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PRESENTATION TITLE

Entity-Level Tax Risk Profiling and AI-Driven Due Diligence



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Portfolio (26)

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NAME	TYPE	COUNTRY	ORBIS ID	REGISTRY N...	DATE ADDED
PUKKA	Legal Entity	--	359891169		6/11/2026
AB VOLVO	Legal Entity	--	006099983	556012-5790	6/11/2026
AKTIEBOLAGET V...	Legal Entity	--	488020362		6/11/2026
TURKISH AIRLIN...	Legal Entity	--	587400351		6/9/2026
CRITICAL ROLE F...	Legal Entity	--	459885843		6/4/2026
THE COCA-COLA ...	Legal Entity	--	237889783		6/3/2026
Tidepool Ventures...	Legal Entity	--	--		6/3/2026

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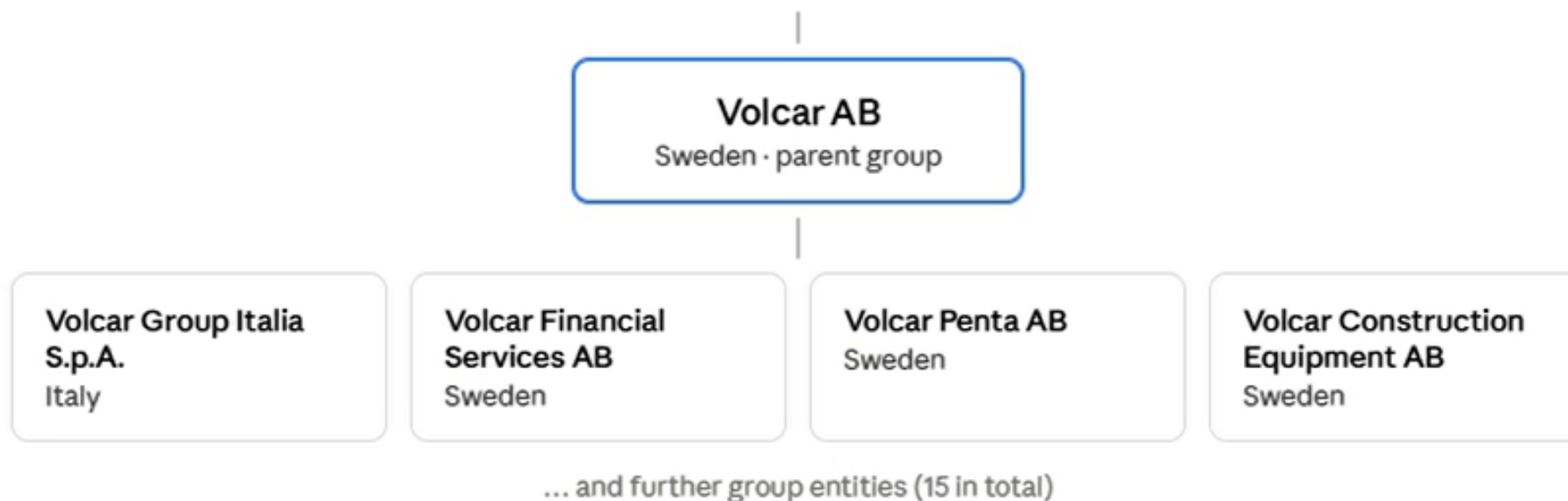


Ownership structure — Volcar AB

👤 15 entities · 17 links

Who is this, really?

Owned by institutional shareholders · ultimate beneficial owner



The corporate web behind the name — the entity, its owners and its holdings.


Live graph above, pinned **Volcar** structure below — parent, owners and key holdings, the corporate web behind the name. The eye lands on Volcar.

Orchestrated due diligence workflow and prepared comprehensive report card >

M' MAS - Prod - Moodys MCP - NEW URL workflowRunner </>



Due Diligence - AB Volvo

14 Jun 2026 at 1:30pm • Copy Run ID 

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Due Diligence — Volcar AB

One reviewable dossier, assembled from the data

 App assemblies · human reviews

- ✓ Corporate registry & identity assembled
- ✓ Ownership & UBO structure assembled
- ✓ Financial statements & filings assembled
- ✓ Adverse-media screen assembled

MOODY'S

Intelligence Due Diligence Report

Company Name: AB Volcar

Date and Time of Generation: 18/06/2026



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Section 1 Executive Summary

Executive Summary

AB Volcar(Aktiebolaget Volcar) is a Swedish multinational manufacturing corporation headquartered in Göteborg, Sweden, engaged in the manufacture of trucks, buses, construction equipment, drive systems for marine and industrial applications, aerospace components, and related services. ^[1] Incorporated on May 5, 1915, the company operates as a public limited company with a "Very large" category designation, conducting sales in approximately 185 countries worldwide through wholly owned companies and independent dealers. ^[1] The company's main exchanges include Nasdaq OMX - Stockholm, with production facilities across North America, South America, Europe, Asia, South Africa, and Australia. ^[1] This Intelligence Due Diligence (IDD) investigation identifies three critical risk themes: (1) regulatory violations within the shareholder base, particularly Zhejiang Geely Holding Group Co., Ltd. (14% ownership) with EU antitrust fines, Chinese anti-monopoly penalties, and an Iran Connect designation, alongside The Vanguard Group Inc. (3.50% ownership) with \$106 million in SEC settlements for disclosure failures; (2) operational and product safety challenges, including a global recall of over 37,000 VolcarCars EX30 vehicles for battery-related fire risks and Thai consumer protection litigation involving 550 complaints; and (3) emissions compliance matters, with VolcarGroup North America settling California Air Resources Board (CARB) allegations for approximately \$196.5–\$197 million related to model year 2010–2016 engines. ^[1] ^[2] ^[3] ^[4] ^[5] ^[6] ^[7] ^[8] These risk factors interact through shareholder-base adverse regulatory signals and

ownership, operational, and adverse media data.

Table 1: Risk Profile

Category	Details
Risk Jurisdiction	Sweden [1]
Client Type	Public limited company [1]
Nature of Business	Manufacture of trucks, buses, construction equipment, drive systems for marine and industrial applications, aerospace components and services [1]

Table 2: Key Findings - Risk Indicators

Risk Category	Status
Regulatory Violations	<p>YES. <u>AB Volcar</u> received a regulatory fine as part of a European Commission action against 15 carmakers for coordinating to avoid paying for recycling services over a 15-year period. [1]</p> <p><u>Volcar Group</u> North America settled CARB allegations for approximately \$196.5–\$197 million relating to model year 2010–2016 engines, including civil penalties, funding commitments,</p>

Font	Paragraph	Styles	Editing	Vo
Embezzlement	the Australian Securities and Investments Commission (ASIC) for greenwashing violations. [12] Shareholder BlackRock Fund Advisors (1.78% ownership) was linked in a complaint to entities denounced for tax evasion, illicit trade association, and money laundering involving <u>Torneos y Competencias SA</u> and associated individuals. [13]			
Money Laundering	YES. Shareholder BlackRock Fund Advisors (1.78% ownership) was linked in a complaint retrieved on June 5, 2015, to entities denounced for money laundering involving <u>Torneos y Competencias SA</u> and associated individuals, with allegations that these groups participated in stock market maneuvers to obtain extraordinary profits. [13]			
Sanctions	YES. Shareholder Zhejiang Geely Holding Group Co., Ltd. (14% ownership) carries an Iran Connect designation due to its association with Geely Automobile Holdings Limited, which conducted business deals with Iran including opening dealerships, exporting vehicles, and establishing production facilities between 2013-2019. [3] Shareholder The Vanguard Group Inc. (3.50% ownership) carries an Iran Connect designation through its association with John Bean Technologies Corporation, which was fined \$391,950 by OFAC on June 19, 2015, for violations of Executive Order 13382 and Weapons of Mass Destruction Proliferators Sanctions Regulations. [3] Shareholder BlackRock Fund Advisors (1.78% ownership) carries an Iran Connect designation through its association with John Bean Technologies Corporation, which was fined \$391,950 by OFAC on June 19, 2015, for violations of Executive Order 13382 and Weapons of Mass Destruction Proliferators Sanctions Regulations. [3]			

Transfer-pricing exposure — Volcar affiliates

↑↓ Triage

Ranked to prioritise where to look — triage, not an assessment

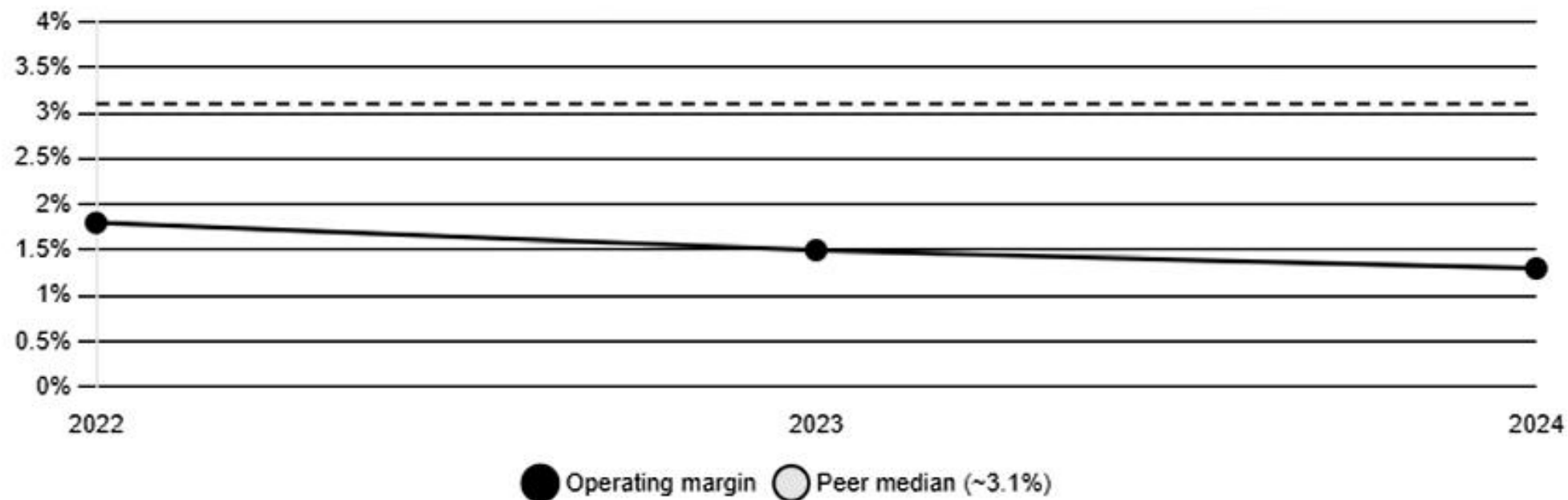
#	Affiliate	Country	Exposure
1	Dongfeng Commercial Vehicles	China	High
2	VE Commercial Vehicles Ltd	India	High
3	Flexis S.A.S. (JV)	France	High
4	Volcar Group Italia S.p.A. Focus	Italy	High
5	Volcar Financial Services AB	Sweden	Medium
6	Volcar Construction Equipment AB	Sweden	Medium
7	Volcar Penta AB	Sweden	Medium
8	VC Insurance Försäkrings AB	Sweden	Medium
9	Volcar Group Venture Capital AB	Sweden	Medium
10	Swecon	Sweden	Medium

This shows where related-party exposure concentrates, so review effort goes where it matters most — a lead to prioritise, not a finding.

Predictive triage — Volcar Group Italia

⚠ Review priority · Elevated

Why it surfaced — a transparent signal, not a score



Gap to peer median (~3.1%): -1.3 → -1.6 → -1.8 pp · widening

Risk factors present

✓ High-tax jurisdiction

✓ Intangible (brand royalty) outflow

✓ Sustained sub-peer margin

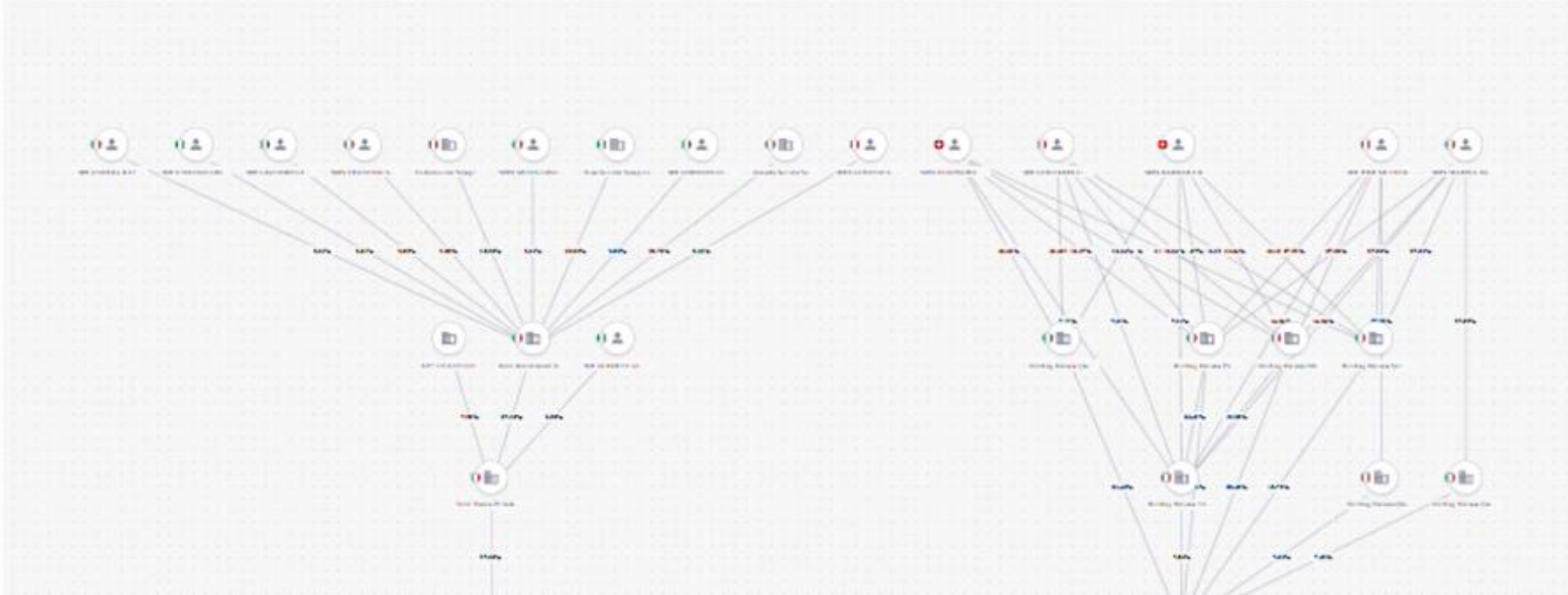
Built from an observed trajectory and named factors — not a black-box score. Triage only, never a finding.

show the ownership structure for Volcar Group Italia

Orchestrated ownership visualization and structured corporate hierarchy display >

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Ownership structure — Volcar Group Italia

🔗 30 entities · 54 links

The affiliate we're inside

Volcar AB

65%

Minority shareholders

35%

Volcar Group Italia S.p.A.

Italy · tested party

The affiliate the investigation drops into — 65% Volcar AB, 35% minority. The structure behind the entity, before any pricing question.

Live graph above, pinned **Volcar** structure below — 65% Volcar AB, 35% minority. The affiliate the investigation drops into, before any pricing question.

Orchestrated tax-rate widget with entity relabeling for comparative analysis >

Corporate tax differential — Italy vs Sweden

📄 Motive · not a finding

The economic motive to open the file — not a finding

Italy · Volcar Group Italia

~27.9%

combined · IRES 24% + IRAP ~3.9%



~7.3 pp
Italy higher

Sweden · principal (Volcar AB)

20.6%

flat · national CIT, no regional tax

📄 A thin distributor margin booked in higher-tax Italy is consistent with profit shifting to the lower-taxed Swedish principal — roughly €0.073 saved per €1 of profit moved out. The economic motive to open the file, not a finding.

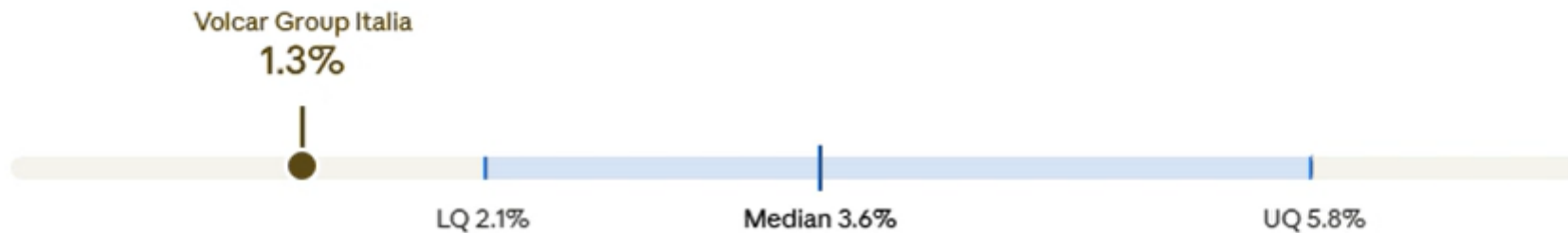
About seven points of tax sit between where the margin is booked and where the principal sits — the economic motive to open the file, never the finding itself.

Reconciled memory protocols and rendered pinned benchmark widget >

Distribution margin vs peers — Volcar Group Italia

Preliminary benchmark on Moody's peer data — a flag, not a determination

Flag · not a determination



At 1.3%, the tested party sits below the preliminary peer range (LQ 2.1%) — flagged. A basis to open an inquiry, not a determination.

Preliminary — before the working-capital adjustment and multi-year average. Both come next, and the flag is tested against them.

The margin sits below the preliminary peer range — that's the flag. A reason to open the file, not a determination; the adjustments come next.

Repurposed functional analysis widget with Volcar relabeling >

Functional analysis (FAR) — Volcar Group Italia

Characterise the entity from what it actually does

App proposes · human validates

Functions

- ✓ Local sales & distribution
- ✓ Order fulfilment
- ✓ Aftermarket / parts service
- × No product development
- × No brand ownership

Assets

- ✓ Limited inventory
- ✓ Local working capital
- × No significant marketing intangibles

Risks

- ✓ Limited market & inventory risk (group-backed supply)
- × No FX / strategic risk borne locally

Characterisation (app-proposed)

Limited-Risk Distributor (LRD)

Tested party · Volcar Group Italia (least-complex party)

✓ Validated

The app proposes the characterisation from the functional profile; the human validates it against actual conduct. It drives the tested party, method and comparables.

What the entity actually does — limited functions, limited risk — points to a limited-risk distributor. The app proposes it from the profile; the human validates it against conduct.

which transfer-pricing method and profit indicator apply, and to which transactions?

Orchestrated transfer-pricing method table with relabeled entities and transactions >

Method & profit indicator — Volcar Group Italia

App maps · confirmed

One entity → three transactions, each tested on its own

#	Transaction	Method & profit indicator	Status
1	Vehicle distribution (buy-sell)	TNMM Operating margin = EBIT ÷ net sales (not net profit)	✓ Confirmed
2	Aftermarket / parts service	Cost-plus Net cost-plus markup	✓ Confirmed
3	Volcar brand royalty (outbound)	CUP — DEMPE basis vs comparable licence rates · tested separately	⚠ Flagged · deferred

Method follows from what the parties do. Testing the royalty together with the net margin would double-count — so the three transactions are delineated.

Method follows from what each party does — routine distribution on TNMM, parts on cost-plus, the **Volcar** brand royalty held out as a separate CUP/DEMPE question. Three transactions, delineated so the royalty doesn't double-count against the margin.



What about the DEMPE analysis?

Orchestrated DEMPE widget rebranding from Volvo to Volcar >

DEMPE — Volcar brand royalty (Italy → principal)

App surfaces inputs · human makes the functional judgment

Flagged · deferred · human-led

Function (who performs / controls)	By
D Development · brand R&D, positioning	Principal (Sweden)
E Enhancement · global campaigns	Principal (Sweden)
E Enhancement · local market development (open question)	Italy
M Maintenance · ongoing brand investment	Principal (Sweden)
P Protection · trademark registration / defence	Principal (Sweden)
E Exploitation · licensing the mark	Principal (Sweden)
E Exploitation · local sales	Italy

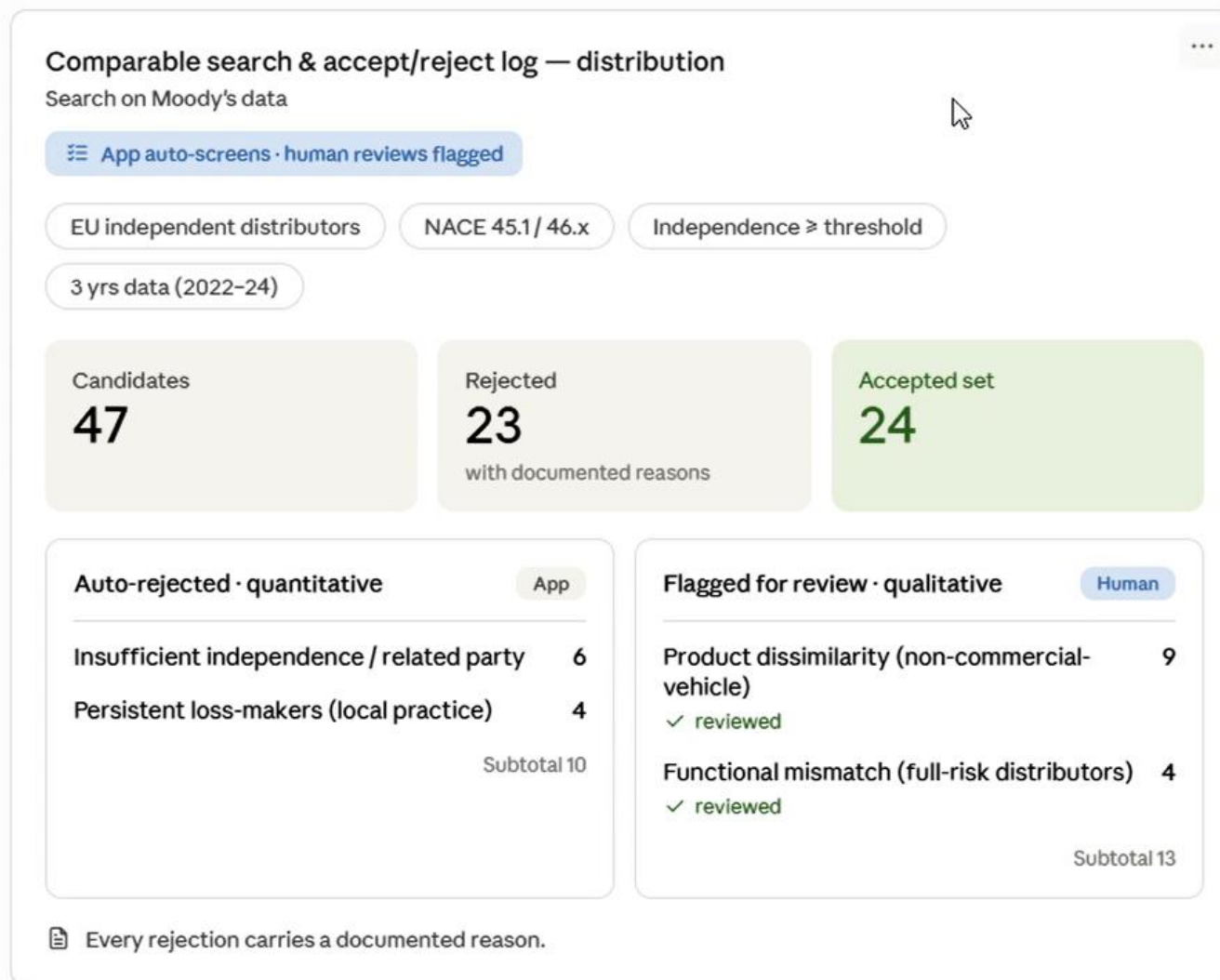
Key question

Is Italy performing uncompensated enhancement / exploitation (local marketing) and also paying a full royalty? If so, the royalty may over-strip Italy — or Italy is owed a marketing return. The app cannot judge this: control of functions and risk — conduct, not where a cost is booked — decides it.

A full DEMPE is feasible but deep and human-led — flagged as a separate next-step inquiry, not settled here. The defensible position rests on the distribution transaction and does not rely on the royalty.

The **Volcar** brand royalty is its own transaction — and a full DEMPE is feasible but deep, so it's flagged as a separate, human-led step. The position rests on distribution, not the royalty.

Orchestrated comparable search widget with dual-panel accept/reject log display >




Forty-seven candidates in, twenty-four out the other side — the app auto-screens the quantitative misfits, the human reviews the qualitative ones, and every rejection carries a documented reason. That log is what survives challenge.

Orchestrated financial adjustments and relabeled entity references >

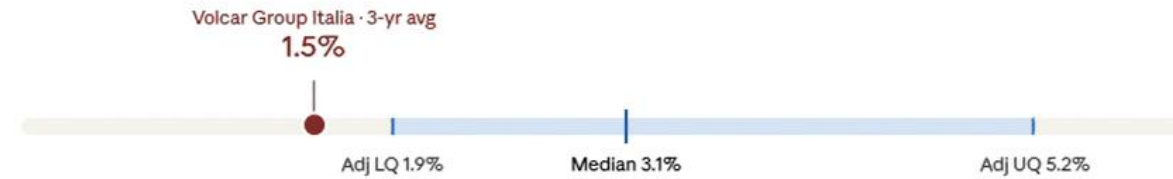
Working-capital adjustment & multi-year average — Volcar Group Italia

Does the flag survive? — tested on the most taxpayer-favourable basis

 App computes · re-runnable

Operating-margin range (n = 24)	LQ	Median	UQ
Raw	2.1%	3.6%	5.8%
Adjusted · working-capital + accounting	1.9%	3.1%	5.2%

A published, re-runnable formula — not a judgement call.



Below range — on the most taxpayer-favourable basis

 Below range


3-yr weighted average 1.5% (FY2024 single-year 1.3%) sits below the adjusted lower quartile of 1.9%. The flag survives both the adjustment and the multi-year average.

Position: a basis to open an inquiry — or propose an adjustment toward the median (3.1%). Quantum and the decision to proceed stay human. The brand royalty (DEMPE) is a separate, flagged inquiry — not relied on here.

Adjust the range, average across three years — and even on the most generous basis the margin still sits below it. The flag survives; the quantum and the call stay human.

Orchestrated dual summary screens with company name relabeling >

Defensible position — distribution

 Lead · not a verdict

A basis to open an inquiry — not a determination

A distribution margin **below the arm's-length range**, on the most taxpayer-favourable basis — a basis to open an inquiry, or to propose an adjustment toward the median (3.1%).

The position rests on

Characterisation — Limited-Risk Distributor (LRD), validated against conduct

Method & PLI — TNMM on operating margin (EBIT ÷ net sales)

Tested party — Volcar Group Italia (least-complex)

Benchmark — 3-yr weighted avg 1.5% vs adjusted range 1.9–5.2% (median 3.1%) → **below range**

Robustness — survives the working-capital adjustment and multi-year average

Royalty (DEMPE) — separate, flagged inquiry; not relied on

Defensible because the process is documented to the BEPS Action 13 Local File standard — not because an app produced a number. Quantum and the decision to proceed stay human.

The whole position rests on the distribution transaction — characterised, benchmarked, adjusted, and still below range. A basis to open the file; the quantum and the call stay human.

Provenance & defensibility chain

Every artifact → its source and its owner

📄 BEPS Action 13 · Local File

App & Moody's data

Reproducible

Ownership, UBO & screening	Moody's data
Segmented P&L & margins	Moody's data
Peer benchmark & comparable search	Moody's data
Working-capital adj. & multi-year avg	App · re-runnable
Tax-rate differential (motive)	Moody's data

Human

The judgment

FAR characterisation (LRD)	validated
Method & PLI	confirmed
DEMPE (brand royalty)	flagged · human-led
Decision & quantum	stays human

Documented to the BEPS Action 13 Local File standard. Defensible because every step is auditable and reproducible — not because an app produced a number.

Every input traces to Moody's data, every calculation re-runs, and every judgment is the human's — documented to the BEPS Action 13 Local File standard. Defensible because the method is auditable, not because a number came out of a model.



Orchestrated end-to-end investigation flow visualization with refined parameters >

TP Risk investigation - end to end

1 **Selection**
Risk analytics flags the entity



2 **Entity**
Who is this, really? · ownership graph, Moody's data



3 **Structure**
Shell indicators · UBOs · related parties · Due Diligence assembled



4 **Pricing**
Peer benchmark flags · FAR validated · method mapped · adjustments computed



5 **Screening**
Sanctions · PEP · adverse media



 **Decision**
Decision stays human · defended · every step time-stamped & sourced

A lead at every step — not a verdict. The human stays at the centre.

Selection to decision in six steps — the app carries the routine work at each one, the human carries the judgment. A lead at every step, not a verdict.