

**Northvolt takes major actions to support and enhance  
homegrown battery production platform**

- *Operations to continue as usual during Chapter 11 reorganization process, with company meeting obligations to customers, vendors and employees*
- *Voluntary reorganization facilitates access to approximately \$145 million in cash collateral and \$100 million debtor-in-possession financing*
- *Process will help secure Northvolt's long-term mission to establish a homegrown, Western industrial base for battery production*

STOCKHOLM – MM DD 2024 – Northvolt AB and certain of its subsidiaries (“Northvolt”) voluntarily filed for Chapter 11 reorganization in the United States. By enabling the company to restructure its debt, appropriately scale the business to current customer needs and secure a sustainable foundation for continued operation, these Chapter 11 filings will help Northvolt to implement the decisions made as part of its strategic review to rescope the business and prioritize commitments to customers.

Northvolt will continue to operate as usual during the reorganization, similar to other international companies that have used the Chapter 11 process to reorganize their financial obligations. The company will continue to make deliveries to customers, while fulfilling obligations to critical vendors and payment of wages to employees. The Chapter 11 restructuring process in the U.S. is distinct from a bankruptcy or administration proceeding in Sweden or many other countries.

Importantly, this process will allow Northvolt to access new sources of funding, including approximately \$145 million in cash collateral. In addition, one of Northvolt's existing customers has committed to provide \$100 million in new financing to support Northvolt's business operations in the form of debtor-in-possession (DIP) financing, which is a specialized type of financing for businesses that are restructuring through a Chapter 11 process.

Northvolt Ett, the company's flagship battery gigafactory in Skellefteå, Sweden, and Northvolt Labs in Västerås, Sweden will remain operational as Northvolt ramps up production to meet commitments to its customers. Northvolt Germany and Northvolt North America, subsidiaries of Northvolt AB with projects in Germany and Canada, are financed separately and will continue to operate as usual outside of the Chapter 11 process as key parts of Northvolt's strategic positioning.

Tom Johnstone, interim Chairman of the Board, commented: “This decisive step will allow Northvolt to continue its mission to establish a homegrown, European industrial base for battery production. Despite near-term challenges, this action to strengthen our capital structure will allow us to capture the continued market demand for vehicle electrification. We are likewise pleased by the strong support we have received from our existing lenders and our customers.”

As part of the restructuring process, which is anticipated to be completed in the first quarter of 2025, Northvolt will evaluate proposals for new money investment. This process will include engagements with both strategic and financial investors, as well as existing lenders, shareholders and customers.

Johnstone continued: “Throughout this process, we will focus on meeting our commitments to our stakeholders, including our employees, customers, suppliers and the governments of the countries in which we operate. As a reorganized entity, we aim to establish a resilient base of operations and a competitive platform for innovation and long-term growth that will advance our work to build a more sustainable society.”

The Chapter 11 filings have been made in the U.S. Bankruptcy Court for the Southern District of Texas. As is customary in Chapter 11 proceedings, Northvolt has filed certain “first day” motions that will allow it to meet its obligations to employees, critical vendors and customers, as well as to continue making tax, insurance and utilities payments. Northvolt may take legal actions in other jurisdictions to facilitate the U.S. Chapter 11 proceedings, which include entities in the U.S., Sweden and Poland.

Northvolt is being advised by Teneo as its restructuring and communications advisor. Kirkland & Ellis LLP, A&O Shearman and Mannheimer Swartling Advokatbyrå AB are serving as legal counsel. The company has also engaged Rothschild & Co to run its marketing process.

Court filings and information about the Chapter 11 Cases are available on a separate website (<https://cases.stretto.com/northvolt>). Information is also available by calling 855.314.8797 (U.S. and Canada Toll-Free) and +1 714.479.2596 (International).

**About Northvolt**

Northvolt was established in 2016 in Stockholm, Sweden. Pioneering a sustainable model for battery manufacturing, the company has received orders from several leading automotive companies. The company is currently delivering batteries from its first gigafactory, Northvolt Ett, in Skellefteå, Sweden and from its R&D and industrialization campus, Northvolt Labs, in Västerås, Sweden.

**Media**

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