The Board of Volvo Cars has decided on the final terms and timetable for the distribution of 62.7 percent of its Polestar shareholding to its shareholders

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The Board of Directors of Volvo Car AB (publ) ("Volvo Cars") has decided on the final terms and timetable for the distribution of Volvo Cars' shareholding in Polestar Automotive Holding UK PLC ("Polestar") to Volvo Cars' shareholders. Volvo Cars has also received all necessary regulatory clearances, approvals and decisions.

On 26 March 2024, the Annual General Meeting ("**AGM**") of Volvo Cars resolved, in accordance with the Board of Directors' proposal, to distribute a portion of Volvo Cars' shareholding in Polestar to Volvo Cars' shareholders. The AGM also resolved to authorise the Board of Directors to finally determine the portion of the Polestar shareholding to be distributed, the redemption amount per share as well as the timetable for the share redemption. In line with the previously communicated intention, the Board of Directors of Volvo Cars has decided to distribute 62.7 percent of Volvo Cars' shareholding in Polestar, and that the redemption consideration will be three (3) Swedish Depository Receipts ("**SDRs**") for fourteen (14) redemption shares. Polestar has American Depository Shares ("**Polestar Class A ADSs**"), which represent the underlying Class A shares in Polestar, listed on Nasdaq New York, and the SDRs represent the underlying Polestar Class A ADSs. Based on the closing price for the Polestar Class A ADSs on Nasdaq New York on 4 April 2024, the extraordinary value transfer to Volvo Cars' shareholders amounts to approximately SEK 10.4 billion in total, corresponding to approximately SEK 3.5 per series B share in Volvo Cars.[1]

The Board of Directors has set the record date for the share split to 12 April 2024, entailing that the last trading day in the Volvo Cars series B share including the right to receive redemption shares will be on 10 April 2024, and the first trading day in the Volvo Cars series B share excluding the right to receive redemption shares will be on 11 April 2024. The redemption shares will be traded on Nasdaq Stockholm from and including 15 April 2024 to and including 30 April 2024. The Board of Directors has also set the record date for the right to receive the redemption consideration, *i.e.*, the SDRs representing the underlying Polestar Class A ADSs, to 8 May 2024. The redemption consideration is estimated to be available on the shareholders' securities accounts, nominee accounts or equivalent on or around 13 May 2024. Holders of SDRs may apply for conversion of SDRs into Polestar Class A ADSs during the conversion period, which is expected to commence on or around 13 May 2024 and end on or around 13 August 2024. A press release with instructions regarding the conversion, including the timetable for the conversion period, will be made available in connection with the commencement of the conversion period.

Please note that the final terms and timetable for the distribution are the same as the indicative terms and timetable stated in the notice of the AGM and in the information brochure relating to the distribution of Volvo Cars' shareholding in Polestar.

Regulatory clearances, approvals and decisions

The AGM's resolution on the distribution of Volvo Cars' shareholding in Polestar was conditional upon receipt of all necessary regulatory clearances, approvals and decisions on terms which, in Volvo Cars' opinion, were acceptable no later than 5 April 2024. As previously communicated, the proposed distribution has been subject to receipt of regulatory approval in the United Kingdom, which Volvo Cars has received. As a result, Volvo Cars has received all necessary regulatory clearances, approvals and decisions, and the condition has thus been satisfied.

Further information and detailed timetable for the distribution

For further information on the share redemption and detailed timetable for the distribution, as well as detailed instructions on the conversion from SDRs to Polestar Class A ADSs, please see the information brochure together with the general terms and conditions for the SDRs which are available on the company's website, http://investors.volvocars.com/en/the-share/polestar (subject to certain confirmations). For information regarding Polestar, as well as the Polestar Class A ADSs, please refer to Polestar's website, http://investors.polestar.com/.

[1] Based on 10.6068 USD/SEK exchange rate on 4 April 2024.

About Volvo Cars

Volvo Cars was founded in 1927. Today, it is one of the most well-known and respected car brands in the world with sales to customers in more than 100 countries. Volvo Cars is listed on the Nasdaq Stockholm exchange, where it is traded under the ticker "VOLCAR B".

"For life. To give people the freedom to move in a personal, sustainable and safe way." This purpose is reflected in Volvo Cars' ambition to become a fully electric car maker by 2030 and in its commitment to an ongoing reduction of its carbon footprint, with the ambition to be a climate-neutral company by 2040.

As of December 2023, Volvo Cars employed approximately 43,400 full-time employees. Volvo Cars' head office, product development, marketing and administration functions are mainly located in Gothenburg, Sweden. Volvo Cars' production plants are located in Gothenburg, Ghent (Belgium), South Carolina (US), Chengdu, Daqing and Taizhou (China). The company also has R&D and design centres in Gothenburg and Shanghai (China).

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