

Investor update

March 2024



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Polestar Update

Attractive investment case

Exclusive performance pure EV brand with de-risked and capital efficient asset-light business model; targeting significant volume growth and double-digit gross margin at the end of 2024

Business outlook reaffirmed

Strong progress towards achieving 2025 targets including a reinforced path towards cash flow¹ break-even in 2025

Becoming a 3-car model company

In addition to Polestar 2, production of two high-margin SUVs Polestar 3 and Polestar 4 started, targeting one of the fastest growing segments

Global production footprint

US production of Polestar 3 commencing in summer 2024 and South Korea production of Polestar 4 in mid-2025; driving improved profitability in core markets such as the US

Secured \$1 billion external funding

Additional estimated external funding need to cashflow breakeven in 2025 now reduced to approximately \$350mn

Long-term commitment from Geely

Geely will continue to provide full operational and financial support, will retain shares in Polestar and intends to participate in future financing activities when required

1. Cash flow = operating cash flow less cash flow from investing activities.
Source: Company information.

Polestar

Rapid product rollout and accelerated margin progression

Established global reach 2019–2023



Polestar 2

2019 SoP¹

+160k cars delivered to date
~55k in 2023 including significantly improved MY24

Expansion and clear path to cash-flow breakeven 2024 – 2025



Polestar 4

2023 SoP

~1k delivered in late 2023
Sales ramping up across Europe, Australia and China



Polestar 3

2024 SoP

Chengdu production started
US production on track for summer 2024



Polestar 5

2025E SoP

Concept to production car
Accelerating prototype manufacturing in 2024

“This marks a new phase in Polestar’s business, the efforts of recent years are paying off: We improved our cost basis, secured financing and are ramping up our product offensive. Both SUVs now sharpen the brand, target one of the fastest growing segments in the industry and position us for strong volume growth and profit margin progression from the second half of 2024.”
Thomas Ingenlath, Polestar CEO

Strong progress on strengthened business plan and achieving 2025 targets

Global volume
155 – 165k

Gross profit margin
High teens

External funding requirement
~\$350mn²

Cash flow
Break-even

Geely continuing to provide full operational and financial support

1. SoP – Start of Production.
2. Based on announced 2025 targets in Q3 2023 of \$1.3bn reduced by the successfully secured \$950mn club loan in Q1 2024.
Source: Company information, management estimates.

Polestar

Key investment highlights

- 1 Pure, Progressive, Performance brand values with leading design, innovation and sustainability core pillars
- 2 Rapidly expanding exclusive vehicle portfolio, targeting fastest growing, high margin segments
- 3 De-risked, capital efficient asset-light model, with access to established global state-of-the-art manufacturing facilities
- 4 Bespoke regional market strategy, including a unique partnership approach in China
- 5 Targeting accelerated margin accretion and positive free cash flow



1

Polestar
—
Brand attributes



Pure
Progressive
Performance



Premium

Quality
Value for money
Constant comparison

Audi, BMW, Mercedes

Exclusive

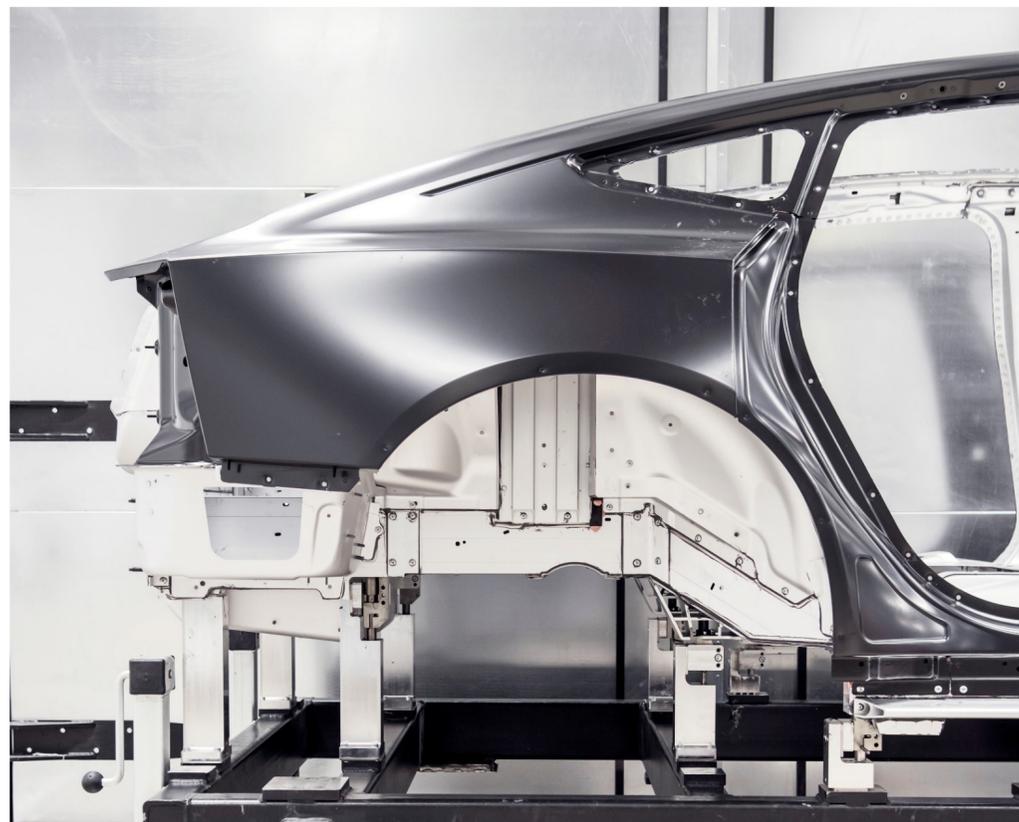
No guilt luxury
Rare and desirable
Uncompromised quality

Porsche, Polestar

Luxury

Status
Story
No comparison

Rolls Royce, Bugatti

 Leading design, innovation and sustainability core pillars


01

Design

- Avant-garde, pure Scandinavian design
- High tech minimalism
- Design perfection focus
- Unique design attributes

02

Innovation

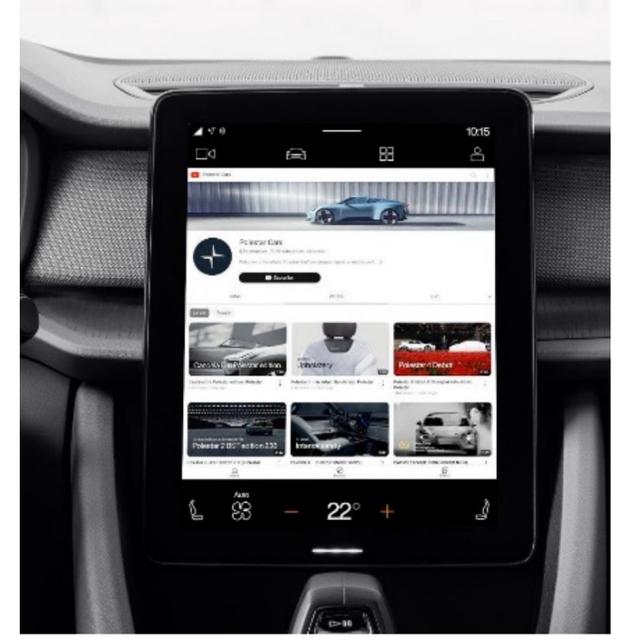
- Bonded aluminium platform
- High-performance electric motors
- Advanced battery technology design
- R&D capability in the UK, Sweden and China

03

Sustainability

- Climate-neutral car by 2030 with ongoing sustainability upgrades
- Circular battery and material strategy, battery centers in place
- Blockchain-powered traceability on risk materials
- Ethical and inclusive work principles and values

Combining proprietary and co-developed technological innovations



Bonded aluminum chassis

- Provides rigidity, handling and world-class safety characteristics similar to a sports car
- Drawing from Formula 1 and sports car engineering experience

High-performance motor and suspension tuning

- High-performance electric motors with up to up to 650 kW or 884 hp and 900 Nm of torque³
- Suspension tuning team dedicated to creating racing dynamics

Battery and charging technology

- Developed 800V battery pack
- Partnership with StoreDot on extremely fast charging (XFC) with up to 80% being charged in ~20 minutes
- Bi-directional/vehicle-to-grid charging compatibility

Autonomous driving

- Zenseact AI-powered software^{1,3}
- Luminar's long-range Iris LiDAR partnerships^{1,3}
- Mobileye and Luminar partnership to bring LiDAR² for Mobileye Chauffeur autonomous driving functionality

Infotainment system

- Built on Android™ Automotive OS
- Google built-in and end-to-end integration of Android features
- JV with Xingji Meizu for dedicated operating system²

Polestar
 —
 Rapidly expanding premium product portfolio



	Polestar 1	Polestar 2	Polestar 3	Polestar 4	Polestar 5	Polestar 6
Type	Hybrid Grand Tourer	Fastback	Luxury Aero SUV	Premium Sport SUV	Luxury Sport GT 4-Door	Luxury 2+2 roadster
Segment	Sports Premium	C/D premium	SUV E premium	SUV D premium	F coupé premium	S roadster premium
MSRP ¹	~\$155k	>\$50k	>\$75k	>\$60k	>\$100k	>\$150k
Range	~120km	~658 km	up to 631 km ²	610km + ²	600km + ²	600km + ²
Launch	2017	2019	2022	2023	2025E	2026E

¹ Manufacturer's suggested retail price. Prices vary by region. Estimated indicative US market pricing starting from as of March 2024, subject to change.
² WLTP (Worldwide Harmonised Light Vehicle Test Procedure) preliminary target range.
 Source: Company information, management estimates.

Polestar 3
—
Luxury Aero SUV



Scandinavian minimalism. Integrated technology. Mindful materials. This is an inner space designed to stimulate the senses

Luxurious, uncompromised 5-seater, with 597 liters boot and 32 liters front storage space

Rearview camera with washer and the x3 added cameras in LiDAR pack also added with washers

Bowers & Wilkins for Polestar sound system with up to 25 speakers delivering 1,620 W and Dolby Atmos and active road noise cancelation

ADAS by Zenseact and Luminar LiDAR together with the Polestar SmartZone with up to 10 cameras, 1 mid-range radar and 12 ultrasonic sensors

Dual-chamber active air suspension enhances handling and comfort by adapting to the car's movements 500 times a second. The system also provides different settings, such as off-road and loading modes, and automatically lowers the ride height at high speed to optimise aerodynamics

Using a dedicated particulate matter sensor, the air quality system can detect dust, pollution, and pollen particles as small as 2.5 micrometres. It uses the interior filter to keep them out, exchanging all 3,000 litres of cabin air every minute

Acceleration – 4.7 sec from 0 to 100km/h

Power: 380 kW

Battery capacity: 111 kWh

Competition:

Porsche Cayenne, BMW iX, Audi Q8 e-Tron, Mercedes EQE, Lucid Gravity, Nio EC7, Tesla Model X

2

Spacious, uncompromised 5-seater with the aerodynamics of a coupé, the space of an SUV and technology for the electric age

Increased interior space and headroom in the rear is created by closing the rear window; 526 liter boot and 15 liter front storage space

A full-length panoramic roof stretches above all occupants by moving the header section further rearwards

3D knitted soft tech made from 100% recycled PET and Bridge of Weir premium leather as an option

Gentex HD rearview camera and digital review mirror to improve rear visibility

Harman Kardon premium sound system with up to 16 speakers delivering 1,400W

ADAS by Mobileye Supervision with 12 cameras, 1 mid-range radar and 12 ultrasonic sensors

Fastest Polestar car to date – 3.8sec from 0 to 100km/h / Lowest Polestar car carbon footprint to date – 19.4t CO₂e

Power: +200 kW
Battery capacity: up to 100 kWh

Competition:
Porsche Macan, Audi Q6 e-tron, Nio EC6, Tesla Model Y

Polestar 4 — Premium Sport SUV coupe



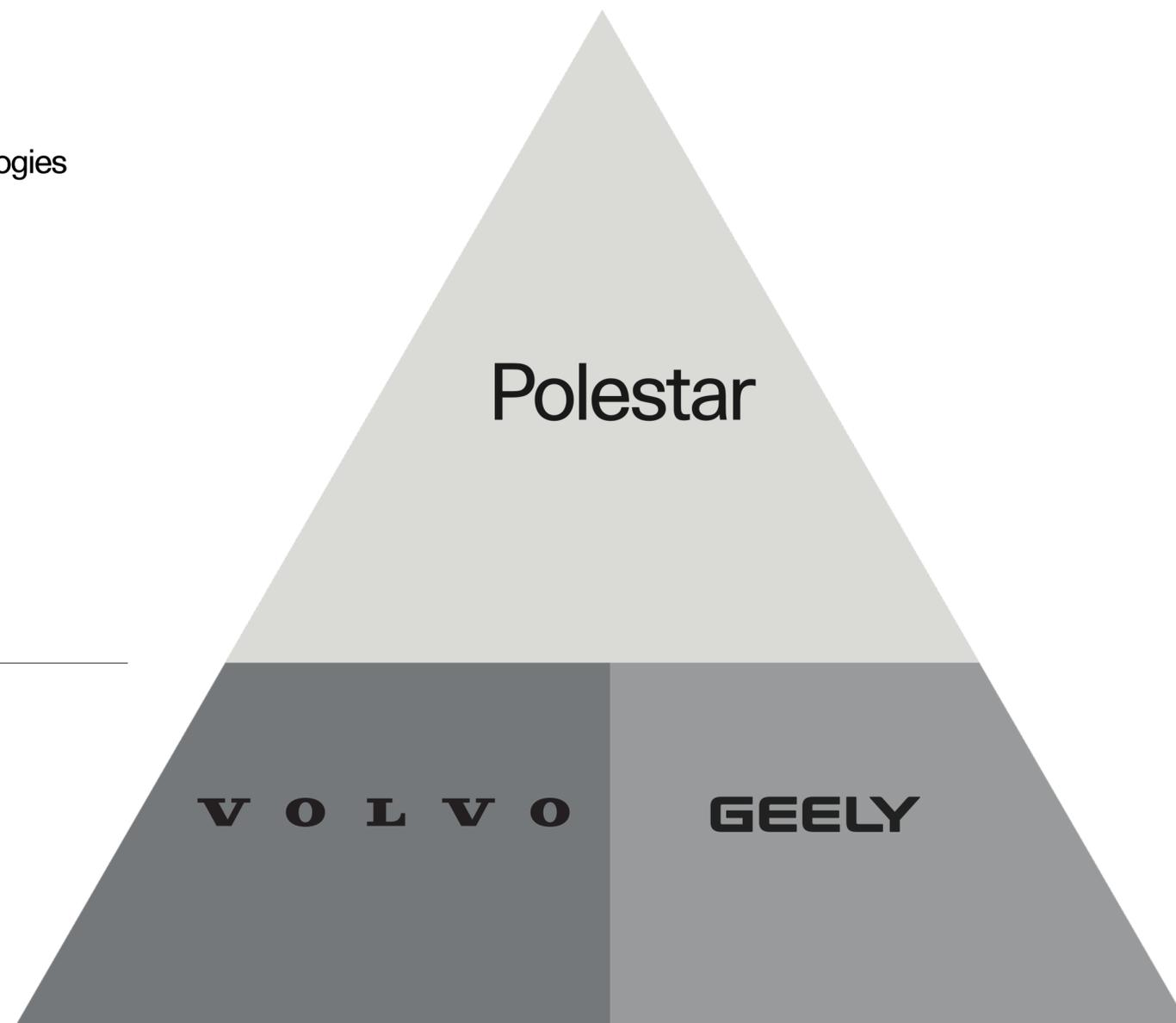
Polestar
 —
 Asset-light model and leading capital efficiency

Flexible and scalable set-up

- Agility of a start-up
- Innovation and high-performance technologies
- Avant-garde design
- Leading sustainability goals
- Full vehicle attributes
- Digital first DTC customer approach

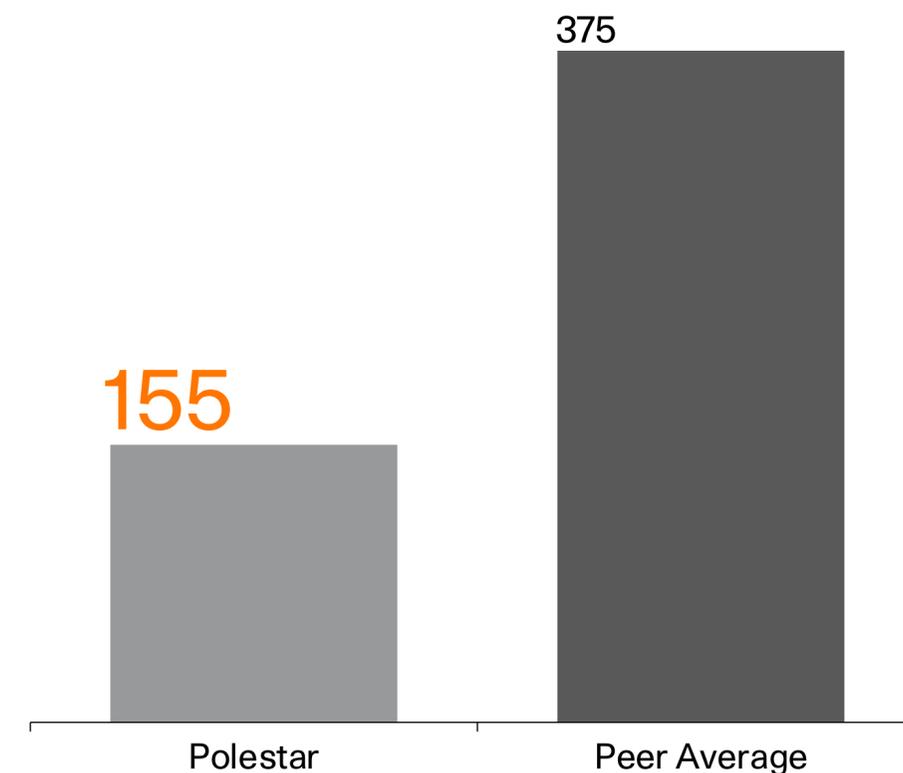
Stability of established players

- Over 100 years of combined experience
- Platform development
- Engineering capability
- Supply chain and partnerships
- Manufacturing capacity
- Safety credentials
- Service network access



Leading capital efficiency

Total assets/LTM revenue¹ (%)



- Flexibility to scale production rapidly with demand, using already operational plant ecosystem
- Polestar can fully capitalize on Geely/Volvo Cars synergies where it sees best fit

1. Latest available Total Assets and Last Twelve Months (LTM) Revenue (as of September 30, 2023 / December 31, 2023 where available).
 2. Peers include Lucid Group Inc, Rivian Automotive Inc, Tesla Inc, XPeng Inc, NIO Inc, Li Auto Inc, and BYD Company Ltd.
 Source: FactSet and Company Filings as of March 19, 2024.

Polestar Global manufacturing footprint

Polestar 3

- The first Polestar to be produced on two continents, supporting the company's growth ambitions across North America, Europe and Asia.
- Start of production in USA targeted for summer of 2024
- First early production test series completed successfully and launch readiness achieved
- Better positioned model for the US consumers

Polestar 4

- Start for production in South Korea targeted during second half of 2025
- Transitioned to industrialization stage of preparing for production
- Located with direct access to exporting ports, with 25 years of experience in vehicle manufacturing
- Expected to benefit from more favorable trade agreement terms with the USA, expected to lead to improved profitability of the US market



Charleston, South Carolina, USA

2018



Busan, South Korea

1998

Opened

Owned by

Manufacturing

Benefits

Volvo Cars

Polestar 3

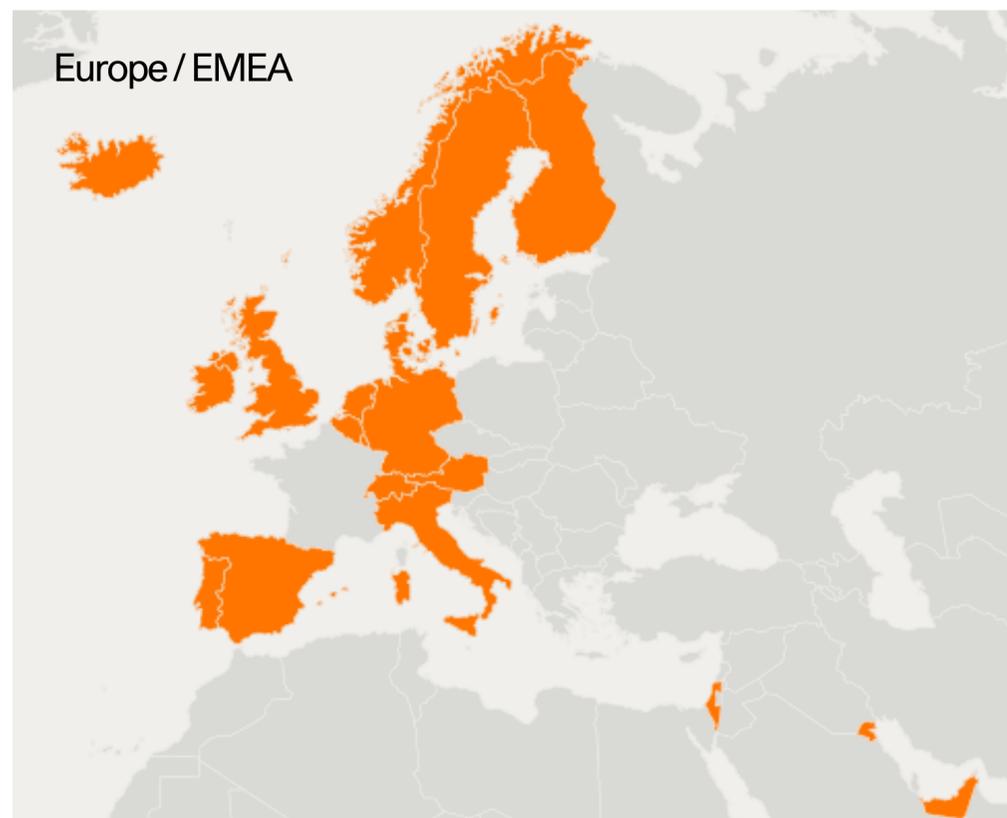
Sustainability enhanced with production closer to the end customer; improved profitability of the US business

Renault Korea Motors (RKM)

Polestar 4

Polestar 4 vehicles for North America and South Korea; with ability to expand to other markets

Optimizing established global footprint in 27 markets for improved profitability



D2C and select importer model markets

- Customer Access to 90 Polestar spaces with selective expansion for increased coverage going forward
- Select markets shifting to importer model as resources are focused to scale most profitable markets
- Polestar Space investors incentivized with an implementation of non-genuine agency operating model in key markets
- Customer access to over 1,000 Service Points and c650k charging points in Europe through Plugsurfing



Transitioning to wholesale model

- Customer access to over 30 Polestar Spaces, managed by independent authorized retailers, and service points
- Transitioning to more traditional wholesale model
- High control of customer experience through retailer vetting
- CCS Charging - c7.5k charging points in USA and Canada
- NACS standard - access as of June 24 via adapter; Polestar cars to be equipped with new hardware with of MY25



China strategic JV with Meizu

- Customer access to around 70 Polestar Spaces and over 100 service points
- Technical knowhow and software engineering capability; mobile phone device brand; 20 years of R&D experience and 10 years of operating system software development
- Polestar OS / Polestar Link / Polestar Phone to be launched at the Shanghai Autoshow in April 2024

 Business outlook reaffirmed alongside Geely's full financial and operational support

2025 global volume target

155-165k

With four models expected to be in production in 2025, Polestar 2, Polestar 3, Polestar 4 and Polestar 5, we are targeting total deliveries of around 155-165k.

2025 gross profit margin target

High teens

With a richer product mix and additional margin enhancing measures, we are targeting gross margin in the high teens.

Additional external funding requirement for cash flow¹ break-even

~\$350mn

\$1.3bn estimated external funding requirement to 2025 cash flow break-even significantly reduced with a \$950mn 3-year green loan facility secured in February 2024.

“As a strategic partner and direct shareholder in Polestar, Geely will continue to provide full operational and financial support to the iconic performance car brand going forward. We will retain our shares in Polestar and intend to participate in future financing activities when required. Polestar will have full access to technologies and engineering expertise from Geely Holding to realize its global growth targets.”

Daniel Li, Geely Holding Group CEO and Polestar Board member

Delivering on our business plan – progress to date

Richer product mix – a main driver of accelerated margin progression

Expanded model range with two high-margin SUVs. The Polestar 4 sales are accelerating around the world, Polestar 3 has now started production in China and has also successfully completed test production runs in South Carolina, USA. Prototype production of Polestar 5, a progressive performance GT, will also accelerate in 2024.

Increased build options and packs

We are monetizing our rapidly growing luxury model line-up by offering customers more flexibility and greater customization options.

More focused approach to market presence

We are advancing efforts in optimizing our sales footprint to improve the profitability as we scale. In Europe we are shifting some countries from a direct to an importer model and implementing non-genuine agency model, while transitioning towards a wholesale model in the US.

Global manufacturing footprint

We have hit important production milestones for both the Polestar 3 in South Carolina, US; and for the Polestar 4 in Busan, South Korea. Both developments are important steps for us to create global and more diversified and de-risked manufacturing footprint.

Secured USD 1 billion external funding

The financing is being provided by 12 leading international banks including BNP Paribas, Natixis, Standard Chartered, BBVA, HSBC and SPDB, in the form of a three-year loan facility. It provides Polestar with the funds it requires to finance the next stage of its development and covers a large majority of its estimated financing needs.

2023 and 2024 headcount reductions

Cost management, remains a priority, and our efforts are delivering results. In summer of 2023, we announced first round of cost optimization and a 10% headcount reduction. We recently announced an additional 15% headcount reduction.

Capex and working capital management

We are continuing to be very disciplined in our planned capex spend and working capital inventory management, in order to become leaner and more efficient as we continue to grow.

Product cost reductions opportunities

We are working closely with our current manufacturing partners to drive costs down, while maintaining the high-quality product.