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VOLVO

Press release

9 November 2021

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Goldman Sachs Bank Europe SE and Skandinaviska Enskilda Banken AB (publ) (”**SEB**”) (the “**Joint Global Coordinators**”) have today notified Volvo Cars and Geely Sweden Holdings AB (“**Geely Sweden**”) that the overallotment option has been exercised in full and that the stabilisation period has ended.

In connection with the initial public offering of Volvo Cars and the listing of its common shares of class B on Nasdaq Stockholm on 29 October 2021 (the "**Offering**"), Geely Sweden granted the Joint Global Coordinators an option to acquire up to an additional 56,603,773 existing shares in Volvo Cars, corresponding to maximum 15 per cent of the number of shares in the Offering, to cover any overallotment in connection with the Offering (the “**Overallotment Option**”), exercisable in whole or in part within 30 days from the date on which Volvo Cars’ shares commenced trading on Nasdaq Stockholm. The Overallotment Option has been exercised in full.

No price stabilisation activities have been carried out since the Offering, and due to the Volvo Cars’ share price performance, SEB has, as stabilising manager on behalf of the Joint Global Coordinators, decided to end the stabilisation period.

About Volvo Cars

Volvo Cars is one of the world’s fastest growing premium automotive brands (both in terms of units sold and revenue) and is focused on the design, engineering, manufacturing, distribution and sale of premium passenger cars, now with particular focus on sustainability, fully electric cars and direct to consumer relations, including subscription and other new mobility services.

Founded and headquartered in Gothenburg, Sweden in 1927, over the course of its history, Volvo Cars has been a global force for automotive safety and innovation. Volvo Cars has been credited with a number of industry leading innovations that are now standard in cars across the world, such as the three-point safety belt, the side impact protection system, side impact airbags and autonomous emergency braking.

Since Geely Sweden became majority owner of Volvo Cars in 2010, the company has implemented a strategic transformation, from its status as a division within a large automobile group, under its previous majority owner, into a standalone premium automobile brand. Volvo Cars has gone from selling 373,525 cars in 2010 to more than 770,000 cars in over 100 countries during the twelve months ended 30 June 2021.

Moreover, the company is dedicated to full electrification and its intention is to be a pure electric car company by 2030 and the company is also currently undergoing a shift in its business model to a direct sales model in most markets. Volvo Cars' commitment to electrification has also resulted in the launch of Polestar, a progressive stand-alone electric performance car brand, in which Volvo Cars currently own 49.5 per cent. Volvo Cars is also holding 30 per cent of the fast-growing automotive brand LYNK&CO, which focuses on young open-minded urban people through a flexible customer offering.

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The information was submitted for publication, through the agency of the contact person set out above, at 09:00 CET on November 9, 2021.

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