

Investor update for the nine months ended September 30, 2022

Polestar

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delays in 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; risks related to the timing of expected business milestones and commercial launches, including Polestar’s ability to mass produce its current and new vehicle models and complete the upgrade or tooling of its manufacturing facilities; increases in costs, disruption of supply or shortage of materials, in particular for lithium-ion cells or semiconductors; 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 and meet timings for product launches; competition, the ability of Polestar to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; the possibility that Polestar may be adversely affected by other economic, business, and/or competitive factors; risks related to future market adoption of Polestar’s product offerings; risks related to Polestar’s distribution model; 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; changes in regulatory requirements (including environmental laws and regulations), governmental incentives and fuel and energy prices; Polestar’s ability to rapidly innovate; risks associated with changes in applicable laws or regulations and with Polestar’s international operations; Polestar’s ability to effectively manage its growth and recruit and retain key employees, including its chief executive officer and executive team; Polestar’s reliance on its partnerships with vehicle charging networks to provide charging solutions for its vehicles and its reliance on strategic partners for servicing its vehicles and their integrated software; Polestar’s ability to establish its brand and capture additional market share, and the risks associated with negative press or reputational harm, including from lithium-ion battery cells catching fire or venting smoke; the outcome of any potential litigation, government and regulatory proceedings, investigations and inquiries; Polestar’s ability to continuously and rapidly innovate, develop and market new products; the impact of the global COVID-19 pandemic, new lockdowns in China, government mandated quarantines, inflation, interest rate changes, the ongoing conflict between Ukraine and Russia, supply chain disruptions and logistical constraints on Polestar’s business, projected results of operations, financial performance or other financial and operational metrics or on any of the foregoing risks; the need to raise additional funds to support business growth; and the other risks and uncertainties described in Polestar’s filings with the U.S. Securities and Exchange Commission (the “SEC”). There can be no assurance that future developments affecting Polestar will be those that Polestar has anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond Polestar’s control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in Polestar’s filings with the SEC. Should one or more of these risks or uncertainties materialize, or should any of the assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Polestar will not undertake any obligation to

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We are Polestar



We are Polestar

Business highlights

Launched Polestar 3 at the global event in Copenhagen

Event drove one of the biggest spikes in engaged visits to our website – second only to Superbowl ad in February

Approaching a major production milestone of 100,000 Polestar 2 vehicles

Solidifying our position as one of two global, pure EV players already in mass production

Delivered 30,424¹ vehicles to end September; on track to deliver 50,000 by year end

An increase of 100% year on year, and expect Q422 to be our record quarter to date

Achieved \$1.48bn² in revenues for the first nine months of 2022

Expect to deliver approximately \$2.4bn in revenues for 2022, an estimated increase of 80% year on year

Obtained \$1.6bn³ financing and liquidity support package from major shareholders

This financing and liquidity package, alongside other potential financing activities, provides sufficient funds through 2023

Won Car Design and 3 Auto Trader awards

Car Design Awards recognised Polestar with prestigious Best Brand Design Language for 2022

1. Represents total volumes of new vehicles delivered, including 28,204 external sales with recognition of revenue at time of delivery, 799 external sales with repurchase commitments and 1,421 internal sales of vehicles transferred for demonstration and commercial purposes as well as vehicles transferred to Polestar employees at time of registration. Transferred vehicles for demonstration and commercial purposes are owned by Polestar and included in Inventory (unaudited).
2. Rounded. See slide 37 for unaudited condensed consolidated statement of income and comprehensive income (loss) for figure in thousands of U.S. dollars.
3. See slide 16 for additional information on financing and liquidity support package from major shareholders.

We are Polestar

Our past, our present and our future



History in performance 1996–2017



- Founded in 1996 as a racing team
- Developed and sold performance software for Volvo Cars
- The official performance partner to Volvo Cars from 2009
- Acquired by Volvo Cars in 2015



Launching the new Polestar brand 2017–2021



- Launched Polestar 1 in 2017 and Polestar 2 in 2019
- First customer handovers and retail locations open in 2020
- Global from day one in 2020, with presence in 10 markets



Growing rapidly 2021 onwards

- Launched limited edition Polestar 6 in August 2022
- Launched Polestar 3 in October 2022
- Expects to launch three new cars by 2026
- Leading ambition of a climate-neutral car by 2030

We are Polestar

Our growing, diversified premium product portfolio



Polestar 1
Electric performance hybrid



Polestar 2
Electric performance fastback



Polestar 3
Electric performance SUV



Polestar 4
Electric performance SUV coupe



Polestar 5
Electric performance 4-door GT



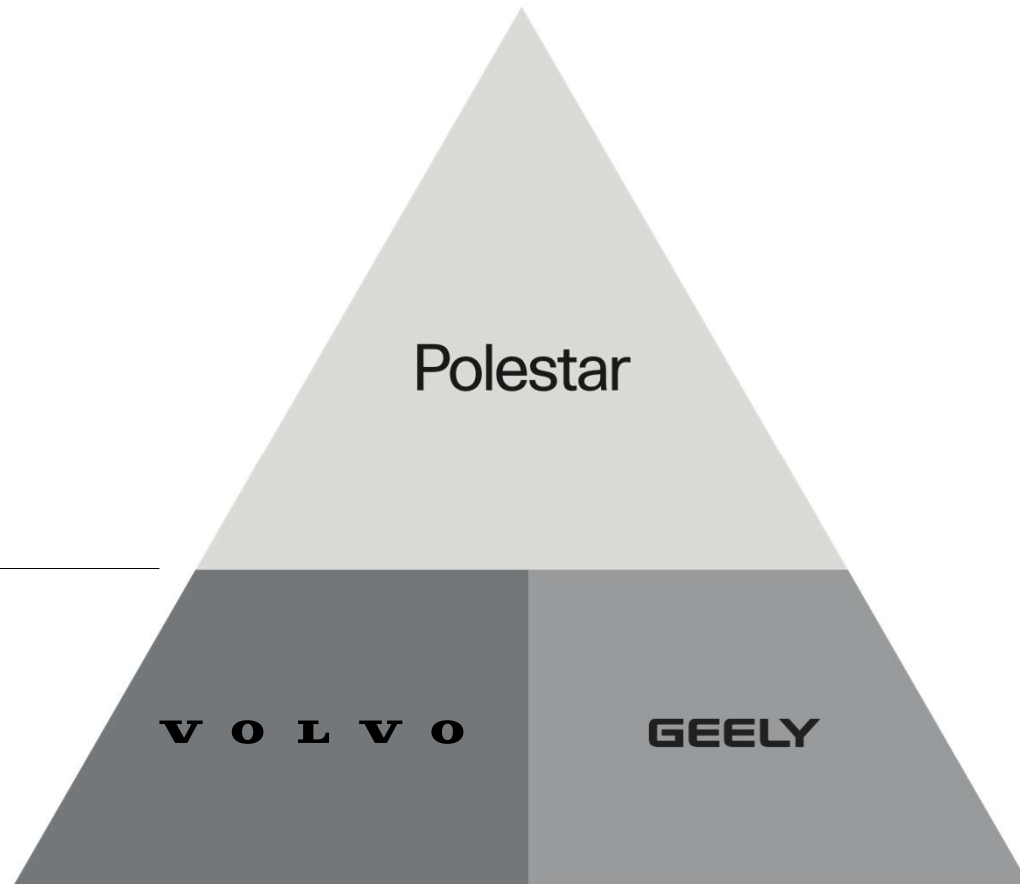
Polestar 6
Electric performance roadster

We are Polestar
Our asset-light model

Flexible and scalable

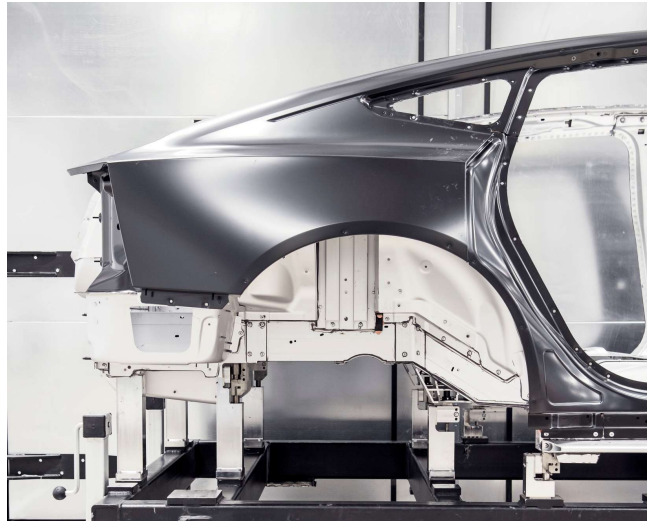
Agility of a start-up

Stability of established players



We are Polestar

Our 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

- Leading ambition of climate-neutral car by 2030
- Circular battery strategy, battery centers in place
- Blockchain-powered transparency through supply chain
- Ethical and inclusive work principles and values

We are Polestar
Our well-defined growth strategy

Global premium BEV market¹

**+18%
CAGR
2021-2026E**

Expected new product launches

**2023 – Polestar 4
2024 – Polestar 5
2026 – Polestar 6**

Global presence



01
Overall market opportunity

02
Rapidly expanding product portfolio

03
Growth in existing and new markets

1. Global market for BEV premium luxury vehicles.
Source: Leading management consultancy, October 2022.

We are Polestar

Our visionary, diverse and experienced management team



Mona Abbasi
Customer Experience

Joined in 2019, from Husqvarna Group where she was Senior Vice President of Brand. Has over 20 years of experience in leading consumer and IT brands.



Mikael Björklund
Digital

Joined in 2020 from Filipa K where he was Chief Operating Officer. Has over 13 years of business development and digital marketing experience.



Åsa Borg
Brand & Marketing

Joined in 2020 from Volvo Cars where she was Chief Operating Officer of Care by Volvo. Has over 20 years of Brand, Marketing and automotive industry experience.



Jörg Brandscheid
CTO, R&D

Joined in 2021 from Hella APAC where he was Executive Vice President Electronics. Has 30 years of automotive experience in several R&D roles.



Monika Franke
HR

Joined in 2019 from Volvo Cars where she held roles of Senior HR Director, Global R&D and Purchasing & Quality. Has 20 years of experience.



Thomas Ingenlath
CEO

Joined in 2017 from Volvo Cars where he was SVP of Design. Brings over 20 years of design, innovation and leadership experience in the automotive industry.



Fredrika Klaren
Sustainability

Joined in 2020 from KappAhl where she was Head of Sustainability. Has over 10 years of dedicated sustainability experience across fashion and retail.



Johan Malmqvist
CFO

Joined in 2021 from Dole Food Company where he was CFO. Has over 20 years of financial experience across multiple sectors.



Maximilian Missoni
Design

Joined in 2018 from Volvo Cars where he was Vice President Exterior Design and Chief Designer Exterior. Has 20 years of experience within the automotive industry.



Nils Mösko
Strat&Bus. Development

Joined in 2018 as Deputy CFO from Volvo Cars. Held finance and treasury roles for Volvo Cars and Ford Motor. Has 15 years of automotive industry experience.



Dennis Nobelius
COO

Joined in 2020 from Zenuity (now Zenseact) where he was CEO. Has 20 years of R&D, operation and leadership experience in the automotive industry.



Tanya Ridd
Communications & PR

Joined in 2022 from Spotify where she was Senior Director of Communications. Has over 20 years of communication management experience.



Anna Rudensjö
Legal

Joined in 2018 from SKF Group where she was Legal Director and Group Legal Counsel. Has 20 years of experience.



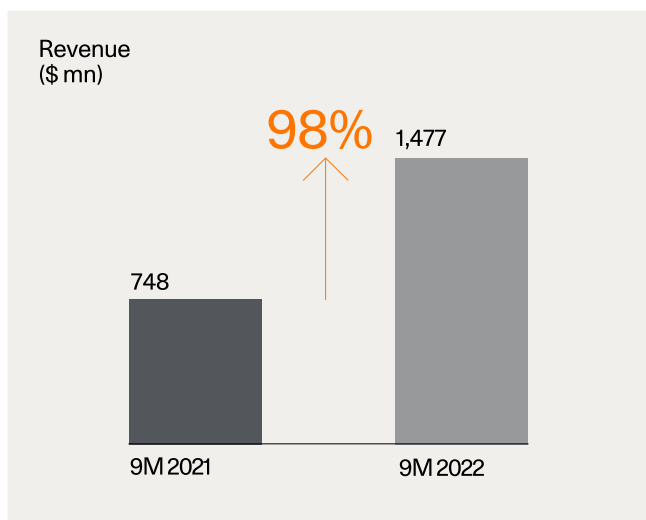
Mike Whittington
Global Sales

Joined in 2018, previously worked with new EV introductions at Jaguar Land Rover, PSA, Mercedes-Benz and Toyota. Has over 20 years of experience.

Unaudited financial highlights
for the nine months ended
September 30, 2022

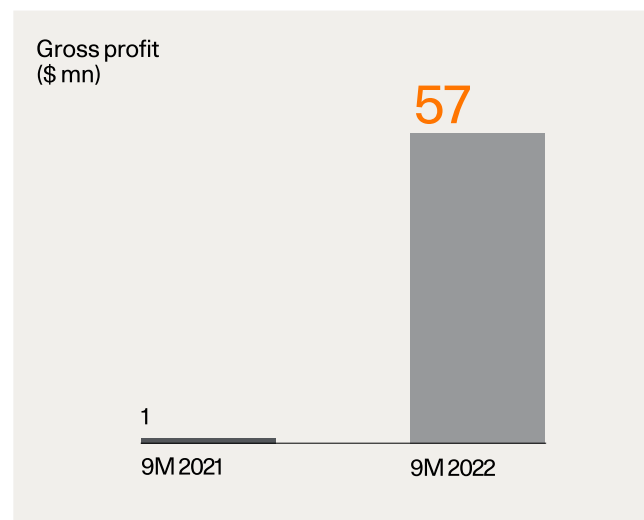
Financial and operational highlights

Key financial highlights for the nine months ended September 30, 2022 (unaudited)



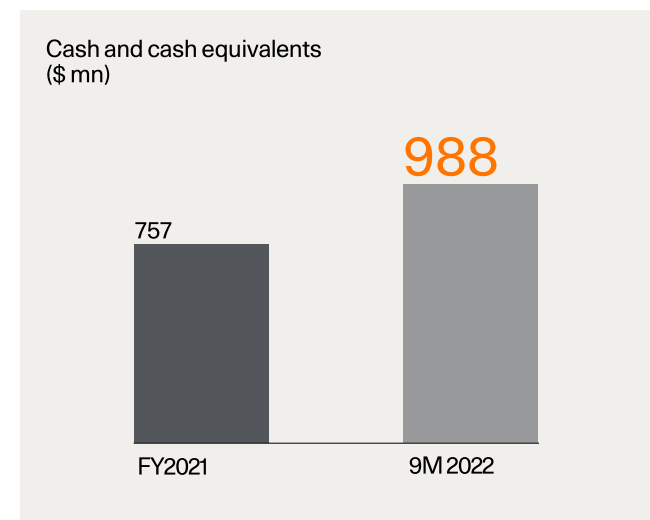
Delivered \$1.48bn in revenues

Mainly driven by higher Polestar 2 sales with continued commercial expansion across markets. Revenue per vehicle down slightly due to product and market mix.



Gross profit of \$57mn

As the result of higher sales of Polestar 2 and lower fixed manufacturing costs. This growth was partially offset by the continued deterioration of the Swedish Krona versus Chinese Renminbi which led to higher cost of sales.



Cash balance of approximately \$1bn

Benefited from the listing proceeds and increased liquidity provided by seven short-term working capital facilities secured during the period.

Financial and operational highlights

Key financial highlights for the nine months ended Sep 30, 2022

Revenue up 98%

Driven by higher Polestar 2 vehicle sales with continued market expansion

Gross profit up \$56mn

With higher sales of Polestar 2 and lower fixed manufacturing costs, partially offset by FX, product and market mix

SG&A up 31%

With rapid commercial expansion and significantly increased global presence

R&D down 22%

With lower amortisation, partially offset by technology spend

Operating loss up 64%

Reflecting investment in the business growth and a \$372mn non-recurring, non-cash listing expense

US\$ million	9M 2022	9M 2021	% Change
Revenue	1,477	748	98
Cost of sales	(1,419)	(747)	90
Gross profit	57	1	5,322
<i>Gross margin (%)</i>	3.9	0.1	2,645
SG&A expense	(625)	(478)	31
R&D expenses	(123)	(157)	(22)
Other operating income (expense), net	(18)	(23)	(22)
Listing expense ¹	(372)	-	100
Operating loss	(1,082)	(658)	64

1. The listing expense in Q2 2022 represents a non-recurring, non-cash, share-based listing charge, incurred in connection with the business combination with Gores Guggenheim, Inc. on June 23, 2022.

Note: All U.S. dollar figures on this slide rounded. Percentages have been calculated using unrounded amounts. See slide 37 for unaudited condensed consolidated statement of income and comprehensive income (loss) for figures in thousands of U.S. dollars.

Financial and operational highlights

Key financial highlights for the three months ended September 30, 2022 (unaudited)

Q3 2022 vs Q3 2021 variances largely followed the trends outlined for first 9M 2022 vs 9M 2021, with the following notable exceptions:

Gross margin of 0.9%

Due to higher negative market mix and FX headwinds

SG&A down 10%

Management actions in curtailing advertising, marketing and promotional activities in anticipation of lower volumes in Q3

Operating loss down 33%

Due to higher revenues and cost management initiatives

US\$ million	Q3 2022	Q3 2021	% Change
Revenue	435	213	105
Cost of sales	(431)	(248)	74
Gross profit (loss)	4	(35)	(112)
<i>Gross margin (%)</i>	<i>0.9</i>	<i>(16.3)</i>	<i>(106)</i>
SG&A expense	(179)	(199)	(10)
R&D expenses	(25)	(51)	(51)
Other operating income (expense), net	3	(8)	(134)
Operating loss	(196)	(292)	(33)

Note: All U.S. dollar figures on this slide rounded. Percentages have been calculated using unrounded amounts. See slide 37 for unaudited condensed consolidated statement of income and comprehensive income (loss) for figures in thousands of U.S. dollars.

Financial and operational highlights

Cash flow for the nine months ended September 30, 2022 (unaudited)

Operating

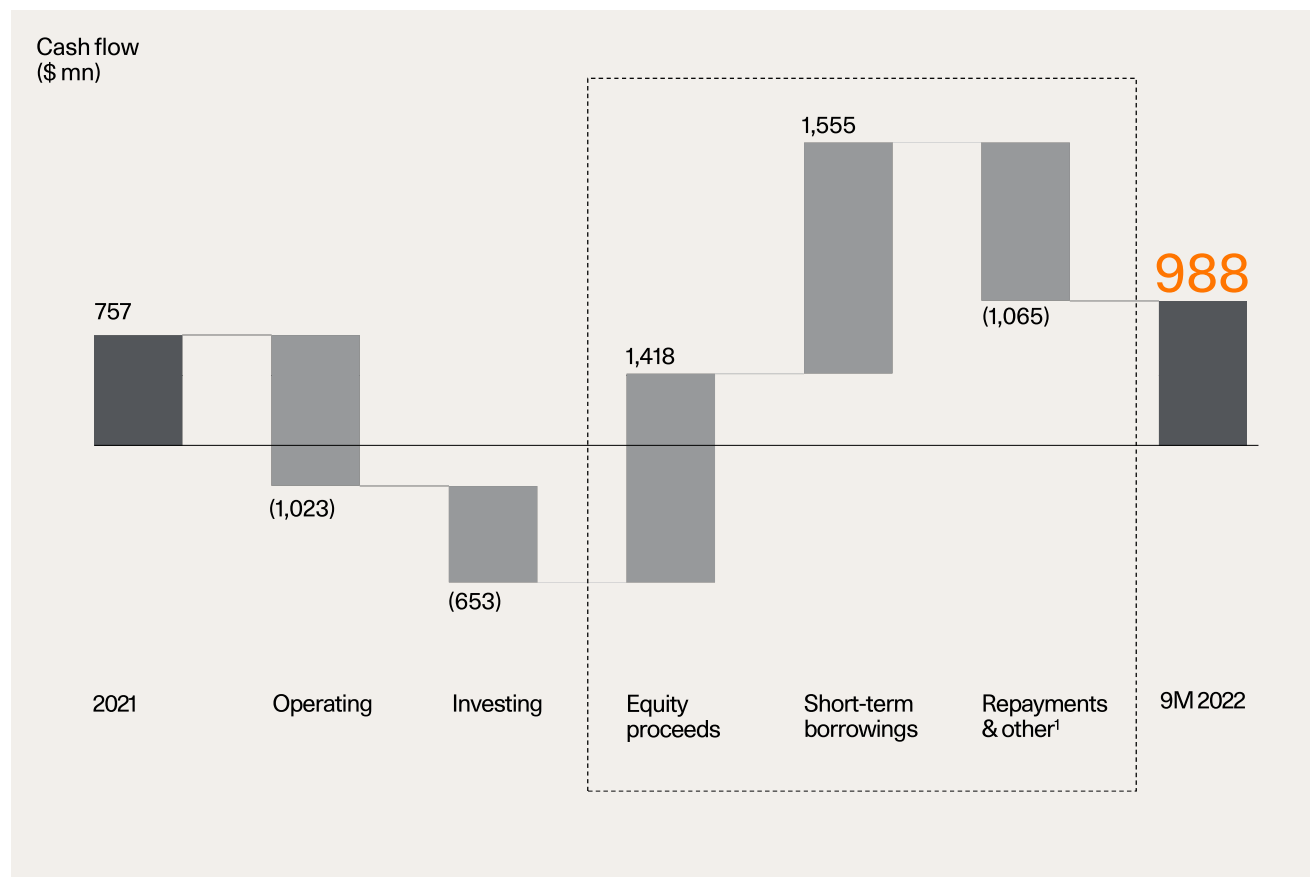
Mainly driven by working capital increase as well as higher operating losses and interest expenses

Investing

Predominantly driven by cash settlements for Polestar 2, 3 and 4 Intellectual Property investments

Financing

Comprised of equity proceeds, short-term working capital facilities, partially offset by principal repayments



1. Including effect of foreign exchange rate changes on cash and cash equivalents of \$58mn.
Note: All U.S. dollar figures on this slide rounded. See slide 39 for unaudited condensed consolidated statement of cash flows for figures in thousands of U.S. dollars.

Financial and operational highlights

\$1.6bn financing and liquidity support package from major shareholders

Financial support from Volvo Cars

- On November 3, 2022, Polestar entered into an 18-month term loan facility¹ with one of its major shareholders and affiliate, Volvo Cars, allowing multiple drawings for up to an aggregated principal amount of \$800mn.
- Under this agreement, Volvo Cars maintains an equity conversion option that is contingent upon a future equity raise by Polestar.

Key terms:

- \$800mn with the ability to draw up to \$150mn every month
- 4.97% margin + SOFR 6 months
- 18 months tenor
- Use of proceeds for general corporate purposes
- Drawable up to 15 months
- Optional conversion triggering event if new capital is raised for at least \$350mn and with at least five institutional investors

Financing and liquidity support from PSD Investment

- Polestar obtained commitment from PSD Investment, the other major shareholder, to provide direct and indirect financing and liquidity support on par with Volvo Cars' \$800mn term loan.
- Polestar expects that such direct and indirect support, which may or may not materialise, will be comprised of a combination of financing arrangements, including direct balance sheet support as well as activities designed to ensure Polestar has access to additional working capital facilities.
- Direct balance sheet support may include, but will not be necessarily limited to, purchases of non-core assets or entering into sale and leaseback arrangements over assets tied to car programs that are not part of the per piece price.
- Support for additional working capital facilities may include providing collateral support either directly or indirectly.
- Polestar expects all or the majority of this direct and indirect financing and liquidity support package will be made available during the course of 2023.

¹ The description of the Term Loan Facility is qualified in its entirety by reference to the actual agreement which has been filed with the SEC.

Financial and operational highlights
2022 outlook

Vehicle sales guidance

50,000

Majority of Polestar 2 cars set for Q4 2022 are making their way to our customers. Q4 2022 is expected to be our strongest on record yet.

Estimated revenue

c\$2.4bn

Expect revenues to reach approximately \$2.4bn for the year, driven by strong Q4 2022 sales.

Adequate funding through

2023

\$1.6bn¹ financing support package from major shareholders, alongside other potential financing activities, expected to provide sufficient funds through 2023.

¹ See slide 16 for additional information on financing and liquidity support package from major shareholders.

Delivering on our
strategy

Delivering our strategy
—
Key investment highlights

01
Well-defined growth strategy

02
Asset-light model

03
Digital-first direct-to-consumer approach

04
Core pillars:
Design, Innovation, Sustainability

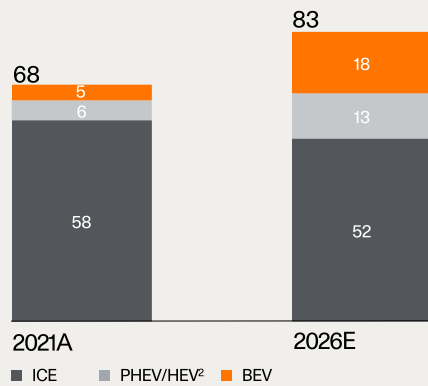


01

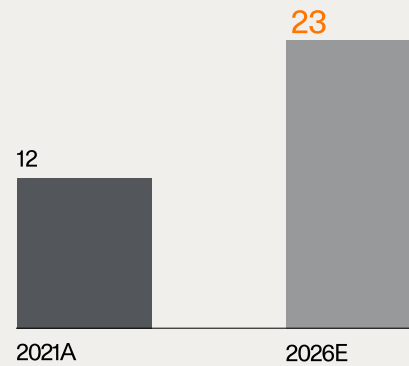
Well-defined growth strategy

Operating within the fastest-growing car segment

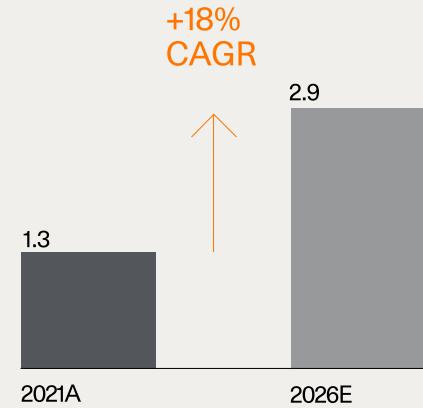
Automotive market in million cars¹



Premium BEV penetration percentage



Premium BEV market size in million cars



We operate in a large and competitive automotive market, with BEV market growth expected to outpace the overall market growth.

There is a significant BEV market opportunity, with premium segment BEV penetration expected to grow to 23% in 2026.

Global premium BEV vehicles market is one of the fastest growing segments with +18% CAGR.

¹ Excluding FCEV cars due to low volumes until 2026.
² Including PHEV and HEV vehicles.
Source: Leading management consultancy, October 2022.

01

Well-defined growth strategy 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
ASP ¹	~\$155k	~\$50-70k	~\$80-120k	~\$60-80k	>\$100k	>\$200k
Range	~120km range	~540km	up to 610km ²	600km + ²	600km + ²	600km + ²
Launch	2017	2019	2022	2023E	2024E	2026E

¹ Prices vary by region. Estimated indicative US market pricing range as at November 2022, subject to change.
² WLTP (Worldwide Harmonised Light Vehicle Test Procedure) target range.
 Source: Company information, management estimates.

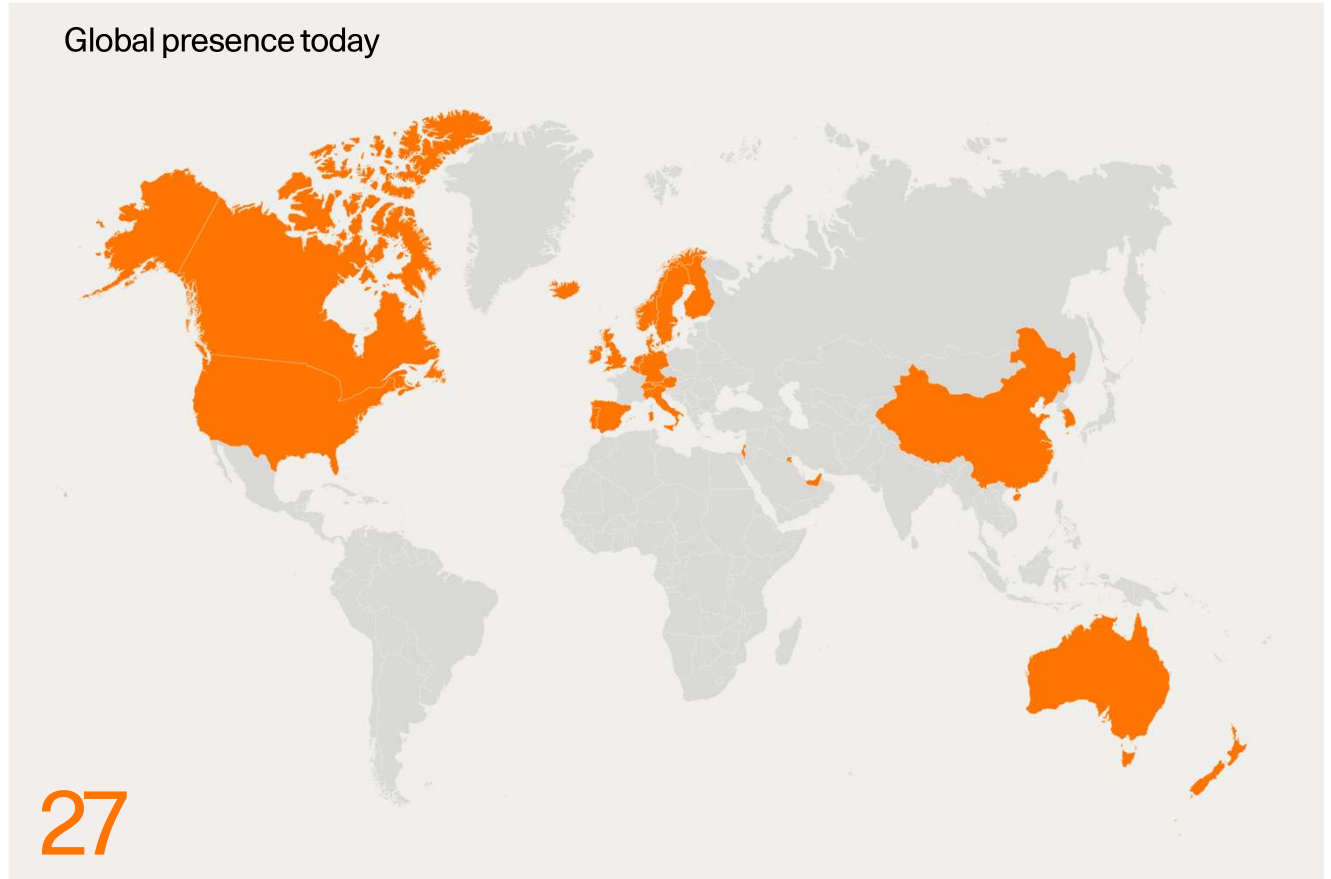
01

Well-defined growth strategy
Extensive global market presence

Active markets

Australia, Austria, Belgium, Canada, China, Denmark, Finland, Germany, Hong Kong, Iceland, Ireland, South Korea, Kuwait, Israel, Italy, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Arab Emirates, United Kingdom and United States of America.

Global presence today



27

Asset-light model

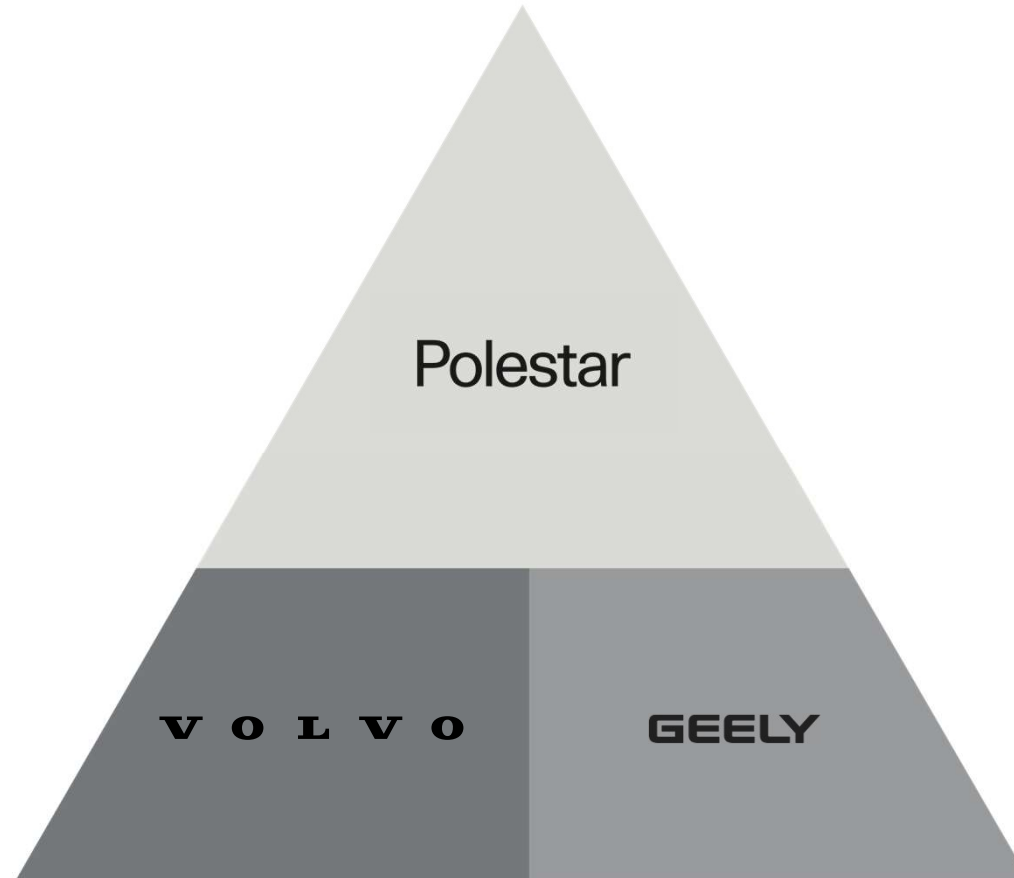
Combining the best of both worlds

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 business

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



Asset-light model Access to state-of-the-art factories



Taizhou, China



Chengdu, China



Charleston, US



Hangzhou Bay, China



Chongqing, China¹

Opened	2016	2013	2015	2021	2024E
Operated by	Volvo Cars	Volvo Cars	Volvo Cars	Geely	Polestar
Manufacturing	Polestar 2	Polestar 3	Polestar 3	Polestar 4	Polestar 5

¹ Operated by Polestar, owned by Geely.
Source: Company information, management estimates.

03

Digital-first direct-to-consumer approach Our customer approach

Digital-first direct-to-consumer approach
Customers can browse our products, configure their vehicle and place their order online

Local support centres
We continue to establish in-house care centres, creating a premium brand experience

Action through data driven insight
Monitor customer experiences across journeys to drive relevant and impactful improvements

Skilled specialists
Passionate, knowledgeable and service-minded Polestars with local knowledge and cultural know-how to serve our customers' needs



03

Digital-first direct-to-consumer approach Connected retail and ownership experience

Explore and schedule

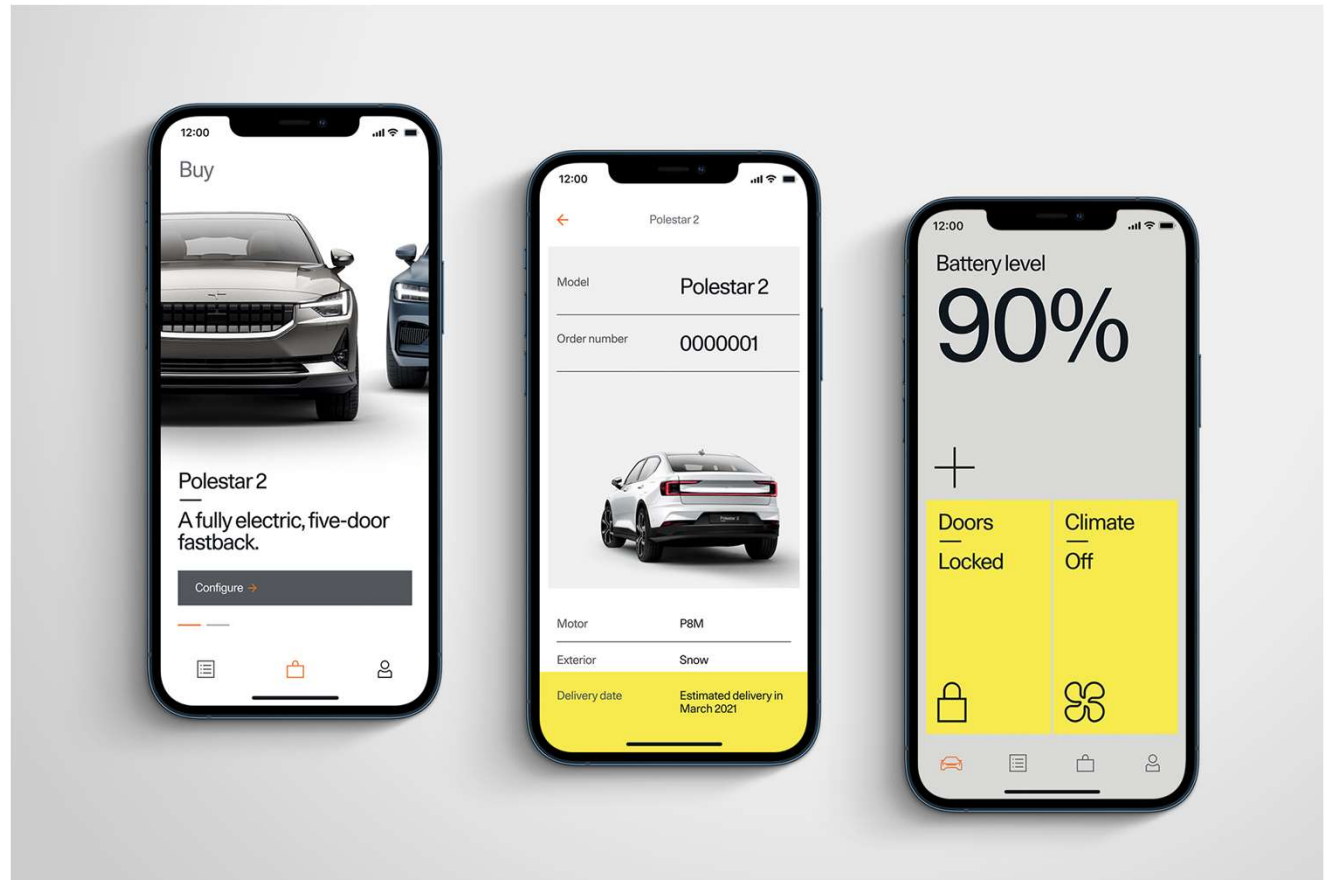
Explore Polestar vehicles online and schedule a test drive

Configure and finance

Configure and order online via web and mobile channels

Control and ownership

Control vehicle functions and engage with support or book service



03

Digital-first direct-to-consumer approach Expanding sales and service network

Locations

Permanent or pop up/temporary Polestar showrooms located in urban and peri-urban areas with retail and test drive opportunities.

Service points

Leveraging established Volvo Cars service network for full service support.



Locations¹

2021

103



9M 2022

128

Service points²

2021

811



9M 2022

1,033

¹ Represents Polestar Spaces, Polestar Destinations and Polestar Test Drive Hubs (Unaudited).

² Represents Volvo Cars service centres to provide access to customer service points worldwide in support of Polestar's international expansion (Unaudited).
Source: Company information.

Core pillars

Design – Avant-garde, pure Scandinavian design

Unique design attributes

- SmartZone sensor panel
- Integrated aerodynamic enhancers
- Rear view camera feed replaces rear window
- Extended panoramic glass roof
- Avant-garde interior with innovative materials
- High contrast, iconic design
- Integrated long-range LiDAR

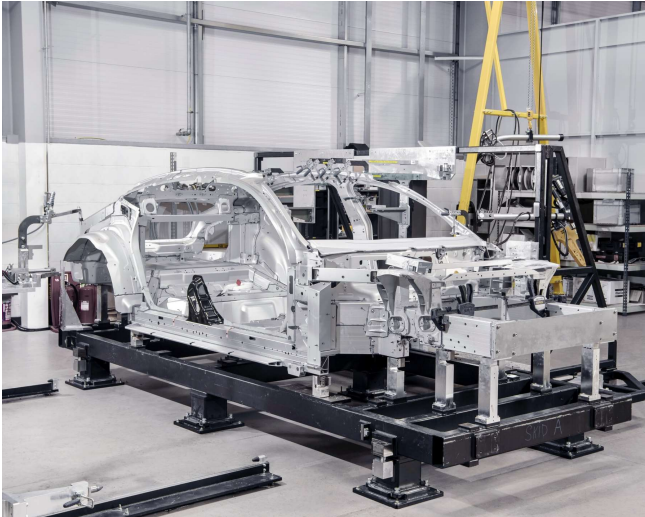
Sustainable materials integration

- Sustainability declarations to show our progress
- Vegan standard interior
- MicroTech – bio-attributed vinyl produced without fossil fuels
- Leather & wool from farms that are animal welfare certified, and leather tanning process is chrome free
- Bcomp – natural fibre composites with flax fibres for seats and interior components



Core pillars

Innovation – performance orientated technology development



Bonded aluminium platform

- Bonded aluminium platform developed in-house
- Set to provide class-leading dynamics, rigidity and safety features
- Technology usually applied to low-volume sports cars now brought into mainstream production



High-performance electric motors

- P10 rear motor with 450 kW (~603 hp)
- One of the most powerful electric motors in the world
- 1-speed energy efficient transmission facilitating special requirements for multiple platforms
- Multiple installation options for easy integration with multiple platforms



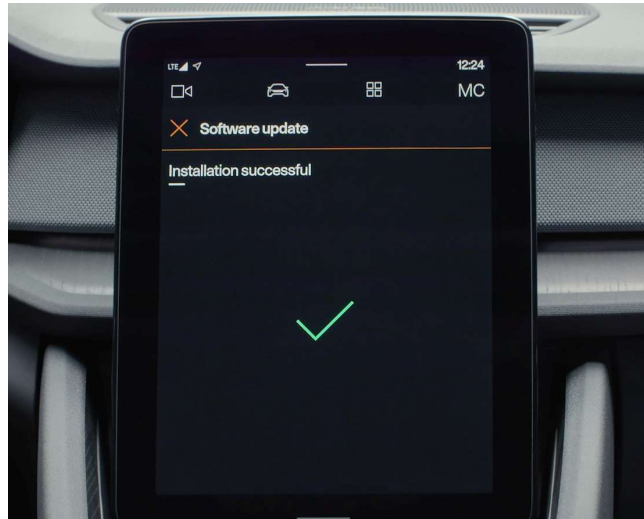
Advanced battery technology design

- Developed 800V battery pack
- Switchable between 800V and 400V
- 103 kWh possible to charge to 80% in ~20 minutes
- Bi-directional/vehicle-to-grid charging compatible



Infotainment system

- Infotainment system built on Android™ Automotive OS with Google built-in
- End-to-end integration of Android features
- Native applications without requiring smartphone connection



Over-the-air (OTA) updates

- Vehicles updated with latest software
- Applicable to all cars
- 15 updates successfully executed, targeting range, efficiency, connectivity and driving experience improvements
- A new in-car Range Assistant app that is geared to assist drivers to improve efficiency and range confidence



Smart partnerships and collaborations

- Autonomous driving partners:
 - Luminar – Advanced Lidar System
 - Nvidia – centralised computing
 - Zenseact – AI powered software
- MobilityXlab – global start-up community pipeline

04

Core pillars Innovation – R&D capability

R&D Coventry, United Kingdom

400+ employees

- Lightweight vehicle structures / bonded aluminium body
- Program lead for Polestar inhouse developed programs
- Overall vehicle development and release
- Sports car production technology
- In-car software development, testing and integration
- Advanced engineering and research, Polestar 0

R&D Gothenburg, Sweden

250+ employees

- Electric powertrain and battery system development
- Setting of vehicle attributes and final sign off
- In-car software development
- Polestar Engineered performance components
- Advanced engineering and research, Polestar 0 Project

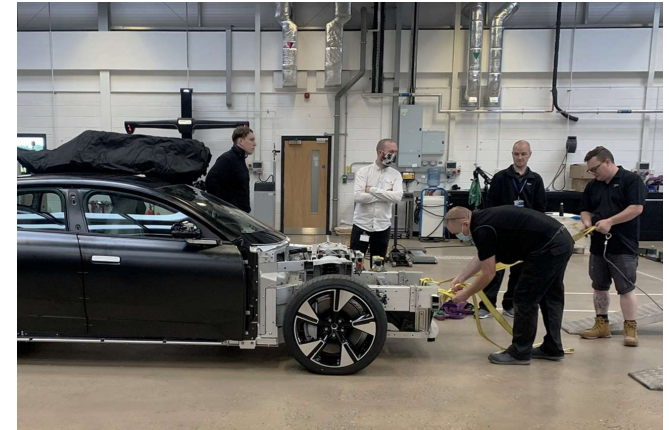
R&D Shanghai, China

25+ employees

- Focused on bespoke Chinese market features development

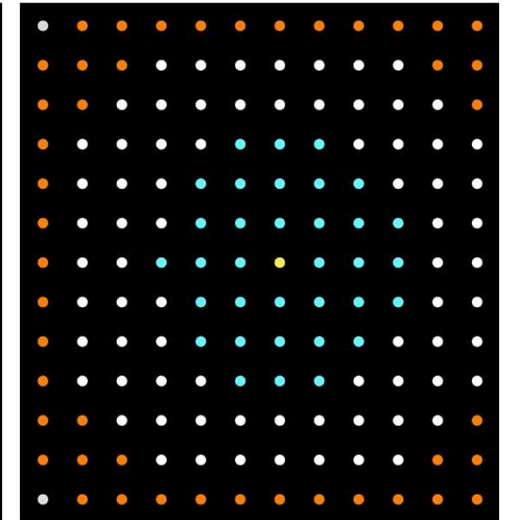
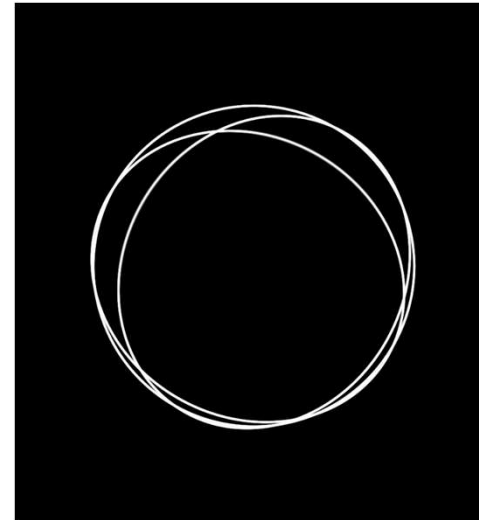
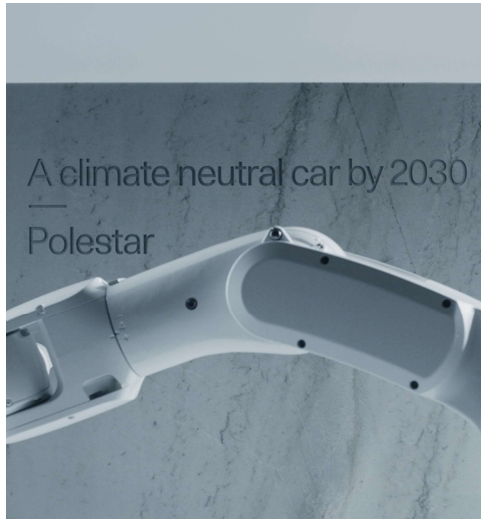
R&D Volvo Cars and Geely

Access to engineers and designers



Core pillars

Sustainability – our strategic focus areas



Climate neutrality

- Climate-neutral platform
- Climate-neutral materials
- Climate-neutral manufacturing
- Renewable energy in the supply chain

Transparency

- Material traceability
- Supply chain transparency
- Product sustainability declaration
- Sustainability reporting

Circularity

- Circular battery design
- Renewable energy in supply chain
- Remanufacturing of batteries
- Collaborations for second life
- Collaborations for recycling

Inclusion

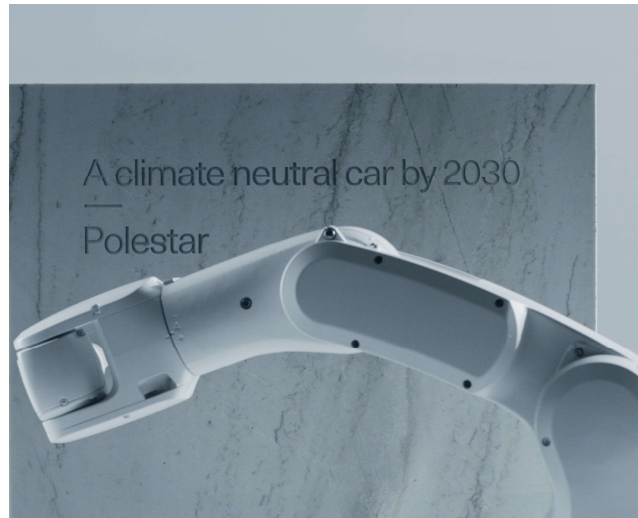
- Human rights in supply chain
- Ethical business practices
- Inclusive workplace
- Inclusive design
- Inclusive customer experience

04

Core pillars Sustainability - Climate neutrality

2030
climate neutral car

2040
climate neutral company



SSAB	Hydro	Autoliv	ZF
Pensana	Boliden	Papershell	Sekab
Bulten	Hexpol TPE	Plasman	YFPO
Ovako	Mistra Carbon Exit	Stilride	GG Group

Our goals

With our ambitious goals we are determined to improve the society we live in by accelerating the shift to more sustainable mobility.

Polestar 0 Project

To create a sense of urgency we set ourselves a leading ambition. We want to create a truly climate-neutral car by 2030 without relying on offsets. Our project is focused on eliminating all emissions from raw material extraction, material manufacture, product manufacture and end of life.

Our current partners

Now in a research phase, we are constantly expanding our partnerships with industry leaders in areas such as steel, aluminium, composites, chemicals and electronics.

Source: Company information, management estimates.

04

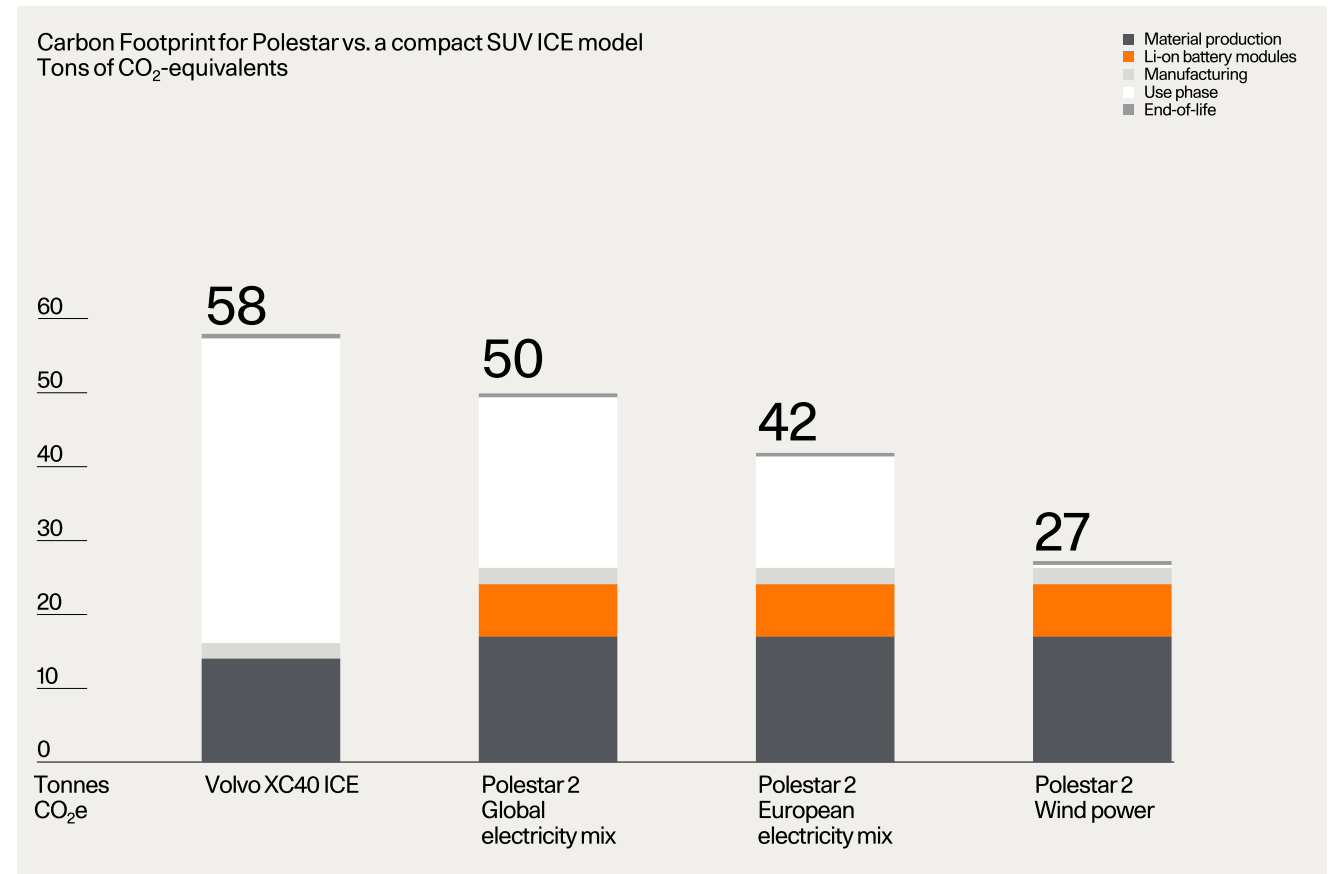
Core pillars Sustainability - Transparency

Life cycle assessments (LCAs)
Pioneering transparency by disclosing LCAs with full methodology of all models

Consumer transparency
Industry unique product sustainability declaration allows consumers to compare sustainability credentials

Supply chain traceability
Blockchain powered traceability on risk materials

Sustainability reporting
Delivering annual sustainability reporting since 2020 in adherence with Global Reporting Initiative standards



Source: Life cycle assessment - Carbon footprint of Polestar 2

Appendix

Financial statements

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Unaudited condensed consolidated statement of income and comprehensive income (loss)

in thousands of U.S. dollars except per share data and unless otherwise stated

	For the three months ended 30 September		For the nine months ended 30 September	
	2022	2021	2022	2021
Revenue	435,449	212,896	1,476,746	747,674
Cost of sales	(431,390)	(247,647)	(1,419,271)	(746,614)
Gross profit	4,059	(34,751)	57,475	1,060
Selling, general and administrative expenses	(178,643)	(199,290)	(625,424)	(478,144)
Research and development expenses	(24,598)	(50,529)	(123,353)	(157,400)
Other operating expenses and income, net	2,781	(8,291)	(17,961)	(23,060)
Listing expense	—	—	(372,318)	—
Operating loss	(196,401)	(292,861)	(1,081,581)	(657,544)
Finance income	711	9,606	1,485	24,810
Finance expenses	(60,539)	(16,135)	(111,966)	(28,511)
Fair value change - Earn-out rights	546,961	—	965,668	—
Fair value change - Class C Shares	14,059	—	35,590	—
Loss before income taxes	304,791	(299,390)	(190,804)	(661,254)
Income tax expense	(5,404)	(3,058)	(12,543)	(9,414)
Net income (loss)	299,387	(302,448)	(203,347)	(670,668)
Net loss per share (in U.S. dollars)				
Basic	0.14	(1.30)	(0.22)	(2.94)
Diluted	0.14	(1.30)	(0.22)	(2.94)
Consolidated Statement of Comprehensive Loss				
Net income (loss)	299,387	(302,448)	(203,347)	(670,668)
Other comprehensive loss:				
Items that may be subsequently reclassified to the Consolidated Statement of Loss:				
Exchange rate differences from translation of foreign operations	4,688	(10,965)	15,347	(29,257)
Total other comprehensive income (loss)	4,688	(10,965)	15,347	(29,257)
Total comprehensive loss	304,075	(313,413)	(188,000)	(699,925)

Financial statements

Unaudited condensed consolidated statement of financial position

in thousands of U.S. dollars	September 30, 2022	December 31, 2021	in thousands of U.S. dollars	September 30, 2022	December 31, 2021
Assets			Equity		
Non-current assets			Share capital	(21,090)	(1,865,909)
Intangible assets and goodwill	1,299,877	1,368,356	Other contributed capital	(3,581,360)	(35,231)
Property, plant and equipment	255,917	208,193	Foreign currency translation reserve	1,437	16,784
Vehicles under operating leases	88,973	120,626	Accumulated deficit	3,464,333	1,761,860
Deferred tax asset	—	3,850	Total equity	(136,680)	(122,496)
Other investments	2,185	—			
Other non-current assets	2,211	1,682	Liabilities		
Total non-current assets	1,649,163	1,702,707	Non-current liabilities		
Current assets			Contract liabilities	(36,283)	(28,922)
Cash and cash equivalents	988,259	756,677	Deferred tax liabilities	(463)	(509)
Marketable securities	—	1,258	Other non-current provisions	(66,738)	(38,711)
Trade receivables	102,117	157,753	Other non-current liabilities	—	(11,764)
Trade receivables - related parties	117,337	14,688	Earn-out liability	(534,970)	—
Accrued income - related parties	3,372	5,103	Other non-current interest-bearing liabilities	(61,992)	(66,575)
Inventories	686,572	545,743	Total non-current liabilities	(700,446)	(146,481)
Current tax assets	5,962	5,562	Current liabilities		
Other current assets	96,680	120,202	Trade payables	(65,235)	(114,296)
Total current assets	2,000,299	1,606,986	Trade payables - related parties	(817,780)	(1,427,678)
Total assets	3,649,462	3,309,693	Accrued expenses - related parties	(171,540)	(315,756)
			Advance payments from customers	(47,082)	(36,415)
			Current provisions	(47,781)	(44,042)
			Liabilities to credit institutions	(1,176,582)	(642,338)
			Current tax liabilities	(5,222)	(13,089)
			Interest-bearing current liabilities	(16,936)	(10,283)
			Interest-bearing current liabilities - related parties	(8,986)	(13,789)
			Contract liabilities	(45,621)	(58,368)
			Class C Shares liability	(27,500)	—
			Other current liabilities	(314,604)	(364,662)
			Other current liabilities - related parties	(67,467)	—
			Total current liabilities	(2,812,336)	(3,040,716)
			Total liabilities	(3,512,782)	(3,187,197)
			Total equity and liabilities	(3,649,462)	(3,309,693)

Financial statements

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Unaudited condensed consolidated statement of cash flows

in thousands of U.S. dollars	For the nine months ended September 30,	
	2022	2021
Cash flows from operating activities		
Net loss	(203,347)	(670,668)
Adjustments to reconcile Net loss to net cash flows		
Depreciation and amortization	140,063	184,431
Finance income	(1,485)	(24,801)
Finance expense	111,966	28,511
Fair value change - Earn-out rights	(965,668)	—
Fair value change - Class C Shares	(35,590)	—
Listing expense	372,318	—
Income tax expense	12,543	9,414
Other non-cash expense and income, net	12,497	43,243
Change in operating assets and liabilities		
Inventories	(311,154)	(145,378)
Vehicles under operating leases	17,722	(59,552)
Contract liabilities	(16,390)	34,218
Trade receivables, prepaid expenses and other assets	(43,458)	210,426
Trade payables, accrued expenses and other liabilities	(60,645)	244,442
Interest received	1,485	1,082
Interest paid	(37,075)	(6,367)
Taxes paid	(17,207)	(4,079)
Cash used for operating activities	(1,023,425)	(155,078)

in thousands of U.S. dollars	For the nine months ended September 30,	
	2022	2021
Cash flows from investing activities		
Additions to property, plant and equipment	(7,452)	(24,807)
Additions to intangible assets	(642,846)	(47,364)
Additions to other investments	(2,480)	—
Cash used for investing activities	(652,778)	(72,171)
Cash flows from financing activities		
Change in restricted cash	—	50,225
Proceeds from short-term borrowings	1,555,201	250,313
Principal repayments of short-term borrowings	(957,186)	(341,863)
Principal repayments of lease liabilities	(11,332)	(4,460)
Proceeds from the issuance of share capital and other contributed capital	1,417,973	585,231
Transaction costs	(38,903)	(2,843)
Cash provided by financing activities	1,965,753	536,603
Effect of foreign exchange rate changes on cash and cash equivalents	(57,968)	(18,706)
Net increase in cash and cash equivalents	231,582	290,648
Cash and cash equivalents at beginning of period	756,677	316,424
Cash and cash equivalents at end of period	988,259	607,072

Polestar

Investor update for the nine months ended September 30, 2022

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