



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 922 704 481
Organisasjonsform: Aksjeselskap
Foretaksnavn: POLESTAR AUTOMOTIVE NORWAY AS
Forretningsadresse: Rolfsbuktveien 4B
1364 FORNEBU

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Karl Marius Hayler
Dato for fastsettelse av årsregnskapet: 23.10.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.08.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2, 3	935 008 356	2 196 868 077
Annen driftsinntekt	3	28 811 676	105 021 261
Sum inntekter		963 820 032	2 301 889 338
Kostnader			
Varekostnad	3	757 279 782	2 041 212 293
Lønnskostnad	4	42 653 309	37 609 854
Avskrivning	6	1 112 744	778 859
Annen driftskostnad	3, 4	152 162 856	201 734 453
Sum kostnader		953 208 691	2 281 335 459
Driftsresultat		10 611 341	20 553 879
Finansinntekter og finanskostnader			
Annen finansinntekt		143 913	17 935
Sum finansinntekter		143 913	17 935
Rentekostnad til foretak i samme konsern	3	4 250 649	213 333
Annen finanskostnad		2 015 780	1 182 448
Sum finanskostnader		6 266 429	1 395 781
Netto finans		-6 224 624	-1 408 048
Ordinært resultat før skattekostnad		4 386 717	19 145 831
Skattekostnad	5	946 062	4 218 201
Ordinært resultat etter skattekostnad		3 440 655	14 927 630
Årsresultat		3 440 655	14 927 630
Overføringer og disponeringer			
Overføringer annen egenkapital	10	3 440 655	14 927 630
Sum overføringer og disponeringer		3 440 655	14 927 630



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	5	12 622 100	13 568 163
Sum immaterielle eiendeler		12 622 100	13 568 163
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner ol.	6	10 624 560	8 499 220
Sum varige driftsmidler		10 624 560	8 499 220
Finansielle anleggsmidler			
Andre fordringer		2 242 481	2 242 481
Sum finansielle anleggsmidler		2 242 481	2 242 481
Sum anleggsmidler		25 489 141	24 309 864
Omløpsmidler			
Varer			
Sum varer	7	135 814 743	142 163 428
Fordringer			
Kundefordringer	8	9 958 450	130 257 050
Andre fordringer	8	103 141 761	13 412 218
Sum fordringer		113 100 211	143 669 268
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	9	50 256 009	162 787 820
Sum omløpsmidler		299 170 963	448 620 516
SUM EIENDELER		324 660 104	472 930 380

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: NOK	Note	2023	2022
Innskutt egenkapital			
Aksjekapital	10, 11	30 000	30 000
Sum innskutt egenkapital		30 000	30 000
Opptjent egenkapital			
Annen egenkapital	10	44 899 880	41 459 225
Sum opptjent egenkapital		44 899 880	41 459 225
Sum egenkapital		44 929 880	41 489 225
Gjeld			
Langsiktig gjeld			
Andre avsetninger for forpliktelser	12	0	1 462 142
Sum avsetninger for forpliktelser		0	1 462 142
Annen langsiktig gjeld			
Sum langsiktig gjeld		0	1 462 142
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	13	45 611 847	
Leverandørgjeld	8	63 374 176	299 262 169
Betalbar skatt	5		4 875 725
Skyldige offentlige avgifter		3 188 543	6 021 774
Annen kortsiktig gjeld	8, 12	167 555 658	119 819 345
Sum kortsiktig gjeld		279 730 224	429 979 013
Sum gjeld		279 730 224	431 441 155
SUM EGENKAPITAL OG GJELD		324 660 104	472 930 380



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 754130

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Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Karl Marius Hayler
Dato for fastsettelse av årsregnskapet: 23.10.2024

Revisjon

Årsregnskapet er utarbeidet av ekstern
autorisert regnskapsfører: Ja
Ekstern autorisert regnskapsfører har i
løpet av regnskapsåret bistått ved den
løpende regnskapsføringen eller utført
andre tjenester for selskapet enn å
utarbeide årsregnskapet: Ja

Grunnlag for avgivelse

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Brønnøysundregistrene, 28.10.2024



Organisasjonsnr: 922 704 481
POLESTAR AUTOMOTIVE NORWAY AS

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Organisasjonsnr: 922 704 481
POLESTAR AUTOMOTIVE NORWAY AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
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Antall aksjer og aksjeeiere

<u>Aksjeklasse</u>	<u>Ant. aksjer</u>	<u>Pålydende</u>	<u>Bokført verdi</u>
Ordinary shares	30.00	1000.00	30000.00
<u>Aksjeeiere - fritekst</u>	<u>Antall</u>	<u>Eierandel</u>	<u>Aksjeklasse</u>
Polestar Performance AB	30.00	100.00%	Ordinary shares
<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>	
	30.00	100.00%	

The entity is part of the consolidated accounts for Polestar Performance AB, whose address is: Assar Gabrielssons Väg 9, 40531 Göteborg, Sweden.

Note
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Lønn og ytelser

<u>Lønn</u>	<u>Årets</u>	<u>Fjorårets</u>
	36090101.00	31516028.00
<u>Arbeidsgiveravgift</u>	<u>Årets</u>	<u>Fjorårets</u>
	6079844.00	5627289.00
<u>Pensjonskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	321947.00	93924.00
<u>Andre ytelser</u>	<u>Årets</u>	<u>Fjorårets</u>
	161417.00	372612.00
<u>Sum lønnskostnader</u>	<u>Årets</u>	<u>Fjorårets</u>
	42653309.00	37609854.00

The company is required to have an occupational pension scheme in accordance with the Act of Mandatory Occupational Pensions. The company's pension schemes satisfy the requirements of this Act.

Ytelser til daglig leder

Note



Ytelser til andre ledende personer

<u>Ledende person</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
General manager	2334127.00	7440.00	71072.00
<u>Sum ytelse andre led.pers.</u>	<u>Lønn</u>	<u>Pensj.forpl.</u>	<u>Andre godtgj.</u>
	2334127.00	7440.00	71072.00

The entity has not paid any other remuneration to the board of directors during the year. There are no loans/securities issued to the general manager or board of directors.

Note

Ytelser til revisjon

<u>Revisjon</u>	<u>Årets</u>	<u>Fjorårets</u>
	427571.00	446906.00
<u>Sum godtgjørelse til revisor</u>	<u>Årets</u>	<u>Fjorårets</u>
	427571.00	446906.00

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
0.00

Note

Lån og sikkerhetsstillelse til ledende personer og aksjeeiere

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
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Skatteetaten

Vår dato	Din/Deres dato	Saksbehandler
05.03.2024	15.02.2024	Lars Waalorp
800 80 000	Din/Deres referanse	Telefon
Skatteetaten.no		90833418
Org.nr	Vår referanse	Postadresse
974761076	2021/5976273	Postboks 9200 Grønland 0134 OSLO

ERNST & YOUNG COMPLIANCE SERVICES AS
Att.Ole Stanghelle
Postboks 1156 Sentrum
0107 OSLO
Norge

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Polestar Automotive Norway AS, org.nr. 922 704 481

Vi viser til deres brev av 15. februar 2024 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Polestar Automotive Norway AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Polestar Automotive Norway AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Polestar Automotive Norway AS er eid av et utenlandsk selskap og er en del av et internasjonalt konsern. Selskapet driver virksomhet innen import, markedsføring, distribuering og salg av elektriske passasjerbiler, bilrelaterte produkter og tjenester samt utføre annen virksomhet i denne forbindelse. Selskapets arbeidsspråk er hovedsakelig engelsk. Styrelederen og styremedlemmet i selskapet er utenlandske.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper



som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er direkte eid av et utenlandsk selskap og er en del av et internasjonalt konsern. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



Deloitte.

Deloitte AS
Dronning Eufemias gate 14
Postboks 221
NO-0103 Oslo
Norway

+47 23 27 90 00
www.deloitte.no

To the General Meeting of Polestar Automotive Norway AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Polestar Automotive Norway AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

The financial statements have been prepared under the assumption of going concern. We refer to the board's annual report and note 14 to the financial statements that describe the company's dependency on funding from Polestar Group, which in turn is dependent on that the parent company (Polestar Automotive Holding UK Limited) receives necessary funds to be able to continue with its operations and investment activities. There is therefore significant uncertainty related to continued operations in the company. Our conclusion is not modified as a result of this relationship.

Other conditions

The company's annual accounts are prepared after the expiry of the statutory deadline for preparing annual accounts.

Other information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Social Responsibility.

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Registrert i Foretaksregisteret
Medlemmer av Den norske Revisorforening
Organisasjonsnummer: 980 211 282

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Independent auditor's report
Polestar Automotive Norway AS

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 22 October 2024
Deloitte AS

Gry Kjersti Berget
State Authorised Public Accountant
(electronically signed)

Note: This translation from Norwegian has been prepared for information purposes only.



Deloitte.

Independent auditor's report
Polestar Automotive Norway AS



Independent auditor's report v2

Name	Date
Berget, Gry Kjersti	2024-10-23

Identification

 **bankID** Berget, Gry Kjersti



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The board of directors' report 2023 for Polestar Automotive Norway AS

Operations and locations

Polestar Automotive Norway AS is 100% owned by Polestar Performance AB (PPAB) with headquarters in Gothenburg, which in turn is a subsidiary of Polestar Automotive (Singapore) Pte. Ltd based in Singapore. Polestar Automotive (Singapore) Pte. Ltd is in turn a subsidiary of Polestar Holding AB based in Sweden which in turn is a subsidiary of the ultimate parent company, Polestar Automotive Holding UK PLC, based in the United Kingdom. This parent company prepares consolidated accounts for the Polestar Group.

Polestar Automotive Holding UK PLC is 39.2% owned by PSD Investment Limited, a company controlled by Mr. Li Shufu, a private individual. In addition, 48.3% of the company is owned by Volvo Cars via its subsidiary Snita Holding B.V. The remaining 12.5% is owned by other shareholders.

Information around new owner structure in 2024 on group level

On February 23, 2024 Volvo Cars announced its intention to reduce its stake in Polestar from 48.3% to 18% by way of a distribution to its shareholders. On May 13, 2024, Geely Sweden Automotive Investment B.V., a wholly-owned subsidiary of Geely Sweden Holding AB, was distributed Swedish depositary receipts from Volvo Cars giving it a right to receive 23.8% of outstanding Polestar shares

If more information are needed Polestar refers to these two press releases;

sec.gov/Archives/edgar/data/1936654/000110465924059901/tm2414051d1_sc13da.htm

[Volvo Cars to propose a distribution of 62.7 percent of its Polestar shareholding to its shareholders - Volvo Cars Global Media Newsroom](#)

Business overview

Polestar Automotive Norway AS as a sales company, it is focused on online sales of premium cars and accessories to end customers. The vehicles are being purchased on the basis of transfer price agreement from Polestar Performance AB and then sold in Norway. Between Polestar Performance AB and Polestar Automotive Norway AS all transactions are made at an arm's length. Polestar Automotive Norway AS has three categories of customers: end-customers, fleet customers and financial service providers to whom Polestar sells cars and the financial service providers in their turn having the contractual relationship with end customer.

The company has stores in the largest cities of Norway such as Trondheim, Bergen, Stavanger, Ålesund and Oslo. The main office is located in Oslo.



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Comments related to the financial statements

The Company's revenues decreased from NOK 2 301 889 338 last year to NOK 963 820 032 in 2023. Net income in 2023 was 3 440 655, as last year, NOK 14 927 630. Drop in revenues is due to higher competition, higher discounts and a 61% volume drop from 2022 to 2023.

During 2023 the company did not have cost related to research and development.

Total cash flow from operating activities was NOK -154 905 575 in 2023, and the operating profit constituted NOK 10 611 341. TIV in Norway dropped 27% from 2022 to 2023. Pushing brands to increase discounts to sell stock cars. Less margins pr unit reduces cash flow when margins couldn't cover all operational expenses.

The Company's liquidity reserve as of 31.12.2023 amounted to NOK 50 256 009.

Total current liabilities as of 31 December 2023 were NOK 279 730 224. The corresponding amount as at 31 December 2022 was NOK 429 817 929. The decrease is mainly due to the decreasing of trade payables.

Total assets at year-end amounted to NOK 324 660 104, compared to NOK 472 930 380 last year. The equity ratio was 13,89 % as of 31.12.2023, compared to 8,8 % the year before.

Future challenges

Polestar Norway are currently in the midst of implementing a Non Genuine Agency model, to replace the previous sales model. This transition comes with new operational hurdles for Polestar to overcome in order to successfully perform, particularly in terms of inviting partners into our system flora and facilitating quality sales conditions for our current and future agents.

Moreover, with the launch of new models Polestar are entering a more premium and low volume segment, where the competition from other premium brands is strong. This requires great efforts from Polestar and its partners to establish the brand in this segment and attract new customers to secure the necessary growth of sales.

2023 Impact of COVID-19

In certain instances, Polestar's suppliers and business partners have experienced delays or disruptions from COVID-19, resulting in negative impacts to Polestar. Specifically, the prolonged government mandated quarantines and lockdowns in eastern China during the twelve months ended December 31, 2022 delayed production and delivery of critical components for the PS2. Polestar continued to feel the effects of COVID-19 early in the year ended December 31, 2023, with the effects losing impact towards the end of the year.



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Russia's war in Ukraine and the conflict between Israel and Hamas

While Polestar does not directly conduct any business with suppliers in Russia or Ukraine, there can be no assurance that all parts of the supply chain are devoid of any exposure to disruption caused by the Russo-Ukrainian War.

The recent escalation in the conflict between Israel and Hamas and uncertain geopolitical conditions, sanctions, and other potential impacts on the global economic environment may weaken demand for Polestar's vehicles and impact its ability to access production components, which could make it difficult for Polestar to forecast its financial results and manage its inventory levels. Israel is one of Polestar's importer markets where we have minimal sales. Polestar also has some suppliers with operations in Israel, including Mobileye and StoreDot. If the conditions in Israel interrupt Polestar's suppliers' operations or limit the ability for Polestar's suppliers to operate, Polestar's business can be harmed. Additionally, in the past, Israel and Israeli companies have been, and continue to be, subject to economic boycotts and divestment initiatives, which could negatively impact Polestar's business given Polestar's relationship with Mobileye and StoreDot.

In addition, further escalation of the conflict in the Red Sea may affect our shipping operations and result in shipping companies rerouting their cargo ships. These potential shipping disruptions may cause additional shipping costs and delays."

Financial risk

Overall view on objectives and strategy

The company is exposed to financial risk in different areas. The goal is to reduce the financial risk as much as possible, and Polestar Automotive Norway is working diligently together with its parent company Polestar Performance AB to secure this goal and avoid unnecessary financial risks.

Significant risks and uncertainties

General uncertainties are future economic conditions and their impact on demand for cars and their related services and products. The trend towards increasing tariffs for products produced in China is key factor for us to monitor, though Norway is currently unaffected.

Market risk

The Norwegian market is one of the most mature BEV markets in the world, and with EU implementing new tariffs on Chinese imports it becomes an even more attractive market for Chinese brands to establish themselves in Europe. This can result in an overcrowding effect and price wars within the Norwegian market.

Additionally, the post-Covid increases in cost of living and high interest rates has set the stage for 2024 trending towards the lowest total market for cars in over 25 years. These market conditions are expected to improve over the next few years, but if these projections are inaccurate the Norwegian market will struggle to facilitate growth.

Credit risk

Polestar's credit risk can be divided in financial credit risk and operational credit risk. Credit risk on financial transactions is the risk that Polestar will incur losses as a result of non-payment by counterparties related to the Group's bank accounts, bank deposits and other liquid assets. To mitigate

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this risk on group level , Polestar Group have well-established banks as counterparties reducing the financial credit risk substantially.

As per year end 2023, Polestar Automotive Norway AS has 45M Nok outstanding in floorplans and failed sale leaseback facilities at year end .

The operational credit risk arises from accounts receivable. Polestar Automotive Norway AS has three categories of customers. The first one being end customers who pay up-front, so Polestar does not take any credit risk. The second being fleet customers, where a credit risk review is performed prior to entering into sales agreements. The third being financial service providers, to whom Polestar sells cars and the financial service providers in their turn having the contractual relationship with end customer. To reduce the risk in customer financing, Polestar Group have selected a few credible financing providers in each market. The maximum amount exposed to credit risk is the carrying amount of accounts receivable, see Balance sheet: page 3, for further information.

Transparency Act

The group has published an account of the due diligence assessments carried out in accordance with Section 4 of the Transparency Act. The report is available on the group's website:

[Reports on Sustainability | Polestar Global](#)

Currency Risk

Polestar Automotive Norway AS is considered to be exposed to currency risk through the fact that the company buys cars in foreign currency and resells them in NOK. When the krone is weak, this affects the purchase price.

Liquidity and Funding Risk

Liquidity risk is the risk that Polestar is unable to meet ongoing financial obligations on time. Polestar Performance group including Polestar Norway prepares short-term and Long- term planning in order to mitigate the liquidity and funding risk. As Polestar Automotive Norway AS is an integrated part of the Polestar Performance Group Business Plan, liquidity and funding is secured by PPAB.

Contingencies

In the normal course of business, the company is subject to contingencies related to legal proceedings and claims and assessments that cover a wide range of matters. Liabilities for such contingencies are recorded to the extent that it is probable the liability is incurred, and the amount is reasonably estimable. Associated legal costs related to such contingencies are expensed as incurred.

The company did not have any liabilities related to such contingencies as of December 31, 2023 and 2022.



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Going concern

In accordance with the Accounting Act § 3-3a, the company's financial statements are prepared on the basis that assumes Polestar Automotive Norway AS will continue as a going concern and the ordinary course of business will continue in alignment with Management's 2024-2028 business plan.

Polestar Automotive Norway relies on the Polestar Group for its financing needs through transfer pricing agreements with the Polestar Group. Regarding these financing requirements, the management has a reasonable expectation that Polestar Automotive Norway has sufficient resources to continue to operate in the foreseeable future, which is a period of at least 12 months from the date of signing and approval of these financial statements. At the time of preparation of this annual report and financial statements, management assumed a going concern.

In the consolidated financial statements and annual report of the ultimate parent company for 2023, the group's management notes that the Polestar Group is dependent on additional financing. Polestar Group primarily finances its operations through short-term working capital loan arrangements with credit institutions (i.e., 12 months or less), contributions from shareholders, extended trade credit from related parties, and long-term financing arrangements with related parties. The group management's 2024-2028 business plan indicates that Polestar Group depends on additional financing that is expected to be funded via a combination of new short-term working capital loan arrangements, long-term loan arrangements, shareholder loans with related parties, and executing capital market transactions through offerings of debt and/or equity. The timely realization of these financing endeavors is crucial for Polestar Group's ability to continue as a going concern. If Polestar Group is unable to obtain financing from these sources or if such financing is not sufficient to cover forecasted operating and investing cash flow needs, Polestar Group will need to seek additional funding through other means (e.g., issuing new shares of equity or issuing bonds). The group management has no certainty that Polestar Group will be successful in securing the funds necessary to continue operating and development activities as planned. This affects the earnings, sales through transfer pricing arrangements, and the liquidity of Polestar Automotive Norway as the company relies on the Polestar Group to meet its financing needs.

Allocation of net income

The Board of Directors has proposed the net income of Polestar Automotive Norway AS to be attributed to:

Retained Earnings NOK 3 440 655

Net income allocated NOK 3 440 655

The proposal reflects the owners' desire to strengthen the equity position of the company.

Corporate Governance

Corporate governance consists of the rules and structure imposed to guide and steer the operations of Polestar with effective control. Polestar is governed by applicable corporate governance laws, Polestar Performance group business governance as well as policies adopted by the Board of Directors. The Board of Directors of Polestar Automotive Norway AS has adopted a Code of Conduct and

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corporate policies within areas such as anti-corruption, conflict of interest, trade sanctions and export control, data protection, competition law, intellectual property, and Internal reporting, applicable to all employees of the Polestar group and regularly reviewed.

Working environment and social conditions

The total sick-leave reported in Polestar Norway for 2023 is 329 days.

This is an estimated 3% of total time worked at Polestar Norway in 2023, based on average employees during the year being 49,25 times 225 working days.

Equal opportunities and discrimination

As of 2023-12-31, Polestar Norway had 32 male employees and 19 female employees, making the workforce 62,7% male. At managerial level the male representation is 73,3%.

Count of Worker ID

Column Labels

Row Labels	Female	Male	Grand Total
Non-manager	15	21	36
Manager	4	11	15
Grand Total	19	32	51

Polestar

Norway did not employ temporary staff or part-time staff during 2023.

Parental leave

Four men and no women were on parental leave in 2023, the average number of weeks taken by the men was 13,5.

Wage differences

Polestar Norway defines job levels as non-manager vs. manager. Manager is defined as someone with personnel responsibility.

Average of Total Base Pay - Amount

Column Labels

Row Labels	Female	Male	Grand Total
Non-manager	97,92%	101,42%	100,00%
Manager	98,20%	100,65%	100,00%
Grand Total	93,37%	103,82%	100,00%

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Environmental report

Sustainability

Sustainability lies at the heart of Polestar. Polestar is a performance brand, determined to improve the society by accelerating the transition to a fully electric, climate-neutral future. The brand has set itself the "Moonshot goal" of creating a truly climate neutral vehicle by 2030. Polestar Group has prepared a separate 2023 sustainability report published at the Polestar webpage:

[Reports on Sustainability | Polestar Global](#)

Insurance for board members and general manager

There is a Director and Officer Liability insurance hold by Polestar. It insured Polestar Norway AS including any natural person who was, is or during the policy period becomes director, manager or employee in the Insured Companies for their potential liability to third parties.

Furthermore, any person who holds a position as a director or manager in another company at the request of the company is covered by the policy (external directors' liability).

Karl Marius Hayler

Karl Marius Hayler

Chairman of the Board and General Manager

Tonje Ørving

Tonje Ørving

Member of the Board

Ola Sjølander

Kaj Ola Sjølander

Member of the Board

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Polestar Automotive Norway AS

Annual report 2023

Board of directors' report

Annual accounts

- Income statement**
- Balance sheet**
- Cash flow statement**
- Notes**

Auditors' report



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Polestar Automotive Norway AS

Income statement

	Note	2023	2022
Revenue			
Sales revenue	2, 3	935 008 356	2 196 868 077
Other operating income	3	28 811 676	105 021 261
Total revenue		<u>963 820 032</u>	<u>2 301 889 338</u>
Operating expenses			
Cost of goods sold	3	757 279 782	2 041 212 293
Payroll expenses	4	42 653 309	37 609 854
Depreciation	6	1 112 744	778 859
Other operating expenses	3, 4	152 162 856	201 734 453
Total operating expenses		<u>953 208 691</u>	<u>2 281 335 459</u>
Operating result		<u>10 611 341</u>	<u>20 553 879</u>
Financial income and expenses			
Other financial income		143 913	17 935
Net currency gain/(loss)		-102 108	-30 202
Interest paid to group companies	3	4 250 649	213 333
Other financial expenses		2 015 780	1 182 448
Net financial items		<u>-6 224 624</u>	<u>-1 408 048</u>
Result before tax		<u>4 386 717</u>	<u>19 145 831</u>
Tax expense	5	<u>946 062</u>	<u>4 218 201</u>
Net profit for the year		<u>3 440 655</u>	<u>14 927 630</u>
Allocated as follows			
Transferred to other equity	10	<u>3 440 655</u>	<u>14 927 630</u>
Total allocations		<u>3 440 655</u>	<u>14 927 630</u>



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Polestar Automotive Norway AS

Balance sheet as of December 31

	Note	2023	2022
Fixed assets			
<i>Intangible assets</i>			
Deferred tax asset	5	12 622 100	13 568 163
Total intangible assets		12 622 100	13 568 163
<i>Tangible assets</i>			
Fixtures and fittings, tools, office machinery etc.	6	10 624 560	8 499 220
Total tangible assets		10 624 560	8 499 220
<i>Financial assets</i>			
Other receivables		2 242 481	2 242 481
Total financial assets		2 242 481	2 242 481
Total fixed assets		25 489 141	24 309 864
Current assets			
Inventories	7	135 814 743	142 163 428
<i>Receivables</i>			
Accounts receivable	8	9 958 450	130 257 050
Other receivables	8	103 141 761	13 412 218
Total receivables		113 100 211	143 669 268
Cash and cash equivalents	9	50 256 009	162 787 820
Total current assets		299 170 963	448 620 516
Total assets		324 660 104	472 930 380



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Polestar Automotive Norway AS

Balance sheet as of December 31

	Note	2023	2022
Equity			
<i>Paid-in capital</i>			
Share capital	10, 11	30 000	30 000
Total paid-in capital		30 000	30 000
<i>Retained earnings</i>			
Other equity	10	44 899 880	41 459 225
Total retained earnings		44 899 880	41 459 225
Total equity		44 929 880	41 489 225
Liabilities			
<i>Provisions</i>			
Other provisions	12	0	1 462 142
Total provisions		0	1 462 142
<i>Current liabilities</i>			
Liabilities to financial institutions	13	45 611 847	0
Accounts payable	8	63 374 176	299 262 169
Tax payable	5	0	4 875 725
Public duties payable		3 188 543	6 021 774
Other short-term liabilities	8, 12	167 555 658	119 819 345
Total current liabilities		279 730 224	429 979 013
Total liabilities		279 730 224	431 441 155
Total equity and liabilities		324 660 104	472 930 380

31 December 2023
Fornebu, 2024-10-22

Karl Marius Hayler

Karl Marius Hayler
Chairman of the Board and
General Manager

Ola Sjölander

Kaj Ola Sjölander
Member of the Board

Tonje Ørving

Tonje Ørving
Member of the Board



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Polestar Automotive Norway AS

Cash flow statement

	Note	2023	2022
Cash flow from operating activities			
Result before tax		4 386 717	19 145 831
Taxes paid	5	-4 875 725	-14 793 373
Depreciation	6	1 112 744	778 859
Changes in inventories		6 348 685	44 315 432
Changes in accounts receivable		120 298 600	-108 068 600
Changes in accounts payable		-235 887 993	212 957 615
Changes in other current balance sheet items		-46 288 603	27 948 189
Net cash flow from operating activities		<u>-154 905 575</u>	<u>182 283 953</u>
Cash flow from investing activities			
Purchase of fixed assets	6	<u>-3 238 084</u>	<u>-765 404</u>
Net cash flow from investing activities		<u>-3 238 084</u>	<u>-765 404</u>
Cash flow from financing activities			
Repayment of long-term loans		0	-9 727 801
Changes in short-term loans	13	<u>45 611 847</u>	<u>-70 147 389</u>
Net cash flow from financing activities		<u>45 611 847</u>	<u>-79 875 190</u>
Net change in cash and cash equivalents		-112 531 812	101 643 359
Cash and cash equivalents as of 01.01		<u>162 787 821</u>	<u>61 144 462</u>
Cash and cash equivalents as of 31.12		<u>50 256 009</u>	<u>162 787 821</u>



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Polestar Automotive Norway AS

Notes to the accounts for 2023

Note - 1 Accounting principles

Polestar Automotive Norway AS sells cars, accessories and spare parts to end customers in Norway.

The annual report has been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles.

Sales revenue

Sales revenues are recognized at the time of delivery. Revenue from services are recognized at execution. The share of sales revenue associated with future services are recorded in the balance sheet as deferred sales revenue, and are recognized at the time of execution.

Foreign currency translation

Foreign currency transactions are booked using the exchange rates at the time of transactions. Monetary asset and liability balances are translated using the year end exchange rate.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated linearly over the estimated useful life. Significant fixed assets which consist of substantial components with dissimilar economic life have been unbundled; depreciation of each component is based on the economic life of the component. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net realizable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset is used.

Inventories

Inventories are recognised at the lowest of cost and net selling price. The net selling price is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs. The cost is arrived at using the FIFO method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location. Write-downs are carried out for foreseeable obsolescence.



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Polestar Automotive Norway AS

Notes to the accounts for 2023

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term, highly liquid investments with maturities of three months or less.

Note 2 - Sales revenue

	2023	2022
<i>By business area</i>		
Business-to-business	130 114 759	462 999 487
Business-to-consumer	804 893 597	1 733 868 590
Total sales revenue	<u>935 008 356</u>	<u>2 196 868 077</u>
<i>Geographical distribution</i>		
Norway	934 468 672	2 196 868 077
Sweden	539 684	0
Total sales revenue	<u>935 008 356</u>	<u>2 196 868 077</u>

Note 3 - Intercompany transactions with group and associated companies

<i>Intercompany income</i>	2023	2022
Sales of goods	539 684	691 996
Other income	909 639	1 486 352
Total intercompany income	<u>1 449 323</u>	<u>2 178 348</u>
<i>Intercompany expenses</i>	2023	2022
Cost of goods sold	581 533 848	1 959 751 960
Other expenses	32 166 676	52 093 598
Other interest expenses	4 250 649	213 333
Total intercompany expenses	<u>617 951 173</u>	<u>2 012 058 891</u>

In financial year 2023, the entity has purchased goods from Polestar Performance AB.



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Polestar Automotive Norway AS

Notes to the accounts for 2023

Note 4 - Payroll expenses, number of employees and loans to employees and auditor's fee

<i>Payroll expenses</i>	2023	2022
Salaries	36 090 101	31 516 028
Payroll tax	6 079 844	5 627 289
Pension costs	321 947	93 924
Other payments	161 417	372 612
Total payroll expenses	<u>42 653 309</u>	<u>37 609 854</u>

Average number of full-time equivalents	50	52
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The company is required to have an occupational pension scheme in accordance with the Act of Mandatory Occupational Pensions. The company's pension schemes satisfy the requirements of this Act.

Management remuneration

	Salary	Pension expenses	Other remuneration
General manager	2 334 127	7 440	71 072

The entity has not paid any other remuneration to the board of directors during the year. There are no loans/securities issued to the general manager or board of directors.

<i>Auditor fee has been divided as follows</i>	2023	2022
Statutory audit fee	427 571	446 906

VAT is not included in the auditor fees.



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Polestar Automotive Norway AS

Notes to the accounts for 2023

Note 5 - Income taxes

<i>Income tax expenses</i>	2023	2022
Tax payable	0	4 875 725
Change in deferred tax	946 062	-657 525
Total income tax expense	<u>946 062</u>	<u>4 218 200</u>

<i>Tax base estimation</i>	2023	2022
Result before tax	4 386 717	19 145 831
Permanent differences	-86 430	27 806
Change in temporary differences	<u>-26 052 854</u>	<u>2 988 748</u>
General income	-21 752 567	22 162 385
Loss carried forward	<u>21 752 567</u>	<u>0</u>
Tax base	<u>0</u>	<u>22 162 385</u>
Tax payable in the balance sheet	0	4 875 725

<i>Temporary differences outlined</i>	2023	2022
Fixed assets	3 766 587	3 135 360
Inventory	-7 661 685	-17 553 546
Share based compensation	-1 759 467	0
Other provisions for liabilities	<u>-29 966 050</u>	<u>-47 255 284</u>
Total temporary differences	-35 620 615	-61 673 470
Accumulated loss carried forward	<u>21 752 567</u>	<u>0</u>
Net temporary differences	-57 373 182	-61 673 470

Deferred income tax asset (22%)	-12 622 100	-13 568 163
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<i>Effective tax rate</i>	2023
Expected income taxes, statutory tax rate 22%	965 078
Permanent differences (22%)	<u>-19 015</u>
Income tax expense	<u>946 062</u>

Effective tax rate* 22 %

*) Tax expense divided by pre-tax income

Polestar Automotive Norway AS has applied the temporary exception, introduced in May 2023, from the accounting requirements for deferred taxes in IAS 12, so that the group neither recognizes nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes. Polestar Automotive Norway AS are assessing the impact of the Pillar Two income taxes legislation on its future financial performance.



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Polestar Automotive Norway AS

Notes to the accounts for 2023

Note 6 - Tangible assets

	Furniture and fixtures, tools etc.
Acquisition cost 01.01	10 088 250
Purchased tangibles	3 238 084
Acquisition cost 31.12	13 326 335
Acc.depreciation 31.12	-2 701 775
Net carrying amount at 31.12	10 624 560
Depreciation for the year	1 112 744
Useful economic life	5-13 years
Depreciation plan	Linear

Note 7 - Inventories

	2023	2022
Purchased goods for resale	143 476 429	159 716 974
Provision for obsolescence	-7 661 685	-17 553 546
Total inventories	135 814 743	142 163 428

Note 8 - Intercompany balances with group and associated companies

<i>Receivables</i>	2023	2022
Accounts receivable	0	358 689
Other receivables	76 082 102	0
Total intercompany receivables	76 082 102	358 689
<i>Payables</i>	2023	2022
Accounts payable	26 227 398	230 747 392
Other short-term payables	80 610 868	0
Total intercompany payables	106 838 266	230 747 392

Note 9 - Bank deposit

	2023	2022
Restricted cash for employee withholding taxes as of 31.12	1 617 694	4 561 609

Note 10 - Equity

	Share capital	Other equity	Total
Equity 01.01	30 000	41 459 225	41 489 225
Net profit for the year	0	3 440 655	3 440 655
Equity 31.12	30 000	44 899 880	44 929 880



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Polestar Automotive Norway AS

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Note 11 - Share capital and shareholder information

Share capital:

	Number of shares	Face value	Book value
Ordinary shares	30	1 000	30 000

Shareholders per 31.12:

	Ordinary shares	Ownership share	Voting rights
Polestar Performance AB	30	100 %	100 %

The entity is part of the consolidated accounts for Polestar Performance AB, whose address is: Assar Gabrielssons Väg 9, 40531 Göteborg, Sweden.

Note 12 - Provisions for liabilities

	2023	2022
Provisions for bonus	0	1 462 142
Provisions for road assistance	29 700 799	45 793 142
Total provisions	<u>29 700 799</u>	<u>47 255 284</u>

Note 13 - Liabilities to financial institutions

	2023	2022
Short-term debt to financial institutions	45 611 847	0

Polestar Automotive Norway AS had no debt to financial institutions as of 31.12.2022. The entity has a short-term debt tied to new cars where the lender is DNB Bank ASA as of 31.12.2023.

Note 14 - Going concern

In accordance with the Accounting Act § 3-3a, the company's financial statements are prepared on the basis that assumes Polestar Automotive Norway AS will continue as a going concern and the ordinary course of business will continue in alignment with Management's 2024-2028 business plan.

Polestar Automotive Norway relies on the Polestar Group for its financing needs through transfer pricing agreements with the Polestar Group. Regarding these financing requirements, the management has a reasonable expectation that Polestar Automotive Norway has sufficient resources to continue to operate in the foreseeable future, which is a period of at least 12 months from the date of signing and approval of these financial statements. At the time of preparation of this annual report and financial statements, management assumed a going concern.

In the consolidated financial statements and annual report of the ultimate parent company for 2023, the group's management notes that the Polestar Group is dependent on additional financing. Polestar Group primarily finances its operations through short-term working capital loan arrangements with credit institutions (i.e., 12 months or less), contributions from shareholders, extended trade credit from related



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Notes to the accounts for 2023

parties, and long-term financing arrangements with related parties. The group management's 2024-2028 business plan indicates that Polestar Group depends on additional financing that is expected to be funded via a combination of new short-term working capital loan arrangements, long-term loan arrangements, shareholder loans with related parties, and executing capital market transactions through offerings of debt and/or equity. The timely realization of these financing endeavors is crucial for Polestar Group's ability to continue as a going concern. If Polestar Group is unable to obtain financing from these sources or if such financing is not sufficient to cover forecasted operating and investing cash flow needs, Polestar Group will need to seek additional funding through other means (e.g., issuing new shares of equity or issuing bonds). The group management has no certainty that Polestar Group will be successful in securing the funds necessary to continue operating and development activities as planned. This affects the earnings, sales through transfer pricing arrangements, and the liquidity of Polestar Automotive Norway as the company relies on the Polestar Group to meet its financing needs.