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

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**FORM 6-K**

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**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 2025**

**Commission File Number: 001-41431**

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**Polestar Automotive Holding UK PLC**

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

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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):

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## 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 Conditions and Results of Operations for the six-month periods ended June 30, 2025 and 2024 which is attached as Exhibit 99.1; (ii) Polestar's Unaudited Condensed Consolidated Interim Financial Statements as of June 30, 2025 and for the six-month periods ended June 30, 2025 and 2024, 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 periods ended June 30, 2025 and 2024. 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333-274918 and 333-266101) and to be a part thereof from the date on which this report is submitted, to the extent not superseded by documents or reports subsequently filed or furnished.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

<b><u>Exhibit No.</u></b>	<b><u>Description of Exhibit</u></b>
99.1	Management's Discussion and Analysis of Financial Conditions and Results of Operations for the six-month periods ended June 30, 2025 and 2024.
99.2	Unaudited Condensed Consolidated Interim Financial Statements as of June 30, 2025 and for the six-month periods ended June 30, 2025 and 2024.
99.3	Press Release of Polestar Automotive Holding UK PLC, dated September 3, 2025.
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, 2025

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-month periods ended June 30, 2025 and 2024, included elsewhere in this report. Refer to Polestar's consolidated financial statements as of December 31, 2024 and 2023, and for the three years ended December 31, 2024 (the "Consolidated Financial Statements") that were included in Polestar's annual report on Form 20-F filed with the SEC on May 9, 2025 (the "2024 20-F") for more information about the year ended December 31, 2024. 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) the identification and remediation of accounting errors and/or a final assessment of errors already identified that differs significantly from Polestar's preliminary view of such errors and the successful filing of restatements of any SEC reports; (7) Polestar's ability to continue to meet stock exchange listing standards; (8) changes in domestic and foreign business, market, financial, political and legal conditions; (9) 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 after sales; (10) 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; (11) increases in costs, disruption of supply or shortage of materials, in particular for lithium-ion cells or semiconductors; (12) risks related to product recalls, regulatory fines and/or an unexpectedly high volume of warranty claims; (13) 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; (14) the ability of Polestar to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; (15) risks related to future market adoption of Polestar's offerings; (16) risks related to Polestar's current distribution model and the evolution of its distribution model in the future; (17) 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; (18) changes in regulatory requirements (including environmental laws and regulations and regulations related to connected vehicles), governmental incentives, tariffs and fuel and energy prices; (19) 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; (20) 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; (21) the outcome of any potential litigation, including litigation involving Polestar and Gores Guggenheim, Inc., government and regulatory proceedings, tax audits, investigations and inquiries; (22) Polestar's ability to continuously and rapidly innovate, develop and market new products; (23) the impact of the ongoing conflict between Ukraine and Russia and in Israel, the Gaza Strip and the Red Sea; and (24) 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.

By their nature, forward-looking statements involve risks, assumptions and uncertainties due to the fact that they relate to events and depend on circumstances that may or may not occur in the future. The forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and developments in the industry in which we operate may differ materially from those expressed or implied by the statements contained in this MD&A. 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.
- "Volvo Cars" means Volvo Car AB (publ) and its subsidiaries.
- "H1 2025" means the six months ended June 30, 2025.
- "H1 2024" means the six months ended June 30, 2024.

- "PS2", "PS3" and "PS4" refer to car models Polestar 2, Polestar 3 and Polestar 4, 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", "CNY", "CNH" refer to the currencies issued by the respective countries' central banks.

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		Change
	June 30,		
	2025	2024	
Revenue	1,422,605	909,247	56.5
Gross margin %	(49.4)%	(2.6)%	-46.8 ppts
Net loss	(1,193,079)	(543,878)	(119.4)
Adjusted EBITDA <sup>1</sup>	(302,301)	(433,458)	30.3
	As of June	As of June	Change
	30, 2025	30, 2024	%
Cash and cash equivalents	718,625	668,911	7.4

1 - Adjusted EBITDA is a non-GAAP measure. For further details on its calculation, see the Non-GAAP Financial Measures section in this MD&A.

	For the six months ended		Change
	June 30,		
	2025	2024	
<b>Business metrics</b>			
Retail sales <sup>1</sup>	30,289	20,047	51.1
Including external vehicles with repurchase obligations <sup>5</sup>	979	978	0.1
Including internal vehicles	1,906	907	110.1
Markets <sup>2</sup>	28	27	3.7
Sales points <sup>3</sup>	170	167	1.8
of which sales points, excluding China	169	121	39.7
Service points <sup>4</sup>	1,237	1,163	6.4

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.

2 - Represents the number of markets in which Polestar operates.

3 - 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 that have started selling Polestar cars.

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

5 - In the six months ended June 30, 2025, includes 177 cars that were handed-over as security under a financing arrangement.

## 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 2024 Form 20-F. The following paragraphs explain the key factors that impacted Polestar's financial performance during the six months ended June 30, 2025, 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.

The International Energy Agency in its annual publication "Global EV outlook 2025", published in May 2025, forecasts sales of battery electric vehicles ("BEVs") to exceed 20 million worldwide from more than 17 million electric cars sold in 2024 and to represent more than a quarter of cars sold globally. The key driving factors are continuation of government incentives and falling BEVs prices in China according to the Agency, the latter encouraging strong adoption of BEVs in the country. Pressure to achieve emissions standards in the European Union ("EU") and the UK acts as a strong incentive for original equipment manufacturers ("OEMs") to push sales of BEVs they offer in the European markets. This is despite the flexibility given to automakers for meeting the 2025 EU emissions reduction target. The outlook for electric car sales in the U.S. is uncertain given today's policy direction. The International Energy Agency nonetheless forecasts consumers to take advantage of existing tax credits ahead of their repeal later in 2025.

Since the beginning of 2025, the International Energy Agency estimates that global sales of electric vehicles globally were up 35% in the first quarter. Sales grew 33% year-on-year in the second quarter according to PwC's report by Strategy& and PwC Autofacts®, with almost one in five cars (19%) sold in markets analyzed in PwC's report in that quarter being a BEV.

In Europe, where Polestar sold approximately 77% of its volumes in the first half of the year, the electric vehicles market experienced a strong start to 2025 with registrations for BEVs far outpacing the overall car registrations. In the top five European countries (Germany, Italy, Spain, the UK and France), according to research from a leading global investment bank, BEVs registrations grew by between 16% and 37% year-on-year in each month since the beginning of the year to June 2025 signaling a robust sustained trend in a challenging environment for the automakers. The European BEV market grew at an estimated 26% in the first six months of the year.

In the U.S., where Polestar sold approximately 9% of its vehicles in the first half of 2025, the situation remains highly uncertain as there is a policy shift away from BEV adoption. According to a report from Kelley Blue Book at Cox Automotive, nearly 300,000 new BEVs, including approximately 128,000 Tesla BEVs, were sold in the first quarter of 2025 in the U.S., an increase of 11.4% year over year. This growth resulted from traditional OEMs selling higher volumes of their BEV models as Tesla's sales fell in the period. In the second quarter of 2025, U.S. sales of new BEVs of around 311,000, including approximately 144,000 by Tesla, were lower year-over-year by 6.3%, a report from Kelley Blue Book at Cox Automotive. This reflects the market's ongoing challenges and volatile consumer demand.

Uncertainty around tariffs and import duties poses downside risks to overall car sales volumes. 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.

Pricing for BEVs is determined by a number of factors, among which are the segment which a vehicle represents, technology, components, advanced features, range, and the battery type. BEVs continue to be priced above ICEs, not least due to the fact that BEVs tend to be in the C-segment and above, offering models close to and at a premium level, which is the case for Europe and the U.S. According to a leading global investment bank, discounts for BEVs in the largest two electric vehicle markets in Europe, Germany and the UK, continued to rise in 2025 despite the easing of CO<sub>2</sub> targets as OEMs remain under continued pressure to sell more BEVs to maintain the pace needed to hit targets set over three years. They also face the challenge of driving a higher adoption of BEVs against competition from new entrants from China to the European markets.

Analysis of pricing for BEVs between 2018 and 2024 published by Jato Dynamics shows that in the Eurozone, the average retail price of a BEV decreased by 15% between 2018 and 2024 (this is an inflation adjusted price), while in the U.S., the reduction was even greater, at 25%. At the same time, the price gap between BEVs and ICEs has narrowed as well. BEVs were 53% more expensive than ICEs in 2018 in Europe, six years later prices were 22% higher, representing a significant narrowing of the price gap between BEVs and ICEs, which is likely to bode well for the continued adoption of BEVs.

According to Jato Dynamics, as of May 2025, the market share of the European automotive market captured so far by the Chinese brands is still small at approximately 5.9%, but it has grown at a noticeable rate over the last two-three years from zero. The Chinese brands, especially BYD with its rapid expansion of sales, are becoming major competitors to traditional OEMs, not least due to their cost advantage and a wider product offering.

From the beginning of the year to July 2025, Bloomberg Intelligence reported Polestar's global market share at 1.9%.

### *Sales performance*

In the first half of 2025, Polestar achieved an increase in retail sales volumes of approximately 51% compared to the same period in 2024. 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, a strategic shift toward "active selling" significantly contributed to higher volumes across all key markets.

### *Polestar's sales and distribution model*

Polestar delivers its vehicles to both retail and fleet customers across key markets in Europe, North America, and the Asia Pacific region. Of the brand's 28 active markets, 20 are operated through Polestar's own dedicated sales units and, in eight, the Company leverages strategic partnerships with importers, further strengthening its international presence.

In the first half of the year, Polestar has also significantly expanded its global retail network, enhancing customer access and strengthening its presence in both established and emerging markets with an additional 48 sales points outside of China.

A key milestone in this growth was the successful start of sales in France, further solidifying Polestar's footprint in Europe. Polestar's expansion in France will include both direct-to-consumer sales via the Polestar website, as well as through several retail sites across the country, relying on selected retail partners from the Volvo Cars' network.

### *Market demand and response*

Despite a challenging macroeconomic environment and intensified competition, Polestar maintained resilient demand and successfully grew volumes through targeted actions. These included pricing optimization, effective inventory management, and strategic marketing campaigns. The impact of these actions supported a stable product mix and improved delivery volumes.

### *Product portfolio and model mix*

As of June 30, 2025, Polestar's portfolio consisted of the following models:

- 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 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 - 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.

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 sales revenues are driven by the volume of cars sold, the mix of models and variants in those sales as well as the market where those sales occur.

In the first half of 2025, Polestar received several awards and accolades, being the most significant:

- Mille Miglia Green 2025.
- Top Gear's Electric Awards 2025.
- Red Dot Design Awards.
- Luxury car of the year in Australia.
- Car of the Year in Korea.

### *Costs of sales and gross profit (loss)*

Polestar believes that its relationship with Volvo Cars and Geely has provided it with a unique competitive advantage in its ability to rapidly scale and finance commercialization activities while maintaining an asset light balance sheet. This is achieved primarily through contract manufacturing and vehicle supply agreements with Volvo Cars and Geely. Polestar has also utilized Volvo Cars' and Geely's established research and development capabilities to accelerate technological advancements in automotive technology.

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

<b>Model</b>	<b>Production location</b>	<b>Plant operator</b>	<b>Status</b>
Polestar 2	China	Volvo Cars	In production since H1 2020
Polestar 3	China / USA	Volvo Cars / Volvo Cars	In production since H1 2024 / In production since H2 2024
Polestar 4	China / South Korea	Geely / Renault Korea	In production since H2 2023 / In production since H2 2025

Polestar 5 / 6	China	Geely	Production of Polestar 5 scheduled to start H2 2025
Polestar 7	Europe - Slovakia	Under assessment (Memorandum of Understanding signed)	In development - launch planned for 2028

The most significant component of Polestar's cost of sales is the inventory cost of the 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 & 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. There may be a lag between changes in these underlying costs and the impact of these changes in Polestar's statement of net loss due to the period between vehicles entering Polestar's inventory and their sale to customers.

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 expected price of sales of vehicles in inventory as well as the volume of this inventory; (iii) cost of residual value guarantees given to certain partner financial institutions that provide financing to Polestar's customers; and (iv) 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.

As of June 30, 2025, Polestar identified indicators of impairment for its Polestar 3 CGU, namely a reduction in forecast gross margin and sales volumes in the short-term resulting in a decrease in the forecast lifecycle profitability of the vehicle. Polestar estimated the recoverable amount of the Polestar 3 CGU based on its value in use which uses estimations of future cash flows. The assumptions used to estimate future cash flows reflect changes in financial conditions and/or expectations since the previous impairment test was performed (December 31, 2024), including increases in production costs resulting from the imposition of increased tariffs on imported automotive parts for cars assembled in the U.S., and pressures on pricing of electric vehicles, which significantly impacted profitability. As a consequence of less favorable macroeconomic and market conditions than originally anticipated, the recoverable amount of the Polestar 3 CGU was estimated to be \$25.2 million and an impairment expense of \$739.3 million was recognized in H1 2025.

#### *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 rate*

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:

<b>Index</b>	<b>Daily average rate in H1 2025 (% per year)</b>	<b>Daily average rate in H1 2024 (% per year)</b>
1-month Term SOFR	4.32	5.33
6-month Term SOFR	4.22	5.25
12-month Term SOFR	4.05	5.03
3-month EURIBOR	2.33	3.87
1-year LPR	3.07	3.45

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 to 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, net.

The most relevant currency pairs for Polestar are:

<b>Currency pair</b>	<b>Rate as of June 30, 2025</b>	<b>Rate as of December 31, 2024</b>	<b>End of day average rate in H1 2025</b>	<b>End of day average rate in H1 2024</b>
USD – SEK	9.51	11.03	10.18	10.54
EUR – SEK	11.15	11.46	11.10	11.39
CNY – SEK	1.33	1.51	1.40	1.46
GBP – SEK	13.03	13.82	13.18	13.33

#### *Tariffs and trade policies*

The implementation of higher tariffs by the U.S. in 2025 and 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.

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.

#### *Carbon credits and other revenue streams*

In addition to increasing vehicle sales, Polestar is focused on developing additional revenue streams, such as used car sales, aftermarket sales and the sale of carbon credits and participation in emission reduction programs. Polestar generates revenue from the sale of carbon credits and through participation in programs established in certain regions with the objective of reducing greenhouse gas emissions (e.g., the EU Commission's carbon pooling arrangement).

In 2024, Polestar entered into a new EU pooling agreement for the calendar year 2025 that resulted in the recognition of a significant amount of carbon credits revenue during the six months ended June 30, 2025, positively impacting Polestar's financial performance for the first half of 2025.

Polestar observes sustained demand for carbon credits within most of its current markets. Concurrently, Polestar is actively exploring opportunities in emerging regulatory regions to diversify and expand our carbon credit revenue streams. However, it is important to acknowledge that regulatory changes currently being discussed in Polestar's main markets could pose risks, potentially impacting deal demand and revenue.

#### *Other key factors impacting performance*

During the first half of 2025 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 that impacted the R&D and Procurement departments in the UK, China and Sweden, as well as manufacturing in China.

Polestar has also implemented a cost discipline program towards fixed cost expenses reduction, which includes labor cost associated with its own employees and full-time consultants through organizational restructuring, as well as streamlining selling, general and administrative activities through continuous improvements in operational efficiency in comparison to 2024, primarily with reduced fixed marketing expenses.

Going forward, the benefits of the R&D, Procurement and Manufacturing restructuring are expected to impact positively towards the end of the fourth quarter 2025 with the full financial benefit to come in 2026.

## 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 - Significant accounting policies and judgements* in the Consolidated Financial Statements included in the 2024 20-F for more information related to segment reporting.

### Comparison of the six months ended June 30, 2025 and 2024

The following table summarizes Polestar's Unaudited Condensed Consolidated Statement of Loss and Comprehensive Loss for the six months ended June 30, 2025 and 2024.

	For the six months ended June 30,		Variance	
	2025	2024	\$	%
Revenue	1,422,605	909,247	513,358	56.5
Cost of sales	(2,125,729)	(932,533)	(1,193,196)	(128.0)
Impairment expense, net of reversals	(723,524)	—	(723,524)	N/A
Other cost of sales	(1,402,205)	(932,533)	(469,672)	(50.4)
<b>Gross loss</b>	<b>(703,124)</b>	<b>(23,286)</b>	<b>(679,838)</b>	<b>(2,919.5)</b>
Selling, general and administrative expense	(431,283)	(450,465)	19,182	4.3
Research and development expense	(31,262)	(24,312)	(6,950)	(28.6)
Other operating income, net	70,075	21,913	48,162	219.8
<b>Operating loss</b>	<b>(1,095,594)</b>	<b>(476,150)</b>	<b>(619,444)</b>	<b>(130.1)</b>
Finance income	52,797	8,077	44,720	553.7
Finance expense	(185,319)	(199,278)	13,959	7.0
Fair value changes - Earn-out rights and Class C shares	15,813	142,138	(126,325)	(88.9)
Share of losses in associates	(24,261)	(4,350)	(19,911)	(457.7)
<b>Loss before income taxes</b>	<b>(1,236,564)</b>	<b>(529,563)</b>	<b>(707,001)</b>	<b>(133.5)</b>
Income tax benefit (expense)	43,485	(14,315)	57,800	403.8
<b>Net loss</b>	<b>(1,193,079)</b>	<b>(543,878)</b>	<b>(649,201)</b>	<b>(119.4)</b>

## Revenue

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

	For the six months ended June 30,		Variance	
	2025	2024	\$	%
Sales of vehicles	1,317,756	888,652	429,104	48.3
Sales of carbon credits	72,155	40	72,115	180,287.5
Vehicle leasing revenue	7,579	11,566	(3,987)	(34.5)
Sales of software and performance engineered kits	5,628	7,891	(2,263)	(28.7)
Other revenue	19,487	1,098	18,389	1,674.8
<b>Total</b>	<b>1,422,605</b>	<b>909,247</b>	<b>513,358</b>	<b>56.5</b>

The increase in revenue from Sales of vehicles was primarily due to higher sales volumes, driven by an accelerated transition to an active selling model, retail network expansion, and an attractive three-model line-up versus a one-model offer for the majority of the comparative period, resulting in an increase of \$241.7 million, and higher revenue per vehicle sold, resulting in an increase of \$187.4 million, due to mix improvement with increased participation of PS3 and PS4 in H1 2025 versus primarily one model in H1 2024.

The increase in revenue from Sales of carbon credits was primarily driven by a new EU Pooling agreement related to the calendar year 2025 as well as the sale of carbon credits in the US.

The decrease in Vehicle leasing revenue was primarily due to decrease of vehicles with repurchase agreements in H1 2025 when compared to H1 2024.

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 Car's sales of Polestar's performance engineered kits.

Other revenue in H1 2025 primarily reflects the aftermarket sales of parts and services driven by the increase of car park volume with PS2 and new models PS3 and PS4 ramping up since the second half of 2024.

#### **Cost of sales**

The increase was primarily due to the impairment expense, net of reversals of \$723.5 million recognized in H1 2025 with no equivalent in H1 2024, a higher volume of sales and a higher cost model mix and higher duties (increased tariffs for imported cars, parts and components for EU and U.S.), partially offset by a reduction in material costs of vehicles sold, including raw material used in batteries.

#### **Gross loss**

The increase is primarily due to the impairment expense, net of reversals partially offset by sales mix improvements and carbon credits of \$72.2 million.

#### **Selling, general and administrative expense**

The decrease was primarily due to a decrease in media activities expense of \$26.8 million. Additional decreases were attributed to lower administrative costs resulting from cost discipline and restructuring with reduced headcount. This decrease was partially offset by an increase in sales agent remuneration expense of \$30.1 million primarily driven by increased sales volumes.

#### **Research and development expense**

The increase was primarily driven by higher spend on vehicle development programs not yet eligible for capitalization.

#### **Other operating income, net**

The increase was primarily due to positive changes in foreign exchange rates of \$48.7 million mainly related to working capital and an increase in carbon credit related income of \$17.6 million.

#### **Finance income**

The increase was primarily the result of an increase in Net foreign exchange rate gains on financial activities of \$49.4 million, due to positive changes in foreign exchange rates on Polestar's foreign currency borrowings, which was partially offset by an aggregate decrease in interest income and other finance income of \$4.7 million.

#### **Finance expense**

The decrease was primarily the result of a decrease in Net foreign exchange rate losses on financial activities of \$36.2 million and lower interest expense on related parties financing of \$6.0 million, which was partially offset by an increase in interest expenses related to liabilities to credit institutions of \$27.3 million.

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

The decrease was primarily attributable to the decrease in the quantum of the change in Polestar's share price over H1 2025 when compared to H1 2024. In H1 2025 Polestar's share price increased to \$1.07 as of June 30, 2025 from \$1.05 as of December 31, 2024. In H1 2024, Polestar's share price decreased to \$0.79 as of June 30, 2024 from \$2.26 as of December 31, 2023.

#### **Share of losses in associates**

The increase was primarily attributable to the increase of \$24.3 million in capital contributions made by Polestar to Polestar Times Technology, which trigger the recognition of unrecognized losses in the associate, in H1 2025 when compared to H1 2024.

#### **Income tax benefit (expense)**

The change from a tax expense in H1 2024 to a tax benefit in H1 2025 is primarily due to the movement of deferred tax assets on CGU impairment expenses and NRV across several markets, the recognition of deferred tax assets on carry-forward losses in the UK in H1 2025 with no equivalent recognition in H1 2024 and a claim of group relief in the UK on prior year income tax taxes in 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. From time to time Polestar may also engages with Related Parties on extending payments terms.

As of June 30, 2025 Polestar had net current liabilities of \$2,988.2 million. In the six months ended June 30, 2025, Polestar generated negative operating and investing cash flows of \$497.7 million and \$321.7 million, respectively, primarily as a result of scaling up commercialization efforts globally, along with continuing capital expenditures for its vehicles and related technologies. In the six months ended June 30, 2025, Polestar generated positive cash flows of \$687.5 million from financing activities, including new equity of \$200.0 million in the form of a PIPE investment from PSD Investment (a related party).

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		Variance
	June 30,		
	2025	2024	\$
Cash used for operating activities	(497,652)	(267,671)	(229,981)
Cash used for investing activities	(321,675)	(272,689)	(48,986)
Cash provided by financing activities	687,455	461,391	226,064

### Cash used for operating activities

The increase in Cash used for operating activities in H1 2025 when compared to H1 2024 was primarily a result of:

- An increase in net loss of \$649.2 million.
- A net negative change in operating assets and liabilities of \$148.7 million in H1 2025 compared to a net positive change in operating assets and liabilities of \$280.4 million in H1 2024 primarily due to: (i) a net increase in Trade receivables, prepaid expenses, and other assets of \$149.3 million in H1 2025 compared to a net decrease of \$98.6 million in H1 2024; (ii) a net decrease in Trade payables, accrued expenses, and other liabilities of \$335.3 million in H1 2025, mainly due to payments made to Volvo Cars and Geely, compared to \$3.2 million in H1 2024; (iii) partially offset by a net decrease in Inventories of \$345.2 million in H1 2025 compared to \$160.8 million in H1 2024 primarily due to improved inventory management.
- Partially offset by an increase in the net positive value of reconciling items of \$861.3 million, primarily due to the non-cash impairment expense of \$723.5 million in H1 2025 and a decrease in the adjustment for gain related to the change in fair value of Earn-out rights of \$123.8 million in H1 2025 when compared to H1 2024.

### Cash used for investing activities

The increase in Cash used for investing activities in H1 2025 when compared to H1 2024 was primarily a result of:

- An increase of \$68.5 million in cash investments in intangible assets.
- An increase of \$6.3 million in proceeds from sale of property, plant and equipment.
- Partially offset by a reduction in net additions to other non-current assets of \$22.0 million.

### Cash provided by financing activities

The increase in Cash provided by financing activities in H1 2025 when compared to H1 2024 was primarily the result of:

- An increase of \$1,565.8 million in proceeds from short-term borrowings; and
- An increase of \$200.0 million relating to the equity issuance in H1 2025 which had no equivalent in H1 2024.
- Partially offset by:
  - A decrease of \$952.8 million in proceeds from long-term borrowings; and
  - An increase in repayments of borrowings of \$588.6 million.

## Contractual obligations and commitments

Polestar is party to multiple financing contracts which oblige Polestar to make repayments in accordance with the contractual terms. Polestar has also entered into capital commitments to purchase intellectual property as well as into purchasing contracts with suppliers that contain minimum purchase commitments. The following table summarizes Polestar's estimated future cash expenditures related to contractual obligations and commitments as of June 30, 2025:

	Payments due by period			Total
	Less than 1 year	Between 1-5 years	After 5 years	
Capital commitments <sup>1</sup>	93,300	—	—	93,300
Minimum purchase commitments <sup>2</sup>	115,748	266,148	45,279	427,175
Credit facilities, including Market RCFs <sup>3</sup>	3,087,055	973,779	—	4,060,834
Other liabilities, including Market RCFs - related parties <sup>4</sup>	204,165	1,686,203	17,257	1,907,625
Lease obligations including related parties	48,913	79,700	38,012	166,625
<b>Total</b>	<b>3,549,181</b>	<b>3,005,830</b>	<b>100,548</b>	<b>6,655,559</b>

1. Capital commitments relate to Polestar's investment in PPE and intangible assets for the production of upcoming models and model year updates. Additionally, the remaining capital injections Polestar will provide Polestar Times Technology are included herein.
2. Minimum purchase commitments relate to contracts with certain suppliers including a non-cancellable commitment, an agreed minimum purchase volume, or an agreed minimum sales volume. In the event of a shortfall in purchases, a shortfall in sales, or Polestar's decision to terminate such contracts, these suppliers are entitled to compensation from Polestar.
3. Refer to *Note 16 - Liabilities to credit institutions* of the Unaudited Condensed Consolidated Interim Financial Statements for further details on Polestar's credit facilities including Market Revolving Credit Facilities ("Market RCFs").
4. Refer to *Note 17 - Related party transactions* of the Unaudited Condensed Consolidated Interim Financial Statements for further details.

## 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, 2025 and the currencies in which it is held:

Currency held	Cash and cash equivalents (USD)
USD	412,620
EUR	62,097
CNY	58,783
GBP	56,321
SEK	44,065
CNH	30,102
Other	54,637
<b>Total</b>	<b>718,625</b>

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, 2025, the Group had restricted cash of \$34.2 million which is presented as Other non-current assets in the Unaudited Condensed Consolidated Statement of Financial Position and is primarily related to its financial obligations under its multi-currency syndicated loan ("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.

## 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 based on SOFR or EURIBOR.
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. 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 3 months. Floating rates indexed to EURIBOR.
Market RCFs and Sales-Lease 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, 2025, Polestar had an equivalent amount of \$4,060.8 in drawn working capital facilities, bilateral and/or syndicated loans from credit institutions, and an uncommitted financing from credit institutions equivalent to \$860.2 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, 2025 are summarized as follows:

Counterparty	Total facility	Maturity	Interest rate
Volvo Cars	\$1,000.00 million	December 29, 2028 <sup>1</sup>	SOFR rate plus 4.97% per annum
Geely	\$250.00 million	June 30, 2027	SOFR rate plus 4.97% per annum

1 - Modified by the second amendment signed on August 21, 2024.

Under the term credit facilities, 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 both Geely and Volvo Cars have the right to convert the principal amount of any outstanding loans into equity. Polestar may also otherwise agree that either Geely or Volvo Cars may convert the principal amount of any outstanding loans into equity upon the concurrence of other equity financings with a general understanding that no party will own more than 50% of the outstanding equity.

#### *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.

#### *Market RCFs*

Polestar maintains a Market RCF facility with its related party Volvo Cars which is presented separately in Interest-bearing current liabilities - related parties within the Unaudited Condensed Consolidated Statement of Financial Position.

#### *Other*

Polestar also benefits from its related party relationships and has been able to negotiate flexible payment terms for the repayment of related party trade payables, allowing additional liquidity to remain available for other working capital and financial needs. However, these flexible payment terms are not a contractual right and may be called upon with no fixed notice period.

### ***Funding maturity***

The following table summarizes the maturity of the Group's primary funding instruments as of June 30, 2025:

	0-3 months	3-6 months	6-12 months	1-2 years	2-5 years	More than 5 years	Total
Liabilities to credit institutions	1,447,363	241,643	1,398,049	973,779	—	—	4,060,834
Interest-bearing liabilities	3,594	3,545	7,400	11,806	21,542	16,941	64,828
Interest-bearing liabilities – related parties	12,298	12,197	86,294	52,898	1,331,018	25,186	1,519,891

### **Funding currency**

The following table summarizes the currency of the Group's primary funding instruments as of June 30, 2025:

	USD	CNY	EUR	SEK	Other	Total
Liabilities to credit institutions	2,676,912	619,488	722,744	—	41,690	4,060,834
Interest-bearing liabilities	133	802	8,418	11,750	43,725	64,828
Interest-bearing liabilities – related parties	1,258,462	134,491	—	58,163	68,775	1,519,891

### **Funding interest rate structure**

The following table summarizes the interest rates of the Group's primary funding instruments as of June 30, 2025:

	Fixed	Floating - SOFR	Floating - EURIBOR	Floating - LPR	Floating - Other	Total
Liabilities to credit institutions	703,424	2,166,912	722,744	426,063	41,691	4,060,834
Interest-bearing liabilities	64,828	—	—	—	—	64,828
Interest-bearing liabilities – related parties	194,414	1,256,851	—	—	68,626	1,519,891

### **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 of \$5,500.0 million. Prior to the year ended December 31, 2024 Standard Chartered Bank and the syndicated lenders agreed to amend the minimum revenue covenant for 2024, from an amount of \$5,359.9 million to \$1,400.0 million, as well as to waive the debt-to-asset ratio covenant for the fourth quarter of 2024 and the first quarter of 2025. As a result of these changes, Polestar was not in default related to the syndicated loan as of December 31, 2024. Prior to June 30, 2025 Standard Chartered Bank and the syndicated lenders agreed to amend the debt-to-asset ratio range to be from 0.90 to 1.50 for the second quarter of 2025. As a result, Polestar was not in default related to the syndicated loan as of June 30, 2025. On July 9, 2025, Standard Chartered Bank and the syndicated lenders agreed to amend the debt-to-asset ratio range to be from 0.90 to 1.45 for the third quarter of 2025 and from 0.85 to 1.40 for the fourth quarter of 2025 and to amend the minimum revenue covenant for 2025 from \$7,144.9 million to \$3,000.0 million.

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, 2025, 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 2025, 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 30,289 cars in H1 2025. As of June 30, 2025, 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 purpose, 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 \$200.0 million agreement signed in June 2025.

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.

In December 2024, management determined that both *Adjusted Operating Loss* and *Adjusted Net Loss* were non-GAAP measures which were no longer needed to be evaluated as they were no longer viewed as relevant measures for understanding the underlying performance of Polestar's core business operations or ongoing performance. Therefore, these measures are no longer being presented.

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

### Adjusted EBITDA

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

- Fair value change - Earn-out rights;
- Fair value change - Class C Shares;
- Finance expense;
- Finance income;
- Income tax benefit (expense);
- Depreciation and amortization<sup>1</sup>;
- Impairment of property, plant and equipment, vehicles under operating leases, and intangibles assets;
- Restructuring costs<sup>2</sup>;
- Gains / losses on disposals of investments<sup>3</sup>; and
- Unusual other operating income and expenses that are considered rare or discrete events and are infrequent in nature.

1- Includes (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- 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.

3- 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.

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.

The definition of Adjusted EBITDA was refined in December 2024. Accordingly, Adjusted EBITDA for the six months ended June 30, 2024 is recast for the changed definition. For more information regarding the changes in the Adjusted EBITDA definition, see *Non-GAAP Financial Measures* in the 2024 20-F.

### Free Cash Flow

Free Cash Flow is calculated as cash used for operating activities, adjusted to exclude cash flows 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 is 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 profit (loss), adjusted to exclude expenses arising from the impairment of property, plant and equipment, vehicles under operating leases, and intangibles assets. 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,	
	2025	2024
<b>Adjusted EBITDA</b>		
Net loss	(1,193,079)	(543,878)
Fair value changes on Earn-out rights and Class C shares	(15,813)	(142,138)
Finance expense	185,319	199,278
Finance income	(52,797)	(8,077)
Income tax (benefit) expense	(43,485)	14,315
Depreciation and amortization	75,772	47,042
Impairment expense, net of reversals	723,524	—
Losses on disposals of investments	4,629	—
Restructuring costs	13,629	—
<b>Adjusted EBITDA</b>	<b>(302,301)</b>	<b>(433,458)</b>

	For the six months ended June 30,	
	2025	2024
<b>Free Cash Flow</b>		
Net cash used for operating activities	(497,652)	(267,671)
Additions to property, plant, and equipment	(88,032)	(83,884)
Additions to intangible assets	(201,581)	(133,049)
<b>Free Cash Flow</b>	<b>(787,265)</b>	<b>(484,604)</b>

	For the six months ended June 30,	
	2025	2024
<b>Adjusted Gross Profit (Loss)</b>		
Gross loss	(703,124)	(23,286)
Impairment expense, net of reversals	723,524	—
<b>Adjusted Gross Profit (Loss)</b>	<b>20,400</b>	<b>(23,286)</b>

	For the six months ended June 30,	
	2025	2024
<b>Adjusted Gross Margin</b>		
Adjusted Gross Profit (Loss) (a)	20,400	(23,286)
Revenue (b)	1,422,605	909,247
<b>Adjusted Gross Margin (a/b)</b>	<b>1.4%</b>	<b>(2.6)%</b>

**The Polestar Group**  
**Unaudited Condensed Consolidated Interim Financial Statements as of June 30, 2025 and for**  
**the Six months ended June 30, 2025 and 2024**

**Polestar Automotive Holding UK PLC**

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

	Note	For the six months ended June 30,	
		2025	2024
Revenue	3	1,422,605	909,247
Cost of sales	4	(2,125,729)	(932,533)
Impairment expense, net of reversals	4	(723,524)	—
Other cost of sales	4	(1,402,205)	(932,533)
<b>Gross loss</b>		<b>(703,124)</b>	<b>(23,286)</b>
Selling, general and administrative expense	4	(431,283)	(450,465)
Research and development expense	4	(31,262)	(24,312)
Other operating income, net	5	70,075	21,913
<b>Operating loss</b>		<b>(1,095,594)</b>	<b>(476,150)</b>
Finance income	7	52,797	8,077
Finance expense	7	(185,319)	(199,278)
Fair value change - Earn-out rights	12	15,813	139,638
Fair value change - Class C Shares		—	2,500
Share of losses in associates	6	(24,261)	(4,350)
<b>Loss before income taxes</b>		<b>(1,236,564)</b>	<b>(529,563)</b>
Income tax benefit (expense)	8	43,485	(14,315)
<b>Net loss</b>		<b>(1,193,079)</b>	<b>(543,878)</b>
<b>Net loss per share (in U.S. dollars)</b>	9		
Class A - Basic and Diluted		(0.56)	(0.26)
Class B - Basic and Diluted		(0.56)	(0.26)

**Consolidated Statement of Comprehensive Loss**

<b>Net loss</b>		<b>(1,193,079)</b>	<b>(543,878)</b>
<b>Other comprehensive loss:</b>			
Items that may be subsequently reclassified to the Consolidated Statement of Loss:			
Exchange rate differences from translation of foreign operations		34,876	(23,807)
<b>Total other comprehensive loss</b>		<b>34,876</b>	<b>(23,807)</b>
<b>Total comprehensive loss</b>		<b>(1,158,203)</b>	<b>(567,685)</b>

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, 2025	December 31, 2024
<b>Assets</b>			
Non-current assets			
Intangible assets and goodwill	10	837,666	1,040,849
Property, plant and equipment	11	360,068	537,743
Vehicles under operating leases		64,323	56,137
Other non-current assets		43,252	39,740
Deferred tax assets	8	123,379	81,554
<b>Total non-current assets</b>		<b>1,428,688</b>	<b>1,756,023</b>
Current assets			
Cash and cash equivalents	12	718,625	739,237
Trade receivables	12	259,360	152,405
Trade receivables - related parties	12, 17	76,843	37,844
Accrued income - related parties	12, 17	55,903	42,839
Inventories	13	805,701	1,079,361
Current tax assets		10,201	5,021
Other current assets		270,284	238,907
Other current assets - related parties	12, 17	17,098	2,713
<b>Total current assets</b>		<b>2,214,015</b>	<b>2,298,327</b>
<b>Total assets</b>		<b>3,642,703</b>	<b>4,054,350</b>
<b>Equity</b>			
Share capital		(21,258)	(21,169)
Other contributed capital		(3,845,698)	(3,625,027)
Foreign currency translation reserve		28,276	63,152
Accumulated deficit		8,104,683	6,911,604
<b>Total equity</b>	14	<b>4,266,003</b>	<b>3,328,560</b>
<b>Liabilities</b>			
Non-current liabilities			
Non-current contract liabilities		(74,207)	(61,002)
Deferred tax liabilities		(527)	(630)
Other non-current provisions	15	(104,201)	(94,757)
Other non-current liabilities		(81,398)	(71,398)
Earn-out liability	12	(12,965)	(28,778)
Non-current liabilities to credit institutions	12, 16	(973,779)	(927,235)
Other non-current interest-bearing liabilities	12	(50,289)	(47,918)
Other non-current interest-bearing liabilities - related parties	12, 17	(1,409,102)	(1,410,258)
<b>Total non-current liabilities</b>		<b>(2,706,468)</b>	<b>(2,641,976)</b>
Current liabilities			
Trade payables	12	(130,950)	(103,368)
Trade payables - related parties	12, 17	(626,791)	(790,546)
Accrued expenses - related parties	12, 17	(280,782)	(279,686)
Advance payments from customers	12	(7,940)	(17,344)
Current provisions	15	(114,764)	(72,769)
Current liabilities to credit institutions	12, 16	(3,087,055)	(2,512,394)
Current tax liabilities		(5,347)	(28,872)
Interest-bearing current liabilities	12	(14,539)	(13,923)
Interest-bearing current liabilities - related parties	12, 17	(110,789)	(100,662)
Current contract liabilities		(29,388)	(37,649)
Class C Shares liability	12	(3,500)	(3,500)
Other current liabilities		(747,692)	(740,577)
Other current liabilities - related parties	12, 17	(42,701)	(39,644)
<b>Total current liabilities</b>		<b>(5,202,238)</b>	<b>(4,740,934)</b>
<b>Total liabilities</b>		<b>(7,908,706)</b>	<b>(7,382,910)</b>
<b>Total equity and liabilities</b>		<b>(3,642,703)</b>	<b>(4,054,350)</b>

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	Currency translation reserve	Accumulated deficit	Total
Balance as of January 1, 2024		(21,168)	(3,615,187)	25,639	4,861,707	1,250,991
Net loss		—	—	—	543,878	543,878
Other comprehensive loss		—	—	23,807	—	23,807
<b>Total comprehensive loss</b>		—	—	<b>23,807</b>	<b>543,878</b>	<b>567,685</b>
Equity-settled share-based payment		(1)	(6,774)	—	—	(6,775)
<b>Balance as of June 30, 2024</b>		<b>(21,169)</b>	<b>(3,621,961)</b>	<b>49,446</b>	<b>5,405,585</b>	<b>1,811,901</b>
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 loss		—	—	(34,876)	—	(34,876)
<b>Total comprehensive loss</b>		—	—	<b>(34,876)</b>	<b>1,193,079</b>	<b>1,158,203</b>
Equity issuance - Securities Purchase Agreement	14	—	(200,000)	—	—	(200,000)
Equity-settled share-based payment		(89)	(5,406)	—	—	(5,495)
Related party capital contribution	17	—	(15,265)	—	—	(15,265)
<b>Balance as of June 30, 2025</b>		<b>(21,258)</b>	<b>(3,845,698)</b>	<b>28,276</b>	<b>8,104,683</b>	<b>4,266,003</b>

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)

	<b>For the six months ended</b>		
		<b>June 30,</b>	
	<b>Note</b>	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities</b>			
Net loss		(1,193,079)	(543,878)
<b>Adjustments to reconcile net loss to net cash flows:</b>			
Depreciation and amortization	4, 10, 11	32,333	22,769
Warranty provisions	15	40,828	8,697
Impairment of inventory	4, 13	81,056	31,682
Impairment of property, plant, and equipment, vehicles under operating leases, and intangible assets, net of reversals	2, 4, 10, 11	723,524	—
Finance income	7	(52,797)	(8,077)
Finance expense	7	185,319	199,278
Fair value change - Earn-out rights	12	(15,813)	(139,638)
Fair value change - Class C Shares		—	(2,500)
Income tax (expense) benefit	8	(43,485)	14,315
Share of losses in associates	6	24,261	4,350
Net gains on derecognition and disposal of property, plant and equipment and intangible assets	11	(286)	—
Litigation provisions, net of insurance	15	(583)	2,784
Other provisions	15	35,993	15,826
Unrealized operating exchange rate loss, net		(38,546)	(5,629)
Other non-cash expense and income		40,931	7,627
<b>Changes in operating assets and liabilities:</b>			
Inventories	13	345,169	160,813
Contract liabilities		(6,720)	24,204
Trade receivables, prepaid expenses, and other assets		(149,266)	98,623
Trade payables, accrued expenses, and other liabilities		(335,281)	(3,196)
Restricted deposits		(2,565)	—
Interest received		1,867	5,606
Interest paid		(146,545)	(146,199)
Taxes paid		(23,967)	(15,128)
<b>Cash used for operating activities</b>		<b>(497,652)</b>	<b>(267,671)</b>
<b>Cash flows from investing activities</b>			
Additions to property, plant, and equipment	11	(88,032)	(83,884)
Additions to intangible assets	10	(201,581)	(133,049)
Additions to investment in associates	6	(38,816)	(34,300)
Reductions (additions) to other non-current assets		460	(21,490)
Proceeds from sale of property, plant and equipment	11	6,294	34
<b>Cash used for investing activities</b>		<b>(321,675)</b>	<b>(272,689)</b>
<b>Cash flows from financing activities</b>			
Proceeds from short-term borrowings	16, 17	1,954,240	388,420
Proceeds from long-term borrowings	17	—	952,754
Repayments of borrowings	16, 17	(1,455,817)	(867,249)
Proceeds from equity issuance	14	200,000	—
Repayments of lease liabilities		(10,968)	(12,534)

<b>Cash provided by financing activities</b>	<b>687,455</b>	<b>461,391</b>
Effect of foreign exchange rate changes on cash and cash equivalents	111,260	(20,384)
<b>Net decrease in cash and cash equivalents</b>	<b>(20,612)</b>	<b>(99,353)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>739,237</b>	<b>768,264</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>718,625</b>	<b>668,911</b>

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, the branding and marketing, and the commercialization and selling of battery electric vehicles and related technology solutions. Polestar Group has a presence in 28 markets across Europe, North America, and Asia. Polestar Group has its management headquarters located at Assar Gabrielssons väg 9, 41878 Göteborg, Sweden.

### 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 adopted by the International Accounting Standards Board ("IASB"), and are presented in thousands of U.S. Dollar, 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, 2024 and 2023, and for the three years ended December 31, 2024 as presented in the Form 20-F filed with the United States Securities and Exchange Commission ("SEC") on May 9, 2025 ("2024 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, 2025.

### 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 and the ordinary course of business will continue in alignment with management's 2025-2029 business plan.

Management assessed Polestar Group's ability to continue as a going concern and evaluated whether there are certain 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 a material uncertainty that casts doubt on Polestar Group's ability 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 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 Polestar Group's future operations as well as macroeconomic and geopolitical factors. These include judgements relating to car sale volumes and prices, operating expenses (including the potential impact of tariffs), required capital expenditure and market demand for debt refinancing and debt and equity issuances by Polestar.

As a result of scaling up commercialization and continued capital expenditures 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, 2025, Polestar has net current liabilities of \$2,988,223. Since inception, Polestar Group has generated recurring net losses and negative operating and investing cash flows. Net losses for the six months ended June 30, 2025 and 2024 amounted to \$1,193,079 and \$543,878, respectively. Negative operating cash flows for the six months ended June 30, 2025 and 2024 amounted to \$497,652 and \$267,671, respectively. Negative investing cash flows for the six months ended June 30, 2025 and 2024 amounted to \$321,675 and \$272,689. Management's 2025-2029 business plan indicates that Polestar will generate negative operating cash flows in the near future and investing cash flows of Polestar will continue to be negative in the near and long-term future due to the nature of Polestar's business. Securing financing to support operating and development activities represents an ongoing challenge for Polestar Group.

Polestar Group primarily finances its operations through short-term (i.e., 12 months or less) working capital loan arrangements with credit institutions, contributions from shareholders, extended trade credit from related parties, and long-term financing arrangements with related parties. For further details of the contractual maturities of Polestar's non-derivative financial assets and liabilities, including its financing arrangements refer to *Note 12 - Financial instruments*. Management's most recent liquidity and funding plan indicates that Polestar Group depends on rolling-over current financing arrangements as well as obtaining additional financing that is expected to be funded via 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 Group begins generating sufficient positive operating cash flows, the timely realization of these financing endeavors is essential for Polestar Group's ability to continue as a going concern. Management cannot guarantee that Polestar Group will be successful in securing the funds necessary to continue operating and development activities as planned.

During the six months ended June 30, 2025, Polestar demonstrated efforts towards achieving its funding and liquidity targets by:

- Obtaining multiple new and / or rolled-over short-term working capital loan arrangements with banking partners in China;
- Obtaining additional bilateral loan facilities of USD450.0 million and EUR150.0 million;
- Increasing the limit and extending the term on the Trade Finance Facility; and
- Securing a \$200.0 million equity investment in the form of a private investment in public equity transaction with PSD Investment Limited.

Polestar is party to financing instruments that contain financial covenants with which Polestar 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 million, a maximum quarterly financial indebtedness of \$5.5 billion, a defined range for its debt-to-asset ratio (calculated on a quarterly basis) and a minimum annual revenue requirement. A failure to comply with such covenants may result in an event of default that could have material adverse effects on its business. Due to the factors discussed above, there is material uncertainty as to whether Polestar will be able to comply with all its covenants in future periods. Remedies to a potential event of default include proactively applying for a covenant waiver or amendment prior to such event of default occurring. Prior to June 30, 2025, Standard Chartered Bank, as agent, and the syndicated lenders of the Club Loan (refer to *Note 16 - Liabilities to credit institutions* for further information) agreed to amend the debt-to-asset ratio range to be from 0.90 to 1.50 for the second quarter of 2025. As a result, Polestar was in compliance with this covenant as of June 30, 2025. On July 9, 2025, Standard Chartered Bank and the syndicated lenders agreed to amend the minimum revenue covenant for 2025 from \$7,144.9 million to \$3,000.0 million and to amend the debt-to-asset ratio range to be from 0.90 to 1.45 for the third quarter of 2025 and from 0.85 to 1.40 for the fourth quarter of 2025. However, management cannot guarantee that waivers or amendments will be granted for any future non-compliance with covenants on this facility nor on Polestar's other borrowings with covenants.

Management forecasts sufficient liquidity in the twelve-month period following the issuance date of these Unaudited Condensed Consolidated Interim Financial Statements in order for Polestar to meet its cash flow requirements as well as to ensure compliance with the applicable financial covenants, but the uncertainty related to the execution of management's liquidity and funding plan indicates the existence of a material uncertainty that may cast significant doubt upon Polestar's ability to continue as a going concern. There are ongoing efforts in place to mitigate the uncertainty. The Unaudited Condensed Consolidated Interim Financial Statements do not include any adjustments to reflect the going concern uncertainty.

## **Note 2 - Significant accounting policies and judgements**

Except for the incremental changes to policies described below, Polestar Group continues to apply the same accounting policies as described in *Note 2 - Significant accounting policies and judgements* of the 2024 Consolidated Financial Statements.

### **Revenue recognition**

#### *Sales of carbon credits*

Various jurisdictions encourage manufacturers to produce and sell low-polluting and non-polluting vehicles by providing manufacturers with mechanisms to directly or indirectly monetize their production of low- and non-polluting vehicles ("emission programs"). Polestar does not manufacture or sell carbon emitting vehicles and therefore is able to benefit from these emission programs. The emission programs can take different forms which impacts the recognition of related revenue. The following describes Polestar's revenue recognition for the material emission programs in which Polestar participates:

- In certain jurisdictions there are agencies which award tradable carbon credits to qualifying companies. In these cases, Polestar recognizes revenue when the carbon credits awarded to it by the agencies are sold to third parties. Revenue is recognized at the point in time the customer obtains control of the carbon credits (i.e., Polestar satisfies its performance obligation). This is evidenced when the relevant agency confirms the credits have moved out of Polestar's account and into the counterparty's account i.e. when the counterparty has the ability to direct the use of, and obtain the benefits from, the carbon credits transferred.
- In the EU there are emissions targets for the fleets registered in eligible countries in the EU by each vehicle manufacturer in a calendar year. If a manufacturer's fleet exceeds the target, they are required to pay a penalty. A pooling agreement allows multiple companies to come together and form a single pool of their fleets for the purposes of the calculation of the fleet emissions. This allows manufacturers with high emission fleets to reduce their penalty by pooling with manufacturers with low emission fleets. For the calendar year 2025, Polestar entered into a pooling agreement with other vehicle manufacturers under which it is compensated by the high emission members of the pool for each of its vehicles sold and registered in the eligible countries. Under the pooling agreement, Polestar's performance obligation is to register its low emission vehicles as part of the pool which allows the high emissions manufacturers to benefit by paying a lower penalty than they would have paid in the absence of the pool. The performance obligation is satisfied over time as Polestar registers its vehicles with the pool over the contract period and, accordingly, Polestar recognizes revenue over time. Polestar uses the output method to estimate the revenue to be recognized in any period based on the vehicle registrations in that period.

#### *Cost of sales - duty drawback*

The creation of the United States' duty drawback program allows Polestar to recover duties paid on vehicles imported into the United States when such vehicles, or similar vehicles, are subsequently exported. Recoveries on import tariffs paid are accounted for as a reduction to cost of sales in the period of recovery, when the imported vehicle is no longer in inventories.

### **Inventories**

#### *Duty drawback*

The creation of the United States' duty drawback program allows Polestar to recover duties paid on vehicles imported into the United States when such vehicles, or similar vehicles, are subsequently exported. Recoveries on import tariffs paid are accounted for as a reduction the cost of inventory when the imported vehicle has not yet been sold at the date of the recovery.

### Provisions and contingent liabilities

#### *Restructuring provisions*

Restructuring provisions relate to planned reorganization or restructuring of parts of the business or certain business operations. Costs related to restructuring generally comprise employee severance packages, facility closure costs, and other costs related to business reorganization. In the six months ended June 30, 2025, Polestar recognized a provision for restructuring, primarily related to severance costs. Polestar had a detailed formal plan for those restructurings and they were initiated prior to June 30, 2025. Polestar's provision associated with its restructuring are presented within Current provisions on the Unaudited Condensed Consolidated Statement of Financial Position.

### Adoption of new and amended standards

#### *Effects of new and amended IFRS*

In August 2023, the IASB issued the amendments to IAS 21, The Effects of Changes in Foreign Exchange Rates ("IAS 21") titled Lack of Exchangeability, which outlines how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not. This amendment is effective for annual periods beginning on or after January 1, 2025 and did not have a material impact on these 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, 2025 but not yet effective and concluded that their adoption will not have a material impact on the Group when they are adopted.

### 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 the same as those described in the 2024 Consolidated Financial Statements with the exception of the impairment of assets as follows.

#### *Impairment of assets*

As of June 30, 2025, management identified indicators of impairment for its Polestar 3 CGU, namely a reduction in forecast gross margin and in sales volumes in the short-term resulting in a decrease in the forecast lifecycle profitability of the vehicle.

The recoverable amount of the Polestar 3 CGU was based on its value in use and calculated based on estimations of future cash flows. Forecast cash flows were discounted using a WACC of 15.5% (15.5% as of December 31, 2024).

The assumptions used to estimate future cash flows reflect changes in financial conditions and/or expectations since the previous impairment test was performed (December 31, 2024), including increases in production costs resulting from the imposition of increased tariffs on imported automotive parts for cars assembled in the U.S., and pressures on pricing of electric vehicles, which significantly impacted profitability. As a consequence of less favorable macroeconomic and market conditions than originally anticipated, the recoverable amount of the Polestar 3 CGU was estimated to be \$25,182, resulting in an impairment loss of \$739,347 presented in Cost of sales. This impairment loss was allocated to assets as follows:

	<b>June 30, 2025</b>
Intangible assets and goodwill	494,506
Property, plant and equipment	244,344
Vehicles under operating leases	497
<b>Total impairment expense</b>	<b>739,347</b>

The volumes, pricing, manufacturing costs and WACC inputs used in determining the value in use for each CGU are sensitive and require significant judgement.

### Note 3 - Revenue

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

	For the six months ended June 30,	
	2025	2024
Sales of vehicles <sup>1</sup>	1,317,756	888,652
Sales of carbon credits <sup>2</sup>	72,155	40
Vehicle leasing revenue	7,579	11,566
Sales of software and performance engineered kits	5,628	7,891
Other revenue	19,487	1,098
<b>Total</b>	<b>1,422,605</b>	<b>909,247</b>

1 - Revenue related to sale of vehicles are inclusive of extended and connected services recognized over time.

2 - In 2024, Polestar entered into an EU pooling agreement with third parties under which all parties are collectively assessed for the purposes of meeting the emissions targets set out in Regulation (EU) 2019/631 in the calendar year 2025. Under the agreement, Polestar is remunerated by other members of the pool based on the number of registrations of its vehicles that are made in the countries included in the regulation.

For the six months ended June 30, 2025 and 2024, other revenue primarily consisted of license revenue generated from sales-based royalties received from Volvo Cars on sales of parts and accessories for Polestar vehicles, software performance upgrades and sale of technology to other related parties.

For the six months ended June 30, 2025 and 2024 no sole customer, that is not a related party, exceeded 10% of total revenue.

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

	For the six months ended June 30,	
	2025	2024
United Kingdom	373,173	143,916
Sweden	275,529	139,768
Norway	98,451	56,162
USA	93,836	131,380
Germany	90,830	77,297
Belgium	76,432	46,981
Korea	54,828	13,908
Netherlands	54,759	42,456
Denmark	52,098	41,172
Australia	50,170	36,786
Finland	41,062	12,656
Switzerland	32,726	12,973
Canada	27,560	41,399
China	22,949	66,469
Spain	19,078	13,889
Austria	15,915	10,834
Portugal	14,215	5,274
Italy	13,921	4,118
Other regions	15,073	11,809
<b>Total</b>	<b>1,422,605</b>	<b>909,247</b>

#### Note 4 - Expense by nature

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

**For the six months ended June 30, 2025**

	Selling, general and administrativ e expense			Research and development expense	Total
	Cost of sales				
Inventory costs	1,244,942	—	—		1,244,942
Impairment of property, plant and equipment, vehicles under operating leases, and intangible assets, net of reversals <sup>1</sup>	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
Impairment of inventory	81,056	—	—		81,056
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
<b>Total</b>	<b>2,125,729</b>	<b>431,283</b>	<b>31,262</b>		<b>2,588,274</b>

1 - Includes the impairment of \$739,347 related to the Polestar 3 CGU (for further information, refer to *Note 2 - Significant accounting policies and judgements*) and a reversal of impairment from prior periods of \$15,823.

**For the six months ended June 30, 2024**

	Selling, general and administrativ e expense			Research and development expense	Total
	Cost of sales				
Inventory costs	870,699	—	—		870,699
Professional services and consultant costs	—	134,242	14,008		148,250
Advertising, selling, and promotion costs	—	147,093	—		147,093
Employee benefit costs	4,119	109,327	3,779		117,225
Impairment of inventory	31,682	—	—		31,682
Warranties and costs associated with settling contract liabilities	27,969	278	—		28,247
Depreciation and amortization expense	2,209	15,844	4,588		22,641
Sales agent costs	—	21,891	—		21,891
Maintenance and insurance service costs	—	9,766	—		9,766
Other costs	(4,145)	12,024	1,937		9,816
<b>Total</b>	<b>932,533</b>	<b>450,465</b>	<b>24,312</b>		<b>1,407,310</b>

**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,	
	2025	2024
<b>Other operating income</b>		
Net foreign exchange rate difference	49,321	623
Sale of carbon credits	17,621	—
Transition services to Polestar Times Technology	16,285	23,881
Sales of plant operation services to a related party	1,661	3,911
Other operating income	5,520	6,315
<b>Total other operating income</b>	<b>90,408</b>	<b>34,730</b>

<b>Other operating expense</b>		
Restructuring costs <sup>1</sup>	13,629	—
Non-income tax expense	1,235	242
Transition services to Polestar Times Technology	947	4,143
Other operating expenses	4,522	8,432
<b>Total other operating expense</b>	<b>20,333</b>	<b>12,817</b>

1 - The restructuring costs are primarily related to severance costs.

#### Note 6 - Investment in associates

On June 19, 2023, Polestar entered into a strategic agreement with the technology company, Xingji Meizu, a limited liability company and subsidiary of DreamSmart Technology Pte. Ltd ("DreamSmart"), to combine Polestar's capabilities of design and performance with the software and consumer electronics hardware development expertise of Xingji Meizu for the purpose of expanding the commercial operations and sale of Polestar vehicles in China. Xingji Meizu and DreamSmart are related parties. The strategic agreement resulted in the inception of Polestar Times Technology (Shaoxing) Co., Ltd. ("Polestar Technology"). In January 2024, Polestar Technology, selected Nanjing as its final province of registration and was renamed to Polestar Times Technology (Nanjing) Co., Ltd ("Polestar Times Technology"). Refer to *Note 10 - Investment in associates* included in the 2024 Consolidated Financial Statements for more information related to Polestar Times Technology.

On April 10, 2025, Polestar entered into an agreement with Xingji Meizu to terminate commercial operations of its investment in Polestar Times Technology in China, and transfer the distribution rights related to Polestar branded vehicles back to Polestar. As part of the agreement, Polestar Times Technology will continue certain non-commercial operations while winding down commercial activities. Polestar Times Technology will take sole responsibility for settlement of any outstanding financial obligations and remaining liabilities against its business partners, suppliers, and external investors. The agreement also includes the transfer of certain assets from Polestar Times Technology back to Polestar on an arms-length terms in order for Polestar to resume exclusive control of commercial operations, including sales, customer service, and distribution activities, in China. As part of the winding down of Polestar Times Technology's activities, Polestar expects to make the remaining capital contributions into Polestar Times Technology set forth in the original strategic agreement between the parties. As of June 30, 2025, Polestar had \$24,884 in capital contributions it expects to make into Polestar Times Technology, subject to certain conditions precedent as defined in the original shareholder agreement.

As of June 30, 2025, Polestar has made total cash contributions of \$73,116 to Polestar Times Technology and maintains 46.2% ownership.

#### Sales of vehicles

During the six months ended June 30, 2025, the probability of collecting consideration in exchange for vehicles sold to Polestar Times Technology remained remote due to Polestar Times Technology's lack of available liquidity. As such, the Group's accounting for sales of vehicles to Polestar Times Technology remained unchanged from the year ended December 31, 2024.

During the six months ended June 30, 2025, the Group collected consideration and recognized revenue of \$21,858 related to sales of vehicles that were delivered during the year ended December 31, 2024. As of June 30, 2025, there were no unpaid vehicles delivered to Polestar Times Technology and, therefore, no unrecognized revenue. During the six months ended June 30, 2024, the Group collected consideration and recognized revenue related to sales of vehicles for \$61,650 of which \$31,298 pertained to vehicles delivered during the year ended December 31, 2023 and \$30,352 pertained to vehicles delivered during the six months ended June 30, 2024. As of June 30, 2024, the Group remained unpaid for 542 vehicles delivered to Polestar Times Technology during the six months ended June 30, 2024; totaling \$19,850 of unrecognized revenue.

The following table summarizes the activity related to Polestar's investment in Polestar Times Technology:

<b>Balance as of January 1, 2024</b>	—
Investment in Polestar Times Technology	4,900
Elimination of effects of downstream sales	(550)
Recognized share of losses in Polestar Times Technology	(4,350)
<b>Balance as of June 30, 2024</b>	—
<b>Balance as of January 1, 2025</b>	—
Investment in Polestar Times Technology	29,208
Elimination of effects of downstream sales	(4,947)
Recognized share of losses in Polestar Times Technology	(24,261)
<b>Balance as of June 30, 2025</b>	—

The following table summarizes the activity related to Polestar's unrecognized losses in Polestar Times Technology:

<b>Unrecognized balance as of January 1, 2024</b>	<b>(1,407)</b>
Additional unrecognized effects of downstream sales	(6,386)
Additional unrecognized share of losses in Polestar Technology	(29,231)
<b>Unrecognized balance as of June 30, 2024</b>	<b>(37,024)</b>
<b>Unrecognized balance as of January 1, 2025</b>	<b>(65,988)</b>
Recognized share of losses in Polestar Times Technology	24,261
Additional unrecognized share of losses in Polestar Technology	(11,126)
<b>Unrecognized balance as of June 30, 2025</b>	<b>(52,853)</b>

The following table provides summarized financial information from Polestar Times Technology's financial statements and a reconciliation to the carrying amount of Polestar's investment:

	As of June 30, 2025	As of December, 31, 2024
Polestar's percentage ownership interest	46.2 %	46.2%
Non-current assets	—	46,918
Current assets	30,471	48,501
Non-current liabilities	—	(20,007)
Current liabilities	(82,871)	(175,538)
<b>Net liabilities</b>	<b>(52,400)</b>	<b>(100,126)</b>
Less: capital reserves	(30,156)	(30,156)
Less: share capital attributable to Xingji Meizu	(28,929)	(16,641)
<b>Adjusted net liabilities</b>	<b>(111,485)</b>	<b>(146,923)</b>
The Group's share of net liabilities	(51,506)	(67,878)
Elimination of effects of downstream sales in inventory	1,390	2,578
Elimination of effects of downstream sales in long-term assets	(1,971)	1,789
Unrecognized losses in Polestar Times Technology	52,854	64,581
Other reconciling items	(767)	(1,070)
<b>Carrying amount of the Group's investment in Polestar Times Technology</b>	<b>—</b>	<b>—</b>
	<b>For the six months ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
Revenue	9,566	44,490
Net loss	(25,933)	(70,851)
Other comprehensive loss	1,850	(1,836)
Total comprehensive loss	(24,083)	(72,687)
<b>The Group's share of losses in Polestar Times Technology</b>	<b>(11,126)</b>	<b>(33,581)</b>

#### Note 7 - Finance income and expense

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

	For the six months ended June 30,	
	2025	2024
<b>Finance income</b>		
Net foreign exchange rate gains on financial activities	49,382	—
Interest income on bank deposits	2,528	5,297
Other finance income	887	2,780
<b>Total</b>	<b>52,797</b>	<b>8,077</b>

<b>Finance expense</b>		
Interest expense on credit facilities and financing obligations	116,035	88,283
Interest expense to related parties <sup>1</sup>	65,098	71,073
Interest expense related to lease liabilities	3,779	3,706
Net foreign exchange rate losses on financial activities	—	36,212
Other finance expenses	407	4
<b>Total</b>	<b>185,319</b>	<b>199,278</b>

1 - Interest expense to related parties was comprised of interest on overdue trade payables balances and interest on related party borrowings.

## Note 8 - Income tax benefit (expense)

### Income tax benefit (expense)

For the six months ended June 30, 2025, Polestar recognized a tax benefit of \$43,485 mainly due to:

- The movement of deferred tax assets on CGU impairment expenses and the net realizable value ("NRV") across several markets.
- The recognition of deferred tax assets on carry-forward losses in the UK in the six-month period ended June 30, 2025, with no equivalent recognition in the same period in 2024.
- The claim of group relief in the UK on prior year income tax taxes.

### Deferred tax assets

The increase amounting to \$41,825, from \$81,554 as of December 31, 2024 to \$123,379 as of June 30, 2025, is primarily related to:

- Movement of deferred tax assets on CGU impairment expenses and NRV across several markets.
- The recognition of deferred tax assets on carry-forward losses in the UK in the six months ended June 30, 2025 with no equivalent recognition as of December 31, 2024.

## Note 9 - Net loss per share

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

	<b>For the six months ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Class A and B Common Shares</b>		
Net loss attributable to shareholders of the parent entity	(1,193,079)	(543,878)
<b>Weighted-average number of common shares outstanding:</b>		
Basic and diluted	2,114,848	2,110,214
<b>Net loss per share (in ones):</b>		
Basic and diluted	(0.56)	(0.26)

On June 16, 2025, Polestar and PSD Investment Limited ("PSD") signed a Securities Purchase Agreement under which PSD made a prepayment for newly issued Class A American Depositary Shares ("ADS") that, as of June 30, 2025, had not been issued by Polestar to PSD. This agreement represents potential ordinary shares, however, since Polestar has net losses in the period, the agreement is anti-dilutive and no adjustments have been made. The Class A ADS were issued by Polestar to PSD on July 23, 2025. For further information on the Securities Purchase Agreement, see *Note 14 - Equity*.

## Note 10 - Intangible assets and goodwill

The following table presents the split between Polestar Group's intangible assets and goodwill and trademarks:

	<b>As of</b>	
	<b>As of June 30, 2025</b>	<b>December, 31, 2024</b>
Intangible assets	784,348	994,881
Goodwill and trademarks	53,318	45,968
<b>Total</b>	<b>837,666</b>	<b>1,040,849</b>

Changes to the carrying amount of intangible assets were as follows:

	Internally developed IP	Software	Acquired IP	Total
<b>Acquisition cost</b>				
Balance as of January 1, 2024	310,450	11,380	1,836,487	2,158,317
Additions <sup>1</sup>	81,434	356	60,033	141,823
Effect of foreign currency exchange differences	(16,575)	(842)	(85,193)	(102,610)
<b>Balance as of June 30, 2024</b>	<b>375,309</b>	<b>10,894</b>	<b>1,811,327</b>	<b>2,197,530</b>
Balance as of January 1, 2025	455,029	11,665	1,811,120	2,277,814
Additions <sup>1</sup>	73,747	760	83,887	158,394
Reclassifications	—	(3)	3	—
Effect of foreign currency exchange differences	77,232	1,874	236,539	315,645
<b>Balance as of June 30, 2025</b>	<b>606,008</b>	<b>14,296</b>	<b>2,131,549</b>	<b>2,751,853</b>

<b>Accumulated amortization and impairment</b>				
Balance as of January 1, 2024	(18,789)	(1,548)	(769,721)	(790,058)
Amortization expense	—	(689)	(3,166)	(3,855)
Amortization expense capitalized into inventory	(299)	—	(11,298)	(11,597)
Effect of foreign currency exchange rate differences	1,027	104	24,984	26,115
<b>Balance as of June 30, 2024</b>	<b>(18,061)</b>	<b>(2,133)</b>	<b>(759,201)</b>	<b>(779,395)</b>
Balance as of January 1, 2025	(332,488)	(4,380)	(946,065)	(1,282,933)
Amortization expense	—	(931)	(3,210)	(4,141)
Amortization capitalized into inventory	(1,193)	—	(31,765)	(32,958)
Impairment loss <sup>2</sup>	(13,708)	—	(480,798)	(494,506)
Effect of foreign currency exchange differences	(52,214)	(588)	(100,165)	(152,967)
<b>Balance as of June 30, 2025</b>	<b>(399,603)</b>	<b>(5,899)</b>	<b>(1,562,003)</b>	<b>(1,967,505)</b>
Carrying amount as of December 31, 2024				
	122,541	7,285	865,055	994,881
<b>Carrying amount as of June 30, 2025</b>	<b>206,405</b>	<b>8,397</b>	<b>569,546</b>	<b>784,348</b>

1 – Of \$158,394 in additions for the six months ended June 30, 2025, \$71,152 was settled in cash. In the Unaudited Condensed Consolidated Statement of Cash Flows, these \$71,152 are included as investing activities in the \$201,581 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.

Of \$141,823 in additions for the six months ended June 30, 2024, \$93,134 has been settled in cash. These \$93,134 are included in the \$133,049 cash used for investing activities related to additions to intangible assets, and the remaining \$39,915 relates to decreases in Trade payables - related parties from prior periods which were settled in cash during the six months ended June 30, 2024.

2 - The impairment loss of \$494,506 is part of the total impairment registered of \$739,347 related to the Polestar 3 CGU. For further information, refer to *Note 2 - Significant accounting policies and judgements*.

The significant additions in the six months ended June 30, 2025 related to:

- Additions to Internally developed IP are primarily related to the Polestar 5 and various other internal programs, such as model year changes.
- Additions to Acquired IP are primarily related to acquisitions of Polestar 4 IP from Volvo Cars. Polestar also acquired IP related to model years changes of the Polestar 2 from Volvo Cars.

There were no material changes to goodwill and trademarks during the six months ended June 30, 2025.

#### Note 11 - Property, plant, and equipment

Changes to the carrying amount of Property, plant and equipment were as follows:

	Buildings and land	Machinery and equipment	Machinery under development	Total
<b>Acquisition cost</b>				
Balance at January 1, 2024	8,916	180,945	251,638	441,499
Additions <sup>1</sup>	2,732	11,058	101,211	115,001

Divestments and disposals	—	(70)	—	(70)
Reclassifications	1,962	111,104	(113,066)	—
Effect of foreign currency exchange differences	(269)	(6,005)	(6,119)	(12,393)
<b>Balance at June 30, 2024</b>	<b>13,341</b>	<b>297,032</b>	<b>233,664</b>	<b>544,037</b>
Balance at January 1, 2025	10,866	476,162	166,196	653,224
Additions <sup>1</sup>	213	1,519	48,535	50,267
Divestments and disposals	(2,167)	(1,013)	(47)	(3,227)
Reclassifications	200	1,305	(1,505)	—
Effect of foreign currency exchange differences	720	15,125	15,480	31,325
<b>Balance at June 30, 2025</b>	<b>9,832</b>	<b>493,098</b>	<b>228,659</b>	<b>731,589</b>
<b>Depreciation and impairment</b>				
Balance at January 1, 2024	(2,709)	(61,174)	(579)	(64,462)
Depreciation expense	(1,287)	(2,203)	—	(3,490)
Depreciation capitalized into inventory	—	(2,000)	—	(2,000)
Divestments and disposals	—	34	—	34
Effect of foreign currency exchange differences	159	1,058	—	1,217
<b>Balance at June 30, 2024</b>	<b>(3,837)</b>	<b>(64,285)</b>	<b>(579)</b>	<b>(68,701)</b>
Balance at January 1, 2025	(4,154)	(142,883)	(72,700)	(219,737)
Depreciation expense	(1,185)	(2,516)	—	(3,701)
Depreciation capitalized into inventory	—	(7,356)	—	(7,356)
Divestments and disposals	741	805	—	1,546
Impairment loss <sup>2</sup>	—	(215,715)	(874)	(216,589)
Effect of foreign currency exchange differences	(176)	(4,826)	(1,460)	(6,462)
<b>Balance at June 30, 2025</b>	<b>(4,774)</b>	<b>(372,491)</b>	<b>(75,034)</b>	<b>(452,299)</b>
Carrying amount at December 31, 2024	6,712	333,279	93,496	433,487
<b>Carrying amount at June 30, 2025</b>	<b>5,058</b>	<b>120,607</b>	<b>153,625</b>	<b>279,290</b>

1 - Of \$50,267 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 the amount of \$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 in Trade payables - related parties from prior years which were settled in cash during the six months ended June 30, 2025.

Of \$115,001 in additions for the six months ended June 30, 2024, \$64,464 was settled in cash. In the Unaudited Condensed Consolidated Statement of Cash Flows these \$64,464 are included as investing activities in the \$83,884 of additions to property, plant and equipment, and the remaining \$19,420 relates to additions to Trade payables - related parties from prior years which were settled in cash during the six months ended June 30, 2024.

2 - The impairment loss of \$216,589 is part of the total impairment registered of \$739,347 related to the Polestar 3 CGU. For further information, refer to *Note 2 - Significant accounting policies and judgements*.

The significant additions in the six months ended June 30, 2025 were related to:

- Additions to Machinery under development are primarily related to acquisitions of tooling for Polestar 4 and Polestar 5 and some investments in Polestar 3.
- Additions to Machinery and equipment is mainly due to acquisitions of vendor tooling for Polestar 3.

### Right of use assets

Polestar's right-of-use assets, which are presented within Property, plant and equipment in the Unaudited Condensed Consolidated Interim Financial Statements, had a carrying value of \$80,778 as of June 30, 2025 (\$104,256 as of December 31, 2024). The significant change in the six months ended June 30, 2025 was the recognition of an impairment loss of \$27,755, part of the total impairment registered of \$739,347 related to Polestar 3 CGU. For further information, refer to *Note 2 - Significant accounting policies and judgements*.

### Note 12 - Financial instruments

#### Fair values

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

	As of June 30, 2025	As of December, 31, 2024
<b>Financial assets</b>		
Cash and cash equivalents	718,625	739,237
Trade receivables and trade receivables - related parties	336,203	190,249
Accrued income - related parties	55,903	42,839
Other current receivables and other current receivables - related parties	36,759	12,013
Restricted cash	34,167	31,011
Other non-current receivables	6,747	5,917
<b>Total financial assets measured at amortized cost</b>	<b>1,188,404</b>	<b>1,021,266</b>
<b>Financial liabilities</b>		
Current and non-current liabilities to credit institutions	4,060,834	3,439,629
Other non-current interest-bearing liabilities and other non-current interest-bearing liabilities - related parties <sup>1</sup>	1,459,391	1,458,176
Trade payables and trade payables - related parties	757,741	893,914
Accrued expenses and accrued expenses - related parties	598,919	670,340
Current and non-current refund liabilities <sup>2</sup>	176,809	155,506
Interest-bearing current liabilities and interest-bearing current liabilities - related parties <sup>1</sup>	125,328	114,585
Current and non-current liabilities related to repurchase commitments	122,710	117,418
Other current liabilities and other current liabilities - related parties	67,585	58,594
Other current and non-current liabilities	21,336	8,094
Advance payments from customers	7,940	17,344
<b>Total financial liabilities measured at amortized cost</b>	<b>7,398,593</b>	<b>6,933,600</b>

1 - The Group's current and non-current lease liabilities are included in Interest-bearing current liabilities and Other non-current interest-bearing liabilities, respectively. The Group's current and non-current related party lease liabilities are included in Interest-bearing current liabilities - related parties and Other non-current interest-bearing liabilities - related parties, respectively.

2 - Includes the Group's current related party refund liabilities. These amounts are presented in Other current liabilities - related parties on the Unaudited Condensed Consolidated Statement of Financial Position.

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

	Due between			Total
	Due within 1 year	1 and 5 years	Due beyond 5 years	
<b>Financial assets</b>				
Trade receivables and trade receivables - related parties	336,203	—	—	336,203
Accrued income - related parties	55,903	—	—	55,903
Other current receivables and other current receivables - related parties	36,759	—	—	36,759
Restricted cash	—	34,167	—	34,167
Other non-current receivables	—	3,995	2,752	6,747
<b>Total financial assets measured at amortized cost</b>	<b>428,865</b>	<b>38,162</b>	<b>2,752</b>	<b>469,779</b>
<b>Financial liabilities</b>				
Current and non-current liabilities to credit institutions	3,087,055	973,779	—	4,060,834
Other non-current interest-bearing liabilities and other non-current interest-bearing liabilities - related parties	—	1,417,264	42,127	1,459,391
Trade payables and trade payables - related parties	757,741	—	—	757,741
Accrued expenses and accrued expenses - related parties	598,919	—	—	598,919
Current and non-current refund liabilities	109,052	53,895	13,862	176,809
Interest-bearing current liabilities and interest-bearing current liabilities - related parties	125,328	—	—	125,328

Current and non-current liabilities related to repurchase commitments	118,208	4,502	—	122,710
Other current liabilities and other current liabilities - related parties	67,585	—	—	67,585
Other current and non-current liabilities	12,198	9,138	—	21,336
Advance payments from customers	7,940	—	—	7,940
<b>Total financial liabilities measured at amortized cost</b>	<b>4,884,026</b>	<b>2,458,578</b>	<b>55,989</b>	<b>7,398,593</b>

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
<b>As of December 31, 2024</b>				
Earn-out rights	—	—	28,778	28,778
Class C-1 Shares	2,870	—	—	2,870
Class C-2 Shares	—	630	—	630
Total as of December 31, 2024	<b>2,870</b>	<b>630</b>	<b>28,778</b>	<b>32,278</b>
<b>As of June 30, 2025</b>				
Earn-out rights	—	—	12,965	12,965
Class C-1 Shares	2,870	—	—	2,870
Class C-2 Shares	—	630	—	630
Total as of June 30, 2025	<b>2,870</b>	<b>630</b>	<b>12,965</b>	<b>16,465</b>

There were no transfers between Level 1 and Level 2 in the six months ended June 30, 2025 and 2024.

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

As of June 30, 2025, 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 2024 Consolidated Financial Statements. The following table presents the variables considered in the valuation and the earn-out fair value:

	As of June 30, 2025	As of December, 31, 2024
Implied volatility	80.0 %	85.0 %
Risk-free rate	3.7 %	4.0 %

The implied volatility represents the most significant unobservable input utilized in this Level 3 valuation technique. As of June 30, 2025, a 1% increase in the implied volatility would have resulted in an increase in fair value of \$1,017, and a 1% decrease would have resulted in a decrease in fair value of \$1,768.

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, 2024	155,402
Change in fair value measurement	(139,638)
<b>As of June 30, 2024</b>	<b>15,764</b>
As of January 1, 2025	28,778
Change in fair value measurement	(15,813)
<b>As of June 30, 2025</b>	<b>12,965</b>

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, 2025, there was no significant changes in the risks that the Group's is exposed or in its management of risk from December 31, 2024.

During the six months ended June 30, 2025 Polestar began discussions with the syndicate of lenders for its Club Loan (refer to *Note 16 - Liabilities to credit institutions* for further information) in relation to its covenants. Prior to June 30, 2025 the required majority of lenders agreed to amend the debt-to-asset ratio range for the calculation as of June 30, 2025. As a result, Polestar was in compliance with this covenant as of June 30, 2025. Subsequently, on July 9, 2025, the lenders agreed to amend the debt-to-asset ratio range for the calculation as of September 30, 2025 and December 31, 2025 as well as the minimum revenue requirement for the calendar year 2025.

### Note 13 - Inventories

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

	As of June 30, 2025	As of December, 31, 2024
Work in progress	10	—
Finished goods and goods for resale	927,642	1,191,047
Provision for impairment	(121,951)	(111,686)
<b>Total</b>	<b>805,701</b>	<b>1,079,361</b>

Inventory costs recognized in Cost of sales during the six months ended June 30, 2025 and 2024 amounted to \$1,244,942 and \$870,699, respectively.

During the six months ended June 30, 2025 and 2024, the write-down of inventories to net realizable value ("impairment of inventory") amounted to \$81,056 and \$31,682 respectively. The write-downs were recognized as an expense in Cost of sales.

### Note 14 - 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, 2024	467,976,748	1,642,233,575	(21,168)	(3,615,187)
Conversion of Class B to Class A	1,592,341,000	(1,592,341,000)	—	—
Equity-settled share-based payment	144,249	—	(1)	(6,774)
<b>Balance as of June 30, 2024</b>	<b>2,060,461,997</b>	<b>49,892,575</b>	<b>(21,169)</b>	<b>(3,621,961)</b>
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 <sup>1</sup>	—	—	—	(15,265)
<b>Balance as of June 30, 2025</b>	<b>2,069,399,389</b>	<b>49,892,575</b>	<b>(21,258)</b>	<b>(3,845,698)</b>

1 - Refer to *Note 17 - Related party transactions* for further information.

### Securities Purchase Agreement

On June 16, 2025 Polestar entered into a Securities Purchase Agreement pursuant to which Polestar agreed to sell 190,476,190 newly issued Class A ADS to PSD Investment Limited ("PSD") for an aggregate subscription amount of \$200.0 million through a private investment in public equity ("PIPE") at a price of \$1.05 per Class A ADS, which represented the volume weighted average closing sale price for the previous five consecutive trading days prior to signing. As permitted under the agreement, PSD opted to prepay the subscription amount. Prior to closing of the PIPE and delivery of the new Class A ADS, PSD converted 20,000,000 of its Class B ADS into Class A ADS in order to keep the overall voting power of its Polestar shareholdings below 50%. This conversion was effected on July 22, 2025 and the PIPE closed on July 23, 2025. Polestar intends to use the proceeds from the equity investment for working capital requirements and general corporate purposes.

The following instruments of the Parent were issued and outstanding as of June 30, 2025:

- 2,069,399,389 Class A Shares with a par value of \$0.01, of which 1,675,152,726 were owned by related parties;
- 49,892,575 Class B Shares with a par value of \$0.01, of which all were owned by related parties;
- 20,499,965 Class C-1 Shares with a par value of \$0.10;
- 4,500,000 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, 2025, there were an additional 2,930,600,611 Class A Shares and 1,777,366,739 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 15 - Provisions

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

	Warranties	Employee benefits	Litigation	Other	Total
Balance as of January 1, 2024	144,693	3,222	35,676	8,762	192,353
Additions	32,241	6,426	1,133	2,470	42,270
Utilization	(18,337)	(952)	—	(1,168)	(20,457)
Reversals	(22,157)	(553)	—	(3,649)	(26,359)
Unwinding of discount and effect in changes due to discount rate	1,988	—	—	—	1,988
Effect of foreign currency exchange differences	(5,382)	(747)	—	(375)	(6,504)
<b>Balance as of June 30, 2024</b>	<b>133,046</b>	<b>7,396</b>	<b>36,809</b>	<b>6,040</b>	<b>183,291</b>
of which current	37,740	7,396	36,809	3,548	85,493
of which non-current	95,306	—	—	2,492	97,798
Balance as of January 1, 2025	128,591	902	27,135	10,898	167,526
Additions <sup>1</sup>	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 in changes due to discount rate	(456)	—	—	—	(456)
Effect of foreign currency exchange differences	13,367	897	—	1,267	15,531
<b>Balance as of June 30, 2025</b>	<b>153,347</b>	<b>5,637</b>	<b>26,499</b>	<b>33,482</b>	<b>218,965</b>
of which current	59,702	5,637	26,499	22,926	114,764
of which non-current	93,645	—	—	10,556	104,201

1 - Includes a restructuring provision in the amount of \$13,629 recognized during the six months ended June 30, 2025, allocated in the "Other" column.

#### Note 16 - Liabilities to credit institutions

The changes in Polestar Group's liabilities to credit institutions were as follows:

	Working capital loans from banks	Market RCFs <sup>1</sup>	Syndicated loan from banks ("Club Loan")	Total
Balance as of January 1, 2024	1,923,755	102,910	—	2,026,665
New borrowings	277,344	68,864	950,632	1,296,840
Payments principal	(765,960)	(67,215)	—	(833,175)
Transaction costs and amortization	—	—	(11,072)	(11,072)
Effect of foreign currency exchange differences	3,251	(3,618)	(3,343)	(3,710)
<b>Balance as of June 30, 2024</b>	<b>1,438,390</b>	<b>100,941</b>	<b>936,217</b>	<b>2,475,548</b>
of which current	1,438,390	100,941	—	1,539,331
of which non-current	—	—	936,217	936,217

Currencies	CNY, EUR, USD	AUD, DKK, EUR, KRW, NOK, CHF, GBP	EUR, USD
Maturities	Up to June, 2025	Up to June, 2025	Up to February, 2027

	Working capital loans from banks	Market RCFs <sup>1</sup>	Syndicated loan from banks ("Club Loan")	Total
Balance as of January 1, 2025	2,414,763	97,631	927,235	3,439,629
New borrowings	1,782,031	103,304	—	1,885,335
Payments principal	(1,266,167)	(112,859)	—	(1,379,026)
Transaction costs and amortization	484	—	1,661	2,145
Effect of foreign currency exchange differences	57,697	10,171	44,883	112,751
<b>Balance as of June 30, 2025</b>	<b>2,988,808</b>	<b>98,247</b>	<b>973,779</b>	<b>4,060,834</b>
of which current	2,988,808	98,247	—	3,087,055
of which non-current	—	—	973,779	973,779

Currencies	CNY, EUR, USD	AUD, EUR, KRW, NOK, CHF, GBP	EUR, USD
Maturities	Up to March, 2026	Up to May, 2026	Up to February, 2027

1 - The Market Revolving Credit Facilities ("Market RCFs") were previously referred to as floorplan and sale-leaseback facilities. It comprises 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. In addition to the amounts presented in the table, as of June 30, 2025, Polestar had a facility with the related party Volvo Cars Financial Services UK of \$68,623 (\$54,975 as of December 31, 2024) that is presented separately in Interest-bearing current liabilities - related parties within the Unaudited Condensed Consolidated Statement of Financial Position - refer to *Note 17 - Related party transactions*.

### Note 17 - 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,	
	2025	2024
Volvo Cars	76,635	55,025
Ziklo Bank AB	53,385	44,038

Polestar Times Technology	21,858	61,650
<b>Total revenue from related parties</b>	<b>151,878</b>	<b>160,713</b>
<b>% of total revenue</b>	<b>10.7 %</b>	<b>17.7 %</b>

#### Purchases of goods, services and other

	For the six months ended June 30,	
	2025	2024
Volvo Cars	535,968	446,429
Geely	405,261	186,650
Other related parties	17,832	6,197
<b>Total</b>	<b>959,061</b>	<b>639,276</b>

#### Interest expense

	For the six months ended June 30,	
	2025	2024
Volvo Cars	47,937	52,879
Geely	14,895	16,330
Other related parties	2,266	4,442
<b>Total</b>	<b>65,098</b>	<b>73,651</b>

The tables that follow show related party balances as of the dates presented:

#### Amounts due to related parties

Trade payables - related parties, accrued expenses, and other current liabilities to related parties	As of June	As of
	30, 2025	December, 31, 2024
Volvo Cars	562,054	562,676
Geely <sup>1</sup>	375,682	528,711
Polestar Times Technology	333	10,016
Other related parties	12,205	8,473
<b>Total</b>	<b>950,274</b>	<b>1,109,876</b>

1 - Under the PS4 technology license agreements and manufacturing and vehicle supply agreements signed between Polestar and Geely entities, Polestar agreed to pay Geely compensation if it did not meet minimum sales volumes established in the agreements. In 2024 there was a volume deficit and, as of December 31, 2024, Polestar recognized an accrued expense of \$7,647 and \$37,397 for the technology license agreements and manufacturing and vehicle supply agreements respectively. In June, 2025, Polestar and Geely signed Notices on Volume Deficit Compensation for 2024 in which it was acknowledged by both parties that a portion of the compensation was not payable by Polestar as it was related to volume deficit which was due to supplier issues and other delays for which Polestar was not responsible. As a result, as of June 30, 2025, Polestar recognized a reversal of Other cost of sales of \$29,779. The remaining amount of \$15,265 was waived by Geely and recognized as Other contributed capital.

Interest bearing current liabilities - related parties	As of June	As of
	30, 2025	December, 31, 2024
Volvo Car Financial Services UK	68,623	54,975
Volvo Cars	25,716	16,999
Geely	16,450	28,688
<b>Total</b>	<b>110,789</b>	<b>100,662</b>

	As of June 30, 2025	As of December, 31, 2024
<b>Other non-current interest-bearing liabilities - related parties</b>		
Volvo Cars	1,061,118	1,064,068
Geely	347,984	346,190
<b>Total</b>	<b>1,409,102</b>	<b>1,410,258</b>

#### Amounts due from related parties

	As of June 30, 2025	As of December, 31, 2024
<b>Trade receivables - related parties, accrued income - related parties, and other current assets - related parties</b>		
Volvo Cars	83,026	21,713
Geely	50,185	45,029
Other related parties	16,633	16,654
<b>Total</b>	<b>149,844</b>	<b>83,396</b>

#### Note 18 - Commitments and contingencies

##### Commitments

Polestar has contractual obligations with certain suppliers including obligations to acquire intangible assets related to development of vehicles, non-cancellable 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, 2025:

	Less than 1 year	Between 1-5 years	After 5 years	Total
Acquisition of intangible assets commitments – related parties	18,877	—	—	18,877
Non-cancelable manufacturing commitments – related parties	50,706	185,778	45,279	281,763
PS4 license volume commitments – related parties	11,929	55,504	—	67,433
Logistics service and other third party commitments	4,140	24,866	—	29,006
<b>Total</b>	<b>85,652</b>	<b>266,148</b>	<b>45,279</b>	<b>397,079</b>

##### Contingencies

As of June 30, 2025 and December 31, 2024, the Group did not have any material contingencies.

#### Note 19 - Subsequent events

Management has evaluated events subsequent to June 30, 2025 and through September 3, 2025, 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, 2025 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.

- Polestar made its final capital contributions to Polestar Times Technology as follows: (1) on July 1, 2025 of \$19.0 million; (2) on August 18, 2025 of \$2.6 million; and (3) on August 22, 2025, in the amount of \$3.3 million. These capital injections are part of the termination of the commercial operations of Polestar's investment announced on April 10, 2025. As a result, as of the date these Unaudited Condensed Consolidated Interim Financial Statements were authorized for issuance, Polestar had completed all the capital contributions to Polestar Times Technology as set forth in the original strategic agreement between the parties.
- Share Class B to Class A conversion and subsequent share settlement of \$200.0 million from Geely - on July 22, 2025, prior to closing of the PIPE (refer to *Note 14 - Equity*), PSD Investment converted 20,000,000 of its Class B ADS into Class A ADS in order to keep the overall voting power of its Polestar shareholdings below 50%. The PIPE closed on July 23, 2025.
- On August 21, 2025, Polestar entered into a 12-month working capital loan of ¥1.1 billion with Bank of China Shanghai Branch. This loan carries an interest rate of 1-year LPR minus 0.6% due quarterly and is secured by Geely.
- On August 21, 2025, Polestar entered into a 12-month working capital loan for ¥976.0 million with China CITIC Bank Shanghai Branch. This loan carries an interest rate of 2.4% per annum due quarterly. This loan is secured by Geely.

- On August 25, 2025, Polestar signed an agreement with Geely to transfer certain tooling assets related to PS4 production for ¥535.8 million.