

*Denna kallelse till obligationsinnehavarna är endast utformad på engelska.*

## **Notice of written procedure for capital securities issued by SAS AB (publ)**

Stockholm, 8 February 2024

**To Holders of the SEK 1,615,000,000 unsubordinated perpetual floating rate callable capital securities with ISIN SE0014957999 (the "Hybrid Instrument") issued by SAS AB (publ) ("SAS" or the "Issuer") on 23 October 2020.**

*Capitalised terms not otherwise defined in this notice (the "**Notice**") shall have the meanings assigned to them in the terms and conditions relating to the Hybrid Instrument (the "**Terms and Conditions**").*

**This Notice and voting request has been sent by Intertrust (Sweden) AB (the "Agent") on 8 February 2024 to direct registered owners and registered authorised nominees (Sw. *förvaltare*) of the Hybrid Instruments recorded as of 7 February 2024 in the debt register (Sw. *skuldbok*) kept by Euroclear Sweden AB (the "CSD"). If you are an authorised nominee under the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) or if you otherwise are holding Hybrid Instruments on behalf of someone else on a securities account, please forward this Notice and voting request to the holder you represent as soon as possible. See "Voting rights and authorisation" under Section 4 (*Written Procedure*) for further**

At the request of Holders representing at least ten (10) per cent. of the Adjusted Nominal Amount, the Agent, acting in its capacity as agent for the Holders under the Terms and Conditions, hereby initiates a written procedure (the "**Written Procedure**"), in which the Holders can vote for or against the Request and/or Waiver (each as defined in Section 2 (*Request or Waiver*) below).

### **NO DUE DILIGENCE CARRIED OUT IN CONNECTION WITH THIS WRITTEN PROCEDURE**

Please note that no due diligence whatsoever (legal, financial, tax, environment or otherwise) has been carried out by the Agent or any of its advisers or any other person for the purposes of the Written Procedure or with respect to the Issuer or its assets, which is why this Notice for Written Procedure does not contain any risk factors or other disclosures with respect to the Issuer or its assets that have been produced as a result of any such due diligence.

### **LIMITATION OF LIABILITY OF THE AGENT**

The Request and the Waiver is presented to the Holders, without any evaluation, advice or recommendations from the Agent to the Holders whatsoever. The Agent has not assessed the Request or Waiver (and their effects, should they be approved) from a legal, commercial,

financial or other perspective and the Agent expressly disclaims any liability whatsoever related to the content of this Notice, the Request and Waiver (and their effects, should they be approved). The Agent has assumed that documentation and other evidence (if any) delivered to it pursuant to the Written Procedure is accurate, correct and complete and the Agent has not verified the contents of any such documentation. The Holders are recommended to seek their own professional advice in order to independently evaluate whether the Request and Waiver (and their effects) are acceptable or not. Neither the Agent, nor any of its advisers have carried out any due diligence in connection with this Written Procedure and no party can guarantee any satisfactory outcome of the Request or Waiver set out herein.

### **ALL HOLDERS ARE STRONGLY ENCOURAGED TO REVIEW AND CONSIDER THE REQUEST**

Before making a decision, each Holder is advised to carefully review the content of this document and the proposed resolution set out in Section 2 (Request *or Waiver*) below and the limitation of liability provision set out above. If a Holder is uncertain as to the content and significance of this document and the measures the Holder should take, the Holder is advised to consult its own legal, tax or financial adviser for this purpose. The Agent will not, and is under no obligation to, update this document.

### **PARTICIPATION IN THE WRITTEN PROCEDURE**

Holders participate by completing and sending the voting form, attached hereto as Schedule 1 (*Voting form*) (the "**Voting Form**") and, if applicable, the power of attorney/authorisation, attached hereto as Schedule 2 (*Power of attorney/authorisation*) (the "**Power of Attorney**") or other sufficient evidence, if the Hybrid Instruments are held in custody other than by the CSD, to the Agent. Please contact the securities firm you hold your Hybrid Instruments through if you do not know how your Hybrid Instruments are registered or if you need authorisation or other assistance to participate.

The Agent must receive the Voting Form no later than 15.00 p.m. (Stockholm time) on 27 February 2024 either by mail, courier or email to the Agent using the contact details set out under Section 4.8 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the formal criteria for being a Holder on 15 February 2024 (the "**Record Date**"). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Hybrid Instruments. For the avoidance of doubt, although meeting the formal criteria for being a Holder on the Record Date makes one eligible to participate in the Written Procedure, it does not necessarily make one eligible to vote to accept or reject the Chapter 11 Plan, which has its own record date for voting purposes of 26 January 2024.

#### **Key information:**

|   |  |
|---|--|
| Record Date for being eligible to vote: | 15 February 2024                           |
| Deadline for voting:                    | 15.00 p.m. (Stockholm) on 27 February 2024 |

|                       |  |
|-----------------------|--|
| Quorum requirement:   | At least twenty (20.00) per cent. of the Adjusted Nominal Amount must reply in the Written Procedure             |
| Majority requirement: | At least fifty (50.00) per cent. of the Adjusted Nominal Amount for which Holders reply in the Written Procedure |

## 1. Background and rationale for the Request

SAS announced in a press release on 5 July 2022 that SAS and certain of its subsidiaries (collectively, the "**Debtors**") had initiated a legal process for financial restructuring conducted under U.S. federal court supervision pursuant to chapter 11 of the U.S. bankruptcy code (the "**Chapter 11 Proceeding**") in the United States Bankruptcy Court for the Southern District of New York (the "**U.S. Bankruptcy Court**"). According to SAS, the Chapter 11 Proceeding is the next step in the business transformation of the Issuer called SAS FORWARD that was launched in February 2022 ("**SAS FORWARD**"). The purpose of the Chapter 11 Proceeding, as publicly disclosed by SAS, is to *inter alia* reach agreements with key stakeholders and restructure the Issuer's debt obligations. On 3 October 2023, SAS announced that Castlake, L.P., on behalf of certain funds or affiliates, Air France-KLM S.A. and Lind Invest ApS, together with the Danish state (collectively the "**Investors**"), had been selected as the winning bidder consortium in SAS' exit financing solicitation process. SAS and the Investors subsequently entered into an investment agreement (the "**Investment Agreement**") including a total investment by the Investors in the reorganised SAS corresponding to approximately SEK 13.2 billion, including approximately SEK 5.2 billion in new unlisted equity and approximately SEK 8 billion in secured convertible debt. In connection with the entry into of the Investment Agreement, SAS also announced that there is no expected value for existing shareholders in the Issuer and only a modest recovery is expected for the Holders of the Hybrid Instrument following the Issuer's emergence from the Chapter 11 Proceeding.

As communicated by SAS, the implementation of the agreed transaction in the Investment Agreement will need to be approved in connection with the confirmation of a chapter 11 plan of reorganisation in the Chapter 11 Proceeding and will remain subject to further conditions precedent, including the implementation of a Swedish company reorganisation (Sw. *företagsrekonstruktion*) (the "**Swedish Reorganisation**") at the Issuer level, and other customary conditions. On 19 December 2023, the Debtors filed a chapter 11 plan and a disclosure statement describing such chapter 11 plan with the U.S. Bankruptcy Court, each of which was subsequently amended on January 23, 2024. On 4 February 2024 SAS filed a second amended chapter 11 plan where SAS estimated the recovery for the Holders to between 6.9 per cent. and 9.4 per cent. of the Nominal Amount with a possibility to receive an additional cash distribution of up to 15.6 per cent. of the Nominal Amount (i.e. a total potential recovery of up to 25.0 per cent. of the Nominal Amount) at a later date provided that certain cash initially reserved (the "**Restricted Funds**") is released. SAS expects the Restricted Funds to be released upon a final resolution of certain potential state non-tax claims and while there is at the date hereof no indication of timing, additional distributions of Restricted Funds to the Holders (if any) may take several years. On 6 February 2024, a hearing to *inter alia* consider approval of the Debtors' disclosure statement was held. The U.S. Bankruptcy Court approved the disclosure statement, and the Debtors were authorised to solicit votes from their stakeholders who are entitled to vote to accept or reject the chapter 11 plan (the solicitation version of the chapter 11 plan, the "**Chapter 11 Plan**"). The solicitation of the Chapter 11 Plan has therefore commenced and the creditors eligible to vote on the Chapter 11 Plan may do so. A confirmation hearing is scheduled for 19 March 2024. If the Chapter 11 Plan is approved by the U.S. Bankruptcy Court in the Chapter 11 Proceeding, the Chapter 11 Plan will be binding on the relevant stakeholders and creditors who are subject to the jurisdiction of the U.S. Bankruptcy Court. A creditor that participates in the Chapter 11 Proceeding and votes on the Chapter 11 Plan may thereby become subject to the jurisdiction of the U.S. Bankruptcy Court and, as a result, may become bound by the Chapter 11 Plan if it is confirmed.

Since the launch of SAS FORWARD in February 2022, an ad hoc group of holders of the Hybrid Instrument, at the date hereof representing approximately 46 per cent. of the Total Nominal Amount (the "**Ad Hoc Committee**"), has organised for the purpose of *inter alia* holding discussions with SAS on the treatment of the Hybrid Instrument in connection with SAS FORWARD and the Chapter 11 Proceeding.

It is the opinion of the Ad Hoc Committee that the Holders will benefit from not participating in the Chapter 11 Proceeding and not voting on the Chapter 11 Plan in order to instead participate and protect their rights in the subsequent Swedish Reorganisation. Pursuant to the Terms and Conditions, it is the Agent who is entitled to take actions in relation to the Hybrid Instrument on behalf of all Holders, including voting on the Chapter 11 Plan. In order to take such actions, the Agent may seek instructions from the Holders. An individual Holder may not take any step whatsoever to *inter alia* recover any amount due under the Terms and Conditions.

Consequently, the Agent and the Ad Hoc Committee hereby seek the Holders' consent to, on behalf of the Holders, refrain from voting on the Chapter 11 Plan. Should a settlement agreement subsequently be reached between the Ad Hoc Committee and SAS, another written procedure under the Hybrid Instrument may be launched where such agreement is put up for a vote by all Holders.

Holders may also reject the Request but agree to waive Clause 20 (*No Direct Actions by Holders*) with regards to the Chapter 11 Plan only. The Waiver (as defined below), if approved, will entitle each individual Holder to vote on the Chapter 11 Plan in respect of its individual claim under the Hybrid Instrument without *inter alia* having to obtain the consent of the Agent or any other Holder. If the Waiver is approved and subsequently a Holder utilises its individual right to vote on the Chapter 11 Plan, the Chapter 11 Plan may be binding on such Holder if confirmed by the U.S. Bankruptcy Court. If a Holder wishes to vote on the Chapter 11 Plan following the approval of the Waiver, such Holder will also be required to inform itself about the procedure for doing so, and neither the Agent nor the Ad Hoc Committee will be able to provide any further guidance as to how to cast such a vote.

The Ad Hoc Committee is looking to add more members to its group. Should any Holder, not currently a member of the Ad Hoc Committee, like to join the Ad Hoc Committee, please reach out separately to the Agent at the email address set out in Section 4 below.

## **2. Request or Waiver**

The Holders are hereby requested to approve the following action: The Agent shall **refrain** from voting in respect of the Hybrid Instruments on the Chapter 11 Plan (the "**Request**").

The Agent has been informed that all members of the Ad Hoc Committee, jointly representing approximately 46 per cent. of the Adjusted Nominal Amount, have expressed their approval for the Request.

The Holders are also presented with the opportunity to reject the Request but approve that Clause 20 (*No Direct Actions by Holders*) is waived with regards to the Chapter 11 Plan only, entitling each individual Holder to vote on the Chapter 11 Plan in respect of its individual claim under the Hybrid Instrument (the "**Waiver**").

### **3. Effective Date**

The Request shall be deemed approved and effective immediately upon expiry of the voting period and receipt of the required majority voting for the Request as set forth in Section 4.7 (*Majority*) or if earlier, when a requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent. The actions of the approved Request shall be effective at the same time unless otherwise stated in this Notice.

The Waiver shall be deemed approved and effective immediately upon (i) expiry of the voting period and receipt of the required majority rejecting the Request but approving the Waiver as set forth in Section 4.7 (*Majority*) or if earlier, when a requisite majority of consents of the Adjusted Nominal Amount have been received by the Agent, and (ii) the consent of SAS to such Waiver.

### **4. Written Procedure**

The following instructions need to be adhered to under the Written Procedure.

#### **4.1 Final date to participate in the Written Procedure**

The Agent must have received the votes by mail, courier or email to the address indicated below no later than 15.00 p.m. (Stockholm time) on 27 February 2024. Votes received thereafter may be disregarded.

#### **4.2 Decision procedure**

The Agent will determine if received replies are eligible to participate under the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount have been received by the Agent, the Request or Waiver shall be deemed to be adopted by the Holders, even if the time period for replies in the Written Procedure has not yet expired.

Information about the decision taken under the Written Procedure will be sent by notice to the Holders and be published on the website of the Issuer and the Agent.

Any matter decided under the Written Procedure will be binding for all Holders, irrespective of them responding in the Written Procedure.

#### **4.3 Voting rights and authorisation**

Anyone who wishes to participate in the Written Procedure must, on the Record Date 15 February 2024, be registered in the Issuer's debt register as:

- i. a direct registered owner of a Securities Account; or
- ii. a nominee in a Securities Account, with respect to one or several Hybrid Instruments.

#### **4.4 Hybrid Instruments registered with a nominee**

If you are not registered as a direct registered owner, but your Hybrid Instruments are held through a registered nominee or another intermediary, you may have two different options to influence the voting for the Hybrid Instruments.

- (1) You can ask the nominee or other intermediary that holds the Hybrid Instruments on your behalf to vote in its own name as instructed by you.

- (2) You can obtain a Power of Attorney (Schedule 2) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Hybrid Instruments through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as Holder of the Securities Account, or from each intermediary in the chain of holders, starting with the intermediary that is registered in the debt register as a Holder of the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the nominee or other intermediary that holds the Hybrid Instruments on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Hybrid Instruments on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Hybrid Instruments are registered or need authorisation or other assistance to participate. Hybrid Instruments owned by the Issuer or another Group Company are not entitled to any voting rights.

#### **4.5 Quorum**

To approve the Request or the Waiver, Holders representing at least twenty (20.00) per cent. of the Adjusted Nominal Amount must reply to the Written Procedure in order to form a quorum.

#### **4.6 Second Written Procedure**

If a quorum does not exist, the Agent may initiate a second Written Procedure, provided that the relevant proposal has not been withdrawn. No quorum requirement will apply to such second Written Procedure. At the option of each Holder, a voting form provided at or before 15.00 (Stockholm time) on 27 February 2024 in respect of the Written Procedure shall also remain valid for any such second Written Procedure.

#### **4.7 Majority**

In order for the Request to be approved, at least fifty (50.00) per cent. of the Adjusted Nominal Amount held by Holders that reply in the Written Procedure must consent to the Request.

In order for the Waiver to be approved, at least fifty (50.00) per cent. of the Adjusted Nominal Amount held by Holders that reply in the Written Procedure must reject the Request but approve the Waiver.

#### **4.8 Address for sending replies**

Return the Voting Form, in the form set out in Schedule 1, and, if applicable, the Power of Attorney, in the form set out in Schedule 2, or other sufficient evidence, if the Hybrid Instruments are held in custody other than Euroclear Sweden, by regular mail, scanned copy by e-mail, or by courier to:

*By regular mail:*

Intertrust (Sweden) AB  
Attn: Kristofer Nivenius  
P.O. Box 16285  
SE-103 25 Stockholm

*By courier:*

Intertrust (Sweden) AB  
Attn: Kristofer Nivenius

Sveavägen 9, 10th floor  
SE-111 57 Stockholm

*By email:*

E-mail: trustee@intertrustgroup.com

#### **4.9 Further information**

For questions regarding the administration of the Written Procedure, please contact the Agent at the above e-mail address or telephone number +46 70 688 19 10.

For questions regarding the Request or the Waiver, please contact the Agent at the above e-mail address or telephone number.

The Ad Hoc Committee is looking to add more members to its group. Should any Holder, not currently a member of the Ad Hoc Committee, like to join the Ad Hoc Committee, please reach out separately to the Agent at the email set out above.

---

**Stockholm 8 February 2024**

**Intertrust (Sweden) AB**

**as Agent**



Enclosed:

|            |                                 |
|------------|---------------------------------|
| Schedule 1 | Voting Form                     |
| Schedule 2 | Power of Attorney/Authorisation |

**SCHEDULE 1****VOTING FORM**

**For the Written Procedure initiated on 8 February 2024 for the 1,615,000,000 unsubordinated perpetual floating rate callable capital securities with ISIN SE0014957999 issued by SAS AB (publ).**

**The Agent is hereby empowered to enter into all necessary documentation required to implement the Request or Waiver, in the event the Request or Waiver is approved.**

**Reply**

Name of person/entity voting: \_\_\_\_\_

Nominal Amount voted for: \_\_\_\_\_

The undersigned hereby (put a cross in the appropriate box) votes for alternative:

**A) Approve**       **B) Reject**       **C) Reject but approve the Waiver**

with respect to the Request. As described in the Written Procedure, ***the Ad Hoc Committee recommends that Holders approve the Request***, thereby authorising the Agent to refrain from voting in respect of the Hybrid Instruments on the Chapter 11 Plan.

The undersigned hereby confirms (put a cross in the appropriate box) that this voting form shall constitute a vote also for a second Written Procedure (if any) pursuant to Clause 15.4.6 (*Decisions by Holders*) of the Terms and Conditions with respect to the Request or Waiver:

**Confirmed**       **Not confirmed**

Signature

\_\_\_\_\_  
Name in print:

Contact information

Email:

Tel:

**NOTE: Please attach a power of attorney/authorisation if the person/entity voting is not registered on the Securities Account as a direct registered owner or authorised nominee. The voting form shall be signed by an authorised signatory. A certified copy of a registration certificate or a corresponding authorisation document for the legal entity shall be appended to the voting form for any legal**

**entity voting. The registration certificate, where applicable, may not be older than one year.**

**SCHEDULE 2****POWER OF ATTORNEY/AUTHORISATION**

**For the Written Procedure initiated on 8 February 2024 for the 1,615,000,000 unsubordinated perpetual floating rate callable capital securities with ISIN SE0014957999 issued by SAS AB (publ).**

Authorised Person<sup>1</sup>: \_\_\_\_\_

Nominal Amount<sup>2</sup>: \_\_\_\_\_

Grantor of authority<sup>3</sup>: \_\_\_\_\_

We hereby confirm that the Authorised Person specified above has the right to vote for the Nominal Amount set out above including the right to vote for the Nominal Amount set out above in a second Written Procedure (if any) pursuant to Clause 15.4.6 (*Decisions by Holders*) of the Terms and Conditions with respect to the Request or Waiver.

We represent an aggregate Nominal Amount of<sup>4</sup>: \_\_\_\_\_

We are (put a cross in the appropriate box):

Registered as authorised nominee on a Securities Account

Registered as direct registered owner on a Securities Account

Other intermediary and hold the Hybrid Instruments through<sup>5</sup> \_\_\_\_\_

Date:

Signature

\_\_\_\_\_

<sup>1</sup> Insert the name of the person/entity that should be authorised to vote.

<sup>2</sup> Insert the aggregate nominal amount the Authorised Person should be able to vote for.

<sup>3</sup> Insert the name of entity/person confirming the authority.

<sup>4</sup> The total Nominal Amount the undersigned represents.

<sup>5</sup> Mark this option if the undersigned is not registered as authorised nominee or direct registered owner in the Securities Account kept by Euroclear. Please insert the name of the firm the undersigned holds the Hybrid Instruments through.