ended June 30,	
	2026	**2025**
Free Cash Flow		
Net cash used for operating activities	(849,906)	(497,652)
Additions to property, plant, and equipment	(66,358)	(88,032)
Additions to intangible assets	(145,216)	(201,581)
Free Cash Flow	**(1,061,480)**	**(787,265)**

	For the six months ended June 30,	
	2026	**2025**
Adjusted Gross Profit / (Loss)		
Gross Loss	(114,810)	(703,124)
Impairment (reversal) expense, net	(1,154)	723,524
Adjusted Gross Profit / (Loss)	**(115,964)**	**20,400**

	For the six months ended June 30,	
	2026	**2025**
Adjusted Gross Margin		
Adjusted Gross (Loss) Profit (a)	(115,964)	20,400
Revenue (b)	1,360,091	1,422,605
Adjusted Gross Margin (a/b)	**(8.5)%**	**1.4%**

The Polestar Group
Unaudited Condensed Consolidated Interim Financial Statements as of June 30, 2026 and for the six months ended June 30, 2026 and 2025

Polestar Automotive Holding UK PLC

INDEX TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2026 AND 2025

Polestar Automotive Holding UK PLC
Unaudited Condensed Consolidated Statement of Loss and Comprehensive Loss
(in thousands of U.S. dollars except per share data and unless otherwise stated)

		For the six months ended June 30,	
	Note	**2026**	**2025[1]**
Revenue	3	1,360,091	1,422,605
Cost of sales	4	(1,474,901)	(2,125,729)
Impairment reversal (expense), net	4	1,154	(723,524)
Other cost of sales	4	(1,476,055)	(1,402,205)
Gross loss		**(114,810)**	**(703,124)**
Selling, general and administrative expense	4	(430,908)	(431,283)
Research and development expense	4	(15,332)	(31,262)
Other operating income	5	12,799	41,087
Other operating expense	5	(50,538)	(20,333)
Foreign exchange (losses) gains on operating activities, net		(30,077)	49,321
Operating loss		**(628,866)**	**(1,095,594)**
Finance income		5,256	3,415
Finance expense		(205,162)	(185,319)
Foreign exchange (losses) gains on financial activities, net		(14,795)	49,382
Fair value changes - Earn-out rights and Class C shares	9	6,374	15,813
Share of losses in associates		—	(24,261)
Loss before income taxes		**(837,193)**	**(1,236,564)**
Income tax (expense) benefit		(5,255)	43,485
Net loss		**(842,448)**	**(1,193,079)**
Net loss per share (in U.S. dollars)	6		
Class A - Basic and Diluted		(0.21)	(0.56)
Class B - Basic and Diluted		(0.21)	(0.56)
Consolidated Statement of Comprehensive Loss			
Net loss		**(842,448)**	**(1,193,079)**
Other comprehensive loss			
Items that may be subsequently reclassified to the Consolidated Statement of Loss:			
Exchange rate differences from translation of foreign operations		(91,595)	34,876
Total other comprehensive (loss) income		**(91,595)**	**34,876**
Total comprehensive loss		**(934,043)**	**(1,158,203)**

1 - Certain figures and descriptions were re-presented (see *Voluntary re-presentation from previous year* in *Note 2 - Material accounting policies and judgements).*

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements.

Polestar Automotive Holding UK PLC
Unaudited Condensed Consolidated Statement of Financial Position (in thousands of U.S. dollars)

	Note	June 30, 2026	December 31, 2025
Assets			
Non-current assets			
Intangible assets and goodwill	7	663,420	700,326
Property, plant and equipment	8	304,958	292,993
Vehicles under operating leases		130,137	100,535
Other assets		82,901	54,943
Deferred tax assets		94,529	92,345
Total non-current assets		**1,275,945**	**1,241,142**
Current assets			
Cash and cash equivalents	9	887,577	1,159,300
Trade receivables and other receivables		363,885	341,881
Inventories	10	719,986	853,079
Current tax assets		17,995	11,119
Other assets		251,174	323,294
Total current assets		**2,240,617**	**2,688,673**
Total assets		**3,516,562**	**3,929,815**
Equity			
Share capital		(49,349)	(27,817)
Other contributed capital		(5,436,424)	(4,133,458)
Foreign currency translation reserve		106,256	14,661
Accumulated deficit		10,111,283	9,268,835
Total equity	11	**4,731,766**	**5,122,221**
Liabilities			
Non-current liabilities			
Contract liabilities		(70,719)	(76,091)
Deferred tax liabilities		—	(577)
Provisions	12	(120,492)	(133,536)
Other liabilities		(82,938)	(37,228)
Earn-out liability	9	(422)	(3,579)
Loans and borrowings	13	(946,820)	(2,499,230)
Lease liabilities		(84,460)	(93,514)
Total non-current liabilities		**(1,305,851)**	**(2,843,755)**
Current liabilities			
Trade payables		(894,797)	(1,107,162)
Accrued expenses		(320,875)	(424,577)
Advance payments from customers		(9,915)	(16,062)
Provisions	12	(115,313)	(120,791)
Loans and borrowings	13	(4,956,555)	(3,860,675)
Current tax liabilities		(11,219)	(12,276)
Lease liabilities		(28,641)	(37,210)
Contract liabilities		(33,836)	(37,183)
Class C Shares liability	9	(2,091)	(5,308)
Other liabilities		(569,235)	(587,037)
Total current liabilities		**(6,942,477)**	**(6,208,281)**
Total liabilities		**(8,248,328)**	**(9,052,036)**
Total equity and liabilities		**(3,516,562)**	**(3,929,815)**

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements.

Polestar Automotive Holding UK PLC
Unaudited Condensed Consolidated Statement of Changes in Equity
(in thousands of U.S. dollars)

	Note	Share capital	Other contributed capital	Foreign currency translation reserve	Accumulated deficit	Total
Balance as of January 1, 2026		**(27,817)**	**(4,133,458)**	**14,661**	**9,268,835**	**5,122,221**
Net loss		—	—	—	842,448	842,448
Other comprehensive loss		—	—	91,595	—	91,595
Total comprehensive loss		**—**	**—**	**91,595**	**842,448**	**934,043**
Equity issuances	11	(10,857)	(669,017)	—	—	(679,874)
Equity-settled share-based payment	11	(17)	(3,350)	—	—	(3,367)
Debt-to-equity conversion - Snita Term Loan Facility	11	(6,004)	(335,253)	—	—	(341,257)
Debt-to-equity conversion - Geely Term Loan Facility	11	(4,654)	(295,346)	—	—	(300,000)
Balance as of June 30, 2026		**(49,349)**	**(5,436,424)**	**106,256**	**10,111,283**	**4,731,766**
Balance as of January 1, 2025		**(21,169)**	**(3,625,027)**	**63,152**	**6,911,604**	**3,328,560**
Net loss		—	—	—	1,193,079	1,193,079
Other comprehensive income		—	—	(34,876)	—	(34,876)
Total comprehensive loss		**—**	**—**	**(34,876)**	**1,193,079**	**1,158,203**
Equity issuance - Securities Purchase Agreement		—	(200,000)	—	—	(200,000)
Equity-settled share-based payment		(89)	(5,406)	—	—	(5,495)
Related party capital contribution		—	(15,265)	—	—	(15,265)
Balance as of June 30, 2025		**(21,258)**	**(3,845,698)**	**28,276**	**8,104,683**	**4,266,003**

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements.

Polestar Automotive Holding UK PLC
Unaudited Condensed Consolidated Statement of Cash Flows
(in thousands of U.S. dollars)

		For the six months ended June 30,	
	Note	2026	2025
Cash flows from operating activities			
Net loss		(842,448)	(1,193,079)
Adjustments to reconcile net loss to net cash flows:			
Depreciation and amortization	4, 7, 8	12,137	32,333
Warranty provisions	12	35,414	40,828
Impairment of inventory	4, 10	87,752	81,056
Impairment (reversal) expense of property, plant, and equipment, vehicles under operating leases, and intangible assets, net	2, 4, 7, 8	(1,154)	723,524
Finance income		(5,256)	(52,797)
Finance expense		205,162	185,319
Fair value change - Earn-out rights and Class C Shares	9	(6,374)	(15,813)
Income tax benefit (expense)		5,255	(43,485)
Share of losses in associates		—	24,261
Net losses (gains) on derecognition and disposal of property, plant and equipment and intangible assets	8	12,908	(286)
Litigation provisions, net of insurance	12	—	(583)
Other provisions	12	64,775	35,993
Exchange rate income (loss), net		34,504	(38,546)
Other non-cash expense and income		(16,217)	40,931
Changes in operating assets and liabilities:			
Inventories	10	37,641	345,169
Contract liabilities		(5,461)	(6,720)
Trade receivables, prepaid expenses, and other assets		64,070	(149,266)
Trade payables, accrued expenses, and other liabilities		(340,108)	(335,281)
Restricted deposits		(17,689)	(2,565)
Interest received		1,629	1,867
Interest paid		(164,338)	(146,545)
Taxes paid		(12,108)	(23,967)
Cash used for operating activities		**(849,906)**	**(497,652)**
Cash flows from investing activities			
Additions to property, plant, and equipment	8	(66,358)	(88,032)
Additions to intangible assets	7	(145,216)	(201,581)
Additions to investment in associates		—	(38,816)
Reductions to other non-current assets		702	460
Proceeds from sale of property, plant and equipment	8	19	6,294
Cash used for investing activities		**(210,853)**	**(321,675)**
Cash flows from financing activities			
Proceeds from short-term borrowings	13	1,728,328	1,954,240
Proceeds from long-term borrowings		12,873	—
Repayments of borrowings	13	(1,622,852)	(1,455,817)
Proceeds from equity issuance	11	700,000	200,000
Repayments of lease liabilities		(16,301)	(10,968)
Transaction costs		(33,323)	—
Cash provided by financing activities		**768,725**	**687,455**

		For the six months ended June 30,	
	Note	2026	2025
Effect of foreign exchange rate changes on cash and cash equivalents		20,311	111,260
Net decrease in cash and cash equivalents		**(271,723)**	**(20,612)**
Cash and cash equivalents at the beginning of the period		1,159,300	739,237
Cash and cash equivalents at the end of the period		**887,577**	**718,625**

The accompanying notes are an integral part of these Unaudited Condensed Consolidated Interim Financial Statements.

Note 1 - Overview and basis of preparation

General information

Polestar Automotive Holding UK PLC (the "Parent"), together with its subsidiaries, hereafter referred to as "Polestar", the "Company", "Polestar Group" or the "Group", is a public limited company incorporated in the United Kingdom. Polestar Group operates principally in the automotive industry, engaging in the research and development, branding and marketing, and commercialization and selling of battery electric vehicles. Polestar Group has a presence in 29 markets across Europe, North America, and Asia Pacific. Polestar Group has its management headquarters located at Assar Gabrielssons väg 9, 41878 Göteborg, Sweden.

At the end of June, 2026, Polestar was notified of the decision from the U.S. Department of Commerce's Bureau of Industry and Security not to grant Polestar an authorization under the current Connected Vehicle Rule to sell vehicles in the U.S. from model year 2027 onwards. The Company will continue selling previous model years in the U.S. from its inventory after which it will cease the sale of new vehicles in the U.S.. Following this, Polestar intends to continue to support customers in the U.S., including providing access to its service network and honoring the warranties and other product commitments given to customers when they purchased their vehicles. These activities are expected to reduce over time as these commitments expire and vehicles are retired.

As a result of this decision, Polestar has implemented a number of measures affecting its U.S. new vehicles sales operations, including actions relating to employees, dealers and other commercial arrangements. These actions (the "U.S. Restructuring"), together with the resulting effects on vehicles and related assets, led to material provisions, accruals and other adjustments that are included in the six months ended June 30, 2026 results, primarily:

- Increase in the negative adjustment for net realizable value ("NRV") in cost of sales reflecting the sell-down of inventory;
- Increase in the reversal of revenue for the additional amounts expected to be paid out under the residual value guarantees ("RVGs") reflecting the expected fall in residual values; and
- Recognition of a provision for restructuring costs including employee severance costs and other obligations to suppliers/ partners.

Basis of preparation

These Unaudited Condensed Consolidated Interim Financial Statements are prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* ("IAS 34"), as issued by the International Accounting Standards Board ("IASB"), and are presented in thousands of U.S. dollars, unless otherwise stated. These Unaudited Condensed Consolidated Interim Financial Statements should be read in conjunction with the Consolidated Financial Statements of Polestar Automotive Holding UK PLC, as of December 31, 2025 and 2024, and for the three years ended December 31, 2025 as presented in Form 20-F filed with the United States Securities and Exchange Commission ("SEC") on April 17, 2026 ("2025 Consolidated Financial Statements"). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards; however, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

These Unaudited Condensed Consolidated Interim Financial Statements were authorized for issue by the Company's Board of Directors on September 3, 2026.

Seasonality

Polestar's business is subject to seasonal fluctuations, consistent with patterns observed in the general automotive industry. Demand is typically lower in the first quarter and stronger during the spring and fall. The impact of seasonality on the Group's financial performance has been less visible in the past due to rapid growth, but as the operations expand, seasonal effects may become more pronounced. Consequently, interim results may not be indicative of the full-year performance.

Going concern

These Unaudited Condensed Consolidated Interim Financial Statements have been prepared on a basis that assumes Polestar Group will continue as a going concern.

Management assessed the Group's ability to continue as a going concern and evaluated whether there are events or conditions, considered in the aggregate, that may cast significant doubt about Polestar's ability to continue as a going concern. As a result of this assessment, management identified material uncertainties that cast significant doubt on the Group's ability to continue as a going concern. These material uncertainties relate to the successful execution of management's planned financing actions, including the renegotiation of the Club Loan financing due to expire in early 2027, which will allow the Group to obtain sufficient financing to support its cash flow needs and ensure on-going compliance with its debt covenants. In performing this assessment, management considered a broad range of relevant information, including cash flow forecasts, liquidity forecasts and operational forecasts pertaining to the twelve-month period following the issuance date of these Unaudited Condensed Consolidated Interim Financial Statements, as well as other risks related to Polestar's business. In making these forecasts, management was required to make judgements relating to the Group's future operations as well as macroeconomic and geopolitical factors. These include judgements relating to car sale volumes and prices, operating expenses, required capital expenditure and market demand for debt refinancing and debt and / or equity issuances by Polestar.

As a result of scaling up commercialization and continued capital expenditure related to developing its line-up of vehicles, managing the Company's liquidity profile and funding needs remains one of management's key priorities. If Polestar is not able to raise the necessary funds through its operations, equity issuances, debt financings and refinancing or other means, the Group may be required to delay, limit, reduce, or, in the worst case, terminate research and development and / or commercialization efforts. As of June 30, 2026, Polestar has net current liabilities of $4,701,860. Since inception, Polestar has generated net losses and negative operating and investing cash flows. Net losses for the six months ended June 30, 2026 and 2025 amounted to $842,448 and $1,193,079, respectively. Negative operating cash flows for the six months ended June 30, 2026 and 2025 amounted to $849,906 and $497,652, respectively. Negative investing cash flows for the six months ended June 30, 2026 and 2025 amounted to $210,853 and $321,675, respectively. Management's liquidity and funding plan forecasts that Polestar will generate negative operating cash flows in the short-term and that investing cash flows will continue to be negative in the short- and long-term due to the high capital expenditure demands of Polestar's business. Securing financing to support operating and development activities represents an ongoing challenge for the Group.

The Group primarily finances its operations through short-term (i.e., 12 months or less) working capital loan arrangements with credit institutions, contributions from shareholders, long-term financing arrangements with related parties and, in certain circumstances, by delaying payment on its trade payables to related parties.

Management's liquidity and funding plan indicates that Polestar depends on rolling over current financing arrangements as well as obtaining additional financing that is expected to be funded via one of, or a combination of, new short-term working capital loan arrangements, long-term loan arrangements, loans with related parties, and executing capital market transactions through offerings of debt and/or equity. Until Polestar begins generating sufficient positive operating cash flows, the timely realization of these financing endeavors, which are, to a significant extent, contingent on the provision of credit enhancements by Geely, is essential for the Group's ability to continue as a going concern. Management cannot guarantee that Polestar will be successful in securing the funds necessary to continue operating and developing activities as planned. During the six months ended June 30, 2026, Polestar continued to demonstrate its ability to obtain financing and proactively manage its liquidity through a combination of debt refinancing, debt-to-equity conversions, equity transactions, covenant amendments and shareholder support. Significant financing activities during the period included:

- Renewal and extension of multiple working capital and trade finance facilities with existing banking partners, including the extension of the Group's syndicated trade finance facility and the renewal of secured bank loan facilities with Banco Bilbao Vizcaya Argentaria, Standard Chartered Bank, East Asia Bank and SG Asset Finance, together with additional working capital facilities entered into with Bank of China and East Asia Bank.
- Completion of two equity issuances in February and March 2026 for aggregate gross proceeds of approximately $700.0 million, including investments from both existing and new institutional investors.
- Conversion of approximately $274.0 million of the outstanding Snita Term Loan into equity in March 2026 and a further $66.0 million on June 30, 2026.
- Completion, on June 30, 2026, of a debt-to-equity conversion by Geely Sweden Automotive Investment AB totaling approximately $300.0 million, bringing total debt-to-equity conversions completed during the six months ended June 30, 2026 to approximately $640.0 million.
- Extension of the remaining maturity of the Snita Term Loan to December 2031, maintaining its subordinated position within the Group's capital structure and supporting the planned renewal of the Club Loan.
- Extension of the $300.0 million outstanding subordinated Geely shareholder term loan to June 30, 2027.
- Increase of the Green Trade Finance Facility from €400.0 million to €450.0 million through the addition of Fubon Bank (Hong Kong) Limited as a new member of the lending syndicate.
- Successful negotiation with lenders to amend the Club Loan financial covenants, including revised minimum revenue and debt-to-asset ratio thresholds aligned with management's updated business plan.

Management believes that these financing activities demonstrate the Group's continued access to capital funding and provide evidence supporting management's expectation that future financing activities can be successfully executed. Nevertheless, because future financing activities remain subject to factors outside management's control, material uncertainties continue to exist that cast significant doubt upon the Group's ability to continue as a going concern.

Polestar is party to financing instruments that contain financial covenants with which it must comply during, and beyond, the 12 months following the issuance date of these Unaudited Condensed Consolidated Interim Financial Statements including, but not limited to, a minimum quarterly cash level of €400.0 million, minimum annual revenue amounts, quarterly debt-to-asset ratio thresholds and maximum quarterly financial indebtedness of $5.5 billion. A failure to comply with these financial covenants could result in an event of default and acceleration of the related borrowings, which could have a material adverse effect on the Group's liquidity. Due to the factors discussed above, there is significant doubt as to whether Polestar will be able to comply with all covenants in future periods. Remedies to a potential event of default include proactively applying for a covenant waiver prior to such event of default occurring and active management of its debt profile, including optimizing the balance between senior and subordinated debt. During 2025, Polestar identified that it was at risk of breaching certain Club Loan covenants and, prior to any breach occurring, successfully obtained lender approval to amend the applicable covenant thresholds. In March 2026, the Group received further lender approval to amend the 2026 minimum annual revenue and debt-to-asset ratio covenant thresholds to align with management's updated business plan. Based on these amended thresholds, management's current forecasts and, assuming the successful execution of management's liquidity and funding plan, which includes the replacement of certain non-subordinated financings with subordinated financing arrangements in the near term, the Group expects to remain in compliance with its financial covenants throughout the twelve-month period following issuance of these Unaudited Condensed Consolidated Interim Financial Statements. However, there remains material uncertainty as to whether Polestar will comply with all covenants in future periods. Continued covenant compliance depends upon the successful execution of management's liquidity and funding plan and, if this does not occur, management cannot guarantee that future covenant waivers or amendments would be available if required.

Management forecasts sufficient liquidity throughout the twelve-month period following the issuance date of these Unaudited Condensed Consolidated Interim Financial Statements, assuming the successful execution of its planned financing actions. Under this forecast, the Group expects to meet its forecast cash flow requirements and remain in compliance with its applicable financial covenants. However, because the successful execution of certain financing activities is not entirely within management's control, material uncertainties related to events and conditions remain that may cast significant doubt upon the Group's ability to continue as a going concern. Nevertheless, management concluded that the going concern basis of accounting remains appropriate in preparing these Unaudited Condensed Consolidated Interim Financial Statements. Accordingly, these Unaudited Condensed Consolidated Interim Financial Statements do not include any adjustments that might result should the Group be unable to continue as a going concern.

Note 2 - Material accounting policies and judgements

Except for the changes described below, Polestar Group continues to apply the same accounting policies as described in *Note 2 - Material accounting policies and use of significant judgements and estimates* of the 2025 Consolidated Financial Statements.

Provisions and contingent liabilities

Restructuring provisions

Restructuring provisions relate to planned reorganization or restructuring that materially change either the scope of Polestar's business or the manner in which it is conducted. Costs related to restructuring generally comprise employee severance packages, facility closure costs, and other costs related to business reorganization. A restructuring provision is recognized when Polestar has a detailed formal plan for the restructuring and has raised a valid expectation in those affected that the restructuring will be carried out by starting to implement the plan or announcing its main features.

Adoption of new and amended standards

Effects of new and amended IFRS

In December 2024, the IASB issued amendments to IFRS 9, *Financial Instruments*, and IFRS 7, *Financial Instruments: Disclosures*, as well as *Annual Improvements to IFRS Accounting Standards-Volume 11*. These amendments became effective for annual periods beginning on or after January 1, 2026. Management assessed the impact of adopting these amendments and concluded that they did not have a material impact on the Unaudited Condensed Consolidated Interim Financial Statements.

New and amended IFRS issued but not yet effective

Management has assessed the new and amended accounting standards issued during the six months ended June 30, 2026 but not yet effective and concluded that their adoption will not have a material impact on the Group when they become effective. Management's assessment of the other new and amended IFRS issued has not changed from that described in *Note 2 - Material accounting policies and use of significant judgements and estimates* of the 2025 Consolidated Financial Statements.

Use of estimates and judgements

In preparing these Unaudited Condensed Consolidated Interim Financial Statements, management has made judgements and estimates about the future that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were materially the same as those described in the 2025 Consolidated Financial Statements with the following additional considerations / modifications:

- Revenue - in addition to the judgements and estimates related to revenue described in the 2025 Consolidated Financial Statements, as of June 30, 2026 further estimates were necessary in relation to residual value guarantees. Following the decision of the U.S. Department of Commerce's Bureau of Industry and Security not to grant Polestar an authorization under the current Connected Vehicle Rule to sell vehicles in the U.S. from model year 2027 onwards (refer to *Note 1 - Overview and basis of preparation*), management determined that the residual value information obtained from third-party sources at June 30, 2026 did not yet reflect the potential negative impact of this decision on the residual values of the vehicles in the U.S. lease portfolio. Therefore, management made an estimate of this potential impact and adjusted down the residual values used to calculate the refund liability and revenue adjustment related to the residual value guarantees. Changes in expected residual values could result in changes to the amount recognized in future periods.
- Impairment of PPE, intangible assets and goodwill - as described in the 2025 Consolidated Financial Statements. Polestar conducts routine evaluations of its PPE, intangible assets, and goodwill for evidence of impairment indicators.
    - *Judgements*: Polestar applies judgement in assessing whether events or changes in circumstances indicate that the carrying amount of its non-financial assets may not be recoverable. As of June 30, 2026, management considered, among other factors, changes in the market for battery electric vehicles and the impact these have on management's updated forecasts and the effects of the decision of the U.S. Department of Commerce's Bureau of Industry and Security not to grant Polestar an authorization under the current Connected Vehicle Rule to sell vehicles in the U.S. from model year 2027 onwards (refer to *Note 1 - Overview and basis of preparation*). Management concluded that there were no indicators of impairment for the Group's cash-generating units with material long-term assets.

(in thousands of U.S. dollars unless otherwise stated)

Voluntary re-presentation from previous year

In order to improve the clarity and consistency of the presentation of the Group's profit and loss, during the current reporting period, the Group has altered the presentation of certain financial statement line items in the Condensed Consolidated Statement of Loss and Comprehensive Loss. The presentation of the comparative information has been adjusted accordingly to ensure consistency with the current period's presentation.

Unaudited Condensed Consolidated Statement of Loss and Comprehensive Loss

The comparative period ended June 30, 2025 in the Unaudited Condensed Consolidated Statement of Loss and Comprehensive Loss has been presented considering the changes described above.

		For the six months ended June 30, 2025		
	Ref.	**As previously reported**	**Impact of presentation changes**	**As revised**
Revenue		1,422,605	—	1,422,605
Cost of sales		(2,125,729)	—	(2,125,729)
Impairment expense, net of reversals		(723,524)	—	(723,524)
Other cost of sales		(1,402,205)	—	(1,402,205)
Gross loss		**(703,124)**	**—**	**(703,124)**
Selling, general, and administrative expense		(431,283)	—	(431,283)
Research and development expense		(31,262)	—	(31,262)
Other operating income (expense), net	(a)	70,075	(70,075)	—
Other operating income	(a)	—	41,087	41,087
Other operating expense	(a)	—	(20,333)	(20,333)
Foreign exchange gains (losses) on operating activities, net	(a)	—	49,321	49,321
Operating loss		**(1,095,594)**	**—**	**(1,095,594)**
Finance income	(b)	52,797	(49,382)	3,415
Finance expense		(185,319)	—	(185,319)
Foreign exchange gains (losses) on financial activities, net	(b)	—	49,382	49,382
Fair value change - Class C Shares and Earn-out rights	(c)	15,813	—	15,813
Share of losses in associates		(24,261)	—	(24,261)
Loss before income taxes		**(1,236,564)**	**—**	**(1,236,564)**
Income tax benefit		43,485	—	43,485
Net loss		**(1,193,079)**	**—**	**(1,193,079)**

Operational results (a)

The other income and expense were previously presented net, and the revised change presents the other operating income, other operating expense and the foreign exchange results separately. This breakdown improves transparency, allowing the reader to clearly distinguish income, expense, and currency impacts within the Company's operating results.

Financial results (b)

Foreign exchange results were segregated in the revised consolidated profit and loss to provide a clearer view of financial gains and losses from currency fluctuations.

Results of fair value changes (c)

The lines of fair value changes from Earn-out rights and Class C Shares were previously disclosed separately. Given their nature and materiality, those lines were aggregated in one line item, called "Fair value changes - Earn-out rights and Class C shares".

(in thousands of U.S. dollars unless otherwise stated)

Note 3 - Revenue

The following table shows the Group's revenue disaggregated by source:

	For the six months ended June 30,	
	2026	2025
Sales of vehicles[1]	1,278,805	1,317,756
Sales of carbon credits	52,414	72,155
Sales of licenses and royalties	19,907	10,920
Vehicle leasing revenue	4,338	7,579
Sales of software and performance engineered kits	2,515	5,628
Other revenue	2,112	8,567
Total	**1,360,091**	**1,422,605**

1 - Revenue related to sale of vehicles is inclusive of services sold with vehicles that are recognized over time.

For the six months ended June 30, 2026 and 2025, no single customer that was not a related party exceeded 10% of total revenue.

The following table shows the breakdown of the Group's revenue by geographical location of the Group entity recognizing the revenue:

	For the six months ended June 30,	
	2026	2025
United Kingdom	385,462	373,173
Sweden	255,982	275,529
Germany	107,825	90,830
Korea	100,716	54,828
Norway	98,824	98,451
Belgium	69,424	76,432
Australia	62,263	50,170
Denmark	52,140	52,098
Finland	35,811	41,062
Switzerland	35,764	32,726
Netherlands	31,327	54,759
Spain	27,614	19,078
Austria	25,068	15,915
Italy	19,560	13,921
Portugal	17,939	14,215
France	13,524	205
Canada	10,252	27,560
Luxembourg	5,273	8,244
United States[1]	3,488	93,836
Other regions	1,835	29,573
Total	**1,360,091**	**1,422,605**

1 - For the six months ended June 30, 2026, the amount was impacted by the increase in the residual value guarantees relating to the U.S. Restructuring as described in *Note 1 - Overview and basis of preparation.*

(in thousands of U.S. dollars unless otherwise stated)

Note 4 - Expenses by nature

The following table illustrates the Group's expenses by nature:

	For the six months ended June 30, 2026			
	Cost of sales	Selling, general and administrative expense	Research and development expense	Total
Inventory costs	1,408,579	—	—	1,408,579
Impairment reversal, net	(1,154)	—	—	(1,154)
Professional services and consultant costs	—	80,562	10,405	90,967
Advertising, selling, and promotion costs	—	134,033	—	134,033
Employee benefit costs	1,859	121,070	6,279	129,208
Warranties and costs associated with settling contract liabilities	62,872	1,019	—	63,891
Depreciation and amortization expense	2,431	9,234	472	12,137
Sales agent costs	—	61,672	—	61,672
Maintenance and insurance service costs	—	7,913	—	7,913
Other costs	314	15,405	(1,824)	13,895
Total	**1,474,901**	**430,908**	**15,332**	**1,921,141**

	For the six months ended June 30, 2025			
	Cost of sales	Selling, general and administrative expense	Research and development expense	Total
Inventory costs	1,325,998	—	—	1,325,998
Impairment of property, plant and equipment, vehicles under operating leases, and intangible assets	723,524	—	—	723,524
Professional services and consultant costs	—	109,821	17,219	127,040
Advertising, selling, and promotion costs	—	120,329	—	120,329
Employee benefit costs	3,847	105,431	2,840	112,118
Warranties and costs associated with settling contract liabilities	55,649	1,053	—	56,702
Sales agent costs	—	51,999	—	51,999
Depreciation and amortization expense	13,755	12,823	5,755	32,333
Maintenance and insurance service costs	—	9,861	—	9,861
Other costs	2,956	19,966	5,448	28,370
Total	**2,125,729**	**431,283**	**31,262**	**2,588,274**

Note 5 - Other operating income and expense

The following table details the Group's other operating income and expense:

	For the six months ended June 30,	
	2026	2025
Other operating income		
Sales of carbon credits	4,349	17,621
Transition services to Polestar Times Technology	3,132	16,285
Sales of plant operation services to a related party	—	1,661
Other operating income	5,318	5,520
Total other operating income	**12,799**	**41,087**
Other operating expense		

	For the six months ended June 30,	
	2026	2025
Restructuring costs[1]	44,247	13,629
Property tax and other state and local tax expenses	994	1,235
Transition services to Polestar Times Technology	—	947
Other operating expenses	5,297	4,522
Total other operating expense	**50,538**	**20,333**

1 - For the six months ended June 30, 2026, the amounts are primarily related to severance costs and other restructuring costs arising from the U.S. Restructuring as described in *Note 1 - Overview and basis of preparation*. For the six months ended June 30, 2025, the amounts are primarily related to severance costs.

Note 6 - Net loss per share

The following table presents the computation of basic and diluted net loss per share:

	For the six months ended June 30,	
	2026	2025
Class A and B Common Shares		
Net loss attributable to shareholders of the parent entity	(842,448)	(1,193,079)
Weighted-average number of common shares outstanding:		
Basic and diluted	3,978,760	2,114,848
Net loss per share (in ones):		
Basic and diluted	(0.21)	(0.56)

On December 9, 2025, Polestar's Class A, Class B, Class C-1 and Class C-2 ADS's ratio changed from the current ADS ratio of one (1) ADS to one (1) ordinary share to the underlying ADS Ratio of one (1) ADS to thirty (30) ordinary shares. There were no changes to the Company's Class A, Class B, Class C-1 or Class C-2 ordinary shares, therefore, the shares used in the net loss per share calculations have not been impacted by the change in the ratio of ADSs to ordinary shares to 1:30. For further information on the ADS ratio change, refer to *Note 21 - Equity* included in the 2025 Consolidated Financial Statements.

(in thousands of U.S. dollars unless otherwise stated)

Note 7 - Intangible assets and goodwill

The changes in Polestar Group's intangible assets, goodwill and trademarks are as follows:

	Internally developed IP	Software	Acquired IP	Goodwill	Trademarks	Total
Acquisition cost						
Balance as of January 1, 2026	**682,645**	**17,177**	**2,311,582**	**52,386**	**2,602**	**3,066,392**
Additions[1]	38,658	—	60,143	—	—	98,801
Derecognition due to program changes	(10,558)	—	—	—	—	(10,558)
Effect of foreign currency exchange differences	(35,509)	(628)	(85,906)	(2,672)	(133)	(124,848)
Balance as of June 30, 2026	**675,236**	**16,549**	**2,285,819**	**49,714**	**2,469**	**3,029,787**
Balance as of January 1, 2025	**455,029**	**11,665**	**1,811,120**	**43,793**	**2,175**	**2,323,782**
Additions[1]	73,747	760	83,887	—	—	158,394
Derecognition due to program changes	—	—	—	—	—	—
Reclassifications	—	(3)	3	—	—	—
Effect of foreign currency exchange differences	77,232	1,874	236,539	7,001	348	322,994
Balance as of June 30, 2025	**606,008**	**14,296**	**2,131,549**	**50,794**	**2,523**	**2,805,170**
Accumulated amortization and impairment						
Balance as of January 1, 2026	**(536,890)**	**(7,498)**	**(1,821,678)**	**—**	**—**	**(2,366,066)**
Amortization expense	—	(1,155)	(48)	—	—	(1,203)
Amortization capitalized into inventory	(2,279)	—	(30,917)	—	—	(33,196)
Effect of foreign currency exchange differences	7,481	337	26,280	—	—	34,098
Balance as of June 30, 2026	**(531,688)**	**(8,316)**	**(1,826,363)**	**—**	**—**	**(2,366,367)**
Balance as of January 1, 2025	**(332,488)**	**(4,380)**	**(946,065)**	**—**	**—**	**(1,282,933)**
Amortization expense	—	(931)	(3,210)	—	—	(4,141)
Amortization expense capitalized into inventory	(1,193)	—	(31,765)	—	—	(32,958)
Impairment loss	(13,708)	—	(480,798)	—	—	(494,506)
Effect of foreign currency exchange rate differences	(52,214)	(588)	(100,165)	—	—	(152,967)
Balance as of June 30, 2025	**(399,603)**	**(5,899)**	**(1,562,003)**	**—**	**—**	**(1,967,505)**
Carrying amount as of June 30, 2026	**143,548**	**8,233**	**459,456**	**49,714**	**2,469**	**663,420**
Carrying amount as of December 31, 2025	**145,755**	**9,679**	**489,904**	**52,386**	**2,602**	**700,326**

1 – Of $98,801 in additions for the six months ended June 30, 2026, $57,418 was settled in cash. In the Unaudited Condensed Consolidated Statement of Cash Flows, this $57,418 is included as investing activities in the $145,216 additions to intangible assets, and the remaining $87,798 relates to additions from prior periods which were settled in cash during the six months ended June 30, 2026.

Of $158,394 in additions for the six months ended June 30, 2025, $71,152 has been settled in cash. These $71,152 are included in the $201,581 cash used for investing activities related to additions to intangible assets, and the remaining $130,429 relates to additions from prior periods which were settled in cash during the six months ended June 30, 2025.

The significant additions in the six months ended June 30, 2026 related to:

- Additions to Internally developed IP are primarily related to the Polestar 4, Polestar 5 and various other internal programs, such as model year updates.
- Additions to Acquired IP are primarily related to acquisitions of Polestar 2, Polestar 4 and Polestar 5 model year updates.

(in thousands of U.S. dollars unless otherwise stated)

Note 8 - Property, plant and equipment

The table below shows the changes to the carrying amount of tangible assets and right-of-use assets that comprise Property, plant and equipment:

	Tangible assets			Right-of-use assets		
	Buildings and land	Machinery and equipment	Assets under construction	Buildings and land	Machinery and equipment	Total
Acquisition cost						
Balance as of January 1, 2026	**9,449**	**607,199**	**144,996**	**112,195**	**93,043**	**966,882**
Additions[1]	135	32,869	13,139	6,808	2,794	55,745
Derecognition due to program changes	—	—	(504)	—	—	(504)
Divestments and disposals	(2)	(170)	(1,840)	—	—	(2,012)
Reclassifications	—	142,486	(142,486)	—	—	—
Cancellations	—	—	—	(3,919)	(1,461)	(5,380)
Remeasurement	—	—	—	(8,081)	(282)	(8,363)
Effect of foreign currency exchange differences	40	(2,758)	2,696	(3,108)	(1,885)	(5,015)
Balance at June 30, 2026	**9,622**	**779,626**	**16,001**	**103,895**	**92,209**	**1,001,353**
Balance at January 1, 2025	**10,866**	**476,162**	**166,196**	**108,725**	**83,075**	**845,024**
Additions[1]	213	1,519	48,535	6,665	4,357	61,289
Divestments and disposals	(2,167)	(1,013)	(47)	—	—	(3,227)
Reclassifications	200	1,305	(1,505)	—	—	—
Cancellations	—	—	—	(10,905)	(1,845)	(12,750)
Remeasurement	—	—	—	—	(1,095)	(1,095)
Effect of foreign currency exchange differences	720	15,125	15,480	12,410	6,824	50,559
Balance at June 30, 2025	**9,832**	**493,098**	**228,659**	**116,895**	**91,316**	**939,800**
Depreciation and impairment						
Balance as of January 1, 2026	**(5,065)**	**(412,337)**	**(108,573)**	**(58,733)**	**(89,181)**	**(673,889)**
Depreciation expense	(584)	(1,625)	—	(6,817)	(118)	(9,144)
Depreciation capitalized into inventory	—	(17,973)	—	—	—	(17,973)
Divestments and disposals	2	164	—	—	—	166
Depreciation expense employee benefits	—	—	—	—	(2,086)	(2,086)
Cancellations	—	—	—	5,466	1,130	6,596
Impairment loss	—	(106,456)	106,456	308	—	308
Effect of foreign currency exchange differences	(21)	(2,696)	(1,118)	1,827	1,635	(373)
Balance at June 30, 2026	**(5,668)**	**(540,923)**	**(3,235)**	**(57,949)**	**(88,620)**	**(696,395)**
Balance at January 1, 2025	**(4,154)**	**(142,883)**	**(72,700)**	**(38,169)**	**(49,375)**	**(307,281)**
Depreciation expense	(1,185)	(2,516)	—	(10,449)	(532)	(14,682)
Depreciation capitalized into inventory	—	(7,356)	—	—	(1,698)	(9,054)
Divestments and disposals	741	805	—	—	—	1,546
Depreciation expense employee benefits	—	—	—	—	(1,823)	(1,823)
Cancellations	—	—	—	7,427	1,692	9,119
Impairment loss	—	(215,715)	(874)	—	(28,891)	(245,480)
Effect of foreign currency exchange differences	(176)	(4,826)	(1,460)	(4,462)	(1,156)	(12,080)
Balance at June 30, 2025	**(4,774)**	**(372,491)**	**(75,034)**	**(45,653)**	**(81,783)**	**(579,735)**
Carrying amount at June 30, 2026	**3,954**	**238,703**	**12,766**	**45,946**	**3,589**	**304,958**
Carrying amount at December 31, 2025	**4,384**	**194,862**	**36,423**	**53,462**	**3,862**	**292,993**

1 - Of $55,745 in additions for the six months ended June 30, 2026, $26,844 was settled in cash. In the Unaudited Condensed Consolidated Statement of Cash Flows the amount of $26,844 is included as investing activities in the $66,358 to additions to property, plant and equipment, and the remaining $39,514 relates to additions to trade payables from prior years which were settled in cash during the six months ended June 30, 2026.

(in thousands of U.S. dollars unless otherwise stated)

Of $61,289 in additions for the six months ended June 30, 2025, $38,296 was settled in cash. In the Unaudited Condensed Consolidated Statement of Cash Flows $38,296 is included as investing activities in the $88,032 of additions to property, plant and equipment, and the remaining $49,736 relates to additions to trade payables from prior years which were settled in cash during the six months ended June 30, 2025.

The significant additions in the six months ended June 30, 2026 were related to additions to machinery and equipment, mainly due to acquisitions of vendor tooling for Polestar 5.

Note 9 - Financial instruments

Fair values

The following table shows the carrying amounts of financial assets and liabilities measured at amortized cost. The carrying amounts of these financial assets and liabilities approximate their fair value.

	As of June 30, 2026		As of December 31, 2025	
	Current	Non-Current	Current	Non-Current
Financial assets				
Cash and cash equivalents	887,577	—	1,159,300	—
Trade receivables and other receivables	363,885	—	341,881	—
Restricted deposits	5,898	67,257	19,188	38,934
Other financial assets	26,089	14,481	49,079	14,340
Total financial assets measured at amortized cost	**1,283,449**	**81,738**	**1,569,448**	**53,274**
Financial liabilities				
Loans and borrowings	(4,956,555)	(946,820)	(3,860,675)	(2,499,230)
Trade payables	(894,797)	—	(1,107,162)	—
Accrued expenses	(319,045)	—	(424,152)	—
Refund liabilities	(171,734)	(73,212)	(167,642)	(30,875)
Lease liabilities	(28,641)	(84,460)	(37,210)	(93,514)
Liabilities related to repurchase commitments	(131,083)	(4,256)	(124,633)	(722)
Advance payments from customers	(9,915)	—	(16,062)	—
Other financial liabilities	(20,111)	—	(11,582)	—
Total financial liabilities measured at amortized cost	**(6,531,881)**	**(1,108,748)**	**(5,749,118)**	**(2,624,341)**

(in thousands of U.S. dollars unless otherwise stated)

The following table shows the maturities for the Group's non-derivative financial assets and liabilities as of June 30, 2026 and as of December 31, 2025:

	As of June 30, 2026			
	Due within 1 year	**Due between 1 and 5 years**	**Due beyond 5 years**	**Total**
Financial assets				
Cash and cash equivalents	887,577	—	—	887,577
Trade receivables and other receivables	363,885	—	—	363,885
Restricted deposits	5,898	67,257	—	73,155
Other financial assets	26,089	11,710	2,771	40,570
Total financial assets measured at amortized cost	**1,283,449**	**78,967**	**2,771**	**1,365,187**
Financial liabilities				
Loans and borrowings	(4,956,555)	(281,475)	(665,345)	(5,903,375)
Trade payables	(894,797)	—	—	(894,797)
Accrued expenses	(319,045)	—	—	(319,045)
Refund liabilities	(171,734)	(73,212)	—	(244,946)
Lease liabilities	(28,641)	(74,074)	(10,386)	(113,101)
Liabilities related to repurchase commitments	(131,083)	(4,256)	—	(135,339)
Advance payments from customers	(9,915)	—	—	(9,915)
Other financial liabilities	(20,111)	—	—	(20,111)
Total financial liabilities measured at amortized cost	**(6,531,881)**	**(433,017)**	**(675,731)**	**(7,640,629)**

	As of December 31, 2025			
	Due within 1 year	**Due between 1 and 5 years**	**Due beyond 5 years**	**Total**
Financial assets				
Cash and cash equivalents	1,159,300	—	—	1,159,300
Trade receivables and other receivables	341,881	—	—	341,881
Restricted deposits	19,188	38,934	—	58,122
Other financial assets	49,079	11,482	2,858	63,419
Total financial assets measured at amortized cost	**1,569,448**	**50,416**	**2,858**	**1,622,722**
Financial liabilities				
Loans and borrowings	(3,860,675)	(2,499,230)	—	(6,359,905)
Trade payables	(1,107,162)	—	—	(1,107,162)
Accrued expenses	(424,152)	—	—	(424,152)
Refund liabilities	(167,642)	(30,875)	—	(198,517)
Lease liabilities	(37,210)	(67,621)	(25,893)	(130,724)
Liabilities related to repurchase commitments	(124,633)	(722)	—	(125,355)
Advance payments from customers	(16,062)	—	—	(16,062)
Other financial liabilities	(11,582)	—	—	(11,582)
Total financial liabilities measured at amortized cost	**(5,749,118)**	**(2,598,448)**	**(25,893)**	**(8,373,459)**

(in thousands of U.S. dollars unless otherwise stated)

The following table shows the carrying amounts of financial liabilities measured at fair value through profit and loss on a recurring basis:

	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
As of June 30, 2026				
Earn-out rights	—	—	422	422
Class C-1 Shares	1,715	—	—	1,715
Class C-2 Shares	—	376	—	376
Total	**1,715**	**376**	**422**	**2,513**
As of December 31, 2025				
Earn-out rights	—	—	3,579	3,579
Class C-1 Shares	4,353	—	—	4,353
Class C-2 Shares	—	955	—	955
Total	**4,353**	**955**	**3,579**	**8,887**

There were no transfers between Level 1 and Level 2 in the six months ended June 30, 2026 and 2025.

Significant unobservable inputs to valuation of the contingent earn-out rights

As of June 30, 2026, the valuation technique for determining the fair value of the earn-out rights and the inputs used were unchanged from those described in the Group's 2025 Consolidated Financial Statements. The following table presents the variables considered in the valuation and the earn-out fair value:

	As of June 30, 2026	As of December 31, 2025
Term in years	1.48	1.98
Volatility	85 %	90 %
Risk-free rate	4.0 %	3.4 %

The volatility represents the most significant unobservable input utilized in this Level 3 valuation technique. As of June 30, 2026, a 1% increase in the volatility would have resulted in a decrease in fair value of $3, and a 1% decrease in the volatility would have resulted in a decrease in fair value of $86.

The table that follows shows the changes in the fair value of the earn-out rights in the periods presented:

	Earn-out rights
As of January 1, 2026	3,579
Change in fair value measurement	(3,157)
As of June 30, 2026	**422**
As of January 1, 2025	28,778
Change in fair value measurement	(15,813)
As of June 30, 2025	**12,965**

The earn-out liability is presented in non-current liabilities within the Unaudited Condensed Consolidated Statement of Financial Position to align with the expected timing of the underlying earn-out payments.

Risk management

As a result of its business and the global nature of its operations, Polestar Group is exposed to market risks, primarily from changes in foreign currency exchange rates and interest rate risk, credit risk and liquidity risk. As of June 30, 2026, there were no significant changes in the risks to which the Group is exposed or in its management of risk from December 31, 2025.

During the six months ended June 30, 2026 Polestar began discussions with the syndicate of lenders for its Club Loan (refer to *Note 13 - Loans and borrowings* for further information) in relation to its covenants. Prior to June 30, 2026, the required majority of lenders agreed to amend the debt-to-asset ratio range for the calculation as of June 30, 2026. As a result, Polestar was in compliance with this covenant as of June 30, 2026. The lenders also agreed to amend the debt-to-asset ratio range for the calculation as of September 30, 2026 from 0.85:1 to 1.40:1 and December 31, 2026 from 0.80:1 to 1.30:1, respectively, as well as the minimum revenue requirement for the calendar year 2026 from $8,670.2 million to $3,300.0 million.

(in thousands of U.S. dollars unless otherwise stated)

Note 10 - Inventories

The Group's inventory primarily consisted of vehicles as follows:

	As of June 30, 2026	As of December 31, 2025
Finished goods and goods for resale	862,886	1,024,942
NRV adjustment (inventory impairment provision)	(142,900)	(171,863)
Total	**719,986**	**853,079**

Inventory costs recognized in cost of sales during the six months ended June 30, 2026 and 2025 amounted to $1,408,910 and $1,244,942, respectively.

During the six months ended June 30, 2026 and 2025, the write-down of inventories to net realizable value amounted to $87,752 and $81,056, respectively. The write-downs were recognized as an expense in Cost of sales.

Note 11 - Equity

Changes in the Group's equity were as follows:

	Quantity		In US$ (thousands)	
	Class A Shares	Class B Shares	Share capital	Other contributed capital
Balance as of January 1, 2026	**2,745,232,339**	**29,892,575**	**(27,817)**	**(4,133,458)**
Equity issuance - February[1]	620,475,660	—	(6,203)	(379,106)
Equity issuance - March[1]	465,356,730	—	(4,654)	(289,911)
Equity-settled share-based payment	1,661,490	—	(17)	(3,350)
Debt-to-equity conversion - Snita Term Loan Facility[2]	600,429,000	—	(6,004)	(335,253)
Debt-to-equity conversion - Geely Term Loan Facility[2]	465,356,760	—	(4,654)	(295,346)
Cancellation of surplus shares[3]	(679)	(5)	—	—
Balance as of June 30, 2026	**4,898,511,300**	**29,892,570**	**(49,349)**	**(5,436,424)**
Balance as of January 1, 2025	**2,060,461,997**	**49,892,575**	**(21,169)**	**(3,625,027)**
Securities Purchase Agreement	—	—	—	(200,000)
Equity-settled share-based payment	8,937,392	—	(89)	(5,406)
Related party capital contribution	—	—	—	(15,265)
Balance as of June 30, 2025	**2,069,399,389**	**49,892,575**	**(21,258)**	**(3,845,698)**

1 - Refer to *Equity issuances* below for further information.

2 - Refer to *Related party debt-to-equity conversions* below for further information.

3 - Related to surplus ordinary shares resulting from the prior year ADS ratio change being transferred to the Company for no consideration and cancelled.

Equity issuances

On February 2, 2026, Polestar entered into a Securities Purchase Agreement with each of Feathertop Funding Limited, a special purpose vehicle consolidated to Sumitomo Mitsui Banking Corporation, and Standard Chartered Bank (Hong Kong) Limited (each, a "Purchaser" and collectively, the "Purchasers"), pursuant to which Polestar sold an aggregate of 20,682,522 Class A ADS to the Purchasers for an aggregate purchase price of $400.0 million. Neither Purchaser owned more than 10% of the outstanding equity of Polestar following the closing. The price per Class A ADS was $19.34.

On March 16, 2026, Polestar entered into a Securities Purchase Agreement with four separate purchasers, including Crédit Agricole Corporate and Investment Bank, Vida Finance S.A., Innovator Limited and Proximastar Holdings Company Limited (each, a "Purchaser" and collectively, the "Purchasers"), pursuant to which Polestar sold an aggregate of 15,511,891 Class A ADS to the Purchasers for an aggregate purchase price of $300.0 million. No Purchaser owned more than 5% of the outstanding equity of Polestar following the closing. The price per Class A ADS was $19.34.

(in thousands of U.S. dollars unless otherwise stated)

In parallel to these transactions, entities controlled by Polestar Group's ultimate controlling shareholder (related parties) entered into put option arrangements with the third party investors which allow the investors to sell the Class A ADSs acquired from Polestar to the related parties during an exercise period at the end of the term of the put option at a pre-determined price to the extent the investor has not disposed of such Class A ADSs before then. Polestar is not party to these contracts and has no obligation under them. However, these contracts were necessary to enable the transaction to close with the terms that it did, including a price per share above the market price on the date of the transactions, and, therefore, Polestar indirectly benefited from them. Polestar concluded that the related parties were acting as its shareholders by making these arrangements for its benefit and therefore accounted for this support as a capital contribution with a fair value of $453.5 million.

Related party debt-to-equity conversions

On March 31, 2026, $275.7 million of principal under the Snita Term Loan Facility was converted into equity (for further information, see *Note 13 - Loans and borrowings)*. The conversion resulted in the issuance of 16,150,000 Class A ADSs, each representing 30 Class A ordinary shares, or 484,500,000 Class A ordinary shares in aggregate. The contractual conversion price was $16.97 per ADS. The fair value of the ADSs issued was determined with reference to the quoted market price of the Company's ADSs immediately prior to announcement of the transaction.

On June 30, 2026, approximately $65.6 million of additional principal under the Snita Term Loan Facility was converted into equity in accordance with the conversion agreement entered into on March 31, 2026. The conversion resulted in the issuance of 3,864,300 Class A ADSs, representing approximately 115,929,000 Class A ordinary shares. The contractual conversion price was $16.97 per ADS.

Additionally, during the second quarter of 2026, Polestar and Geely Sweden Automotive Investment AB executed a debt-to-equity conversion of $300.0 million of the outstanding principal and interest under the Geely Term Loan Facility, comprising $250 million of outstanding principal and $50 million of accrued interest. The conversion resulted in the issuance of 15,511,892 Class A ADSs, equivalent to approximately 465,356,760 Class A ordinary shares, at a contractual conversion price of $19.34 per ADS.

Equity instrument

The following instruments of the Parent were issued and outstanding as of June 30, 2026:

- 4,898,511,300 Class A Shares with a par value of $0.01, of which 2,950,852,470 were owned by related parties;
- 29,892,570 Class B Shares with a par value of $0.01, of which all were owned by related parties;
- 20,499,960 Class C-1 Shares with a par value of $0.10;
- 4,499,970 Class C-2 Shares with a par value of $0.10; and
- 50,000 Redeemable Preferred Shares with a par value of GBP 1.00.

As of June 30, 2026, there were an additional 101,488,700 Class A Shares and 1,747,474,169 Class B Shares with par values of $0.10 authorized for issuance. No additional Class C Shares or Redeemable Preferred Shares were authorized for issuance.

Note 12 - Provisions

Changes in the Group's current and non-current provisions were as follows:

	Warranties	Employee benefits	Litigation[1]	Other[2]	Total
Balance as of January 1, 2026	**162,093**	**6,416**	**28,999**	**56,819**	**254,327**
Additions	48,715	15,213	—	58,802	122,730
Utilization	(54,850)	(9,367)	(26,372)	(21,648)	(112,237)
Reversals	(12,318)	(108)	—	(9,132)	(21,558)
Unwinding of discount and effect of changes in discount rate	(983)	—	—	—	(983)
Effect of foreign currency exchange differences	(5,052)	(527)	—	(895)	(6,474)
Balance as of June 30, 2026	**137,605**	**11,627**	**2,627**	**83,946**	**235,805**
of which current	37,627	11,627	2,627	63,432	115,313
of which non-current	99,978	—	—	20,514	120,492
Balance as of January 1, 2025	**128,591**	**902**	**27,135**	**10,898**	**167,526**
Additions	56,724	5,373	—	31,411	93,508
Utilization	(29,439)	(887)	(53)	(9,951)	(40,330)
Reversals	(15,440)	(648)	(583)	(143)	(16,814)
Unwinding of discount and effect of changes in discount rate	(456)	—	—	—	(456)
Effect of foreign currency exchange differences	13,367	897	—	1,267	15,531
Balance as of June 30, 2025	**153,347**	**5,637**	**26,499**	**33,482**	**218,965**
of which current	59,702	5,637	26,499	22,926	114,764
of which non-current	93,645	—	—	10,556	104,201

(in thousands of U.S. dollars unless otherwise stated)

1 - In the six months ended June 30, 2026, the utilization of $26,372 was primarily related to the settlement of the Gores Guggenheim ("GGI") litigation filed in August 2023, for which Polestar was obligated to indemnify the defendants under the terms of the Business Combination Agreement. For further information of the GGI litigation, see *Note 22 - Provisions* from the 2025 Consolidated Financial Statements.

2 - In the six months ended June 30, 2026, the additions of $58,802 primarily relate to the U.S. Restructuring (refer to *Note 1 - Overview and basis of preparation*), and in the six months ended June 30, 2025, the additions of $31,411 primarily relate to provisions for restructuring initiated in 2025 (mainly the R&D and Procurement departments in the UK and manufacturing in China).

Note 13 - Loans and borrowings

	Working capital loans from banks	Convertible instruments	Club Loan	Borrowing collateralized with tooling	Market RCFs	Total
Balance as of January 1, 2026	**3,250,586**	**1,621,975**	**998,840**	**333,696**	**154,808**	**6,359,905**
New borrowings	1,600,385	—	—	14,274	126,542	1,741,201
Payments	(1,426,590)	—	—	(13,460)	(182,802)	(1,622,852)
Debt-to-equity conversion	—	(639,641)	—	—	—	(639,641)
Derecognition of debt	—	(1,336,256)	—	—	—	(1,336,256)
Recognition of debt	—	1,336,256	—	—	—	1,336,256
Debt modification	—	—	—	7,776	—	7,776
Transaction costs and amortization	639	(1,165)	2,414	—	—	1,888
Accrued interest	79,081	66,398	30,688	—	1,310	177,477
Interest payments	(75,741)	(42,826)	(31,783)	—	(1,566)	(151,916)
Effect of foreign currency exchange differences	31,572	—	(11,288)	9,152	101	29,537
Balance as of June 30, 2026	**3,459,932**	**1,004,741**	**988,871**	**351,438**	**98,393**	**5,903,375**
of which current	3,459,932	339,398	988,871	69,961	98,393	4,956,555
of which non-current	—	665,343	—	281,477	—	946,820
Balance as of January 1, 2025	**2,427,194**	**1,300,406**	**933,175**	**124,878**	**153,248**	**4,938,901**
New borrowings	1,782,031	—	—	—	172,208	1,954,239
Payments	(1,266,167)	—	—	(15,934)	(173,715)	(1,455,816)
Transaction costs and amortization	484	(786)	1,661	—	—	1,359
Debt modification	—	—	—	3,225	—	3,225
Accrued interest	76,278	58,337	32,970	—	3,785	171,370
Interest payments	(66,926)	(47,668)	(16,802)	—	(3,691)	(135,087)
Effect of foreign currency exchange differences	57,697	—	44,880	2,266	15,771	120,614
Balance as of June 30, 2025	**3,010,591**	**1,310,289**	**995,884**	**114,435**	**167,606**	**5,598,805**
of which current	3,010,591	53,438	22,107	16,451	167,606	3,270,193
of which non-current	—	1,256,851	973,777	97,984	—	2,328,612

Convertible instruments

On March 31, 2026, the Company entered into a conversion and amendment agreement in respect of its Snita Term Loan Facility. Under the agreement, approximately $275.7 million of principal was converted into equity, resulting in the issuance of 16,150,000 ADSs representing 484,500,000 Class A ordinary shares, at a conversion price of $16.97 per ADS (for further information, see *Note 11 - Equity*). Accrued interest related to the converted portion of the loan was settled in cash. In addition, the agreement provided for a second debt-to-equity conversion which occurred on June 30, 2026, when a further approximately $65.6 million of principal was converted into equity, resulting in the issuance of approximately 3,900,000 ADSs representing approximately 115,900,000 Class A ordinary shares, at a conversion price of $16.97 per ADS.

On March 31, 2026, the Company also amended the shareholder loan to extend its maturity date from December 29, 2028 to December 31, 2031 and amend the applicable interest rate from the floating six-month SOFR rate plus 4.97% per annum to the floating six-month SOFR rate plus 5.40% per annum, effective from the next interest payment date in 2026.

(in thousands of U.S. dollars unless otherwise stated)

Management concluded that the March 31, 2026 conversion and amendment constituted a substantial modification of the Snita Term Loan Facility under IFRS 9. Accordingly, the original financial liability was derecognized and the amended financial liability was recognized at fair value. The Company recognized a loss on substantial modification and extinguishment of debt of $1.6 million within finance expense during the six months ended June 30, 2026, as the fair value of the consideration transferred exceeded the carrying amount of the original financial liability immediately prior to the modification.

On June 30, 2026, and upon satisfaction of the relevant closing conditions, the Company completed the previously announced conversion with Geely, originally agreed upon on December 19, 2025. An aggregate amount of $300.0 million, consisting of $250.0 million of principal and $50.0 million of accrued interest under the Geely Term Loan Facility, was converted into equity. As a result, the Company issued 15,511,892 Class A ADSs, representing 465,356,760 Class A ordinary shares, at a conversion price of $19.34 per ADS (see *Note 11 - Equity*).

On June 3, 2026, the Company amended its separate subordinated term loan facility with Geely, under which $300.0 million was outstanding. The amendment extended the maturity date from June 17, 2026 to June 30, 2027, increased the interest rate from Term SOFR plus 3.00% per annum to Term SOFR plus 3.20% per annum, changed the interest period from one month to three months and provided for accrued interest to be paid at maturity. Management accounted for the June 3, 2026 amendment as a repayment of the original loan and simultaneous drawdown of a new loan. The new loan was recognized at fair value, which was determined to be equivalent to the carrying amount of the original loan and, accordingly, no gain or loss was recognized.

Note 14 - Related party transactions

The tables that follow show related party activity during the periods presented:

Sale of goods, services and other

	For the six months ended June 30,	
	2026	**2025**
Volvo Cars	74,939	76,635
Ziklo Bank AB	75,953	53,385
Polestar Times Technology	—	21,858
Total revenue from related parties	**150,892**	**151,878**
% of total revenue	**11.1 %**	**10.7 %**

Purchases of goods, services and other

	For the six months ended June 30,	
	2026	**2025**
Volvo Cars	460,784	535,968
Geely	504,340	405,261
RK	151,951	17,441
Other related parties	3,348	391
Total	**1,120,423**	**959,061**

(in thousands of U.S. dollars unless otherwise stated)

Related party balances

	As of June 30, 2026					
	Volvo Cars	**Geely**	**Polestar Times Technology**	**RK**	**Other related parties**	**Total**
Amounts due from related parties						
Trade receivables and other receivables	79,992	122,852	28	5,246	6,148	214,266
Other assets	35	2,918	—	—	—	2,953
Total	**80,027**	**125,770**	**28**	**5,246**	**6,148**	**217,219**
Amounts due to related parties						
Loans and borrowings	(674,664)	(681,531)	—	—	(46,308)	(1,402,503)
Trade payables	(484,352)	(229,109)	—	(68,509)	(3,382)	(785,352)
Accrued expenses	(54,966)	(123,573)	(54)	(6,440)	(244)	(185,277)
Lease liabilities	(65,706)	—	—	—	—	(65,706)
Other liabilities	(15,218)	—	—	—	(4,893)	(20,111)
Total	**(1,294,906)**	**(1,034,213)**	**(54)**	**(74,949)**	**(54,827)**	**(2,458,949)**

	As of December 31, 2025					
	Volvo Cars	**Geely**	**Polestar Times Technology**	**RK**	**Other related parties**	**Total**
Amounts due from related parties						
Trade receivables and other receivables	104,996	77,017	29	8,349	7,406	197,797
Other assets	—	2,834	—	—	—	2,834
Total	**104,996**	**79,851**	**29**	**8,349**	**7,406**	**200,631**
Amounts due to related parties						
Loans and borrowings	(1,020,230)	(935,440)	—	—	(65,994)	(2,021,664)
Trade payables	(497,386)	(492,808)	—	189	(1,996)	(992,001)
Accrued expenses	(160,522)	(88,713)	(53)	(4,821)	(30)	(254,139)
Lease liabilities	(72,821)	—	—	—	—	(72,821)
Other liabilities	(8,098)	—	—	—	(3,484)	(11,582)
Total	**(1,759,057)**	**(1,516,961)**	**(53)**	**(4,632)**	**(71,504)**	**(3,352,207)**

Polestar 3 operational arrangements with Volvo Cars and Snita

On March 31, 2026, the Company entered into a footprint consolidation agreement, as well as related amendments to its manufacturing, development and pricing arrangements, with Volvo Cars relating to the Polestar 3 program. With the objective of supporting and ensuring the commercial viability and sustainability of the manufacturing footprint, the agreement and related amendments provide for the consolidation of substantially all Polestar 3 manufacturing activities to be consolidated in Charleston, South Carolina, USA.

The amendments included:

- Consolidation of substantially all Polestar 3 manufacturing activities in Charleston, South Carolina.
- Amendments to specified volume commitments and manufacturing cost-sharing arrangements.
- Settlement of certain disputed development deliverables, and
- Modifications to future development and manufacturing pricing arrangements.

Note 15 - Commitments and contingencies

Commitments

Polestar has contractual obligations with certain suppliers including obligations to acquire intangible assets related to development of vehicles, non-cancelable manufacturing commitments, or minimum sales volume commitments. In the event of a shortfall in manufactured vehicles or sales, or Polestar's decision to terminate such contracts, these suppliers are entitled to compensation from Polestar. The amounts in the table below represent the minimum amounts payable by Polestar under these commitments as of June 30, 2026:

(in thousands of U.S. dollars unless otherwise stated)

	As of June 30, 2026	As of December 31, 2025
Acquisition of intangible assets commitments – related parties	784	12,634
Non-cancelable manufacturing commitments – related parties	330,889	287,065
PS4 license volume commitments – related parties	57,616	55,981
Logistics service and other third party commitments	4,277	28,022
Total	**393,566**	**383,702**

Contingencies

NHTSA investigation

On July 18, 2025, the Office of Defects Investigation of the National Highway Traffic Safety Administration ("NHTSA") issued an information request to Polestar Automotive USA, Inc as part of a 'Recall Query' in relation to the functioning of the rearview camera in the Polestar 2. Polestar provided its initial response to NHTSA at the end of 2025 and deployed an over-the-air software update ("OTA") to affected US customers on April 20, 2026. On August 28, 2026 NHTSA notified Polestar that it was closing the 'Recall Query' following the roll-out of the OTA.

Note 16 - Subsequent events

Management has evaluated events subsequent to June 30, 2026 and through September 3, 2026, the date these Unaudited Condensed Consolidated Interim Financial Statements were authorized for issuance by the Board of Directors. The following events which occurred subsequent to June 30, 2026 merited disclosure in these Unaudited Condensed Consolidated Interim Financial Statements. Management determined that no adjustments were required to the figures presented as a result of these events.

- On August 21, 2026, Polestar repaid principal and interest amounts due on its maturing working capital loan for ¥1,104.5 million with Bank of China. This loan carried an interest rate of 2.4% per annum due quarterly.
- On August 21, 2026, Polestar repaid principal and interest amounts due on its maturing working capital loan for ¥980.0 million with China CITIC Bank (CITIC). This loan carried an interest rate of 2.4% per annum due quarterly.