



Volvo Cars has completed the distribution of 62.7 percent of its Polestar shareholding to its shareholders and commences the conversion period of SDRs into Polestar Class A ADSs

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Volvo Car AB (publ) ("Volvo Cars") announces that the company, in accordance with the previously communicated final terms and timetable, has completed the distribution of 62.7 percent of its shareholding in Polestar Automotive Holding UK PLC ("Polestar") to Volvo Cars' shareholders in the form of Swedish Depositary Receipts ("SDRs"). Polestar has American Depositary Shares ("Polestar Class A ADSs"), which represent the underlying Class A shares in Polestar, listed on Nasdaq New York, and holders of SDRs may apply for conversion of SDRs into Polestar Class A ADSs during the conversion period which commences today.

The SDRs will be distributed today to the shareholders' securities accounts, nominee accounts or equivalent. The SDRs will not be admitted to trading in Sweden or elsewhere. During the period 13 May up to and including 13 August 2024 (the "**Conversion Period**"), holders of SDRs may, free of charge, apply for conversion of SDRs into Polestar Class A ADSs, which can be traded on Nasdaq New York. Polestar Class A ADSs will be delivered to SDR holders who applies for conversion during the Conversion Period on a bi-weekly basis. The SDR-program is a temporary solution that will be terminated in connection with the expiry of the Conversion Period on 13 August 2024. Upon termination, all holders of SDRs who have not yet converted their SDRs into Polestar Class A ADSs, will automatically have their SDRs redeemed by Skandinaviska Enskilda Banken, as agreed with Volvo Cars, whereby the Polestar Class A ADSs that the SDRs represent will be sold on Nasdaq New York, at prevailing

market terms at that point in time. The sale will take place as soon as practicable after the termination of the SDR-program. The payment of the proceeds from the sale of Polestar Class A ADSs will be paid *pro rata* to the previous holders of such SDRs. Such payment is expected to take place on or around 27 August 2024.

Depending on whether the SDR holder's holding is directly or nominee registered, different measures are required in order to participate in the conversion of SDRs into Polestar Class A ADSs. If your SDRs are nominee registered, follow the instructions you receive from your nominee to participate in the conversion of SDRs into Polestar Class A ADSs.

Please note that Polestar Class A ADSs cannot be distributed to directly registered holders of SDRs. Consequently, directly registered holders of SDRs must open a custody account, an investment savings account (Sw. *investeringssparkonto*) or an endowment insurance (Sw. *kapitalförsäkring*) and transfer the SDRs to that account to participate in the conversion of SDRs into Polestar Class A ADSs. After opening of such account, follow the instructions from your nominee to participate in the conversion of SDRs into Polestar Class A ADSs.

The Swedish Tax Agency will issue recommendations for determination of the allocation of the acquisition cost of the original Volvo Cars shares of series B between the redemption shares and the original Volvo Cars shares, the redemption share disposal value and the acquisition cost for distributed SDRs and the dividend value for withholding tax purposes. The recommendations will be made available on Volvo Cars' website, <http://investors.volvocars.com/en/the-share/polestar> (subject to certain confirmations), and the Swedish Tax Agency's website, www.skatteverket.se on or around 20 May 2024.

An information brochure with further information and detailed instructions on the conversion from SDRs to Polestar Class A ADSs as well as the general terms and conditions for the SDRs, are available on Volvo Cars' website, <http://investors.volvocars.com/en/the-share/polestar> (subject to certain confirmations). An information video relating to the distribution and a shareholder Q&A has also been prepared and made available on Volvo Cars' website and can be accessed via the same link.

For information regarding Polestar, as well as the Polestar Class A ADSs, please refer to Polestar's website, <http://investors.polestar.com/>.

Volvo Cars in 2023

For the full year 2023, Volvo Car Group recorded a record-breaking core operating profit of SEK 25.6 billion. Revenue in 2023 amounted to an all-time high of SEK 399.3 billion, while global sales reached a record 708,716 cars.

About Volvo Car Group

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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