

June 10, 2024



PLAN OF REORGANIZATION

for

SAS AB (publ), Reg. No. 556606-8499

June 10, 2024

Stockholm District Court, Case No. Ä 5580-24

[This is a translation. In case of any discrepancies, the Swedish original shall prevail]

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Plan of Reorganization

Debtor: SAS AB (publ), Reg. No. 556606-8499
AVD code: STOUU-T, SE-195 87 Stockholm

Administrator: Mikael Kubu¹
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1. Background²

The SAS Group's core business is to operate passenger flights within a Scandinavian and international route network. SAS AB (publ), 556606-8499 (hereinafter referred to as the "**Company**")³ is the parent company of the SAS Group. The Company's operations consist of customary functions for a Swedish listed group parent company (i.e. a company whose shares are admitted to trading on a regulated market), including, *inter alia*, the provision of management services, raising external capital and on-lending to other entities in the SAS Group, and the provision of guarantees as security for indebtedness, leasing commitments and certain other commitments for other entities in the SAS Group.

The aviation industry was hit hard financially by the COVID-19 pandemic, which had a negative impact on the Company. In 2020, the Company completed a capital raise and a voluntary debt settlement to stabilize the business, but the Company continued to experience financial pressure thereafter. In February 2022, the SAS FORWARD transformation plan was launched in an effort to secure a solid financial foundation for the Company by, among other things, significantly deleveraging the capital structure of the CH Debtors, reducing external costs and adapting the CH Debtors' fleet and route network. Difficulties in reaching agreements with key stakeholders and a pilot strike in July 2022 led the Company and certain subsidiaries to initiate Chapter 11 proceedings in the United States in the same month to preserve liquidity and continue the implementation of SAS FORWARD.

The Chapter 11 proceedings initiated by the Company and its subsidiaries on July 5, 2022 in the United States have enabled the Company and the other CH Debtors to renegotiate agreements and achieve significant cost savings, which are crucial to the Company's continued operations and to the implementation of SAS FORWARD. An important part of the process has been to secure an investment in the Company, which is crucial to prevent insolvency and secure the viability of the Company and the SAS Group. Such investment has been secured through an extensive and competitive bidding process and has subsequently been documented in the Investment Agreement. The renegotiated agreements and associated cost savings, as well as the Investment, are conditional upon the completion of the Company's company reorganization.

The Company has secured, unsecured and subordinated liabilities. In order to secure the long-term viability of the business, it is necessary to reach agreements with key stakeholders that are,

¹ The administrator's reorganization report is appended to this reorganization plan, see Appendix 1 and related appendices.

² For further information on the Company (as defined below) and the reasons for the Company's financial difficulties, please see the application for company reorganization (in particular section C).

³ Defined terms used in this reorganization plan are set out in Appendix 2 and are substantially the same as in the list of definitions attached to the Company's application for company reorganization (see Appendix 1 to the application). However, certain terms are defined in the body of the reorganization plan or in the relevant appendices where explicitly stated.

directly or indirectly, affected by the Company's company reorganization. Such agreements have to a large extent already been reached insofar as it relates to the part of SAS FORWARD that has been implemented within the framework of the Chapter 11 proceedings (see e.g. sections 7, 8 and 16 of Appendix 6 to the application for company reorganization), with some exceptions.

As described in further detail in Appendix 6 to the application for company reorganization, the implementation of SAS FORWARD has involved extensive work related to cost savings. A significant part of this work relates to the renegotiation of lease agreements and other agreements with suppliers. This is necessary to ensure that the operations of the Company's subsidiaries' are profitable. These measures have been successfully undertaken within the framework of the Chapter 11 proceedings; however, the implementation is dependent on the Chapter 11 Plan becoming effective as well as the completion of the Investment Agreement. The effectiveness of the Chapter 11 Plan is in turn conditional upon this reorganization plan being approved and the approval decision having entered into legal force.

By decision of the Stockholm District Court on March 27, 2024 in case no. Å 5580-24, the Company has initiated company reorganization pursuant to the Swedish Company Reorganization Act (2022:964) ("FRekL"). The order was confirmed by the District Court through a decision announced during the creditors' meeting on April 17, 2024. A plan hearing will be requested shortly after the publication of this reorganization plan (the publication was made on the date on which the Company published a press release to which this reorganization plan was appended).⁴

2. Status of employees and overall impact on employment

At the commencement of the company reorganization, the Company had one (1) employee, the President and CEO of the Company, Anko van der Werff.

The Company is party to two collective bargaining agreements, but no employee of the Company is covered by these agreements.⁵

The employee of the Company has, during the initial phase of the company reorganization, received information about the company reorganization process and the consequences that the company reorganization has for him. The employee has also been informed of his right to compensation under the Swedish Wage Guarantee Act (1992:497).

No employment has been terminated or added during the company reorganization.

⁴ As stated in section 5.3.6 below, payment is proposed to be made fairly soon after the completion of the reorganization. In view of this, no security has been provided for the consideration offered by the Company under the reorganization plan.

⁵ It may also be noted (although it is not directly relevant in this context) that the Consortium is party to collective agreements and employs workers covered by such agreements.

3. Affected parties, their claims or rights and right of priority

3.1 Affected and unaffected parties

3.1.1 Affected parties

The following parties are affected by the reorganization plan. Consequently, these are creditors whose claims arose before the decision to commence company reorganization and who are directly affected by the reorganization plan, as well as shareholders in the Company whose rights are directly affected by the reorganization plan.

The grouping and the rationale for the grouping, as well as the settlement offer to affected parties in the different groups, are described in section 4 and section 5.3 below, respectively.

3.1.1.1 *Creditors whose claims are subject to a right of priority, security right or right to set-off*

- CL-S Holdings, L.P. and CLG Co-investment Opportunities, L.P.

CL-S Holdings, L.P. and CLG Co-investment Opportunities, L.P. (collectively referred to as the “**DIP Lenders**”) are affected by the reorganization plan and have a claim against the Company in the original total principal amount of USD 500,000,000 under the Replacement DIP Facility (CL-S Holdings, L.P. holds 75.98 percent and CLG Co-investment Opportunities, L.P. holds 24.02 percent of the total amount). In addition to the original principal amount, the DIP Lenders are entitled to (i) accrued interest that has been capitalized and added to the original principal amount, (ii) accrued but unpaid interest that has not been capitalized and is due on the date of repayment of the Replacement DIP Facility obligations in accordance with the terms thereof and (iii) other fees payable under the Replacement DIP Facility. The claims relate to the guarantee provided by the Company under the Replacement DIP Facility. The claims (the guarantee undertaking) are secured by a pledge over the majority of the Company’s assets, both tangible and intangible, including (i) all shares in certain SAS Group companies, such as SAS EuroBonus AB (which owns all rights to the EuroBonus loyalty program); (ii) material registered intellectual property rights; and (iii) intercompany receivables.

The creditors are affected by the reorganization plan since the payment terms originally agreed between the parties are modified in accordance with section 5.3.5 (read together with section 5.2.3.3) below.

3.1.1.2 *General unsecured creditors*

- Eksfin (the Norwegian Term Loan)

The total outstanding principal amount under the Norwegian Term Loan is NOK 1,497,500,000, with an interest rate equal to NIBOR plus a margin of 0,55 percent *per annum*. The claims under the Norwegian Term Loan are general unsecured. The Consortium has guaranteed the Norwegian Term Loan.

Eksfin initially issued a guarantee undertaking in favor of the original lenders under the Norwegian Term Loan. Pursuant to this guarantee undertaking, Eksfin guaranteed (as principal obligor) the Company’s payment obligations under the Norwegian Term Loan, including accrued but unpaid interest and costs, up to a maximum of NOK 1,500,000,000. On June 23, 2022, Eksfin

acquired the (principal) claim from the original lenders under the Norwegian Term Loan and also replaced Nordea Bank Abp, filial i Sverige as facility and documentation agent.

- Holders of the Commercial Hybrid Bonds represented by the agent, Intertrust (Sweden) AB

On October 23, 2020, the Company issued the Commercial Hybrid Bonds, with perpetual maturity and, thus, without any specified maturity date. The total outstanding principal amount is SEK 1,615,000,000. The Commercial Hybrid Bonds bear interest at a floating rate, increasing at different intervals over a ten-year period, before reaching an interest rate of STIBOR plus a margin of 15.90 percent *per annum* on October 23, 2030 until redemption. Interest is due twice a year, on April 23 and October 23. The Company has deferred all interest payments since April 2022, which is permitted under the terms of the Commercial Hybrid Bonds.

In accordance with the applicable accounting policies, the Commercial Hybrid Bonds are accounted for as equity. Regardless of how the instruments are categorized in the accounts, they are debt instruments (and therefore debt).

- Lessors' claims for damages in respect of operating aircraft lease obligations, other aircraft lease obligations and aircraft-related obligations

Aircraft lessors are operators that provide aircraft to airlines through leasing agreements. They play a key role in enabling airlines to expand their fleet and adapt to market needs without having to purchase the aircraft outright. Their role includes managing operating lease obligations, where the aircraft are leased for short periods and often returned to the lessor, as well as other lease obligations, which may include finance leases where the airline, in some cases, has an option to purchase the aircraft at the end of the lease term. The Company has guaranteed aircraft operating lease obligations, other aircraft lease obligations and aircraft-related obligations. Certain of these obligations consist of indemnities under leases terminated or renegotiated within the framework of SAS FORWARD and the Chapter 11 proceedings.

The above creditors (listed in this section 3.1.1.2) have general unsecured claims in the event of bankruptcy and would receive no or only marginal dividends in bankruptcy. They are affected by the reorganization plan since their claims are written down in accordance with the debt settlement set out in section 5.3.5 below. As described below, these creditors are divided into main and side groups as set out in section 4.1.2 below.

3.1.1.3 *Creditors with public law-related claims*

- The Swedish Tax Agency

The Company has a debt in the amount of SEK 18,410,531.00 to the Swedish Tax Agency, for which the Company received a tax deferral prior to the decision on company reorganization (so-called *covidanstånd* in accordance with the Swedish Act (2009:99) on Deferred Payments of Taxes in Certain Cases (Sw. *lag (2009:99) om anstånd med inbetalning av skatt i vissa fall*)).

The creditor has a general unsecured claim in the event of bankruptcy and would receive no or only marginal dividends in bankruptcy. The creditor is affected by the reorganization plan since its claim is written down through the debt settlement set out in section 5.3.5 below.

3.1.1.4 *Creditors with subordinated claims*

- Holders of the Swiss Bonds represented by the agent, Citibank

In 1986, the Consortium issued the Swiss Bonds. Since the bonds were issued, the Consortium has repurchased a portion of the Swiss Bonds, resulting in a current total outstanding principal amount of CHF 127,195,000. The Company has issued a general guarantee undertaking covering the Consortium's obligations under the Swiss Bonds.

The Swiss Bonds have a floating interest rate that is adjusted every ten years. The interest rate is the average of the SBC-Foreign Bonds Index and the Pictet-new foreign Bond Issue Index, rounded up to the nearest $\frac{1}{8}$ percent as necessary, determined on the tenth business day before the beginning of each ten-year period. The current interest rate is 0.625 percent *per annum*. It will next be adjusted on January 14, 2026. Interest is paid annually in arrears on January 14 each year. No interest has been paid since January 14, 2022.

The Swiss Bonds have no scheduled maturity date and are subordinated to all other liabilities of the Consortium that are not expressly subordinated. In addition, the Company is, pursuant to a subordinated guarantee, liable for the Consortium's obligations under the Swiss Bonds (the same priority applies to the guarantee as to the principal obligation).

The holders of the Swiss Bonds have a subordinated guarantee claim against the Company in the event of bankruptcy pursuant to Section 18, first paragraph of the Swedish Rights of Priority Act (1970:979). In the event of bankruptcy, these creditors would not have received any dividend. The holders of the Swiss Bonds are affected by the reorganization plan since their claims are written off through the debt settlement set out in section 5.3.5 below.

- The Danish State and the Swedish State as holders of the State Hybrid Notes represented by the agent, Intertrust (Sweden) AB

The State Hybrid Notes 1: On October 26, 2020, the Company issued the State Hybrid Notes 1, with perpetual maturity and no specified maturity date. The total outstanding principal amount is SEK 5 billion. The State Hybrid Notes 1 carry a floating interest rate, which increases at different intervals over a seven-year period, before reaching an interest rate of STIBOR plus a margin of 10.40 percent as of October 26, 2027 until redemption. The interest rate matures twice a year, on April 26 and October 26. The Company has deferred the interest payment since April 2022, which is permitted under the terms of the State Hybrid Notes 1.

The State Hybrid Notes 1 are subordinated to other debt of the Company.

State Hybrid Notes 2: On October 26, 2020, the Company issued the State Hybrid Notes 2, with perpetual maturity and no specified maturity date. The total outstanding principal amount is SEK 1 billion. They bear interest at a floating rate, increasing at different intervals over a seven-year period, before reaching an interest rate of STIBOR plus a margin of 11.40 percent as of October 26, 2027 until redemption. The interest rate matures twice a year, on April 26 and October 26. The Company has deferred the interest payments since April 2022, which is permitted under the terms and conditions of the State Hybrid Notes 2.

The State Hybrid Notes 2 are subordinated to other debt of the Company.

In accordance with the applicable accounting policies, the State Hybrid Notes are accounted for as equity. Regardless of how the instruments are categorized in the accounts, they are debt instruments (and therefore debt).

The above creditors have claims that, according to the terms of the respective instruments, are subordinated in accordance with Section 18, first paragraph of the Swedish Rights of Priority Act. In the event of bankruptcy, the creditors would not have received any dividend. The creditors are

affected by the reorganization plan since their claims are written down through the debt settlement set out in section 5.3.5 below.

3.1.1.5 *Shareholders*

The Company's registered share capital currently amounts to SEK 8,649,529,469 and there are 7,266,039,292 common shares outstanding in the Company. The ten largest shareholders in the Company are presented in the table below.⁶ As of April 30, 2024, there were approximately 190,000 shareholders in the Company.⁷

Name	Num. of Shares	Capital	Votes	Verified
Government Offices of Sweden	1,584,296,144	21.80%	21.80%	2024-05-29
Government of Denmark	1,584,296,144	21.80%	21.80%	2024-05-29
Wallenberg Investments	248,559,600	3.42%	3.42%	2024-05-29
SEB Funds	47,667,002	0.66%	0.66%	2024-05-29
Nordnet Pensionsförsäkring	38,420,993	0.53%	0.53%	2024-05-29
Paul Zeinou	33,362,090	0.46%	0.46%	2024-05-29
Avanza Pension	22,674,928	0.31%	0.31%	2024-05-29
Nordbakk Svein Roger	21,296,521	0.29%	0.29%	2024-05-29
FCG Fonder	19,618,542	0.27%	0.27%	2024-05-31
Holtung Ole-Gabriel	15,063,333	0.21%	0.21%	2024-05-29
Total 10	3,615,255,297	49.76%	49.76%	
Others	3,650,783,995	50.24%	50.24%	
Total number of shares	7,266,039,292			2024-05-31

The shareholders are directly affected by the reorganization plan since they will not receive any recovery under the reorganization plan, but will instead have their common shares redeemed for no consideration. The mechanics for the redemption procedure are described in further detail in section 5.2.4 and section 5.3.5 below.

3.1.2 Parties not affected by the reorganization plan

To the extent that commitments have been entered into by the Company during the company reorganization, they are under all circumstances not covered by the reorganization plan in accordance with Chapter 4, Section 3 of FRekL.

⁶ It should be noted, however, that given that the Company's common shares are admitted to trading on the regulated market operated by Nasdaq Stockholm (and with secondary listings in Copenhagen and Oslo), this is only a snapshot as of May 31, 2024.

⁷ Based on data from Modular Finance AB and its service Holdings.

3.1.2.1 *Certain lease obligations*

Certain companies within the SAS Group have, during the Chapter 11 proceedings and the company reorganization, entered into new aircraft lease agreements for which the Company has provided a guarantee (new lease obligations). These new lease obligations will be honored and are therefore not affected by any debt write-down. Consequently, these guarantee undertakings issued by the Company will also not be affected by any debt write-down. In addition, during the Chapter 11 proceedings, certain companies within the SAS Group have requested that certain existing aircraft leases be fully or partially performed. To the extent that these old lease obligations are to be performed, they will not be affected by any debt write-down and, consequently, neither will the Company's corresponding guarantee undertakings. For these reasons, any guarantee undertakings entered into by the Company in respect of new lease obligations or old lease obligations to be performed are not affected.

3.1.2.2 *Pension-related obligations*

The same considerations that have been made in relation to certain lease obligations (see section 3.1.2.1 above) also applies with respect to obligations arising from pension provisions for which the Company has provided a guarantee undertaking and pension commitments made by the Company itself. There are no remaining ongoing payment obligations for the Company in respect of these pension-related obligations that are currently fully funded. These creditors are, thus, also unaffected by the reorganization plan.

3.1.2.3 *The Swedish Tax Agency*

The Company's company reorganization is part of the larger reorganization of the SAS Group, where the cut-off date on a consolidated basis for old debt was July 5, 2022 (i.e. the date when, *inter alia*, the Company initiated the Chapter 11 proceedings). Within the framework of this company reorganization, the administrator has allowed the Company to fulfill obligations that arose between July 5, 2022 and March 27, 2024, based on exceptional grounds.

For the reasons set out above, the debt to the Swedish Tax Agency for which the Company has been granted tax deferrals after July 5, 2022 shall be unaffected by this reorganization plan and shall be performed in accordance with the granted deferrals.

3.1.2.4 *Interest related to previously received State aid*

In relation to the Danish State and the Swedish State, there is a potential interest obligation due to the State aid received in connection with the 2020 recapitalization was initially provided on a formally incorrect basis. The State aid in question has subsequently been adjusted so that the formal conditions are met. Thus, the potential liability would relate to interest on State aid received from the time of receipt until the Commission re-approved the State aid in November 2023. It is not yet clear how large such an interest claim could be.

It follows from EU law that a claim for State aid interest cannot be written off in the context of a reorganization procedure and thus cannot be covered by the procedure or a reorganization plan

involving debt write-off.⁸ The interest must be paid in full alongside such a procedure. Thus, the Commission Notice on the recovery of unlawful and incompatible State aid states that “such proceedings must be left unapplied insofar as, in absence of timely recovery of the full recovery amount, they prevent the winding up and cessation of activities of the aid beneficiary”.⁹

In this context, please see also section 5.3.3 below on how a portion of the Investment will be set aside in order to finance the potential payment by the Company of the interest claim described above.

3.1.2.5 *Intra-group claims*

To the extent (if at all) that there is any intra-group claim held by a group company against the Company that has not already been set off at/before the plan proceedings, the creditor of such claim shall be deemed unaffected by this reorganization plan since such claim will be set off against a counterclaim held by the Company (if any). Had the creditor of such intra-group claim been considered affected by the reorganization plan, it would have been placed in a secured group considering its right to set-off.

3.1.2.6 *Blocked accounts and retainer*

The Company has pledged the balance on an account in favor of SEB Kort Bank AB. The security amounts to SEK 15 million *plus* accrued interest. The security is pledged for obligations that the Company, the Consortium and SAS Eurobonus AB have towards SEB Kort Bank AB. Neither the underlying obligations nor the security will be affected by the reorganization plan.

Furthermore, in 2022 the US law firm Weil, Gotshal & Manges LLP received a retainer of USD 50,000 for legal services. This retainer will not be affected by the reorganization plan.

⁸ Issues related to State aid interest are addressed both in the Commission Notice on the recovery of unlawful and incompatible State aid and in the Commission Notice on the enforcement of State aid law by national courts. It follows from these notices that the purpose of recovery of State aid interest is always the same, irrespective of whether recovery concerns the principal amount of the aid including interest or interest only (see paragraph 16 of the Commission Notice on recovery of unlawful and incompatible State aid and paragraph 77 of the Commission Notice on the enforcement of State aid law by national courts).

⁹ See paragraph 131 of the Commission Notice on the recovery of unlawful and incompatible State aid.

4. Grouping and rationale for the grouping

4.1 General background and section layout¹⁰

The stakeholders have been divided into nine groups. The grouping and the rationale for assigning stakeholders to each group are described below.

In order to facilitate the presentation of the grouping, the overall group structure is set out in the table below.¹¹

No.	Affected parties
<u>I.</u>	<u>Group of secured / senior creditors</u>
<u>Group 1</u>	DIP lenders
<u>II.</u>	<u>Groups of general unsecured creditors</u>
<u>Group 2</u>	Counterparties to agreements with the Company that will not be performed and other general unsecured creditors
<u>Group 3</u>	Eksfin (for the Norwegian Term Loan)
<u>Group 4</u>	Aircraft lessors, suppliers, etc. who are counterparties to agreements with the Company to be performed
<u>III.</u>	<u>Group of public law-related claims</u>
<u>Group 5</u>	The Swedish Tax Agency
<u>IV.</u>	<u>Groups of subordinated creditors</u>
<u>Group 6</u>	Holders of the Swiss Bonds
<u>Group 7</u>	The States as creditors under the State Hybrid Notes
<u>V.</u>	<u>Groups of shareholders</u>
<u>Group 8</u>	Holders of the common shares, other than the Danish State
<u>Group 9</u>	The Danish State as holder of existing common shares

¹⁰ As outlined in Appendix 14, some claims presented in this section are 4.1 estimates in terms of amounts and others are disputed.

¹¹ The indication of the amount of a particular claim in section 4.1 has, if such claim is denominated in a foreign currency, been calculated using the relevant exchange rate applicable on March 27, 2024 (i.e., the date of the company reorganization decision).

4.1.1 Creditors whose claims are subject to a right of priority, security right or right to set-off

Group 1 The DIP lenders

Total claim: SEK 5,581,585,025.97 (excluding certain fees)

In accordance with Chapter 4, Section 5, first paragraph, subsection 1 of FRekL, creditors whose claims are associated with a right of priority, security right or right to set-off shall be divided into one group. As indicated above in section 3.1.1.1, the DIP Lenders are creditors with priority rights.

4.1.2 General unsecured creditors

Chapter 4, Section 5, first paragraph, subsection 4 of FRekL states that general unsecured creditors (i.e. creditors who do not have claims referred to in Chapter 4, Section 5, first paragraph, subsections 1-3 of FRekL) shall, as a general rule, be divided into the same group. In accordance with Chapter 4, Section 5, second paragraph of FRekL, affected parties may, however, be divided into additional groups if this is justified on the basis that they have equivalent interests. This section 4.1.2 sets out the proposed division of the general unsecured creditors into three groups (one main group and two side groups), where each group section includes a description of the reasons why the affected parties are considered to have interests that justify placing them in separate groups.

Group 2 Creditors who have agreements with the Company that will not be performed and other general unsecured creditors

Total claim: SEK 4,212,650,465.93¹²

The main group of general unsecured creditors comprises general unsecured commercial creditors that are not to be separated from the main group by being placed in group 3 or group 4. The criteria for being placed in group 3 or group 4 are set out below. In addition to the creditors in group 3 and group 4 having different interests than the creditors in this main group, it is also proposed to give them different (but equivalent) terms in the reorganization plan, which is why they are placed in separate groups.¹³

Group 3 Eksfin (creditor under the Norwegian Term Loan)

Total claim: SEK 1,680,690,633.95

Eksfin is a Norwegian government agency under the Norwegian Ministry of Trade, Industry and Fisheries and, thus, part of the Norwegian state. Eksfin's mission is to increase Norwegian exports and value creation by offering competitive government financing; loans, guarantees and risk relief that promote international sales contracts and investments in Norway. However, the Norwegian Term Loan is not a public law-related claim, but a commercial loan originally provided by privately-owned banks secured with a guarantee undertaking by Eksfin's predecessor (see section

¹² See Appendix 14 regarding certain claims being estimates and others being disputed.

¹³ See Ehrenpil, *Rekonstruktionsuppörelsen* p. 266 ff, Renman, *Något om de nya planförhandlingsreglerna* (Ny juridik 4:22) p. 20 ff and Government bill 2021/22:215 p. 215.

3.1.1.2 above).¹⁴ Accordingly, it is a commercial general unsecured claim that has been acquired, and is now held, by a state actor. The reason why Eksfin should be separated from other commercial general unsecured creditors is that a state has other interests than strictly commercial actors (such as for-profit banks or other private law institutions).¹⁵ The fact that state creditors have such – from commercial actors’ – essentially different interests has been recognized by the legislator in the general justification to Chapter 4, Section 5 of FRekL, which states that there may be grounds to distinguish state creditors from other creditors even when it is not a question of public law claims.¹⁶ For the reasons described above, Eksfin should be placed in a – in relation to other general unsecured creditors – separate side group separate from both public law creditors and other general unsecured commercial creditors. Furthermore, and as noted above, it is proposed to give Eksfin different (but equivalent) terms in the reorganization plan than those offered to the main group of general unsecured creditors as part of the initial distribution, i.e. consideration in the form of shares and not cash.

Group 4 Creditors who have agreements with the Company to be performed

Total claim: SEK 4,870,762,672.78¹⁷

This group comprises general unsecured creditors with an established business relationship with the Company and who have agreements with the Company, or another group company for which the Company has provided a guarantee, that will be fully or partially performed. These creditors will therefore continue to have a relationship with the Company even after completion of the reorganization. Accordingly, these creditors have equivalent interests and should therefore be included in the same group (separate from the general unsecured main group 2 and from the side group 3).¹⁸ Furthermore, and as noted above, the parties included in this side group are also proposed to be given different (but equivalent) terms in the reorganization plan than those offered to the main group as part of the initial distribution, i.e. consideration in the form of shares and not cash.

4.1.3 Creditors with public law-related claims

Group 5 The Swedish Tax Agency

Total claim: SEK 18,410,531.00

In accordance with Chapter 4, Section 5, first paragraph, subsection 2 of FRekL, creditors with public law-related claims shall be divided into a separate group.

¹⁴ See Government bill 2021/22:215, p. 216, and in particular the statement that “[p]ublic-law claims refer to claims from the public authorities that are established by a decision of the authorities”. (Please note that all quotes herein are unofficial translations from Swedish).

¹⁵ See Government bill 2021/22:215, p. 216, and in particular the statement that “[a]n agency’s position on whether a debt settlement should be accepted is not characterized solely by economic considerations”.

¹⁶ Government bill 2021/22:215 p. 216 f.

¹⁷ See Appendix 14 regarding certain claims being estimates and others being disputed.

¹⁸ See Government bill 2021/22:215, p. 217, and in particular the statement that “creditors with an established business relationship with the debtor have interests that differ from those of the other creditors, which is why it is justified to place them in a separate group”.

4.1.4 Creditors with subordinated claims

In accordance with Chapter 4, Section 5, first paragraph, subsection 3 of FRekL, creditors with subordinated claims shall be divided into a separate group. However, the Company has deemed it justified to divide the subordinated creditors into two separate groups. In the same way as noted in section 4.1.2 above, each group section includes a description of the rationale for placing the relevant creditors in a separate group.

Group 6 The Swiss Bonds

Total claim: SEK 1,512,235,187.04

The holders of the Swiss Bonds have been placed in the main group of subordinated creditors separate from the State Hybrid Notes since, to the best of the Company's knowledge, these holders are private and commercial entities, unlike the holders of the State Hybrid Notes (see the reasons set out in section 4.1.2 above, including the references therein, as to why Eksfin has been placed in a separate group; these reasons are equally applicable here). In addition to that the holders of the State Hybrid Notes can be assumed to have different interests than those of the holders of the Swiss Bonds on objective grounds (which are further described in the justification to side group 7 below), the guarantee undertaking in respect of the Swiss Bonds also has priority over the State Hybrid Notes pursuant to the applicable priority rules under the terms and conditions.

Group 7 The State Hybrid Notes

Total claim: SEK 7,106,019,177.68

See the justification for main group 6 above, which explains why the States do not have equivalent interests to those of the holders of the Swiss Bonds. In addition, it should be noted that the nature of the State Hybrid Notes justifies their placement in a subordinated side group. The reason for this is that these claims have arisen as a result of the State Hybrid Notes being issued under a temporary State aid framework and, thus, constituted State aid from the States to the Company. The States must therefore comply with the State aid rules with regard to debt write-down and not only the strictly commercial considerations that a private operator would have to take into account. Furthermore, the States may have to take into account other non-commercial considerations. Accordingly, it can be concluded that the States have equivalent interests, which differ from the interests of the parties placed in the main group.

4.1.5 Shareholders

Group 8 The holders of common shares, other than the Danish State

In accordance with Chapter 4, Section 5, first paragraph, subsection 5 of FRekL, a company's shareholders shall be divided into a separate group. These shareholders have the same position in the event of a bankruptcy and are deemed to have equivalent interests in the company reorganization.

Group 9 The Danish State as holder of existing common shares

The Company is a public company whose common shares are admitted to trading on the regulated market operated by Nasdaq Stockholm (and with secondary listings in Copenhagen and Oslo). At the time of commencement of the company reorganization, the Company had approximately 200,000 shareholders. The vast majority of these shareholders are passive minority shareholders. However, there are some larger and more active shareholders in the Company, including the

Swedish State and the Danish State, who are the Company's largest shareholders, each holding 21.8 percent of the voting rights and share capital. As described in section 4.1.2 above (in the justification for group 3), it has been assumed in the preparatory works of FRekL that public actors may have interests that differ from those of strictly commercial parties. This assumption is of course also applicable in this context. Against this background, it is justified to place the Danish State (in its capacity as shareholder) in a separate side group from the other shareholders. However, the objective reasons for this are not only that the Danish State is a public actor, but also that the Danish State (i) by entering into the Investment Agreement has undertaken (on the terms set out therein) to make a new investment in the Company after the implementation of the reorganization (compare this with what has been stated above about creditors with an established and continuing relationship with the debtor, as compared to creditors who will not have such a relationship) and (ii) in the vote on the reorganization plan would have a very large relative voting power within group 8 due to its large shareholding. For these reasons, it can be concluded that the Danish State does not have equivalent interests with the other shareholders and therefore should be placed in a separate group.

4.2 Details on the voting register, etc. regarding listed instruments

4.2.1 The Commercial Hybrid Bonds

The Commercial Hybrid Bonds (ISIN SE0014957999) are admitted to trading on the regulated market operated by Nasdaq Stockholm. For practical reasons, the number of eligible voters in the relevant group will therefore be determined based on the conditions prevailing five (5) business days prior to the plan hearing (the record date). The exact record date will be announced by the Company through a press release and published on the Company's website (www.sasgroup.net/transformation) after the District Court has set the time and date for the plan hearing.

4.2.2 Common shares

As the Company's common shares (ISIN SE0003366871) are admitted to trading on the regulated market operated by Nasdaq Stockholm (with secondary listings in Copenhagen and Oslo), it is complicated to identify the shareholders at a specific point in time, in particular as only a small proportion of shareholders have directly registered holdings. This affects both the procedure for distributing the reorganization plan to shareholders and the preparation of the voting list for the relevant group of stakeholders ahead of the plan hearing.

Against the above background, the Company has chosen to, in relevant respects, follow the procedure that under the Swedish Companies Act (2005:551) applies for a general meeting in companies whose shares are admitted to trading on a regulated market. One part of this entails that the Company, in addition to announcing the reorganization plan through a press release, will announce in the Swedish Official Gazette (*Post- och Inrikes Tidningar*) and Svenska Dagbladet that the reorganization plan has been made public.¹⁹ This also means that the Company will request a presentation of the share register from Euroclear Sweden regarding the shareholdings six (6) banking days prior to the plan hearing (record date). Shareholders with nominee-registered holdings, including holders of common shares registered with the central securities depositories in Denmark or Norway, must therefore request that the nominee temporarily register the common shares in the shareholder's name (so-called voting right registration) so that the shareholder is

¹⁹ These measures will be taken in addition to the publication procedure provided for in Chapter 4, Section 12, subsection 3 of FRekL.

included in the presentation of the share register kept by Euroclear Sweden as of the record date. Voting right registrations made by the nominee no later than four (4) banking days prior to the plan hearing will be taken into account in the preparation of the share register. Information on how holders of common shares should proceed in order to be included in this presentation and thereby be entitled to vote at the plan hearing (including the exact record date and instructions for shareholders with nominee-registered holdings) will be announced by the Company through a press release and published on the Company's website (www.sasgroup.net/transformation) after the District Court has set the time and date for the plan hearing.

5. The reorganization measures

5.1 General background – Investment under the Investment Agreement

As mentioned in the Company's application for commencement of company reorganization (see in particular Appendix 6 to the application for company reorganization), the Company solicited the market within the framework of the Chapter 11 proceedings for an investment in the Company that would make it possible to, *inter alia*, (i) finance the repayment of the loans provided under the Original DIP Credit Agreement and pay related fees to Apollo, (ii) finance payments to general unsecured creditors on account of their claims as part of a debt settlement and (iii) provide the Company and the other CH Debtors with sufficient liquidity to continue the operations and be viable following the completion of the reorganization. The market solicitation process was launched by order of the Bankruptcy Court on May 15, 2023 and, in addition to being approved and supervised by the Bankruptcy Court, established a transparent framework to enable a competitive bidding process. This framework ensured a fair and proper marketing and evaluation process for and by potential financial and strategic investors, with clear guidelines for qualification and selection. More specifically, this involved, *inter alia*, Seabury and SEB contacting over 200 potential investors active in the international capital market, including a significant number of private equity firms, asset managers, competing airlines, hedge funds, institutional investors and family offices.

On October 3, 2023, the Company selected the Investors as the winning bidding consortium in the solicitation process to provide the Investment, as well as entities affiliated with Castlelake to also provide a USD 500 million refinancing of the Original DIP Credit Agreement.

On November 4, 2023, the Company and the Investors entered into an Investment Agreement, which includes the terms of the Investors' equity investment as well as the principal terms of the Convertible Notes (as defined below) and the Chapter 11 Plan. The agreed investment structure is expected to result in a post-reorganization shareholder structure as follows (based on total equity, but before conversion of the Convertible Notes):

Party	Share of subordinated shares (approx.)	Share of the Convertible Notes
Castlelake	32.0%	55.2%
The Danish State	25.8%	30.0%
Air France-KLM	19.9%	4.8%
Lind Invest	8.6%	10.0%
Eligible Subscribing Creditors ²⁰	13.6%	0.0%

The Investment can otherwise be described as the Company (subject to the conditions described in the Investment Agreement) issuing new subordinated shares (ISIN SE0019354788) and new

²⁰ See the definition and description below of how the shares will be distributed among and held by certain creditors who will receive initial consideration in the form of shares in the Company (see also section 5.3.5 below in which the debt settlement is described in further detail).

convertible notes (the “**Convertible Notes**”)²¹ to the Investors. This entails a total investment in the Company of USD 1,200 million, comprising USD 475 million in newly issued subordinated shares (the “**Subscription Commitment**”) and USD 725 million in Convertible Notes. As part of the Investment, the Investors have agreed to pay a contribution fee to the States. From the total Investment, a value corresponding of up to USD 325 million will be allocated to SAS’ general unsecured creditors on a consolidated basis through a combination of cash, CVNs and subordinated shares. From this value (after (i) setting aside the Contributed GUC Cash (as defined below) and (ii) allocating USD 4.01 million to certain of the CH Debtors under the Chapter 11 Plan, but before (iii) taking into account any distributions that the Company may receive on account of intercompany claims that it holds against the Consortium under the Chapter 11 Plan), 59 percent will be distributed to the Company’s general unsecured creditors.

For the reasons described further in section 5.3.3 below, only a portion of the USD 325 million of the Investment earmarked for the general unsecured creditors on a consolidated basis (i.e. including general unsecured creditors of all the CH Debtors) will be initially distributed to such creditors. The initial distribution to the general unsecured creditors will mainly consist of new subordinated shares (see section 5.2 for the issuance structure and section 5.3.5 for the debt settlement offered to the different groups of creditors) corresponding to a total value on a consolidated basis of USD 75 million (the “**Equity Recovery**”; the general unsecured creditors who will be entitled to receive subordinated shares are hereinafter referred to as “**Eligible Subscribing Creditors**”). From the remaining amount (i.e. USD 250 million) earmarked for the general unsecured creditors on a consolidated basis (the “**GUC Cash**”), an amount corresponding to approximately SEK 2.2 billion (depending on the USD/SEK exchange rate at the time of completion of the Investment) will be set aside by the Investors (the “**Contributed GUC Cash**”), while the difference will be paid in cash as part of the initial distribution.²² The portion set aside may later become available to the general unsecured creditors. This is achieved by providing them with a contingent limited recourse claim (through so-called CVNs), which entitle these creditors to receive their *pro rata* share of the Contributed GUC Cash at a later date, depending on whether or not the Company is found liable to pay interest to the Danish State and the Swedish State respectively related to the State aid received in connection with the 2020 recapitalization, as well as the size of such potential payment obligation (see further section 3.1.2.4 above).

The completion of the Investment is subject to a number of conditions, including that this reorganization plan shall have entered into legal force and the receipt by the Investors and the States of certain regulatory and State aid approvals. Accordingly, the Investment will not be completed until all of these conditions are satisfied or waived. These conditions are customary and imposed by the Investors and form part of the commercial agreement between the Investors and the Company. It is primarily the Company that is responsible for the satisfaction of these conditions. Without the regulatory approvals and approval of the concessions of the States, the Investment cannot be completed. As mentioned above and further in section 5.3.3 below, the Investors have also conditioned the completion of the Investment on the setting aside of a portion of the GUC Cash, i.e. the cash amount of USD 250 million earmarked for the general unsecured creditors on a consolidated basis, pending a resolution on whether or not the Company is found liable to pay interest related to the State aid received in connection with the 2020 recapitalization.

²¹ The Convertible Notes are debt instruments with a contractual right to be converted into shares under certain conditions (contractual convertible notes), where the issuance of new shares in connection therewith requires approval by a future general meeting. Accordingly, they may not be equated to convertibles issued under Chapter 15 of the Swedish Companies Act and will not be subject to registration in the companies register maintained by the Swedish Companies Registration Office.

²² The estimated amount has been calculated using the relevant exchange rate as of 3 June 2024. See, *inter alia*, section 5.3.6 on the impact of the exchange rate on the recovery.

This is a condition determined through the market solicitation process, and thus set in line with market conditions, and is therefore not determined under any legal (Swedish or foreign) framework in that respect.²³

The recovery offered to the Company's general unsecured creditors is, thus, financed through the Investment and will be distributed to the creditors shortly after this the reorganization plan has become effective and the Investment has been completed.

As general unsecured creditors will have their claims substantially written down and subordinated creditors will receive no consideration at all, there will be no value left for existing holders of common shares in the Company. This in turn means that all existing common shares will be redeemed for no consideration (and as a result will be delisted from Nasdaq Stockholm, Nasdaq Copenhagen and Oslo Børs, as briefly described in section 5.2.6 below).

The following section 5.2 includes a description of the corporate actions needed to complete the Investment and the overall reorganization structure. This is followed by a more detailed description of the debt settlement in section 5.3 below.

5.2 The corporate action-related measures²⁴

5.2.1 Background and section layout

The Company will implement the corporate actions²⁵ set out in detail in Appendices 3–10D.2 (which include the Board's proposals and related statements required under the Swedish Companies Act (2005:551)). The main features of these measures are described below.

5.2.2 Summary of the measures

The following corporate actions (described in further detail below and in the appendices to which reference is made throughout) are to be implemented as part of the reorganization plan:

1. issuance of subordinated shares to Air France-KLM, Lind Invest and the Danish State (cash issue);
2. issuance of subordinated shares to Castlelake (in-kind issue);
3. issuance of subordinated shares to Eligible Subscribing Creditors with claims against the Company (set-off issue);

²³ See also in this respect what is stated in section 5.3.1 below.

²⁴ If required for reasons related to the issuance of shares, certain amounts of claims may be converted into USD at the relevant exchange rate.

²⁵ It can be noted that as of today, there are 300,000 issued and outstanding warrants in the Company, held by a wholly-owned subsidiary of the Company. These warrants are intended to be canceled after the District Court's approval of the reorganization plan (but prior to the completion of the Investment). The cancellation of such warrants will therefore not be carried out as part of the corporate actions described in this reorganization plan.

4. issuance of subordinated shares to Eligible Subscribing Creditors with claims against relevant Subsidiaries²⁶ (in-kind issue);
5. adoption of new articles of association (amendment to the limits for share capital and number of shares);
6. reduction of the share capital in combination with the redemption of all existing common shares; and
7. bonus issue to restore the share capital.

The resolutions, which will be conditional upon each other, will be submitted for simultaneous registration in the company register maintained by the Swedish Companies Registration Office.

5.2.3 New share issues

5.2.3.1 *General considerations*

As a result of the Subscription Commitments and the Equity Recovery being denominated in USD (while the subscription price is to be paid in SEK), the number of new subordinated shares will be calculated in accordance with the formula set out below (whereby the number of shares shall be rounded down to the nearest integer), based on the European Central Bank's USD/SEK exchange rate on the business day prior to the start of the subscription period (the "**Exchange Rate**"). The Exchange Rate will also determine the proportion of the Equity Recovery to be allocated between the Company and the relevant Subsidiaries and, thereby, the respective Eligible Subscribing Creditor's *pro rata* share of the Equity Recovery.

The new subordinated shares will be subscribed for at a subscription price per share corresponding to the quota value of approximately SEK 1.19040499526657.

Investors:
$$\frac{\text{Subscription Commitment (expressed in USD)} \times \text{Exchange Rate (SEK amount rounded to two decimal places)}}{\text{Quota value}}$$

Eligible Subscribing Creditors:
$$\frac{\text{Pro rata share of the Equity Recovery (expressed in USD)} \times \text{Exchange Rate}}{\text{Quota value}}$$

In total, the Investors will subscribe for subordinated shares corresponding to a total value USD 475 million and the Eligible Subscribing Creditors will be entitled to subscribe for subordinated shares corresponding to a total value of USD 75 million²⁷ (subject to such creditors satisfying the conditions precedent for receipt of such shares set out in section 5.3.2). Due to the variable factors described above, the number of subordinated shares will, however, not be known until the date on which the Exchange Rate is fixed. As a result, the Board of Directors' proposals for the share issue resolutions attached to this reorganization plan have been based on a maximum share capital increase and a maximum number of new subordinated shares. However, the actual number of subordinated shares that will ultimately be issued (as well as the resulting share capital increase) is expected to be less than the maximum amounts set out in the Board of Directors'

²⁶ "**Subsidiaries**" means Gorm Dark Blue Ltd, Gorm Deep Blue Ltd, Gorm Light Blue Ltd, Gorm Ocean Blue Ltd, Gorm Sky Blue Ltd, and the Consortium.

²⁷ Eligible Subscribing Creditors will subscribe for shares either through set-off or in exchange for the contribution of a portion of the relevant claim as consideration in kind.

proposals, but reflect the expected post-reorganization shareholder structure set out in section 5.1 above.

The following sub-sections include a brief description of each new share issue.

5.2.3.2 *Cash issue to Air France-KLM, Lind Invest and the Danish State*

Air France-KLM, Lind Invest and the Danish State will subscribe for new subordinated shares against cash payment in an amount corresponding to their respective share of the Subscription Commitments (whereby the number of subordinated shares and the subscription proceeds in SEK shall be calculated in accordance with section 5.2.3.1 above).

See the following appendices:

- Appendix 3 – Proposal for resolution on cash issue;
- Appendix 10A.1 – Board statement pursuant to Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act; and
- Appendix 10A.2 – Auditor’s statement in accordance with Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act (2005:551) as to the Board of Directors’ report for events of material significance for the period 2024-02-06 – 2024-06-10.

5.2.3.3 *In-kind issue to Castlelake*

Castlelake will subscribe for new subordinated shares against payment-in-kind in an amount corresponding to Castlelake’s share of the Subscription Commitments (whereby the number of subordinated shares and the subscription proceeds in SEK shall be calculated in accordance with section 5.2.3.1 above). The consideration in kind will consist of CL-S Holdings, L.P.’s (principal) claim against the Consortium under the Replacement DIP Facility (for which CL-S Holdings, L.P. shall receive full payment), amounting to the principal amount of USD 405,985,766.13²⁸ plus interest. The contributed DIP claim will, to the extent it exceeds Castlelake’s subscription amount in SEK, be set off against Castlelake’s other payment obligations under the Investment Agreement.

See the following appendices:

- Appendix 4 – Proposal for resolution on in-kind issue (DIP issue)
- Appendix 10A.1 – Board statement pursuant to Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act;
- Appendix 10B.1 – Board statement pursuant to Chapter 13, Section 7 of the Swedish Companies Act; and
- Appendix 10B.2 – Auditor’s statement in accordance with Chapter 13, Section 8 of the Swedish Companies Act (2005:551) on the Board of Director’s report on contribution in kind.

²⁸ Estimated principal amount based on capitalized interest as of August 5, 2024.

5.2.3.4 *Set-off issue to Eligible Subscribing Creditors with claims against the Company*

Each Eligible Subscribing Creditor with claim(s) against the Company (which are affected parties in the company reorganization) will be entitled to subscribe for new subordinated shares by way of set-off against such claims, in an amount corresponding to such creditor's *pro rata* share of the portion of the Equity Recovery attributable to the Company (whereby the number of subordinated shares and the subscription proceeds in SEK shall be calculated in accordance with section 5.2.3.1 above).

See the following appendices:

- Appendix 5 – Proposal for resolution on set-off issue;
- Appendix 10A.1 – Board statement pursuant to Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act;
- Appendix 10C.1 – Board statement pursuant to Chapter 13, Section 7 of the Swedish Companies Act; and
- Appendix 10C.2 – Auditor's statement in accordance with Chapter 13, Section 8 of the Swedish Companies Act (2005:551) on the Board's report on offsetting.

5.2.3.5 *In-kind issue to Eligible Subscribing Creditors with claims against relevant Subsidiaries*

Each Eligible Subscribing Creditor with claim(s) against the Subsidiaries (which creditors are not affected parties in the company reorganization) will be entitled to subscribe for new subordinated shares by way of payment-in-kind in an amount corresponding to such creditor's *pro rata* share of the portion of the Equity Recovery attributable to the relevant Subsidiary (whereby the number of subordinated shares and the subscription proceeds in SEK shall be calculated in accordance with section 5.2.3.1 above). The consideration in kind will consist of the respective Eligible Subscribing Creditor's claim(s) against the relevant Subsidiary. The claims will, to the extent they exceed the respective Eligible Subscribing Creditor's subscription amount in SEK, be remitted by the Eligible Subscribing Creditor in accordance with the debt write-down in the Chapter 11 Plan.

Consequently, the Eligible Subscribing Creditors with claims against the Subsidiaries are, in this company reorganization, to be considered as investors (and not affected parties) since they are contributing assets to the Company.

See the following appendices:

- Appendix 6 – Proposal for resolution on in-kind issue;
- Appendix 10A.1 – Board statement pursuant to Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act;
- Appendix 10D.1 – Board statement pursuant to Chapter 13, Section 7 of the Swedish Companies Act; and
- Appendix 10D.2 – Auditor's statement in accordance with Chapter 13, Section 8 of the Swedish Companies Act (2005:551) on the Board of Director's report on contribution in kind.

5.2.4 Cancellation of all common shares

The cancellation of all existing common shares will be carried out through a reduction of the share capital (corresponding to the entire current registered share capital) in combination with a redemption of all existing common shares without consideration to the shareholders. The reduction of the share capital will be made for the purpose of allocation to non-restricted equity in accordance with Chapter 20, Section 1, subsection 2 of the Swedish Companies Act.

The decision will be conditional on an amendment to the limits of the share capital and number of shares in the articles of association.

See the following appendices:

- Appendix 7 – Proposal to amend the articles of association;
- Appendix 8 – Proposal for resolution on reduction of share capital;
- Appendix 10E.1 – Board statement pursuant to Chapter 20, Section 13 of the Swedish Companies Act; and
- Appendix 10E.2 – Auditor’s statement in accordance with Chapter 20, Section 14 of the Swedish Companies Act (2005:551), as to the Board of Directors’ report in accordance with Chapter 20, Section 13, paragraph 4 of the Swedish Companies Act.

5.2.5 Bonus issue

After the reduction of the share capital described in section 5.2.4 above, a bonus issue will be carried out (without the issue of new shares). After the bonus issue, and taking into account the new share issues described in section 5.2.3 above and the resulting share capital increase, the registered share capital will exceed the current registered share capital. Accordingly, the Company will, in accordance with Chapter 20, Section 23, second sentence of the Swedish Companies Act, take measures to ensure that neither the Company’s restricted equity nor share capital is reduced.

See the following appendices:

- Appendix 9 – Proposal for a resolution on a bonus issue; and
- Appendix 10A.1 – Board statement pursuant to Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act; and
- Appendix 10A.2 – Auditor’s statement in accordance with Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act (2005:551) as to the Board of Directors’ report for events of material significance for the period 2024-02-06 – 2024-06-10.

5.2.6 Delisting

As a consequence of the redemption of all common shares through a reduction of the share capital (see section 5.2.4 above), the common shares will not continue to be traded on Nasdaq Stockholm, Nasdaq Copenhagen and Oslo Børs. The Company will, in connection with the approval of the

reorganization plan, work to procure the delisting of the common shares from all three stock exchanges.

Strictly speaking, the delisting is not a reorganization measure but a consequence of the redemption of all outstanding common shares.

5.3 The debt settlement

5.3.1 General background and section layout

This section 5.3 includes a description of the debt settlement offered to each group of creditors under the reorganization plan.

Most groups of general unsecured creditors (except for creditors in groups 2 and 5) will receive subordinated shares as set out in section 5.1 above as an initial distribution. The creditors in groups 2 and 5 will receive the initial distribution in cash. In addition, the general unsecured creditors will, in the form of CVNs, be provided with a possibility to receive an additional distribution as described in section 5.3.3 below.

5.3.2 Shares as part of the debt settlement

As described in section 5.1 above, up to USD 325 million of the total Investment has been earmarked for distribution to the general unsecured creditors on a consolidated basis, of which USD 75 million is to be distributed in the form of new subordinated shares (see also section 5.2.3.4 and 5.2.3.5 above). The right to receive subordinated shares is, however, conditional upon the Eligible Subscribing Creditors providing the following documentation prior to the start of the subscription period:

1. a signed subscription list;
2. an agreement to contribute a portion of the claim corresponding to the subscription price for the subordinated shares as consideration in kind (applicable to creditors participating in the in-kind issue as described in section 5.2.3.5 above);
3. information about the securities account or nominee account to which the subordinated shares shall be distributed (which must be able to hold the subordinated shares (ISIN SE0019354788), which are affiliated with Euroclear Sweden AB); and
4. a signed signature page to a Recipient Shareholders' Agreement (see Appendix 11), as required by the Investment Agreement.

Eligible Subscribing Creditors who do not provide the documentation in item 1 and (to the extent applicable) item 2 above prior to the start of the subscription period (which is required for the shares to be issued under Swedish law) will forfeit their right to the new subordinated shares (and consequently the right to recovery for such portion of the claim).

If an Eligible Subscribing Creditor has provided the documentation in item 1 and (to the extent applicable) item 2 above, but has not provided the documentation in item 3 or item 4 above prior to the start of the subscription period, the subordinated shares to which the Eligible Subscribing Creditor would otherwise be entitled will instead be immediately transferred to a holding period trust, whereby the trustee (the "**Equity Trustee**") will hold the shares as trust property on behalf of the Eligible Subscribing Creditor and the other beneficiaries (i.e. creditors who have subscribed for but were unable to receive the subordinated shares upon issuance). Creditors whose

subordinated shares have been transferred to the trust but who subsequently meet the conditions in item 3 and 4 above may within a holding period of twelve (12) months request the Equity Trustee to transfer the shares to the creditor. Upon the expiry of the holding period, the Equity Trustee shall, subject to the limitations imposed by applicable law and the trust agreement to be entered into between the Company and the Equity Trustee, as soon as practicable sell the subordinated shares and distribute the sale proceeds (net of actual and reasonable costs and expenses incurred in connection with any such sale(s)) *pro rata* to the beneficiaries. If any trust property remains after a period of three (3) years from the date of the trust agreement, either due to failure by the Equity Trustee to sell all of the subordinated shares or as a result of failure by the beneficiaries to claim their *pro rata* share of the sale proceeds in a timely manner, the trust property will be transferred to the Company as a gift.

5.3.3 CVNs as part of the debt settlement

As described in section 5.1 above, up to USD 325 million of the total Investment has been earmarked for distribution to the general unsecured creditors on a consolidated basis, of which up to USD 250 million is the GUC Cash. In accordance with the Investment Agreement, the Contributed GUC Cash²⁹ (i.e., approx. SEK 2.2 billion)³⁰ shall be set aside pending a resolution on whether the Company is found liable to pay interest related to the State aid received in connection with the 2020 recapitalization to the Danish State and the Swedish State, as well as the amount of such potential payment obligation. The Contributed GUC Cash will, as of the date on which the Investment is completed (or as soon as practicable thereafter), be deemed contributed to the GUC Entity (as defined below) as a step in the reorganization measures set forth in the Chapter 11 Plan and this reorganization plan.

The general unsecured creditors will indirectly have access to the Contributed GUC Cash by way of such funds being contributed to the SAS GUC Entity (a *société à responsabilité limitée*) incorporated in Luxembourg (the “**GUC Entity**”), which is owned by a foundation. The GUC Entity will in turn issue contingent value notes (CVNs) to the general unsecured creditors based on such creditors’ claims against the Company and certain Subsidiaries. The CVNs are contingent debt instruments that will, in the best case, provide additional (cash) recovery of up to 14.9–16.3 percent of the nominal value of the principal amount of such creditors’ claims.³¹ The CVNs will (subject to applicable restrictions) be freely transferable and listed on a trading venue in the EU. Accordingly, the payment that these creditors can expect under the envisaged debt settlement may (depending on the size and liquidity of the market for such CVNs) be higher than the initial distribution already immediately after the reorganization plan has been approved and implemented. This is a result of the value of the CVNs that a creditor will receive, as well as the interest that will accrue on the instruments, which may become available to the general unsecured creditors.

The more detailed terms and conditions of the CVNs are set out in the attached terms and conditions (see Appendix 12, Section “*Part 4: Terms and Conditions of the CVNs*” of Exhibit A). The terms and conditions together with the so-called GUC Agreement (see Appendix 12, Appendix B (*Material Terms of GUC Agreement*)) provide that the payment to the general

²⁹ In simple terms, the difference between USD 250 million and approximately SEK 2.2 billion will be the cash that accrues to the general unsecured creditors on a consolidated basis already at the time of the initial payment.

³⁰ The exact amount will be determined according to the relevant exchange rate at the time of the completion of the Investment. The indicative amount of SEK 2.2 million set out above has been included for illustrative purposes, and is based on the relevant exchange rate as of 3 June 2024.

³¹ See footnote 32 below.

unsecured creditors follows a priority order, which simplified can be described as that the general unsecured creditors will only receive payment if there is a surplus of funds in the GUC Entity after the resolution of certain litigations regarding interest related to the State aid received in connection with the 2020 recapitalization.

If a creditor belonging to a group entitled to CVNs does not meet the relevant requirements for receiving CVNs (see also Appendix 13, Section 2.1), its CVNs will be allocated to a holding period trust, whereby the trustee (the “**CVN Trustee**”) will hold the CVNs as trust property on behalf of the beneficiaries (i.e., creditors who could not receive the CVNs at the time of issuance). Creditors whose CVNs have been transferred to the trust but who subsequently meet all relevant conditions, may request the CVN Trustee to transfer the CVNs to the creditor within a nine (9) month holding period. Upon the expiry of the holding period, the CVN Trustee shall, subject to the limitations imposed by applicable law and the GUC holding trust agreement to be entered into between the Company and the CVN Trustee, as soon as practicable sell the CVNs and distribute the sale proceeds (net of costs and expenses incurred in connection with any such sale(s)) *pro rata* to the beneficiaries. If any trust property remains after a period of twelve (12) months from the date of the trust agreement (i.e. if the CVN Trustee has failed to sell such CVNs), the CVNs will be transferred back to and cancelled by the GUC Entity. If the CVN Trustee is successful in selling the CVNs but a beneficiary does not claim their *pro rata* share of the sale proceeds in time, the trust property will instead be transferred to the Company as a gift.

If, in connection with, and at the time of, the issuance of the CVNs, there are still claims that are disputed between the Company (or any other relevant CH Debtor) and any relevant creditor, the relevant creditor will receive their *pro rata* share of CVNs on account of (i) the allowed portion of such claim or (ii) if not yet allowed, (a) the undisputed amount of any claim or (b) the CH Debtors’ good faith estimate of the value of the claim, in each case, that the relevant creditor has against the Company and any other relevant CH Debtor. For any disputed portions of such claims (i.e., the difference between the amount recognized by the Company and the amount sought by the relevant creditor) (the “**Disputed Portion**”), CVNs will be issued but will not be distributed to the relevant creditor on the issue date of the CVNs but will be held in a holding period trust. If any Disputed Portion (in whole or in part) is then no longer contested, the relevant creditor will have CVNs representing the Disputed Portion transferred to it in accordance with the terms of the holding period trust deed.

If any Disputed Portion is not deemed to form part of the claim in respect of which the relevant creditor is entitled to receive CVNs, the general unsecured creditors who were entitled to receive CVNs at the time the CVNs were issued will have CVNs issued in respect of such Disputed Portion transferred to them *pro rata* for their initial entitlement of CVNs in accordance with the terms of the holding period trust deed. This is to ensure that all general unsecured creditors are treated equally. Appendix 13 further describes the procedures for processing CVNs issued in relation to these Disputed Portions of claims.

Appendix 12 to this reorganization plan contains the so-called GUC Documents, which include more detailed descriptions of the structure for the issuance and the terms of the CVNs, including certain other relevant information to the creditors who pursuant to this reorganization plan are offered CVNs as part of the initial distribution and which constitute the instrument through which any subsequent additional distribution will be made. Appendix 12 is written in English. A more detailed summary of the terms and conditions has been prepared in Appendix 13, which is written in Swedish and sets out the most important terms and conditions.

5.3.4 Delisting of the Commercial Hybrid Bonds

The Company will work to procure that the Commercial Hybrid Bonds are delisted from Nasdaq Stockholm in connection with the adoption of the reorganization plan. The delisting is strictly speaking not a reorganization measure in accordance with the reorganization plan, but a consequence of the Commercial Hybrid Bonds being deemed extinguished through the approval of the reorganization plan.

5.3.5 The respective groups and relevant debt settlement³²

- Group 1** The DIP Lenders shall receive full payment for their claims under the Replacement DIP Facility, but on different terms than those set forth in the Replacement DIP Facility.³³ In lieu of receiving cash payment, the DIP Lenders will contribute and/or offset their claims in order for the Castl lake Investor to receive subordinated shares and Convertible Notes in connection with the completion of the Investment. Depending on the interest accrued at the time of the completion of the Investment, the claims under the Replacement DIP Facility may, however, exceed the Castl lake Investor's investment commitments under the Investment Agreement, in which case such excess shall be repaid to the Castl lake Lenders in cash.
- Group 2** The creditors in this group are proposed to receive a cash payment corresponding to at least 6.9 percent of their claims including accrued interest until March 27, 2024 (in case interest is due). In addition, the creditors in this group shall receive CVNs with a maximum potential further dividend of up to between 14.9 percent and 16.3 percent of the nominal amount of their claims.
- Group 3** Eksfin, with its general unsecured claim in the form of the Norwegian Term Loan, is proposed to receive a payment corresponding to at least 6.9 percent of the claim amount including accrued interest until 27 March 2024. The consideration shall consist of subordinated shares as set out in section 5.2.3.4 above and any equalization payment under section 5.3.6.5 below. In addition, Eksfin shall receive CVNs with a maximum potential further dividend of up to between 14.9 percent and 16.3 percent of the nominal amount of their claims.
- Group 4** The creditors in this group are proposed to receive a payment corresponding to at least 6.9 percent of the amount of their relevant claims including accrued interest until March 27, 2024 (in the event that interest is due). The consideration shall consist of subordinated shares in the Company as set out in section 5.2.3.4 above and any

³² The recovery levels presented in this section are based on a USD/SEK exchange rate of at least 9.65. In respect of the CVNs, a range has been included below to clarify that the CVN recovery level is dependent on the total amount and size of affected claims against the Company (and any other CH Debtor), as well as Contributed GUC Cash being available for distribution to applicable general unsecured creditors, given what is stated in section 5.3.3 above in respect of the treatment of any Disputed Portion of claims in connection with the issuance of CVNs. The CVN recovery level herein has been based on a USD/SEK exchange rate of 11.00. In case the exchange rate or 9.65 is used, the maximum potential further dividend corresponds to an amount of up to between 16.7 percent and 18.3 percent of the nominal amount of the claims of the general unsecured creditors.

³³ The DIP Lenders have priority claims that as of August 5, 2024, are estimated to amount to a total of USD 550,261,674.30. Interest accruing after August 5, 2024, and fees (for example, exit fee and maturity extension fees payable in accordance with the terms set forth in the Replacement DIP Facility) are added to this amount until the repayment of the Replacement DIP Facility obligations in accordance with the terms thereof.

equalization payment as set out in section 5.3.6.5 below. In addition, the creditors in this group shall receive CVNs with a maximum potential further dividend of up to between 14.9 percent and 16.3 percent of the nominal amount of their claims.

- Group 5** The creditors in this group are proposed to receive a cash payment corresponding to at least 6.9 percent of their relevant claims including accrued interest until March 27, 2024 (in case interest is due). In addition, the creditors in this class shall receive CVNs with a maximum potential further dividend of up to between 14.9 percent and 16.3 percent of the nominal amount of their claims.
- Group 6** Creditors in this group will not receive any recovery on account of their claims and the claims will be considered extinguished after the reorganization plan has entered into force.
- Group 7** Creditors in this group will not receive any recovery on account of their claims and the claims will be considered extinguished after the reorganization plan has entered into force. For the avoidance of doubt, this also applies to subsequent issued commitments by the Company to issue new hybrids notes on substantially the same terms as existing State Hybrid Notes.
- Group 8** The holders of common shares will not retain any rights and the shares will be redeemed for no consideration (see section 5.2.4 above).
- Group 9** The Danish State as holder of common shares will not retain any rights and the shares will be redeemed for no consideration (see section 5.2.4 above).

5.3.6 Factors affecting debt settlement

5.3.6.1 *Interest on claims*

Any interest on the relevant claims included in groups 2–5 for the period from March 28, 2024 until this reorganization plan becomes effective will not be reimbursed under this reorganization plan.

5.3.6.2 *Effectiveness*

The debt settlement under section 5.3.5 shall enter into force on the date on which the Investment is completed under the Investment Agreement or as soon as practicable thereafter Payment shall be made as soon as practicable after this reorganization plan has become effective. However, if the Investment is not completed by 15 February 2025, this reorganization plan will not become effective.

5.3.6.3 *Exchange rate*

As a result of the Subscription Commitments and the Equity Recovery being denominated in USD while, *inter alia*, the Contributed GUC Cash is to be contributed in SEK, exchange rate fluctuations will entail that a larger or smaller portion of the Investment (denominated in USD) will need to be used to set aside the Contributed GUC Cash (denominated in SEK). Accordingly, such final recovery levels offered to the creditors under this reorganization plan will be affected by any exchange rate fluctuations.

5.3.6.4 *Certain claims are estimates and others are disputed*

As described in Appendix 14, certain claim amounts are estimates, while other claims are disputed. The percentages set out in section 5.3.5 are deliberately conservative. However, some of the disputed claims will be heard by the Bankruptcy Court prior to the plan hearing. Depending on the outcome of these court proceedings, the amount of the claims may be adjusted prior to the plan hearing, and thus also the percentages in section 5.3.5. With respect to the disputed claims, the Company's position is that the relevant creditors will not be successful in their demands to the extent that the amounts are disputed.

5.3.6.5 *Equalization*

If the cash available for distribution to the Company's general unsecured creditors³⁴ would result in an initial distribution to group 2 and group 5 that, in terms of percentage recovery, exceeds the initial distribution made to creditors in group 3 and group 4, the creditors belonging to these latter groups will also receive a cash payment such that all creditors in groups 2–5 receive the same percentage recovery in initial distribution.

5.3.6.6 *Listed financial instruments*

As regards the debt settlement described in section 5.3.5 above with respect to the general unsecured creditors holding Commercial Hybrid Bonds, the right to distribution will be based on the circumstances as of a record date that shall not occur earlier than five (5) business days after the reorganization plan has been approved. This record date will be communicated separately by the Company after the approval of this reorganization plan.

6. Enforceability

According to Chapter 4, Section 31 of FRekL, the reorganization plan has the same effect as a resolution of the general meeting in relation to the corporate law actions set out in section 5.2 above and which otherwise would have required such a resolution.

The debt settlement in section 5.3 above shall be binding on the Company and all parties concerned. However, the debt write-down and the corporate actions set out in section 5.2 above may occur, and the reorganization plan will only become effective, only after all conditions (including the receipt of the required regulatory approvals) for the completion of the Investment under the Investment Agreement are satisfied. For the period between the date on which the District Court's decision to approve the reorganization plan has entered into legal force and until the aforementioned date, there will be a moratorium in respect of all debts set out in section 3 above.

7. Financing

No temporary or new financing has had to be provided to the Company during the ongoing company reorganization. As stated in section 5.1 above, the Investors have undertaken through the Investment Agreement to complete the Investment under certain conditions. The corporate

³⁴ Any equalization described herein can be traced back to the fact that the cash available for initial distribution to the general unsecured creditors, somewhat simplified, constitutes the Company's share of the difference between USD 250 million and approximately SEK 2.2 billion (on a consolidated basis).

actions associated with the implementation of the Investment are described in section 5.2 above. In summary, the Company will be recapitalized in the manner described in the above section in connection with the reorganization plan becoming effective.

8. Viability

The adoption of the reorganization plan ensures the viability of the Company and prevents insolvency, as further elaborated in the administrator's report.

Stockholm on June 10, 2024

SAS AB (publ)


Anko vander Werff


Anna Almein

List of appendices

No.	Document
1.	Report of the administrator and appendices thereto
2.	Definitions
3.	The Board of Directors of SAS AB (publ)'s proposal for a resolution on a new issue of subordinated shares with deviation from the shareholders' preferential right
4.	The Board of Directors of SAS AB (publ)'s proposal for a resolution on a new issue of subordinated shares with payment in kind
5.	The Board of Directors of SAS AB (publ)'s proposal for a resolution on a new issue of subordinated shares with payment through set-off
6.	The Board of Directors of SAS AB (publ)'s proposal for a resolution on a new issue of subordinated shares with payment in kind
7.	The Board of Directors of SAS AB (publ)'s proposal for a resolution to amend the articles of association
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10A.1	Statement by the Board of Directors in accordance with Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act
10A.2	Auditor's statement in accordance with Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act (2005:551) as to the Board of Directors' report for events of material significance for the period 2024-02-06 – 2024-06-10
10B.1	Statement by the Board of Directors in accordance with Chapter 13, Section 7 of the Swedish Companies Act
10B.2	Auditor's statement in accordance with Chapter 13, Section 8 of the Swedish Companies Act (2005:551) on the Board of Director's report on contribution in kind
10C.1	Statement by the Board of Directors in accordance with Chapter 13, Section 7 of the Swedish Companies Act
10C.2	Auditor's statement in accordance with Chapter 13, Section 8 of the Swedish Companies Act (2005:551) on the Board's report on offsetting.

No.	Document
10D.1	Statement by the Board of Directors in accordance with Chapter 13, Section 7 of the Swedish Companies Act
10D.2	Auditor's statement in accordance with Chapter 13, Section 8 of the Swedish Companies Act (2005:551) on the Board of Director's report on contribution in kind
10E.1	Statement by the Board of Directors in accordance with Chapter 20, Section 13 of the Swedish Companies Act
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11.	Minority shareholders' agreement and appendices thereto
12.	Plan supplement in connection with Chapter 11 Plan (CVN-related information)
13.	The CVN structure
14.	Stakeholders and the grouping
15.	CVN Registration Form

Administrator's report, pursuant to item 1 of Chapter 4, Section 8 of the Swedish Company Reorganization Act (*lagen om företagsrekonstruktion*), for SAS AB (publ), reg. no. 556606-8499 (the "Company")

1. Introduction

Following an application filed on March 27, 2024, the District Court of Stockholm (*Stockholms tingsrätt*) granted, on the same day, company reorganization for the Company in case Å 5580-24.

2. Brief overview of the Company and the SAS Group

2.1 The SAS Group and its history

SAS was founded in 1946 by national airlines owned by the Danish, Norwegian and Swedish states, respectively. In 1951, SAS was reorganized into a single entity, the consortium (the "Consortium"), which has since been owned by SAS Danmark A/S, SAS Norge AS and SAS Sverige AB. The obligations of the owners of the Consortium in relation to each other and the Consortium are governed by a consortium agreement originally entered into on February 8, 1951 (as subsequently amended). The Consortium is considered a legal entity of its own kind (*sui generis*) under Swedish law with full power, authority and legal right to conduct business and own property.

The current group structure came into being in 2001 when SAS carried out an internal restructuring through the formation of a holding company, the Company, which made three parallel public offers to the shareholders of each of the consortium shareholders to exchange their shares for the same number of newly issued shares in the Company. As a result, the Company currently owns 100 % of the shares of each of the consortium shareholders. On July 6, 2001, the Company's ordinary shares were listed on the Stockholm Stock Exchange (now Nasdaq Stockholm) with secondary listings on the Copenhagen and Oslo stock exchanges.

Since its inception more than 75 years ago, the SAS Group has grown to become one of Scandinavia's leading airlines and is the national flag carrier of Denmark, Norway and Sweden. The SAS Group's core business is to carry out passenger flights within a Scandinavian and international route network. In addition to passenger flights, the SAS Group provides air cargo and other aviation services at selected airports in the SAS Group's route network.

The Consortium operates as a Scandinavian airline and is therefore licensed to operate air services under a common Air Operator Certificate (but with separate operating licenses). The consortium is thus the main operating unit within the SAS

Group as far as airline operations are concerned and is also, *inter alia*, the ticketing unit of the SAS Group. Airline operations and other airline-related activities are also conducted to a lesser extent in other subsidiaries. A full group structure is set out below.



2.2 General information about the Company

The Company is a Swedish public limited company, currently with approximately 200,000 shareholders. The three largest shareholders are the Danish State with 21.8% of the capital and votes, the Swedish State with 21.8% of the capital and votes and Wallenberg Investments AB with 3.42% of the capital and votes.

The Company's Board of Directors consists of Carsten Dilling (chair), Lars-Johan Jarnheimer (vice chair), Kay Kratky, Oscar Stege Unger, Michael Friisdahl, Henriette Hallberg Thygesen, Nina Bjornstad (all members of the board) and Tommy Nilsson, Jens Lippestad and Kim John Christiansen (all employee representatives). In addition, Hans Ahlberg, Pål Gisle Andersen, Daniel Emanuelsen, William Nielsen,

Lennart Selggren and Henrik Thyregod are registered deputy board members (all employee representatives).

The Company's operations consist of customary functions of a listed parent company, including acting as the employer of the Company's President and CEO, Anko van der Werff, raising external capital and the on-lending of significant amounts to other entities in the SAS Group and guaranteeing indebtedness, lease commitments and certain other obligations of other entities in the SAS Group. The Company has a central function in the SAS Group as it provides customary group-wide management services. The Company's earnings consist of the Company selling services to the subsidiaries, which pay a management fee for these services.

2.3 General information on Chapter 11 proceedings in the United States

On July 5, 2022, the Company, together with a number of other companies within the SAS Group (including the Consortium), commenced voluntary proceedings under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. For practical reasons, these proceedings have been handled jointly (Case No. 22-10925 (MEW)).

The background to the US proceedings was the formal commencement of a strike by the pilots' unions on July 4, 2022, which resulted in the Company and certain other Group companies having to file for Chapter 11 proceedings in order to preserve liquidity. The other reasons for filing for Chapter 11 in the US were that it was deemed necessary to renegotiate critical lease agreements in order to achieve necessary cost savings and modernize the aircraft fleet. Furthermore, there is an extensive market for reorganization loans in the U.S. that is not available in Sweden. It can also be noted that several international airlines have undergone Chapter 11 proceedings in the United States and that the procedure is thus well adapted to the type of business in question.

Following an extensive capital raising process, the Company has entered into an agreement for a future investment in the SAS Group totaling USD 1.2 billion (the "Investment"). The investors are a consortium consisting of Castl lake, L.P., AIR France-KLM S.A. and Lind Invest Aps, as well as the Danish State. It is noted that the relevant investment agreement has been approved by the US Court.

As of 19 March 2024, a reorganization plan has been affirmed by the court within the framework of the Chapter 11 proceedings (the "Chapter 11 Plan"). In summary, the Chapter 11 Plan entails that the Investment is contributed to the Company conditional upon, *inter alia*, the implementation of the Chapter 11 Plan through a Swedish company reorganization. The arrangement in the Swedish reorganization plan corresponds in principle to that in the Chapter 11 Plan with respect to the necessary debt write-down, the payment thereof and that existing shareholders lose all their rights in the Company.

The Investment, the Chapter 11 Plan and the Swedish plan are thus necessary for the survival of the Company and the SAS Group.

3. The financial position of the Company and the causes and extent of the financial difficulties

3.1 The financial position of the Company

The Company applies a broken fiscal year covering the period November-October. In 2020/2021 and 2021/2022, the Company's revenues amounted to approximately SEK 49 million and approximately SEK 426 million, respectively, and the result before tax for 2020/2021 was a profit of approximately SEK 125 million while the result for 2021/2022 was a loss of approximately SEK 2.7 billion. In the financial year 2022/2023, the Company's revenues amounted to approximately SEK 872 million and the result before tax was a loss of approximately SEK 1.5 billion.

During the current fiscal year up to and including February 29, 2024, the Company's total revenues amounted to approximately SEK 15 million with a preliminary loss before tax of approximately SEK 357 million. According to the forecast prepared by the Company, the revenue in 2023/2024, without taking into account any composition profit, is expected to amount to approximately SEK 935 million and the result is expected to be a loss before tax of approximately SEK 57 million.

At the group level, total revenues amounted to approximately SEK 13.9 billion and SEK 31.8 billion in 2020/2021 and 2021/2022, respectively. For the same periods, losses before tax of approximately SEK 6.5 billion and SEK 7.8 billion were reported. In 2022/2023, the SAS Group's revenue amounted to approximately SEK 42 billion and the result before tax was a loss of approximately SEK 5.5 billion.

The Company's latest annual report for the fiscal year 2022/2023 is attached hereto as Appendix 1:1. Based on the Company's information, I have prepared an inventory of the Company's assets and liabilities at the time of the granting of the company reorganization and the request for plan negotiations. In these lists - which are in principle identical due to the short time that the reorganization has lasted, see Appendix 1:2 attached hereto - the debts are listed according to the applicable rights of priority.

In summary, the Company's assets and liabilities at the time of the request for plan negotiations consist of the following.

The Company's assets consist mainly of financial fixed assets with a book value of approximately SEK 20 billion. Of this amount, approximately SEK 7.2 billion consists of shares in subsidiaries and approximately SEK 12.7 billion of claims on Group companies. Other recorded assets consist of pledged and deposited funds up to a total amount of approximately SEK 16.3 million and a bank deposit of approximately SEK 2.5 million. In addition, there are various interim claims and a deferred tax claim.

It is noted that the Company has pledged shares in subsidiaries and claims against subsidiaries as collateral for the obligations of the Consortium under a reorganization credit facility of approximately SEK 5.8 billion including interest and fees granted by CL-S Holdings, L.P. and CLG Co-investment Opportunities, L.P. (together, the "DIP Lenders"). The Company has also guaranteed the said credit facility as if it were its own debt and the Company's guarantee obligation is covered by the said collateral.

Based on the value of the collateral going concern, the DIP Lenders are, with margin, secured for the claim under the Company's guarantee under the reorganization credit facility.

Liabilities with rights of priority consist of the Company's obligations under the above-mentioned guarantee commitment, as well as for a smaller liability to KPMG of approximately SEK 775,000, with right of priority pursuant to Section 10 a of the Swedish Rights of Priority Act. The latter amount will be settled during the reorganization due to exceptional reasons, see below under section 8.

The Company's liabilities without rights of priority can be broken down as follows. There is a debt to Eksfin of approximately SEK 1.7 billion including interest (the "Norwegian Term Loan") and in addition the Company has account receivables in smaller amounts which are, however, settled on an ongoing basis (see below under section 8), a liability relating to taxes and fees of approximately SEK 22,7 million and intra-group liabilities of smaller amounts which are eligible for set-off.

The Company has further issued three hybrid bonds in the form of (i) a subordinated state hybrid bond with a nominal amount of SEK 1 billion held by the Danish State, (ii) an additional subordinated state hybrid bond with a nominal amount of SEK 5 billion held by the Swedish and Danish States (50 percent each) and (iii) a commercial hybrid bond of approximately SEK 1.6 billion, all of which are accounted for as equity in accordance with applicable accounting principles. As of March 27, 2024, the liabilities under the outstanding hybrid bonds thus amounted to a total amount of approximately SEK 9 billion including interest of which, according to the Company, approximately SEK 1,905 million is unsubordinated.

In addition, the Company has general unsecured guarantees relating to (i) aircraft operating lease obligations amounting to more than SEK 20 billion, (ii) other aircraft lease obligations amounting to approximately USD 220 million (equivalent to approximately SEK 2.3 billion) and (iii) aircraft-related obligations amounting to approximately USD 85 million (equivalent to approximately SEK 900 million) and (iv) a subordinated guarantee commitment of nominally CHF 127.195 million under a bond issued by the Consortium.

Of the guarantees under (i) and (ii) above, an amount of approximately SEK 6,5-7,5 billion has been claimed in the Company's reorganization proceedings, of which approximately SEK 6,5 billion is undisputed by the Company. It is noted that negotiations are held within the ongoing Chapter 11 procedure. However, the amount in this regard is not expected to have any impact on the outcome of the vote on the adoption of the reorganization plan.

Finally, there may be a liability to the Swedish and Danish states relating to interest on state aid received in 2020 on a formally incorrect basis. The state aid in question has subsequently been adjusted so that the formal conditions are met. The liability would thus relate to interest on state aid received from the time of receipt until the formal correction. It is not yet clear how large such an interest claim could be. In accordance with EU law, claims arising from formally incorrectly paid state aid cannot be written down through a reorganization plan. The Company is contesting the payment obligation and the matter will ultimately be decided by the competent court.

In addition, as stated under section 3.1.2 in the reorganization plan, there are also other parties that are unaffected by the reorganization plan.

Both before and during the reorganization proceedings, the Company has been able to pay its upcoming current obligations. However, it is clear that the Company would not be able to settle, for example, the aforementioned guarantee commitments in the event that these would be enforced. This means that the Company is dependent on the survival of its subsidiaries (including the Consortium).

3.2 The reason for the Company's financial problems

It is noted that during the period 2015-2019, the SAS Group reported stable sales and positive earnings. However, the outbreak of the COVID-19 pandemic in early 2020 caused significant disruption to the airline industry in general and thus also to the SAS Group. As known, travel restrictions and requirements, quarantines and travel advisories were put in place. This resulted in a sharp decline in passenger numbers and thus revenues for all airlines. As a result of the measures taken by the authorities to prevent the spread of COVID-19, demand for international air travel fell dramatically. The travel industry as a whole was one of the most affected sectors and the pandemic created a global crisis for the airline industry.

In the wake of the COVID-19 pandemic, the airline industry as a whole has been under severe financial pressure, resulting in both reduced operating income and increased operating and financing costs. The SAS Group has not been spared the financial consequences of the prolonged pandemic. During the first year of the pandemic, the Company faced a severe liquidity crisis, and to address this and stabilize its operations, the Company undertook a substantial capital raise and a voluntary debt restructuring in 2020. Despite significant capital injections and restructuring of the then-existing capital structure, the Company and the SAS Group remained under severe financial pressure, which was exacerbated by the spread of the new COVID-19 variants delta and omicron. In addition, the Company failed to achieve the cost savings included as part of the business plan adopted in connection with the 2020 recapitalization. A major reason for this was that the necessary voluntary concessions could not be obtained from lessors (among others).

In light of the above, the Company therefore presented, on February 22 2022, the comprehensive business plan "SAS FORWARD" which, like the 2020 recapitalization, was initially intended to be implemented through voluntary agreements with stakeholders. However, it proved difficult to reach voluntary agreements on concessions with some key stakeholders.

In addition to the COVID-19 pandemic, the SAS Group has been negatively impacted by further unforeseen external events, such as Russia's war against Ukraine with subsequent turmoil in the financial markets and rising energy and oil prices, etc.

As indicated above, following the formal initiation of a strike by the pilots' unions on July 4, 2022, the Company and certain other group companies were required to file for Chapter 11 proceedings in order to preserve liquidity.

4. Dividends in the event of bankruptcy

As shown in the attached list of the Company's assets and liabilities, see Appendix 1:2, the value of the assets is reported in the form of book values, market values (i.e. going concern values) and bankruptcy values. The undersigned has engaged Interpath Ltd ("Interpath") for a valuation of the Company's assets both in terms of market value and bankruptcy value. Interpath is a global company with extensive experience of, among other things, valuation assignments regarding major international groups in connection with reorganizations and bankruptcies.

The valuation assignment has been extensive. Although the Company's assets mainly consist of intra-group claims and shares in subsidiaries, it has thus been necessary for Interpath to value all underlying assets in the group in order to value these assets.

In the event that the Company is declared bankrupt, Interpath has assumed that this will lead to companies with tangible assets in the SAS Group also having to be declared bankrupt.

In a scenario where most companies in the SAS Group are declared bankrupt, the starting point is that an orderly sale will take place through the various bankruptcy procedures over a period spanning 12-18 months. In this scenario, Interpath has assumed that bankruptcy estates in each jurisdiction may need to raise some financing to maximize values, which has been deemed realistic.

Of the Company's assets, the reorganization credit is secured by shares in subsidiaries and claims on the Consortium and SAS Sverige AB with a nominal value of approximately SEK 11.1 billion. In the event of a bankruptcy of the Company and other companies in the SAS Group, the Company's shares in subsidiaries are deemed to have no value for obvious reasons.

Furthermore, the Company has intra-group claims of approximately SEK 1.6 billion that are certainly covered by the security granted for the reorganization credit but, however, is not deemed to have been perfected under Swedish law. In the event of a bankruptcy, the value of these receivables is estimated to amount to approximately SEK 120 million. The value is mainly explained by the fact that dividends are expected to be received on intra-group claims from group companies.

Other unsecured assets in the Company relate to a small cash position, minority shareholdings and other receivables with a total estimated value of approximately SEK 1.5 million. Bankruptcy costs are estimated to amount to approximately SEK 20 million. The net value to be distributed among unsecured creditors is estimated to amount to just over SEK 100 million.

Underlying values in the SAS Group in the event of bankruptcy consist mainly of so-called airline slots that are deemed to be transferable in the event of bankruptcy at an estimated value of approximately SEK 1 billion. These rights are pledged in favor of the reorganization credit. In addition, there are bank deposits

in the group of approximately SEK 6.5 billion, which the lender under the reorganization credit has security over in accordance with U.S. law. The IP rights in the SAS Group are deemed to have a very low value in the event of bankruptcy as the business cannot continue. The EuroBonus program is deemed to have no value at all in the event of bankruptcy.

Although the SAS Group has pledged all its assets in favour of the reorganization credit in accordance with the DIP Order¹, such pledge is not automatically perfected under Swedish law; for example, over bank deposits of approximately SEK 6.5 billion and aircrafts, engines, spare parts and accounts receivables and other assets with a total estimated bankruptcy value of approximately SEK 2.5 billion.

Dividends to unsecured creditors in the Company's bankruptcy are estimated to amount to approximately 0.45 percent at best.

In summary, the financial outcome for the parties concerned under the reorganization plan is no worse than it would have been in the event of the Company's bankruptcy.

5. Claw-back

Johan Andersson, authorized auditor at Grant Thornton Sweden AB ("Grant Thornton"), has been engaged to assist me in the review of the Company's accounts and the transactions that have taken place in the Company during a certain period of time before the reorganization proceedings were initiated. Within the framework of this audit, it has been examined whether there have been any transactions in the Company that may be subject to claw-back (*återvinning*).

Based on the investigation undertaken, it is my assessment that there have been no transactions in the Company that can be subject to claw-back, as the transactions that have been taken are deemed to be ordinary. Nor has anything emerged to suggest that any transaction in the Company has been improper or have entailed a disadvantage for any creditor in the manner required for claw-back. The same applies to related party transactions between the Company and other companies within the Group.

6. Crimes against creditors, illegal transfers of value, etc.

Grant Thornton's audit has also included investigating whether there have been any transactions that may constitute illegal transfers of value from the Company.

However, no profit distribution or other transaction that could be considered an illegal transfer of value under Chapter 17 of the Swedish Companies Act (*aktiebolagslagen*) has been identified in Grant Thornton's audit.

¹ Final Order (22-10925-mew, doc 1644) (I) authorizing the Debtors to refinance their Senior Secured Superpriority, Postpetition Financing Obligations, (II) granting liens and superiority claims, and (III) granting related relief.

Nor have any circumstances been identified that give rise to suspicion of crimes against creditors under Chapter 11 of the Swedish Criminal Code (*brottsbalken*).

7. Fulfillment of the accounting obligation

The company shall comply with the Swedish Annual Accounts Act (*årsredovisningslagen*) and RFR 2 ("Accounting for legal entities"). The consolidated financial statements are prepared in accordance with IFRS (International Financial Reporting Standards).

It is noted that the Company has an in-house finance function with the CFO as the main person responsible.

Grant Thornton's audit investigation has included an examination of whether the Company has fulfilled its accounting obligations. For this, Grant Thornton has been given full access and insight into the Company's accounts and accounting system.

Grant Thornton has, among other things, performed a data analytical review of the cash pool accounts used in the Group. This has been done in order to assess whether the day-to-day accounting of the cash accounts in the financial statements is consistent with the account transactions shown in the bank statements. The review did not reveal any significant differences in these accounts that have an impact on the ability to monitor the Company's results and position.

Furthermore, Grant Thornton has verified the completeness of the accounting records by performing a data analytical review of the balance sheet and profit and loss accounts for the fiscal years 2022, 2023 and 2024-03 which were compared against a transaction file (general ledger) at account level. This review did not result in any remark regarding the completeness of the audited accounting files.

With regard to reconciliation procedures and internal reporting, Grant Thornton has not identified anything in its review that prevents the Company's results and position from being monitored.

It is noted that the Board of Directors has held regular board meetings where, according to the minutes of the Board of Directors, the Board of Directors has constantly discussed the financial position of the Company.

It is further noted that the Company's auditor in the latest annual report (for the fiscal year 2022-11-01 to 2023-10-31) has recommended that the general meeting adopt the income statement and balance sheet and that, in the auditor's opinion, the annual report has been prepared in accordance with the Swedish Annual Accounts Act.

8. Measures during the reorganization

During the US Chapter 11 proceedings, the Company has incurred certain obligations that are primarily attributable to the ongoing operation of the business. The Company must fulfill these obligations under U.S. law. However, since the Swedish reorganization proceedings were initiated almost two years after the American proceedings, a situation has arisen where the Company may not fulfill

these obligations under Swedish law, without the administrator's consent (cf. Chapter 2, Section 20, item 1 of the Swedish Company Reorganization Act).

The Company is entirely dependent on the successful conclusion of the Chapter 11 proceedings. This, combined with the fact that the obligations in question here have arisen during a legal proceeding and relate to relatively small amounts, means that there are exceptional reasons for the Company to fulfill them, in accordance with Chapter 2, Section 21 of the Swedish Companies Act. I have therefore given the Company my consent to fulfill the obligations that arose between July 5, 2022 and March 27, 2024. However, it is noted that obligations amounting to more significant amounts have predominantly been re-invoiced within the Group.

9. Temporary financing

During the company reorganization, the Company has, with the administrator's consent, issued guarantees for group companies' obligations under leasing agreements. In the event of bankruptcy, claims under the said guarantees would entitle the counterparty to so called super priority (*superförmånsrätt*) pursuant to item 5 of Section 10 of the Swedish Rights of Priority Act. Such a preferential right would cease to apply after a reorganization plan has been confirmed by the court.

As stated in the reorganization plan, the Company has not raised any temporary financing during the Swedish reorganization. In addition to the above, there are no claims based on agreements entered into by the Company during the proceedings with the consent of the administrator that entitle the counterparty to a so-called super priority.

Neither will the new financing provided through the Investment be subject to super priority under item 4 of Section 10 of the Swedish Rights of Priority Act. This is because the investors contributing the necessary Investment in the Company have undertaken to do so in accordance with the investment agreement described in more detail in section 5.1 of the reorganization plan.

10. Vitality

The survival of the Company and the SAS Group is dependent on the Investment being provided to the Company so that the implementation of SAS FORWARD can be completed. As mentioned above, a prerequisite for the Investment is that the Chapter 11 Plan is implemented through an established reorganization plan in a Swedish plan negotiation for the Company.

As part of the analysis carried out, the Company, together with its financial advisor Seabury Securities LLC ("Seabury"), has prepared consolidated financial forecasts for the SAS Group for the fiscal years 2023 through 2027, taking into account the implementation of SAS FORWARD. The forecasts show that the SAS Group will generate a positive result from 2025 onwards, which indicates long-term viability for the Company and the rest of the SAS Group. Said forecast and assessment has been accepted by the U.S. court within the framework of the Chapter 11 proceedings.

Taking into account the Investment, the Company will have sufficient resources to

make all payments required under the intended reorganization plan. The plan thus has very good prospects of securing the viability of the Company's business as well as the activities of other group companies and prevent insolvency in the future.

As set out in the reorganization plan, the Investment amounts to approximately USD 1.2 billion. Of that amount, approximately USD 0.57 billion will be used to settle the secured reorganization credit (principal, capitalized interest and fees) raised under the U.S. reorganization proceedings. Of the remaining funds, approximately USD 0.325 billion will be used to settle liabilities following debt settlements in the group under the approved Chapter 11 Plan. Just over USD 4 million will be paid to the creditors of the Gorm companies. Of the remaining amount, approximately 59% is destined for the Company's unsecured creditors (this percentage does not include additional funds that the Company may receive following the distribution of intercompany claims against, inter alia, the Consortium under the Chapter 11 proceedings). The remaining funds go to the unsecured creditors of the Consortium.

The amount payable thus amounts to approximately USD 0.325 billion, assuming that interest related to the 2020 state aid does not need to be paid, see further regarding this interest above under section 3.1. The first payment to the creditors of the Company thus corresponds to USD 0.325 billion - approximately SEK 2.2 billion, of which approximately 59 percent of the sum plus funds that the Company can expect to receive after distribution on intra-group claims against, inter alia, the Consortium in accordance with the Chapter 11 procedure, will go to the Company's unsecured creditors. It should also be noted that, out of the USD 0.325 billion earmarked for unsecured creditors, USD 75 million will be received in the form of shares in the Company. The second disbursement of a maximum of approximately SEK 2.2 billion can be made provided that the Company is not finally deemed to be obliged to pay interest on the state aid received. The latter is a condition for the Investment and it may be noted that the right to these funds will consist of so-called CVNs (contingent value notes), which are further elaborated in section 5.3.3 of the reorganization plan.

The remaining funds of the Investment for operational financing within the SAS Group are estimated to amount to approximately USD 0.265 billion after reorganization-related costs have been paid.

As noted above, the Company derives all of its income from intra-group transactions including management fees, while its operating expenses consist mainly of salary payments and related costs for the Company's CEO and advisory costs. The Company expects that profitability will be restored after the completion of the reorganization. Given that viability is restored in the SAS Group (and the Consortium), the Company's viability is ensured.

11. Summary

- The company has fulfilled its accounting obligations.
- No transactions that may be subject to the provisions in Chapter 4 of the Swedish Bankruptcy Act have been identified.

- There are no suspicions of crimes against creditors.
- The financial outcome for the parties concerned under the reorganization plan will not be worse than it would have been in the event of the Company's bankruptcy.
- The measures proposed in the reorganization plan will enable the company to overcome its financial difficulties and ensure the viability of its activities.

12. Approval

Through the measures proposed in the reorganization plan, as well as through the U.S. plan, which is conditional on the Swedish plan being adopted, it is my assessment that the viability of the business is ensured and that insolvency is prevented. I therefore approve the proposed plan.

Stockholm on 10 June 2024



Mikael Kubu
Administrator

Appendices:

- 1:1 Annual report 2022/2023
- 1:2 Inventory over assets and liabilities

SAS ANNUAL AND SUSTAINABILITY REPORT

Fiscal year 2023



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SAS Annual and Sustainability Report Fiscal Year 2023

SAS reports financial and sustainability information in a joint report: SAS Annual and Sustainability Report Fiscal Year 2023 (FY 2023). The SAS statutory annual report includes the report by the Board of Directors on pages 57–92 and the financial statements pages 93–138. The sustainability reporting has been prepared in accordance with the GRI Standards and comprises pages 20–55 and 149–151. The sustainability reporting also includes the statutory sustainability report in accordance with the Swedish Annual Accounts Act. The auditor's opinion on the annual report is included on pages 139–145 and the auditor's limited assurance report on the sustainability report and statement regarding the statutory sustainability report is included on page 56.

SAS, Scandinavia's leading airline, with main hubs in Copenhagen, Oslo and Stockholm, flies to destinations in Europe, USA and Asia. Spurred by a Scandinavian heritage and sustainable values, SAS aims to be the driving force in sustainable aviation and in the transition toward net zero emissions. We are continuously reducing our carbon emissions through using more sustainable aviation fuel, investing in new fuel-efficient aircraft and technology innovation together with partners – thereby contributing towards the industry target of net zero CO₂ emissions by 2050. In addition to flight operations, SAS offers ground handling services, technical maintenance and air cargo services.



Operations

SCANDINAVIA'S LEADING AIRLINE

For more than 75 years, we've connected Scandinavia to the world and the world to Scandinavia. We have always remained at the forefront of what's new, and kept our gaze towards the horizon. We've seen the world change, sometimes over decades, and sometimes all at once. Changes that have made us rethink, adapt, and rebuild. We're now heading into a future where change is never-ending, and the need to rethink is constant. A future of conscious thought and sustainable innovation, our way, the Scandinavian way.

Airline operations

SAS is Scandinavia's leading airline for flights to, from and within Scandinavia. Airline operations are our primary business and are conducted through SAS Scandinavia, SAS Connect, SAS Link and our production partners.

Cargo services

SAS Cargo is the leading provider of air freight solutions to, from and within Scandinavia, delivering world class quality and customer care. SAS Cargo's services are based on the cargo capacity of the SAS network, extended by dedicated truck operations.

Ground handling services

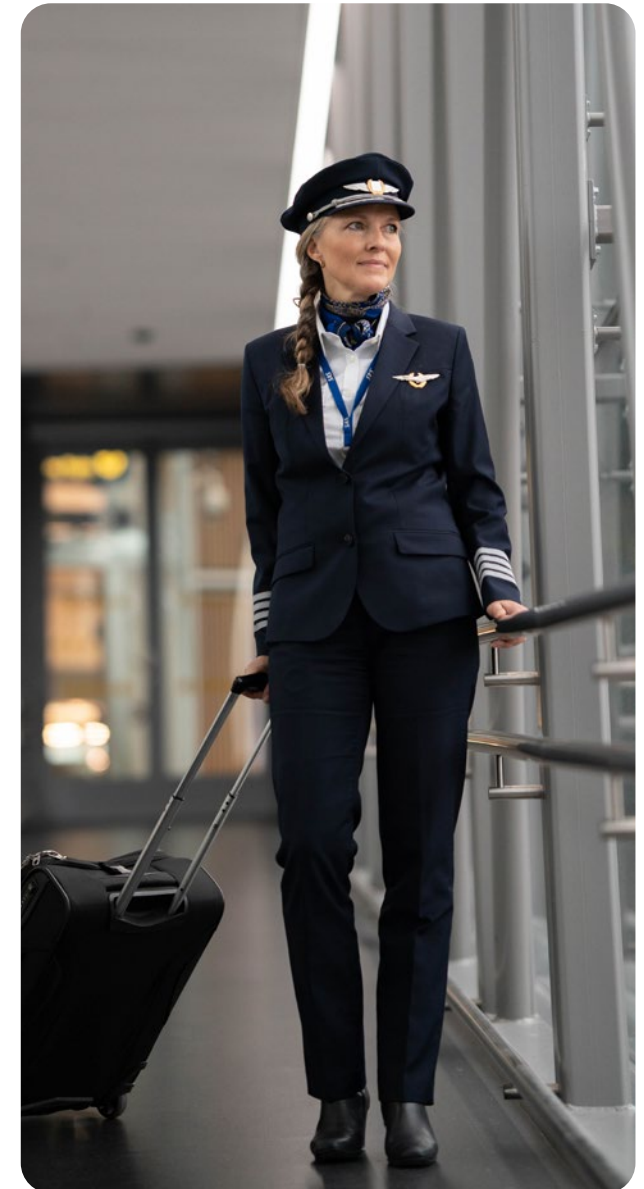
SAS Ground Handling is one of the leading ground handling providers at the airports in Copenhagen, Oslo and Stockholm. Our operations provide passenger, cargo and ramp services for SAS and other airlines.

Technical maintenance

SAS Maintenance Production offers technical maintenance of aircraft and engines at six airports in Scandinavia for SAS and other airlines.

EuroBonus

EuroBonus is Scandinavia's largest travel-related loyalty program and enables closer relationships with our customers. EuroBonus has over 7 million members and more than 100 partners. The members also contribute to valuable customer insights for SAS, which sets us apart from our competitors.



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SAS IN FIGURES

Operations

SAS in brief

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SAS FORWARD

SAS' passenger demand followed a positive trend throughout the year, indicating an improved underlying demand for travel despite an increasingly uncertain economic outlook in society as a whole. Revenue for fiscal year 2023 ended at SEK 42 billion, with passenger numbers of 23.7 million, an increase by 33 percent compared with last year. SAS' result landed at negative SEK 5.7 billion before tax and items affecting comparability. Cost reductions across the business remain in focus, aiming to secure competitiveness. However, certain major cost-savings achieved as part of the Chapter 11 process in the US will not be reflected in SAS' financial results until SAS emerges from the restructuring proceedings. During the summer, SAS experienced significant operational disruptions due to air traffic control capacity issues at Copenhagen airport, causing challenges for SAS' passengers as well as SAS' operational and financial performance during the year.

23.7

Million passengers

42.0

Total revenue, SEK billion

-5.7

Earnings before tax and items affecting comparability, SEK billion

71.4

Punctuality, %

54.5

CO₂ emissions per ASK, grams (rolling 12 months)

+27.3

Change in total operating expenses, %

FINANCIAL AND ENVIRONMENTAL TARGETS

Operations

SAS in brief

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Significant events during the year

Comments by the CEO

SAS FORWARD

SAS' overall long-term goal is to create value for our shareholders and to deliver sustainable and profitable growth throughout the business cycle. For definitions, please see pages 154-155.

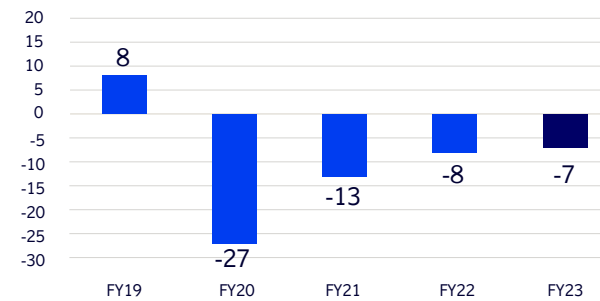
Return on invested capital (ROIC)*

Our target for ROIC is to exceed the post-tax Weighted Average Cost of Capital (WACC) over a business cycle. The target corresponds with the capital markets' and SAS' internal assessment of SAS' weighted average cost of capital (WACC). This is also linked to SAS' dividend policy for holders of common shares, which stipulates that dividends can be paid when value is created through SAS' ROIC exceeding its WACC, see page 64.

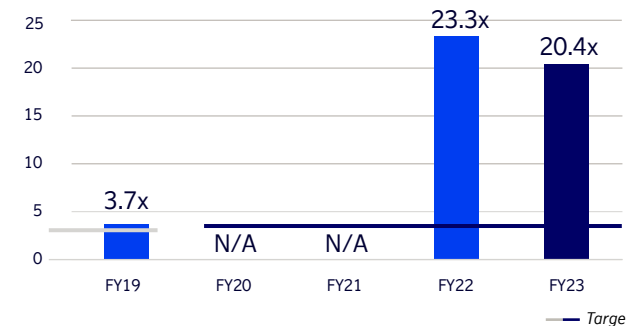
Financial net debt/adjusted EBITDA*

The target for financial net debt/adjusted EBITDA is a key ratio used by credit rating agencies and banks for assessing creditworthiness and includes the value of leased aircraft. The aim of maintaining a ratio with a multiple of less than three and a half (3.5x) is aligned with SAS' ambition of improving the financial position and credit rating, and thereby lowering financing costs.

RETURN ON INVESTED CAPITAL, %



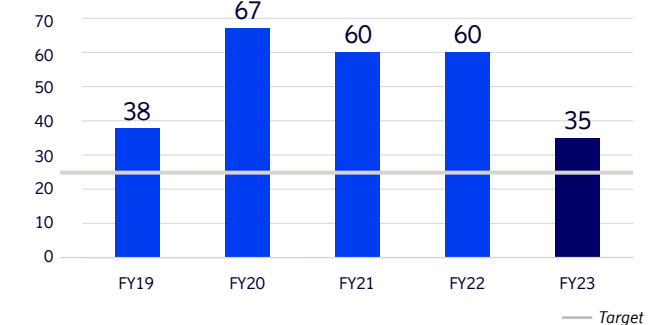
FINANCIAL NET DEBT/ADJUSTED EBITDA



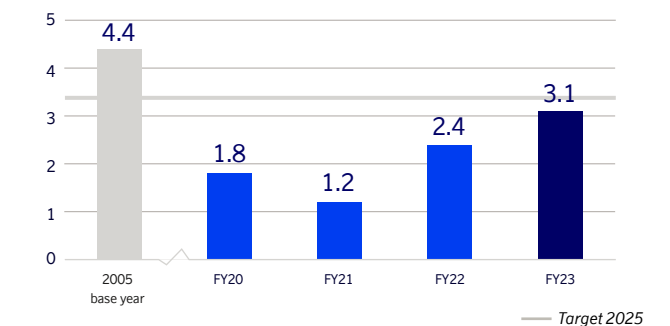
Financial preparedness*

The target for financial preparedness is for cash and cash equivalents, and available credit facilities to exceed 25% of annual fixed costs. The target is set to ensure a sound level of cash and cash equivalents to mitigate risks related to internal and external events and to fulfill regulatory requirements.

FINANCIAL PREPAREDNESS, %



TOTAL CO₂ EMISSIONS, M TONNES



Total CO₂ emissions

SAS has set a target to reduce its total CO₂ emissions by 25% by 2025 in comparison with 2005.

SIGNIFICANT EVENTS DURING THE YEAR

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SAS FORWARD

Overall underlying demand for travel was healthy during the year, despite an increasingly uncertain economic outlook in society as a whole. Passenger demand followed a positive trend and almost 24 million passengers traveled with SAS during the year. For the first time since 2019, SAS posted a quarterly profit in the third quarter, signaling progress in SAS' efforts to become cost competitive. The year also saw steady progress in SAS' Chapter 11 process in the US.

Following a broad and competitive equity solicitation process, SAS reached a major milestone in securing an exit financing investment of approximately SEK 13 billion, from investors Castlelake, Air France-KLM, Lind Invest and the Danish State. As part of the transaction, SAS intends to eventually join the SkyTeam Alliance, of which Air France-KLM is a founding member, and to exit the Star Alliance.

OPERATIONAL

Traffic disruptions

During the summer, air traffic control capacity issues caused considerable problems for airlines, airports and not least, for our passengers. Many passengers traveling through Copenhagen Airport during the summer were impacted, and the issues caused operational disruptions for approximately 25 percent of SAS' flights in June.

Aircraft

During the year, SAS took delivery of eight A320neo and five E195. Two A350, one 737NG and four A321 were phased out. At the end of the year SAS was one of the largest operators of new technology aircraft in Europe of with a total of 61 A320neo in the fleet.

FINANCIAL

SAS FORWARD and Chapter 11

SAS made significant progress with its transformation plan SAS FORWARD and its Chapter 11 process in the US. SAS concluded its lessor negotiations, having reached agreements with 15 lessors representing 59 aircraft, and thereby expects to achieve the targeted annual cost savings exceeding SEK 1.0 billion. SAS also reached a multiyear agreement renewal with a key travel technology provider, Amadeus.

Following a broad and competitive equity solicitation process, SAS reached a major milestone by securing an exit financing investment of approximately SEK 13 billion from investors Castlelake, Air France-KLM, Lind Invest and the Danish State. Please find further details on page 13 and 59-60.

PRODUCT AND OFFERING

Additional routes

SAS continued its ramp-up following the pandemic and added 30 new routes for the summer and autumn traffic program 2023 as well as several new intercontinental routes. These include direct flights from Copenhagen to Bangkok, and weekly flights to Agadir from Stockholm and Copenhagen. SAS has also resumed traffic to Tokyo three times a week.

Launch of biofuel tickets

SAS launched two new ticket types including biofuel during the year. Travelers buying Go Smart or Plus Pro tickets are able to purchase tickets with approximately 50 percent of biofuel included to lower the CO₂ emission of their SAS flight. The tickets are available on all SAS domestic, Scandinavian and European flights, and include the maximum amount of biofuel allowed.

Redesigned award-winning app

SAS enhanced its app with a focus on improving the customer experience. The app has been developed together with SAS' customers, and the re-designed app offers new features such as a simplified booking process, travel recommendations and real-time flight updates. During the year, SAS won a Webby Award and a Red Dot Award for the app.

ORGANIZATION

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Comments by the CEO

SAS FORWARD

Hiring and talent acquisition

SAS has implemented a new in-house talent acquisition function to secure the ramp-up and knowledge transfer of upcoming retirements to secure the right capabilities to deliver on our business plan as the industry recovers.

In line with the on-going ramp-up of traffic operations, SAS expects to rehire an additional 280 pilots for summer 2024.

Employer value proposition

SAS has prepared the launch of its new Employee Value Proposition *Together We Move Scandinavia*, which is expected to launch in the first quarter of FY2024. Its purpose is to re-invigorate the SAS brand in the employer market and to address the behavioral aspects of SAS' transformation journey through a new culture-change program.

New senior appointments

During the year, SAS appointed Jason Mahoney as Executive Vice President & Chief Operating Officer. SAS also appointed Paul Verhagen as Executive Vice President & Chief Commercial Officer, and Ginger Hughes as Chief Transformation Officer. Erik Westman, Executive Vice President & Chief Revenue Officer, was appointed as permanent member of Group Management during the year.

COMMUNITY SUPPORT

Securing critical infrastructure

SAS remains Scandinavia's leading airline, maintaining Scandinavian connectivity, especially domestic destinations and securing critical infrastructure for travelers and cargo.

Rescue flights

In a collaboration between the Norwegian Armed Forces and the Ministry of Health and Care Services, and as a part of the EU Civil Protection Mechanism, SAS has provided aircraft for the evacuation of more than 2,000 war victims from Ukraine since the invasion started in 2022. SAS has converted a regular Boeing 737 aircraft into a hospital evacuation aircraft, which takes war victims to hospitals across Europe. The so-called MEDEVAC flights are taking place on a near-weekly basis.

SAS employees lend a helping hand – and aircraft

The SAS Julefly (SAS Christmas Flight) is a year-round charity effort run by SAS employees, in collaboration with representatives from other companies and organizations. During 2023 the charity has contributed much-needed equipment, food, and money to centers in Riga and Tallin. The aid is directed at disadvantaged children and families, as well as refugees from the war in Ukraine. The SAS Julefly initiative was initiated some 40 years ago and has saved numerous lives and served to help thousands of children and youth throughout these years.

SUSTAINABILITY

CO₂ emissions

During the year, CO₂ emissions increased 27 percent year-on-year. The main cause of this was SAS' ramp-up of new destinations and routes. Continuous deliveries of more efficient aircraft, with 15–30% lower fuel consumption than the aircraft they replace, had a positive effect on CO₂ emissions.

SAF (sustainable aviation fuels)

SAS consumed 6,049 tonnes of SAF during the year, almost double the volume compared to the previous year (3,083). This includes the biofuel sold to customers, the Norwegian blend-in mandate, the Swedish reduction mandate introduced on July 1, 2021 and the French reduction mandate introduced on 1 Jan, 2022.

SAS has proudly been participating in an EU-funded research project at Copenhagen Airport to investigate the impact on local air quality from SAF flights. The air quality resulting from SAS flights with 35% SAF fuel within Scandinavia has been measured several times per day.

Corporate sustainability program

DSV and Skellefteå Municipality joined the SAS Corporate Sustainability Program. Skellefteå Municipality became the first Swedish municipality to join the program, partnering with SAS to purchase sustainable aviation fuel for all business travel in 2023 and 2024. SAS also signed an agreement with Sundsvall Municipality, making Sundsvall the first municipality in Sweden to purchase biofuel tickets exclusively for all business travel flights for its employees.

Emerging technologies

SAS opened seat reservations for its first-ever commercial electric flights in Sweden, Norway, and Denmark, expected to take place in 2028. By adopting and supporting innovative and emerging technologies in the sector, SAS continues to lead the way into the future of sustainable air travel.

Fuel efficiency

SAS continued to work with Airbus on the development of next generation aircraft with low or zero emissions.

Carbon offset

On average 38 percent of SAS passenger-related carbon emissions was offset during the year.

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SAS FORWARD



Anko van der Werff
President & CEO

CEO LETTER

“We have secured financing for the future, and SAS is in a great position to remain at the forefront of the airline industry for years to come”

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> **Comments by the CEO**

SAS FORWARD

It has been an eventful year for SAS in many ways. Demand for travel continued to grow throughout the year on the back of lifted pandemic-induced travel restrictions. The whole industry has been focused on quickly ramping up to meet increasing passenger demand, which has not been without challenges. Issues with air traffic control capacity and strikes around Europe caused considerable problems for airlines, airports and, not least, passengers during the year. The market also continued to suffer from the effects of Russia's February 2022 invasion of Ukraine, which is disrupting travel patterns within Europe and between Europe and Asia-Pacific. That said however, when summarizing the year, I am pleased to conclude that, thanks to fantastic efforts by our employees, SAS' ramp-up has been successful in many ways. Almost 24 million passengers flew with us during the year, up 33 percent from last year.

Progress has been made in our endeavor to be a driving force in sustainable aviation. During the year, we launched two ticket types enabling travelers buying Go Smart or Plus Pro to purchase tickets with 50 percent sustainable aviation fuel, to thereby lower the CO₂ emissions of their SAS trip. This marks an important step contributing towards the industry target of net zero CO₂ emissions by 2050.

SAS reached several milestones in our SAS FORWARD plan and our Chapter 11 process in the US during the year. We reached agreements with lessors and with labor unions, and we secured financing for the future by entering into an investment agreement with the winning bidder consortium in our equity solicitation process. We have also added many new routes and developed our offerings. I am pleased to conclude a



busy year, a year during which our hard work has put SAS in a great position to remain at the forefront of the airline industry for years to come.

How would you summarize 2023 for SAS?

2023 was in many ways a year of recovery and consolidation. Throughout the year we have focused on our ramp-up to meet increasing demand from passengers. We have added several new routes and destinations for all seasons and preferences by expanding and deepening our offering to Asia, the Mediterranean and Africa. We added a total of 30 new routes for the summer program this year, with capacity to the Mediterranean exceeding pre-pandemic levels. SAS also inaugurated several new direct intercontinental routes. We resumed traffic to Tokyo this summer and SAS started flying to

Africa again for the first time in decades with weekly flights to Agadir commencing in November. A new route to Bangkok from Copenhagen was also inaugurated in October. The Bangkok route is operated with Airbus A350 aircraft, which have much lower fuel consumption and up to 30 percent lower CO₂ emissions than previous comparable aircraft.

In July, 2.4 million passengers traveled with SAS, the highest monthly passenger figure since before the pandemic. Throughout the fiscal year, 23.7 million passengers traveled with SAS, which represents a 33 percent increase compared with FY2022. This is a clear confirmation that passengers continue to return to SAS, and that our ramp-up has been successful.

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> **Comments by the CEO**

SAS FORWARD

Perhaps the most far-reaching development during the year has been the significant progress made in our Chapter 11 process in the US and in reaching our overall targets in the SAS FORWARD plan. Early in the fiscal year, SAS received approval from the US Court for the new collective agreements concluded with the Swedish pilots' union as well as with our Norwegian union partners.

In January, SAS finalized negotiations with lessors under the Chapter 11 process, entering into agreements with a total of 15 lessors, representing 59 aircraft. Through the amended lease agreements, we expect to achieve the set targets for cost savings of at least SEK 1.0 billion in reduced aircraft lease expenses and annual cash flow impacting items related to aircraft financing. This constitutes an important step in achieving the SEK 7.5 billion in annual cost savings by fiscal year 2026 in the SAS FORWARD plan.

Finally, we successfully concluded our exit financing solicitation process, thereby securing financing for the future. Castlake, Air France-KLM and Lind Invest, together with the Danish state, were selected as the winning bidder consortium in SAS' exit financing solicitation process. We entered an investment agreement with the bidding consortium shortly after the end of the fiscal year. The agreement includes a total investment in the reorganized 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. As part of the transaction, we have also secured new Debtor-in-Possession ("DIP") financing of SEK 5.5 billion from Castlake. The funds from the new DIP financing

agreement are being used for, inter alia, refinancing SAS' original DIP term loan, increasing liquidity and supporting SAS' path to exit from its voluntary restructuring proceedings. Securing financing for the future is truly a key milestone in our SAS FORWARD plan, and it confirms that our new investors believe in SAS and our potential to remain at the forefront of the airline industry for years to come.

2023 was also an award-winning year, during which SAS received recognition within several areas. SAS was yet again voted the most sustainable company in the aviation industry in Sweden, according to the extensive brand survey Sustainable Brand Index. This award is proof that we are on the right track, and SAS will continue to invest in modern fuel-efficient aircraft, sustainable aviation fuels, emerging technologies, and sustainable products and services. In April, our redesigned app with its many new features won a prestigious Webby Award, a leading international award honoring excellence on the Internet. We also received a Red Dot Award for the redesigned mobile app in the autumn, which is one of the most prestigious and internationally recognized design competitions. In September, SAS was thrilled to earn a five-star rating in the prestigious global APEX customer ranking at the 2023 APEX Awards. The ranking is based on neutral, third-party passenger feedback and insights gathered through APEX's partnership with the world's highest-rated travel-organizing app. These recognitions are testament to the tireless dedication of the SAS team in ensuring everything from safe journeys with the highest standard of service, to the team's continuous strive to create innovative solutions that deliver exceptional experiences for our customers.



How is your work towards more sustainable aviation progressing?

Throughout the year, we've continued to make progress in our aim to decarbonize aviation. This ambitious plan can only be achieved through collaboration. By involving our customers and teaming up with them, we can reduce CO₂ emissions and enable increased large-scale production of sustainable aviation fuels.

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SAS FORWARD

We participated in a large-scale international study to investigate sustainable aviation fuel (SAF) flights' impact on local air quality, at Copenhagen airport. The findings of this unique experiment at Copenhagen Airport showcase that using SAF not only reduces CO₂ emissions, but also enhances local air quality. This is a great example of how our collective efforts can enable further discoveries of sustainable solutions for the aviation industry.

During the year, we had the pleasure of welcoming the Danish company DSV and the Swedish municipality of Skellefteå to the SAS Corporate Sustainability Program. Skellefteå thus became the first municipality in Sweden to join the program, while in April, Sundsvall municipality became the first municipality to sign an agreement committing to only purchase biofuel tickets for all business travel flights for its employees. We hope that our new partnerships will inspire other companies and municipalities to reduce their air travel emissions while contributing to driving the transition toward sustainable aviation.

This summer, we also invited travelers to join in writing the next chapter in aviation history, opening 30 seats for reservation on our first ever commercial electric flight in Sweden, Norway, and Denmark.

On a final note, I would like to highlight the launch of the EuroBonus Conscious Traveler program in January. The new program enables EuroBonus members to make conscious choices when traveling with SAS – while getting rewarded for it. At the heart of Conscious Traveler lies a single goal; the involvement



of our customers in the journey toward net zero emission. The launch of EuroBonus Conscious Traveler is a contribution toward the industry target of net zero CO₂ emissions by 2050 – perhaps our most important journey yet. We look forward to following the impact of the program throughout the year.

What do you see looking ahead?

Our work toward completing our Chapter 11 process in the US, and toward reaching the objectives in the SAS FORWARD plan continues unabated. We have secured financing for the future, which is a key milestone. As a part of the transaction, SAS also intends to eventually exit Star Alliance and join SkyTeam Alliance, of which Air France-KLM is a founding member. This change lies ahead, and it is something that we look forward to as SAS' membership in SkyTeam Alliance will enable us to further enhance our offerings for the benefit of our colleagues, customers and communities.

SAS aims to receive approval of the Chapter 11 plan from the US court of in the first quarter of 2024. The effectiveness of the Chapter 11 plan remains subject to various conditions precedent, including approvals from various regulatory authorities and the completion of a Swedish company reorganization at the SAS AB level. As a result of that process, SAS expects that there will be only a modest recovery for general unsecured creditors, no recovery for subordinated creditors and no value for SAS AB's existing shareholders, and that all of SAS AB's common shares and listed commercial hybrid bonds will be cancelled, redeemed and delisted, in connection with emergence from the chapter 11 process. SAS currently expects to emerge from the chapter 11 process around the end of the first half of 2024.

While the work is far from over, I am pleased to see the substantial progress we are making to becoming a competitive and financially strong company.

I would like to thank our new investors and stakeholders for their support and for enabling us to continue on our journey forward. Last but not least, I want to thank all my colleagues at SAS for their hard work with SAS FORWARD throughout the year, and for everything they are doing to ensure that we take the best possible care of our customers on a daily basis.

Thank you, and we look forward to welcoming you onboard again soon!

Anko van der Werff,
President & CEO

SAS FORWARD – A PLAN TO SECURE LONG-TERM SUCCESS

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> SAS FORWARD

SAS’ comprehensive business transformation plan SAS FORWARD is aimed at transforming its business, including its network, fleet, labor agreements, and other cost structures. The plan consists of two primary parts: A new business plan and a restructuring plan.

New Business Plan

The new business plan includes:

- **Reduced annual costs of SEK 7.5 billion** – A key challenge to SAS’ competitiveness is its cost structure. SAS FORWARD targets annual cost reductions totalling SEK 7.5 billion in savings between the fiscal years 2019 and 2026.
- **Development of the fleet, network and product offerings** – SAS is developing its fleet, network and product offerings to increase utilization, strengthen connectivity, and create profitable traffic growth.
- **Digital transformation** – SAS will undergo a major digital transformation, delivering major improvement in customers’ experiences, driving financial benefits.
- **Positioning SAS as the driving force in sustainable aviation and in the transition toward net zero emissions** – SAS will invest in modern, fuel-efficient aircraft, sustainable aviation fuels, emerging technologies, and sustainable products and services. SAS will also work to incentivize changes in customer behavior through its offerings.

- **Operating platform acceleration** – SAS will improve flexibility, efficiency, and facilitate adaptation to changing market demand and competition.
- **Strengthen SAS’ balance sheet by deleveraging and raising new capital** – see “Restructuring Plan” below.

The restructuring plan

The restructuring component of the SAS FORWARD plan encompasses raising at least SEK 9.5 billion in new equity capital as well as reducing or converting more than SEK 20 billion of debt into common equity (of which a majority is on-balance sheet debt), including state hybrid notes, commercial hybrid notes, Swiss bonds, term loans from states, aircraft lease and debt obligations, maintenance contract obligations, and other executory contract obligations.

Chapter 11

In order to accelerate the implementation of key elements of the SAS FORWARD plan, SAS voluntarily filed for Chapter 11 in the U.S. on July 5, 2022. Chapter 11 is a legal process for financial restructuring conducted under U.S. federal court supervision. It has previously been used by a number of



large international airlines to restructure. Through this process, SAS aims to reach agreements with key stakeholders, restructure our debt obligations, renegotiate our fleet contracts, and emerge with a significant injection of capital. SAS’ operations and flight schedule are unaffected by the Chapter 11 filing and SAS continues to serve its customers as normal.

Operations

SAS in brief

SAS in figures

Significant events during the year

Comments by the CEO

> **SAS FORWARD**



Progress on SAS FORWARD

SAS made significant progress in its Chapter 11 process and with the SAS FORWARD plan generally during the year. SAS concluded negotiations with its aircraft lessors, having reached agreements with 15 lessors representing 59 aircraft, including seven wide bodies and 52 narrow bodies. Through the amended lease agreements, SAS expects to achieve the targeted annual cost savings of at least SEK 1.0 billion in reduced aircraft lease expenses and annual cash flow items relating to aircraft financing. SAS also reached a multiyear agreement renewal with a key travel technology provider, Amadeus. The agreement with Amadeus will deliver efficiency within Distribution & IT, in line with the targets in the SAS FORWARD plan, while keeping SAS at the forefront of technical developments.

As part of the Chapter 11 process in the US, SAS engaged in a competitive equity solicitation process, aiming to secure the best available terms and conditions for its exit financing. On October 3, 2023, SAS announced that it had selected Castlelake, Air France-KLM and Lind Invest, together with the Danish state, as the winning bidder consortium in its exit financing solicitation process. Shortly after the fiscal year ended, SAS entered into an investment agreement with the winning bidder consortium. The agreed transaction structure includes a total investment in reorganized SAS corresponding to approximately SEK 13.2 billion, which includes approximately SEK 5.225 billion in new unlisted equity and approximately SEK 7.975 billion in secured convertible debt, as well as approximately SEK 5.5 billion of refinancing by Castlelake of SAS' current Debtor-in-Possession term loan. As part of the transaction, SAS intends to eventually exit the Star Alliance and join the SkyTeam Alliance, of which Air

France-KLM is a founding member. The transaction will need to be approved as part of SAS' Chapter 11 plan.

SAS currently aims to receive approval for the Chapter 11 plan from the US Court in the first quarter of 2024, to be followed by obtaining regulatory approvals and an expected implementation of a Swedish reorganization at the SAS AB level. As a result of that process, SAS expects that there will be only a modest recovery for general unsecured creditors, no recovery for subordinated creditors and no value for SAS AB's existing shareholders, and that all of SAS AB's common shares and listed commercial hybrid bonds will be cancelled, redeemed and delisted, in connection with emergence from the Chapter 11 process. SAS expects that its operations will be unaffected by such legal proceedings and that it will continue to serve its customers as normal. SAS currently expects to emerge from the Chapter 11 process around the end of the first half of 2024.



Market and Strategy

Market and Strategy

> The airline operating environment

Strategy

THE AIRLINE OPERATING ENVIRONMENT

Over the past three years, the COVID-19 pandemic significantly affected the entire aviation industry, including SAS. Subsequent rising demand for travel has had a significant impact and the industry has struggled to recover quickly enough to meet this positive trend. Geopolitical tensions combined with Russia's ongoing war on Ukraine has, among other things, also affected the airline industry and had an impact on the recovery of traffic to and from Asia.

The state of the aviation industry

Continued ramp-up to meet the increase in passenger demand after the COVID-19 pandemic dominated the airline industry during the year. Substantially rising demand for travel had a significant impact, and the industry has struggled to ramp-up quickly enough to meet this positive trend. Air traffic control capacity issues and strikes around Europe also caused considerable problems for airlines, airports and not least, passengers.

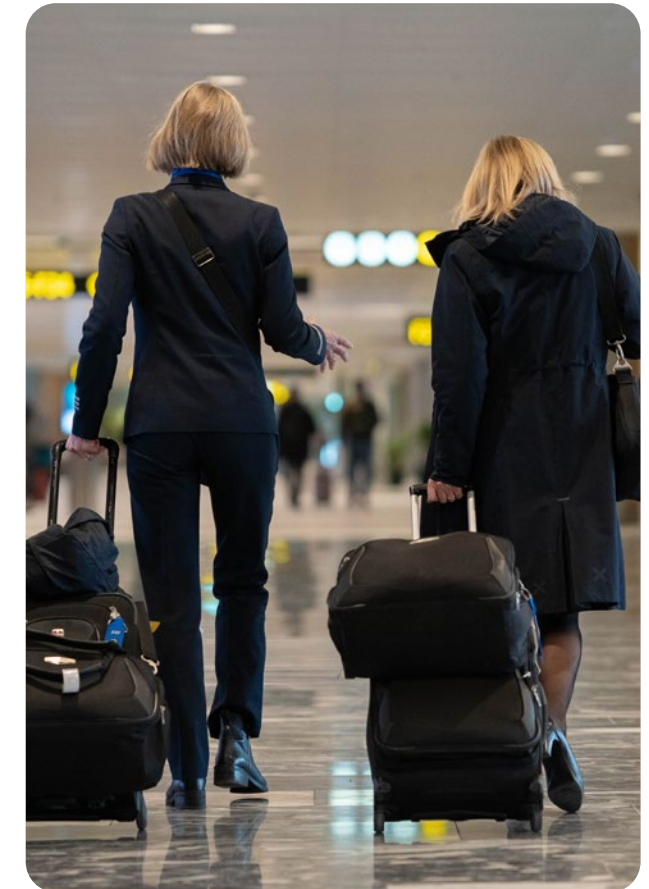
The market continued to suffer from the effects of Russia's February 2022 invasion of Ukraine, disrupting travel patterns within Europe and between Europe and the Asia-Pacific, as well as other consequences such as adding to the inflationary pressures impacting major economies of the world. Despite economic uncertainties in society as a whole during the year, passenger demand was healthy and growing.

Market competition

The Scandinavian air travel market has three customer segments:

1. customers whose primary focus is the price of the offering;
2. customers who want a high-quality offering but remain price sensitive; and
3. customers who are more sensitive to quality than price.

Based on this categorization, SAS has historically been primarily active in the third, premium segment. Over the last few years, the premium segment's share of the total market has declined, and SAS expects this trend to continue in the coming years. However, the other two segments have exhibited a more positive trend, driven by the expansion of several low-cost carriers in the Scandinavian market. This trend started prior to the COVID-19 pandemic and is expected to continue, and it means that competition has increased in the Scandinavian market. Accordingly, SAS needs to reduce its unit cost per available seat kilometer, after adjustment for changes in fuel prices, in order to remain competitive.



STRATEGY WILL EVOLVE THROUGH SAS TRANSFORMATION PLAN

Market and Strategy

The airline operating environment

> Strategy

SAS aims to be the airline of choice for all Scandinavian travellers, with the strongest network both within Scandinavia and from Scandinavia to the rest of the world. Thanks to its relatively high GDP per capita and travel inclined population, Scandinavia has long been one of the most stable and attractive markets for air travel in Europe. SAS is a leader in this market with positive brand affiliation and capacity strength. Through an improving cost structure and a more flexible fleet structure, the company has opportunities to maintain its market position while also driving revenue growth and profitability.

SAS' strategy is to meet the needs of the Scandinavian business and leisure market with a combination of efficient service, competitive offerings, and being a driving force in sustainable aviation. SAS aims to strengthen its market position in the segment for customers who want a high-quality offering with a competitive value proposition, while retaining its leadership in the premium segment. A restructured network is expected to result in profitable increases in capacity over time.



Secure cost competitiveness



Be Scandinavia's preferred airline



Invest in sustainability



Financial instruments

FINANCIAL INSTRUMENTS AND CAPITAL MARKETS

Financial Instruments

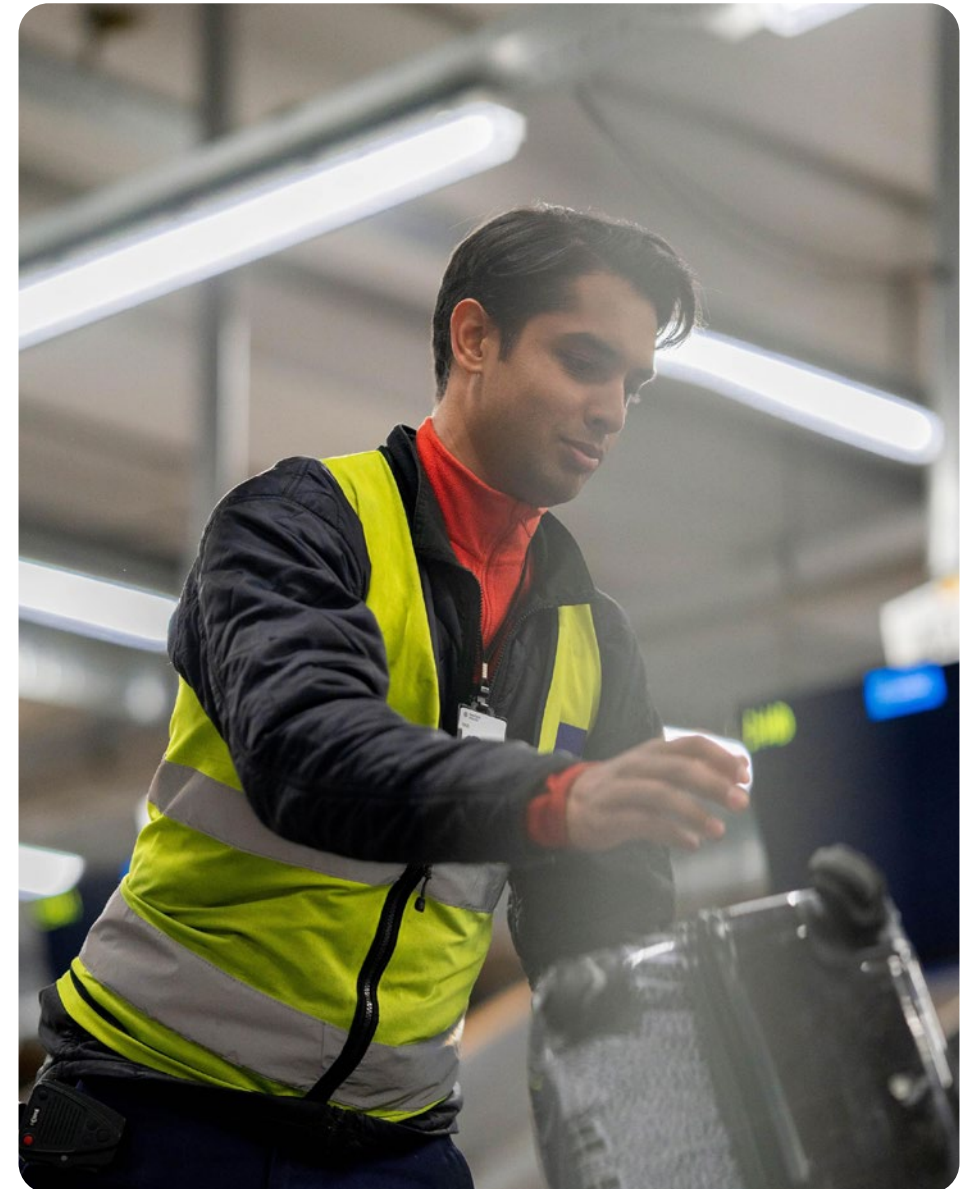
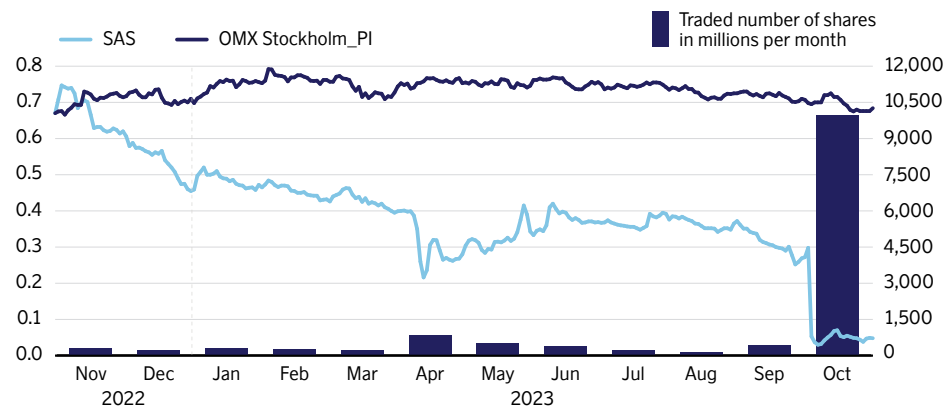
- > Financial instruments and capital markets

SAS strives to provide capital markets with transparent and relevant information to ensure that trade in our financial instruments can be conducted efficiently. These include the common shares listed on Nasdaq Stockholm, small cap, with secondary listings in Copenhagen and Oslo.

Share price performance FY 2023

In total, the price per common share decreased by 93.2% to SEK 0.048 during the fiscal year. Over the same period, the Nasdaq Stockholm OMXS30 index increased by 5.10%.

THE SAS SHARE



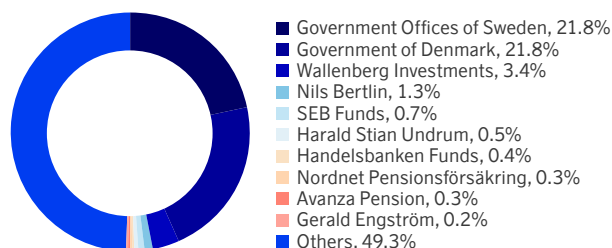
Financial Instruments

> Financial instruments and capital markets

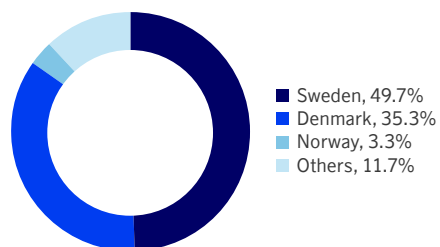
Distribution of shareholders and changes

As of October 31, 2023, SAS had 218,817 holders of common shares. Holdings in listed Scandinavian countries made up 88.2% of outstanding shares, with Sweden accounting for 49.68%, Denmark 35.27% and Norway 3.25%. Of the remaining 11.7% of holdings, outside Scandinavia, the two largest proportions were 0.30%, registered in Finland, followed by 0.13% in China.

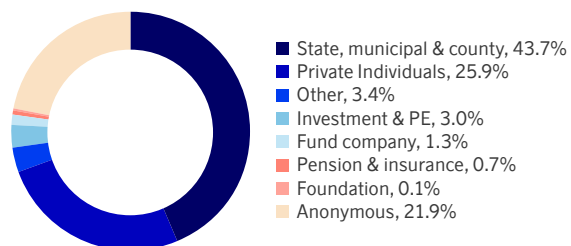
TEN LARGEST SHAREHOLDERS, OCTOBER 31, 2023



VOTING RIGHTS IN SAS, BY COUNTRY, OCTOBER 31, 2023



BREAKDOWN OF THE SAS SHARE CAPITAL, BY VOTES, OCTOBER 31, 2023



DISTRIBUTION OF COMMON SHARES

Owner distribution by holdings	Number of shares	% of capital	Number of votes	Number of owners	% of all shareholders
1-1,000	35,223,260	0.5%	0.5%	104,375	47.7%
1,001-10,000	325,960,708	4.5%	4.5%	79,213	36.2%
10,001-100,000	943,258,700	13.0%	13.0%	30,850	14.1%
100,001-1,000,000	964,557,406	13.3%	13.3%	4,150	1.9%
1,000,001-	4,206,074,127	57.9%	57.9%	230	0.1%
Anonymous ownership	790,965,091	10.9%	10.9%	N/A	N/A
Total	7,266,039,292	100.0%	100.0%		

CHANGE IN SHARE CAPITAL¹

	Event	No. of new shares	Total no. of shares	Nominal value/share, SEK	Nominal share capital
May 2001	Company registration	50,000	50,000	10	500,000
July 2001	Non-cash issue	155,272,395	155,322,395	10	1,553,223,950
August 2001	Non-cash issue	6,494,001	161,816,396	10	1,618,163,960
May 2002 ²	New share issue, common shares	2,683,604	164,500,000	10	1,645,000,000
April 2009	New share issue, common shares	2,303,000,000	2,467,500,000	2.5	6,168,750,000
April 2010	New share issue, common shares	7,402,500,000	9,870,000,000	0.67	6,612,900,000
June 2010	Reverse split, common shares	-	329,000,000	20.1	6,612,900,000
February 2014	New issue of preference shares	7,000,000	336,000,000	20.1	6,753,600,000
January 2016	Conversion of convertible bond	1,082,551	337,082,551	20.1	6,775,359,275
November 2017	New share issue, common shares	52,500,000	389,582,551	20.1	7,830,609,275
February 2018	Redemption, preference shares	-4,898,448	384,684,103	20.1	7,732,150,470
November 2018	Redemption, preference shares	-2,101,552	382,582,551	20.1	7,689,909,275
September–November 2020	Reduction of share capital			-19.35	-7,402,972,362
	Bonus issue				+3,200,000,000
	Conversion of bond	+547,413,777		0.75	+410,560,333
	Conversion of hybrid bond	+1,163,793,087		0.75	+872,844,815
	Directed issue	+1,729,170,833		0.75	+1,296,878,125
	Rights issue	+3,437,102,162		0.75	+2,577,826,622
	Shares registered in November	+5,976,882		0.75	+4,482,662
	Total		7,266,039,292	1.19	8,649,529,469

¹) Before SAS AB was formed in May 2001, SAS was listed through SAS Danmark A/S, SAS Norge AS and SAS Sverige AB.
²) Technical change in connection with consolidation to one common share.



Sustainability

SUSTAINABILITY

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SAS' primary strategic focus is to attain a sustainable and profitable business. Facilitating the shift toward more sustainable air travel remains an existential matter. Our aim is to lead and inspire the journey towards a carbon-neutral society.

The delivery of eight new aircraft, boasting 15-30% lower fuel consumption, marks a milestone in SAS's journey toward decarbonization. At the end of the year, our fleet included a total of 61 A320neo aircraft. SAS is one of the leading operators of next-generation aviation technology in Europe, operating 51% of these state-of-the-art and fuel-efficient aircraft. Still, there are 18 additional A320neo on order to be delivered.

In FY 2023, SAS welcomed eight A320neo, while phased out and rejected twelve aircraft, including two Airbus 350, one A320neo, five Boeing 737, and four Airbus 321.

SAS Link's role is pivotal in right-sizing our fleet. During FY2023, we introduced five E195 aircraft to service routes with lower passenger demand.

For over three decades, SAS has diligently worked to reduce its environmental footprint in operations. Since 1996, we have consistently provided transparent and externally validated reports to showcase our progress. Despite supply challenges, we have successfully nearly

doubled our utilization of SAF (sustainable aviation fuel) this year, primarily through the blend-in mandate in Norway and Sweden, and with the support of our customers who are dedicated to purchasing SAF to make their flight fossil-free.

Scope

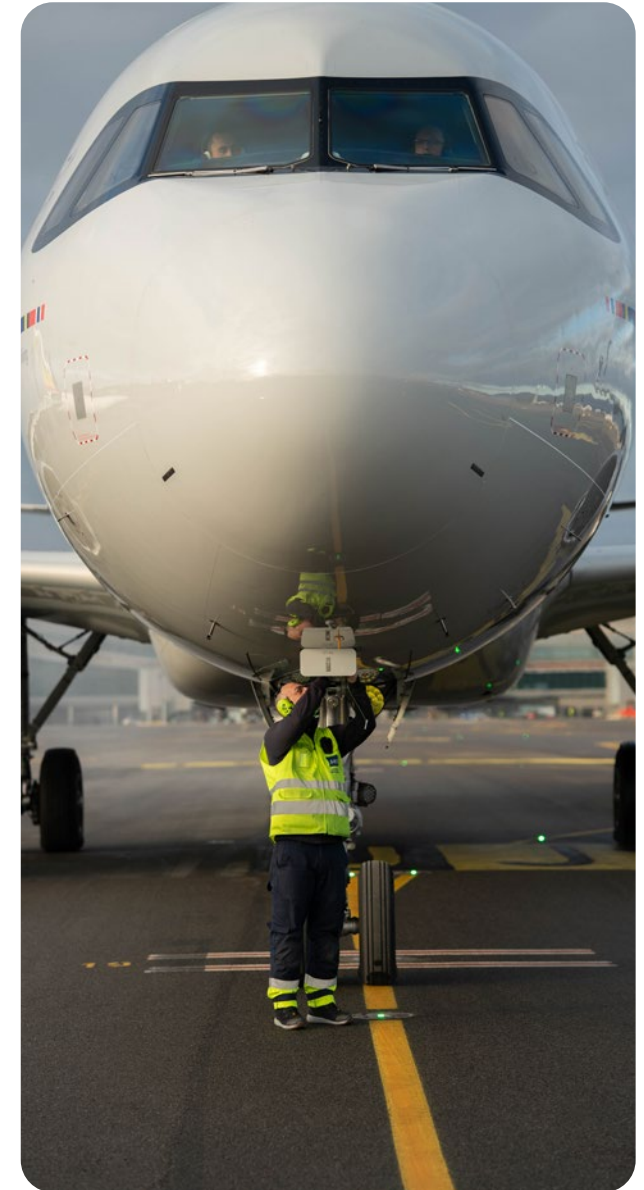
SAS is committed to sustainable development with a holistic approach that encompasses environmental, social, and financial responsibility. Our sustainability initiatives are driven by the belief that sustainable practices are vital for the betterment of today and tomorrow. We recognize that innovation and collaboration are at the core of achieving the necessary changes for a sustainable future.

Environmental responsibility

SAS acknowledges its responsibility in minimizing its environmental footprint. We focus on reducing our impact on the climate and the environment through various initiatives. Our primary areas of environmental concern include aircraft fuel efficiency, resource utilization, and waste reduction. Our aim is to decrease our carbon emissions, optimize resource use, and promote conservation of biodiversity.

Social responsibility

Our commitment to sustainability extends to our customers, employees, and society as a whole. We strive to ensure the well-being and satisfaction of our customers, provide a safe and inclusive work environment for our employees, and engage with communities to address social issues. Our focus on social responsibility is based on fostering positive relationships with stakeholders, promoting employee health and safety, and contributing to the well-being of society.



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Financial responsibility

Sustainability, from SAS's perspective, involves not just environmental and social responsibility but also includes financial accountability. We recognize that by using resources more efficiently, reducing risks, and optimizing our operations, we can enhance our value and competitiveness. For example, improving aircraft fuel efficiency and optimizing passenger and cargo capacity not only reduces fuel consumption but also operational costs. There is also a strong financial incentive to reduce sick leave and enhance employee well-being.

Boundaries

SAS is committed to achieving sustainability through a comprehensive approach that is firmly embedded within our core business. Our sustainability efforts extend to all aspects of our operations, including our flights, ground services, and corporate functions. We understand that the transition to more sustainable air travel is a fundamental challenge for SAS, and our efforts are geared towards continuous improvements in all relevant areas of sustainability.

Our sustainability efforts includes all SAS operations, covering but not limited to flight services, ground operations, and corporate functions. We actively engage with internal and external stakeholders to define and prioritize our sustainability efforts.

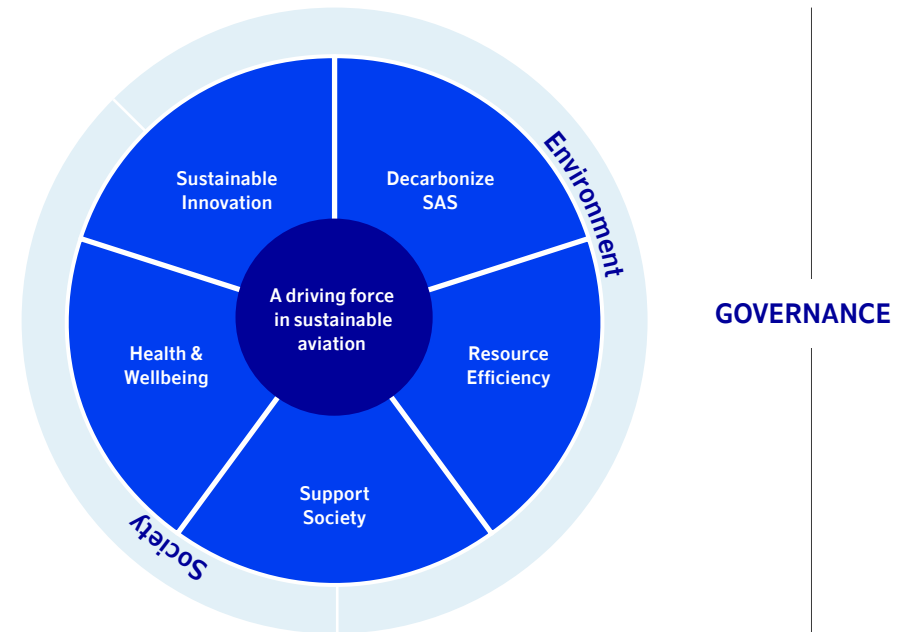
SAS sustainability strategy

With our firm commitment, documented activities, and results, we actively work towards mitigating our environmental impact. Our commitment extends to the well-being of our customers, employees, and society. By doing so, we not only reduce sustainability-related risks

but also seize potential opportunities, avoiding unnecessary costs, achieving strong financial performance, and distinguishing ourselves in a competitive market.

The transition to more sustainable air travel is an existential topic for SAS and we believe that sustainable development means continuous improvements in all relevant areas of sustainability. We have a well-defined process for continuously reviewing relevant sustainability topics. The process involves engaging with

internal and external stakeholders based on international guidelines such as the GRI, the UN Global Compact, the UN Sustainable Development Goals, global trends, the media, stakeholder dialogues, and our own assessments of risks and opportunities.



Our focus is the five areas within sustainability where SAS will make progress. But it also reflects the purpose of aviation – to support our society.

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STAKEHOLDER ENGAGEMENT

SAS has a long tradition of a developed and fruitful cooperation with a wide range of stakeholders and involvement in community-related issues.

SAS stakeholders includes a broad spectrum of individuals and organizations with whom we engage, collaborate, and share interests. This helps to set the foundation for the conditions that support SAS' competitiveness and operational framework.

SAS actively collaborates with customers, authorities, suppliers, airports, and other stakeholders to drive sustainability and innovation. We engage in dialogues with employees, partners, experts, NGOs, organizations, and researchers who share our commitment to learning, driving positive change, and supporting our sustainability initiatives.



Stakeholder priorities are constantly changing, continually evolve to meet expectations. Conducting a thorough materiality assessment helps us identify and prioritize the issues that matter most to our business and stakeholders.

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MATERIALITY ASSESSMENT

The materiality assessment aims at engaging stakeholders to identify our most significant impact on the economy, environment, and people to find out how important specific environmental, social and governance (ESG) issues are to them.

Identification of material aspects

To ensure SAS prioritized materiality issues, an assessment was conducted in FY 2022. The assessment was undertaken by an independent third party to ensure complete confidentiality and objectivity. In the process 11 external stakeholders (customers, suppliers, associations, NGOs and airports) and 19 Internal stakeholders (board members, management, business unit managers, subsidiaries) were interviewed. A survey among employees was also completed.

Prioritization of material aspects

The results have been compiled and processed by SAS management and SAS key personnel. The board has subsequently confirmed the prioritization of the materiality issues, which has been included in strategy, risk management and associated business processes.

The most material issues to include in strategy, risk management and related business processes	Material issues to include in reporting	Material aspects to monitor in regards to development
<p>ENVIRONMENT</p> <ul style="list-style-type: none"> Reduce climate impact Fleet development Sustainable aviation fuel Efficient flight operation Waste management 	<p>ENVIRONMENT</p> <ul style="list-style-type: none"> Pollution prevention Climate change adaption Noise pollution 	<p>ENVIRONMENT</p> <ul style="list-style-type: none"> Biodiversity Water management
<p>SOCIAL</p> <ul style="list-style-type: none"> Responsible employer Employee health & safety Diversity and equality Labor relations Accident and safety management 	<p>SOCIAL</p> <ul style="list-style-type: none"> Responsible supply chain Human rights Societal engagement 	<p>GOVERNANCE & ECONOMIC</p> <ul style="list-style-type: none"> Loyalty program
<p>GOVERNANCE & ECONOMIC</p> <ul style="list-style-type: none"> Financial performance Market competitiveness Innovation & digitalization Business ethics 	<p>GOVERNANCE & ECONOMIC</p> <ul style="list-style-type: none"> Stakeholder dialogue 	

Materiality list prioritizing sustainability issues identified by the company and by engagements with stakeholders

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OUR MOST MATERIAL ISSUES

Reduce climate impact

Based on the materiality assessment conducted in FY 2022, and excluding matters related to accident and safety management, our foremost environmental priority is to reduce our climate impact. Emissions stemming from aircraft operations (Scope 1) account for over 99% of our greenhouse gas emissions within scope 1 and 2.

To reduce our climate impact, we:

- Continue fleet modernization
- Expanding the use of SAF (sustainable aviation fuels)
- Enhancing flight efficiency
- Minimizing onboard weight
- Work together with Air traffic control
- Find disruptive technologies that are or will be used to reduce CO₂ emissions in aviation.

Stakeholder communication

SAS is dedicated to transparently communicating sustainability matters with our stakeholders, including the publication of our Annual and Sustainability Report. Customer satisfaction, encompassing travelers, freight customers, and more, is consistently measured and monitored, a critical aspect for both SAS and its stakeholders.

Responsible employer

SAS actively prioritizes employee well-being, encompassing physical and mental health, working

conditions, hazard identification, monitoring, auditing, incident reporting processes, and company health services. We are committed to fostering a safe and healthy working environment.

Being a responsible employer involves not only attracting and retaining our talented workforce but also ensuring the health and well-being of our employees. This includes aspects like promoting a positive business culture and strong leadership, offering training and human resource development programs, conducting performance and development reviews for our employees as well as employee engagement surveys.

Labor relations

SAS maintains constructive and collaborative labor relations that prioritize the well-being and fair treatment of our workforce. We are committed to fostering a positive and mutually beneficial working environment. Our approach is to have a respectful engagement and open dialogue, recognizing the importance of a harmonious and productive relationship with our employees.

Diversity & equality

SAS is actively advocating for and working toward greater diversity, encompassing both governance bodies and employees. This includes diversity in areas such as governance representation, basic salary ratios, and ensuring equal opportunities, regardless of factors like gender, nationality, or religion.

Financial performance

Financial performance in both short- and long-term perspective in accordance with set strategy in SAS FORWARD is needed to ensure a solid and competitive market position.

Environmental	Social	Governance and economic
Reduce climate impact	Responsible employer	Financial performance
- Fleet development	- Employee health & safety	- Market competitiveness
- Sustainable aviation fuel	- Diversity and equality	Innovation & digitalization
- Efficient flight operation	Labour relations management	Business ethics and anti-corruption
Waste management	Accident and safety management	

Innovation & digitalization

Innovation and digitalization have risen in importance. This involves creating partnerships for new disruptive aircrafts, engines and sustainable aviation fuels, and as well as the development and integration of intelligent tools aimed at enhancing pilot fuel efficiency, data management, and IT security.

Business ethics & anti-corruption

SAS maintains a structured approach to uphold ethical conduct both within the organization and in external interactions. This includes providing training on our Code of Conduct, performing risk assessments related to corruption within our operations, and ensuring adherence to business ethics and anti-corruption principles in our supply chain, in compliance with the Norwegian Transparency Act.

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UN SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs), also known as the Global Goals for Sustainable Development, comprise 17 global objectives established by the United Nations General Assembly in 2015. These goals encompass a wide spectrum of global development targets to be achieved by 2030. They encourage businesses to consider their most effective ways of aiding in addressing global challenges associated with economic, social, and environmental sustainability.

Our most relevant SDGs

As we aim for leadership in sustainable aviation, our core focus is on mitigating our climate impact, enhancing resource efficiency, and creating an attractive workplace. Through the five key priorities within our Sustainability strategy, SAS has the capacity to make a positive impact on eight of the sustainable development goals.



SDG 5 – GENDER EQUALITY

Goal 5 promotes gender equality and the empowerment of all women and girls. SAS contributes toward this goal by encouraging gender equality and diversity through its recruitment policy and annual People Review.



SDG 8 – DECENT WORK AND ECONOMIC GROWTH

Goal 8 promotes sustained, inclusive and sustainable economic growth, productive employment and decent work for all. SAS provides fair working conditions for all its employees, partners, and suppliers.



SDG 9 – INDUSTRY, INNOVATION AND INFRASTRUCTURE

Goal 9 endorses resilient infrastructure, inclusive and sustainable industrialization and fosters innovation. SAS engage in partnerships for innovation in new disruptive technologies as aircraft, engines and sustainable aviation fuels, smart tools to improve pilot's fuel efficiency performance.



SDG 11 – SUSTAINABLE CITIES AND COMMUNITIES

Goal 11 calls for cities and human settlements to become more inclusive, safe, resilient, and sustainable. SAS create job opportunities and connects citizens in Scandinavia's remote areas to the rest of the world, and the world with Scandinavia.



SDG 12 – RESPONSIBLE CONSUMPTION AND PRODUCTION

Goal 12 promotes sustainable consumption and production patterns. SAS works continuously with its product development and efficiency improvements in order to reduce its climate and environmental impacts.



SDG 13 – CLIMATE ACTION

Goal 13 calls for urgent action to combat climate change. SAS works proactively to reduce its greenhouse gas emissions by focusing on reducing emissions from its aircraft operations.



SDG 16 – PEACE, JUSTICE AND STRONG INSTITUTIONS

Goal 16 promotes peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. SAS ensures that human rights are respected through our code of conduct.



SDG 17 – PARTNERSHIPS FOR THE GOALS

Goal 17 encourages to strengthen the means of implementation and revitalization of the global partnerships for sustainable development. In the aviation industry partnerships enabled the commitment to achieving net-zero carbon emissions from our operations by 2050. Partnerships for aviation technology, carbon offsetting schemes and climate risk assessment are other areas where the industry work together to find sustainable solutions.

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ENVIRONMENTAL PERFORMANCE

SAS is committed to reducing its greenhouse gas emissions. To advance our environmental initiatives, we have established comprehensive and ambitious short- and long-term goals.

Our objective is to be a driving force in the transition to sustainable aviation. This commitment involves promoting innovation and forging partnerships to develop new solutions, making investments in advanced, more fuel-efficient aircraft, expanding the production and utilization of sustainable aviation fuels, and implementing numerous enhancements to our in-flight offerings and services.

Sustainability, from an environmental perspective, at SAS is focused on these key pillars: decarbonizing our operations, enhancing resource efficiency, and minimizing our local impact on air and water quality, as well as reducing aircraft noise during take-off and landing.



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ENVIRONMENTAL GOALS AND PERFORMANCE INDICATORS

To reduce our greenhouse gas emissions and to advance our environmental efforts, we have established comprehensive and ambitious short- and long-term environmental goals.

2025

- 25% lower total CO₂ emissions compared with 2005 (absolute emissions)

2030

- Sustainable aviation fuel equivalent to SAS' domestic production (on average 18% the last 5 years)
- 50% noise reduction compared with 2010
- 100% sustainable materials in SAS' customer offering
- 100% recycling where possible

2050

- Net zero carbon emissions in line with IATA's updated ambition

Science-based target initiative

In FY2022, SAS made a commitment to align with the Science-Based Targets initiative, offering a clearly defined pathway for emissions reduction in line with the goals of the Paris Agreement. For SAS, this commitment translates into a target of reducing our average carbon intensity by approximately 35–40% between 2019 and 2035.



Industry emissions goals

SAS intends to be part of a long-term sustainable society and support the International Air Transport Association (IATA) ambition of net zero carbon emissions from commercial flights by 2050.

The IATA and the airline industry have agreed on the following joint targets:

- Carbon-neutral growth from 2020
- Net zero carbon emissions by 2050

In 2021, the International Civil Aviation Organization (ICAO), a UN aviation organization, introduced a global market-based measure known as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA). This initiative is designed to ensure

that the pursuit of a carbon-neutral growth trajectory does not create unfair competition and adheres to the UN's principles of CBDR (common but differentiated responsibility). CORSIA plays a central role in achieving this carbon-neutral growth. Currently, we are fully prepared to meet our emissions reporting requirements.

SAS is dedicated to achieving the IATA targets, and we have consistently improved our fuel efficiency by around 2% annually since 2010. We intend to meet these targets by leveraging a mix of new technologies, sustainable aviation fuels, alternative energy sources, enhanced air traffic management, and collaborative efforts to enhance infrastructure and the operational conditions of air transport. For a deeper dive into our emissions reduction initiatives, please refer to page 30 and beyond.

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CLIMATE CHANGE MITIGATION



In FY 2023, our absolute CO₂ emissions from aircraft operations increased by 27% compared to the previous year. This increase can be attributed to the return of traffic, which had been significantly reduced for almost three years due to the pandemic.

Conversely, our CO₂ emissions per passenger kilometer decreased by 3% to 87.4 grams (from 90), driven by a higher cabin factor following the return of traffic and our ongoing fleet renewal.

The carbon emissions per available seat kilometer experienced a slight increase of 0.9% to 54.5 grams (from 54) due to an increased load factor following the return of traffic.

Throughout FY 2023, SAS utilized 6049 tonnes of sustainable aviation fuel (SAF), almost double the volume compared to the previous year (3083 tonnes). This usage is attributed to the customer SAF upgrade ancillary service, along with the Norwegian blend-in obligation and Swedish reduction mandate.

When compared to 2005, the reduction in carbon emissions is more significant (-31%) than the decrease in production measured in tonne-kilometers (-8%), primarily due to the efficiency improvements in our fleet, among other factors.

GREENHOUSE GAS EMISSIONS, SCOPE 1

	Unit	FY 2023	FY 2022	Base year 2010
Flight Operations				
CO ₂ total	1,000 tonnes	3,071	2,414	3,511
as of domestic flights	1,000 tonnes	534	473	
as of flights to/from EU/EEA	1,000 tonnes	1,197	1,092	
as of flights to/from outside EU/EEA	1,000 tonnes	1,340	849	
as of biogenic CO ₂ emission ¹⁾	1,000 tonnes	19.1	9.7	-
CO ₂ passenger share	1,000 tonnes	2,883	2,225	3,244
NO _x	1,000 tonnes	11.8	9	14.3
SO ₂	1,000 tonnes	1.0	0.8	
CO	1,000 tonnes	3.3	2.6	
HC ²⁾	1,000 tonnes	0.14	0.11	-
Passenger kilometers	million	33,528	24,855	29,572
Tonne kilometer	million	3,729	2,875	3,48
Departures	1,000	226	191	279
CO ₂ /passenger kilometer	gram	87.4	90	109.7
CO ₂ /available seat kilometer	gram	54.5	54	74
CO ₂ /tonne kilometer	gram	818	840	1,009
CO ₂ e total ³⁾ Flight operations	1,000 tonnes	3,091	2,437	3,544
Ground Handling				
CO ₂ Vehicle Petrol ⁴⁾	tonnes	39	31	
CO ₂ Vehicle Diesel ⁴⁾	tonnes	2,034	2,227	
HVO	tonnes	47		
Maintenance Productions				
CO ₂ Vehicle Petrol ⁴⁾	tonnes	25	31	
CO ₂ Vehicle Diesel ⁴⁾	tonnes	90	95	
HVO	tonnes	3		
SAS Cargo Group				
CO ₂ cargo share flown ⁵⁾	1,000 tonnes	178	193	230
Cargo tonne kilometer flown	million	378	390	570
CO ₂ /cargo tonne kilometer flown	gram	473	485	403
CO ₂ /cargo tonne kilometer trucked ⁵⁾	gram	91	88	
Total CO₂e⁶⁾	1,000 tonnes	3,093	2,446	
Aircraft Noise – takeoff	85 db area in km2 per dep	1.77	1.81	2.40

1) Biogenic CO₂ from 6049 tonnes SAF

2) HC in kerosene including CH₄

3) Emission factor 3.18 for CO₂e (DEFRA)

4) SAS only report on main bases ARN, CPH and OSL

5) FY 2022 figure altered retroactively

6) Total CO₂e includes Flight operation, Ground handling and Maintenance production

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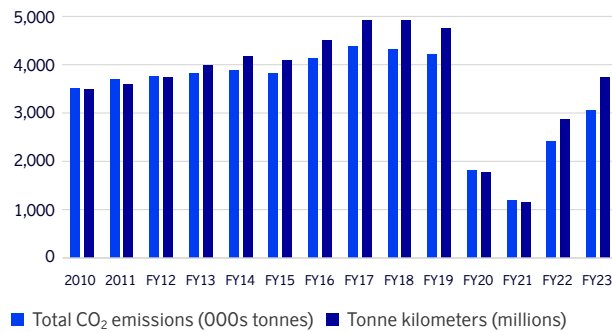
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What are our relative and absolute emissions?

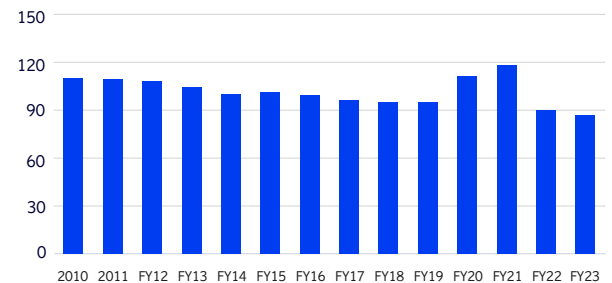
Absolute emissions pertain to the total quantity of emissions, typically measured in tonnes of CO₂.

Relative emissions, on the other hand, denote emissions per production unit, such as grams of CO₂ per tonne-kilometer, grams of CO₂ per passenger-kilometer, grams of CO₂ per cargo tonne-kilometer, or grams of CO₂ per available seat-kilometer.

SAS FLIGHT OPERATIONS TOTAL CO₂ EMISSIONS



SAS FLIGHT OPERATIONS CO₂ GRAM/PASSENGER KILOMETER



Share of CO₂ emissions

In our analysis of total CO₂ emissions for FY 2023, we made the following observations: Flights under 500 km accounted for 12.5% of emissions, flights spanning 500 to 800 km for 10.8%, those between 800 and 3,000 km for 37.0%, and flights exceeding 3,000 km for 39.7%. Domestic flights contributed to 17.5% of emissions, while international flights were responsible for the remainder.

Non-CO₂ emissions

Concerning greenhouse gas emissions, SAS has opted to report different emissions separately in this report, with our emission calculator available on our website. Unlike most emission calculators that estimate CO₂ equivalents (CO₂e) using various multipliers to account for non-CO₂ emissions, SAS refrains from such calculations due to a lack of consensus among scientists and experts on how to convert NO_x, particles, and water vapor emissions into CO₂e. We actively support various initiatives to reduce the impact of non-CO₂ emissions in our daily operations and develop a more advanced calculation methodology. Notably, our current fleet renewal and technology choices contribute to a greater relative reduction of non-CO₂ emissions compared to CO₂ emissions.

Contrails, which reflect radiation, exhibit dual effects on the climate – cooling during the day but potentially warming it at night.

In FY 2023, IATA established a task force to address non-carbon dioxide (CO₂) emissions, with a specific focus on the environmental impact of contrails generated by aircraft, highlighting the imperative for a proactive approach.

In response to the challenges posed by contrails, some companies utilize digital modeling technologies to track moist air patches, offering alternative routes to avoid the formation of contrails.

New EU rules set for enforcement by 2025 will mandate airlines to track and report their non-CO₂ emissions. However, the precise methodology for implementing this reporting requirement is still under consideration, marking an ongoing area of development within the industry.

Our focus areas to reduce emissions

SAS's environmental programs centre around several emission-related areas, each described in more detail below:

- Enhanced energy efficiency
- Sustainable aviation fuel (SAF) and emerging technologies
- Sustainable products and services

CO₂ EMISSIONS FOR SCANDINAVIAN AIRLINES AIRCRAFT OPERATIONS FISCAL YEAR 2023

	1,000s tonnes CO ₂	% of total aircraft operation CO ₂
Denmark		
Domestic Flights	21	0.7%
Flights to EU/EES	277	9.0%
Flights to outside EU/EES	445	14.5%
Norway		
Domestic Flights	356	11.6%
Flights to EU/EES	208	6.8%
Flights to outside EU/EES	91	3.0%

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CO₂ EMISSIONS FOR SCANDINAVIAN AIRLINES AIRCRAFT OPERATIONS FISCAL YEAR 2023

	1,000s tonnes CO ₂	% of total aircraft operation CO ₂
Sweden		
Domestic Flights	157	5.1%
Flights to EU/EES	234	7.6%
Flights to outside EU/EES	168	5.5%
Finland		
Domestic Flights		
Flights to EU/EES	16	0.5%
Flights to outside EU/EES		
EU/EEA		
Departing EU/EEA ¹ for Scandinavia and Finland	462	15.1%
Departing EU/EEA ¹ for outside EU/EEA		
Departures within EU/EES ¹	0	0.0%
Outside EU/EEA		
Departures outside EU/EES ¹ to Scandinavia and Finland	636	20.7%
Departures outside EU/EES ¹ to outside EU/EES	1	0.0%
Total	3,071	100.0%

1) Excluding Denmark, Sweden, Norway and Finland, which are reported separately.

FLEET RENEWAL

Continuous fleet renewal remains a crucial aspect of our strategy to reduce greenhouse gas emissions stemming from our aircraft operations. Our strategy focuses on sustaining long-term profitability through a well-balanced fleet plan. Over the years, we've consistently replaced less efficient aircraft with more advanced and sustainable alternatives.

Our aircraft, whether owned, leased, or wet-leased, were operated by SAS Scandinavia, SAS Connect, SAS Link, or several regional production partners utilizing regional jets and turboprop aircraft during FY 2023.

Engaging in productive discussions with Airbus, we successfully deferred the delivery of new aircraft not immediately required. These deferrals are significant as they contribute to the reduction of our capital expenditure for 2021–2024 and align the introduction of new aircraft with anticipated demand. We remain committed to reducing the fleet operation complexity during 2024. Furthermore, we've made strides in our ambitious sustainability goals by accelerating the retirement of older and less fuel-efficient aircraft. In the 140–200 seat category, we're moving towards operating a uniform fleet once all A320neo aircraft are delivered. According to performance data, the A320neo aircraft exhibits a substantial improvement in fuel efficiency and noise reduction, boasting 15–18% lower fuel consumption on typical short-haul flights compared to the previous generation A320.

Throughout the year, we welcomed eight A320neo, and five E195 aircraft, while phased out and rejected twelve older aircraft, including two Airbus 350, one A320neo, five Boeing 737, and four Airbus 321. As of October 31, 2023, we had taken delivery of 62 out of the 80 A320neo aircraft ordered and six out of eight A350 aircraft ordered in total.

At year-end, the SAS fleet comprised 134 aircraft (15 long-haul aircraft, 88 short-haul aircraft, and 31 aircraft operated by regional production partners). The average age of our entire aircraft fleet stood at 8.6 years at year-end.

FUEL EFFICIENCY

Fuel efficiency program

Our comprehensive long-term fuel-saving program is an integral part of our operations. We prioritize equipping all SAS airline employees with the necessary knowledge and skills to promote fuel efficiency. This includes key functions responsible for network planning, products, services, and aircraft operations.

We continuously work to optimize operating procedures and support systems to enhance fuel efficiency. It's important to note that any changes made in this regard are always aligned with the highest flight safety standards, while also striking a balance between fuel efficiency and other operational costs, such as maintenance and airspace charges.

Right sizing

SAS provides an extensive network of destinations and routes catering to varying passenger volumes, necessitating an aircraft fleet of different sizes and ranges. Thanks to our regional production partners, we can flexibly adjust our schedule and aircraft sizes to match demand, particularly on routes with lower passenger numbers. This adaptability allows us to optimize our fuel consumption and emissions per seat-kilometre. Leveraging our extensive experience, we continually strive for efficient aircraft planning.

Airspace and European network

Over the last two decades, SAS has collaborated with various stakeholders and invested significantly in preparing for a more efficient European air traffic control system. The responsibility for implementing this vital transformation lies with the relevant authorities.

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Collaboration with aircraft and engine manufacturers

In our ongoing environmental efforts, we actively engage with aircraft and engine manufacturers, as well as producers of interiors and other aircraft installations. Environmental performance and criteria are key considerations integrated into our decision-making processes for procuring new aircraft and regional production partners.

SUSTAINABLE AVIATION FUEL (SAF) & EMERGING TECHNOLOGIES

For over a decade, we have diligently pursued various activities to foster the development of sustainable aviation fuels (SAF), including biofuels. The commercialization of sustainable aviation fuels is pivotal to achieving our environmental and climate objectives, as well as providing an alternative to fossil fuels, not only for SAS but for the entire airline industry.

SAS consistently requests SAF quotes in all jet-fuel tenders to demonstrate our willingness to purchase biofuel when it meets sustainability criteria and price competitiveness. We actively engage in numerous national and international projects, forums, and networks to accelerate the commercialization of SAF production in Scandinavia. These collaborations include the IATA/ATAG biofuel network, SAFUG, NISA, RISE,



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Fossil Free Aviation 2045, Klimapartnerskabet, and other Scandinavian interest organizations.

Certification of various production pathways is underway, and we focus on supporting already certified pathways and realistic, implementable initiatives within a practical timeframe.

Our primary sustainability criteria for biofuels are long-term sustainability, no competition with food production or access to potable water, minimal impact on biodiversity, and efficient land utilization. According to IATA, depending on the production method, SAF can reduce lifecycle CO₂ emissions by up to 80%. An enhanced quality of SAF delivered to SAS during FY 2023 resulted in an average CO₂ reduction of 92%.

Since 2020, Norwegian fuel suppliers are required to blend 0.5% SAF into all flights fueled in Norway. As of July 1, 2021, Sweden introduced a SAF reduction mandate, with emission reductions of 0.8% in 2021, increasing to 2.6% in 2023.

An EU-wide mandate, part of the EU Fit for 55 initiative and integrated into the new law ReFuel EU Aviation, was adopted by the Council in October 2023 with the objective to decarbonize the aviation sector. This mandate sets regulations for the increasing use of SAF from 2025, commencing at 2% and escalating to 6% by 2030.

The ALIGHT project

In collaboration with Copenhagen Airport and DLR, we participate in the ALIGHT project. During FY 2023 one of our A320neo aircraft was flown four times a day for two consecutive weeks, utilizing a 30% blend of SAF to

measure local air quality. The results surpassed expectations, demonstrating that the use of SAF reduces particles, improving local air quality. There is reason to believe that reducing particles will also lead to fewer contrails at high altitudes.

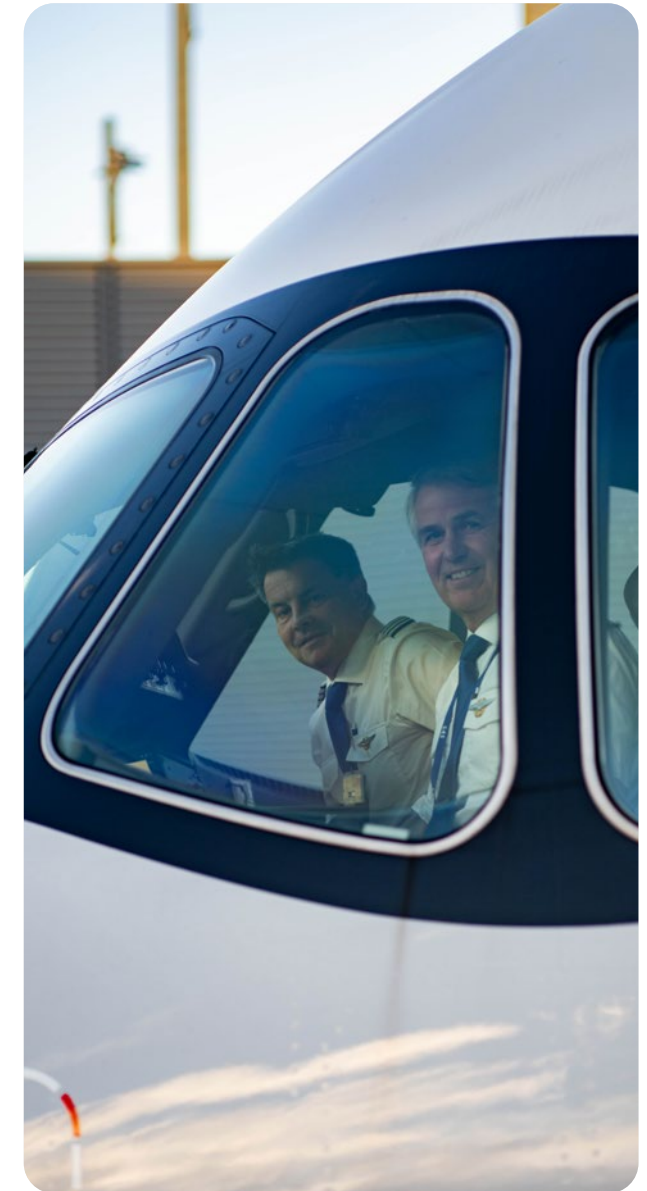
Future lower emission aircraft

Numerous ongoing development projects target the commercialization of future low-emission aircraft within a 5 to 15-year timeframe. Key areas of development include improved aerodynamics, weight reduction, and advanced or new propulsion solutions.

Recent emphasis has been on exploring new propulsion solutions, which encompass a range of possibilities, such as next-generation jet turbine engines using traditional jet fuel or SAF, jet turbines adapted for hydrogen use, and electric engines powered by batteries or hydrogen fuel cells. Each solution presents its own opportunities and challenges, and we anticipate the commercialization of diverse solutions over time.

Smaller producers focus on developing aircraft for the 10-15 seat market with a one- to two-hour flight range before 2030. Major aircraft manufacturers are working toward commercializing 100-150 seat aircraft with short-haul capabilities by 2040.

SAS and Airbus entered into a memorandum of understanding in 2019 to expedite the development of a 100-seat aircraft with technology enabling full-electric, hybrid, or hydrogen propulsion in the 2030s. The collaboration covers various aspects related to technology commercialization, including SAS business needs, charging capabilities, operational possibilities, and other pertinent considerations. In October 2020,



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Airbus unveiled its 'ZEROe' concept, and our collaborative efforts continued as planned in FY 2023.

In 2019, SAS partnered with Heart Aerospace to advance the development of electric aircraft. In September 2022, we signed a letter of support to include their new electric ES-30 in our regional fleet. This milestone holds the potential to be a significant step in SAS' sustainability journey, offering the possibility of zero-emission flights on Scandinavian routes. SAS contributed to Heart Aerospace's Industry Advisory Board, aiding in defining requirements for the ES-30 aircraft during FY 2023.

SAS is committed to engaging with Airbus and strongly supports the development of various initiatives in this field. We believe that a substantial technology shift will occur in the 2030s, leading to the commercialization of several full-electric, hybrid, or hydrogen-powered aircraft.

SAS is an active participant in The Nordic Network for Electric Aviation (NEA), a platform that unites Nordic actors in accelerating the introduction of electric aviation in the Nordic countries. The project is a collaboration between twelve partners from six Nordic countries.

ELISE

SAS is a member of the ELISE project, which aims to build expertise and drive rapid technological innovation in aviation. The project unites industry and technology stakeholders to advance electric aviation in Sweden. The project's objectives include creating and demonstrating a fully functional electric aviation system. It will involve testing taxiing and charging procedures and functionalities.

Emissions of ozone-depleting substances

Airlines are required to submit reports annually on the use, consumption, leakage, and storage of halon to the authorities. In FY 2023, one instance of halon use for fire safety precautions were reported.

Emissions calculations and CO₂ offsetting

Carbon offsetting options for customers have been available since 2006. Our emissions calculator, accessible at www.sasgroup.net, provides greenhouse gas emission calculations for SAS' flights. We offset all SAS tickets for EuroBonus members, Youth travel with SAS, and our staff tickets. In FY 2023, these offsets

accounted for 1.097 million tonnes of CO₂ (365 of total fuel), equivalent to 38% of passenger-related CO₂ emissions. Offsetting is achieved through the purchase of emission-reducing mechanisms linked to third-party renewable energy projects in Asia.

Glycol, diesel, and petrol consumption

Glycol is employed for aircraft de-icing, with our usage increasing to 2,729 thousand liters in FY 2023. SAS employs vehicles for maintenance and ground-related services at airports, adhering to regulations promoting the adoption of lower environmental impact vehicles. At our main bases, all vehicles are leased,



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with contracts and fuel consumption continuously monitored. SAS Cargo also tracks CO₂ emissions per cargo tonne-kilometer from its subcontracted ground trucking operations. Any spillages during ground handling are managed in accordance with established procedures.

ENERGY AND EMISSIONS

We continuously work to reduce energy consumption. The decrease in energy consumption is attributed to the implementation of more efficient lighting and the reduced utilization of building floor space.

GREENHOUSE GAS EMISSIONS, SCOPE 2

	Unit	FY 2023	FY 2022	Base year 2010
Energy				
CO ₂ energy	1,000 tonnes	5.1	5.6	24.9
As of CO ₂ electricity	1,000 tonnes	2.3	2.4	12.3
As of CO ₂ heating	1,000 tonnes	2.9	3.2	12.6

Own business travel

We have direct control over our business trips on SAS flights, resulting in an emission of approximately 10.338 tonnes of CO₂ during the year. SAS is currently exploring and assessing strategies to encourage our suppliers to report on our scope 3 emissions.

NOISE

Aircraft noise represents the most significant impact on local airport stakeholders. Strict regulations are enforced along flight paths near residential areas. In FY2023, there was a decrease in noise emissions during take-off (-2.2%) and a substantial decrease of 26.3% compared to 2010. This improvement is primarily due to the introduction of quieter and more modern aircraft.

During FY 2023, SAS did not receive any noise violation reports. The reduction in the number of breaches over recent years can be attributed to the procurement of quieter aircraft and various improvement initiatives, including specific flight simulator training scenarios designed for flights to and from airports with stringent noise regulations.

WASTE MANAGEMENT

We work continuously to enhance the recycling of onboard waste, despite the challenges posed by varying national regulations governing waste management. These regulations often require methods that hinder sorting or recycling efforts. Nevertheless, we do manage to recycle aluminium cans at all our Scandinavian base stations. The disposal of waste, across offices, ground services, and technical maintenance, is rigorously monitored and categorized into sorted, unsorted, and hazardous waste.

	Unit	FY2023	FY2022	Base year 2010
Sorted waste	tonnes	1,146	1,204	-
Unsorted waste	tonnes	176	113	815
Hazardous waste	tonnes	71	121	302

Jet fuel spills

In FY 2023, there were some reports of fuel leaks during refueling of aircraft with SK or SAS Link flight numbers. These incidents were promptly addressed in accordance with established procedures.

CIRCULARITY

SAS continues to explore innovative ways to minimize waste and optimize resources on ground and onboard of our aircraft where products and materials are kept in circulation and stay in use for as long as possible.

Two key areas where we're making strides in circularity are furniture recycling and de-icing glycol management.

Furniture recycling

In FY2022, SAS initiated a comprehensive furniture recycling program to repurpose and recycle furniture across our facilities. This initiative seeks to extend the lifespan of furniture and minimize waste, in alignment with circular economy principles. By recycling and refurbishing our furniture, we reduce the need for new resource-intensive production and lower the environmental footprint of our workspace operations.

De-icing glycol management

A noteworthy aspect of our sustainability efforts involves responsible management of de-icing glycol; a critical component in ensuring safe flight operations during winter. De-icing prevents build-up or removes snow and ice on the wings and tail of an aircraft, ensuring the safety of flights.

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We recognize the importance of mitigating the environmental impact of de-icing glycol runoff. To this end, SAS has implemented advanced glycol capture and treatment systems, which allow us to recover and recycle de-icing glycol and reducing the release of harmful substances into the environment.

These sustainable practices enable us to close the loop on de-icing glycol usage, minimizing environmental contamination and promoting the responsible use of this critical aviation resource. Through these efforts, we're proud to contribute to a more sustainable and circular future for the aviation industry.

BIODIVERSITY AND WILDLIFE PROTECTION

In our commitment to sustainability, SAS places great emphasis on biodiversity and wildlife protection, recognizing the vital role it plays in maintaining the delicate ecological balance of our planet. We are aware of the risks posed to wildlife, including smuggling, hunting of trophies, and the transportation of live animals.

SAS is dedicated to promoting the preservation of biodiversity. We actively engage in initiatives that aim to safeguard vulnerable species and their natural habitats. Our ongoing efforts in this area are underpinned by stringent policies and practices to combat illegal wildlife trade, discourage trophy hunting, and ensure the humane treatment of live animals in transit.

The transportation industry has a critical responsibility to prevent the illegal trafficking of wildlife and to support global conservation efforts. SAS is committed



to playing its part in combating these threats to biodiversity, not only within our own operations but by also collaborating with relevant authorities, organizations, and partners who share our commitment to wildlife protection.

Our goal is not just to offer efficient and sustainable air travel but to be a responsible steward of the environment and to contribute to global efforts in conserving the world's diverse and precious wildlife.

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OTHER ENVIRONMENTAL TOPICS

Sustainable products & services

At SAS, our commitment to sustainability drives our ongoing efforts to evolve our products and services, ensuring they align with our core environmental values and principles. Our approach considers the entire life-cycle of resources and materials.

We remain in our pursuit of ambitious sustainability objectives. We are actively engaged in further refining our onboard and lounge offerings, exploring innovative ways to introduce increasingly sustainable products and services.

SAS bio tickets

In April FY2023, we proudly introduced two new ticket types: Go Smart Bio and Plus Pro Bio, designed to include a substantial amount of biofuel on all our domestic, Scandinavian, and European flights. We understand the importance of involving our passengers in this transformative journey, and these new ticket options make it even easier for our conscious customers to contribute to more sustainable air travel.

Travelers opting for Go Smart Bio or Plus Pro Bio tickets will have the opportunity to purchase tickets with approximately 50% biofuel content, effectively lowering the CO₂ emissions associated with their SAS flight. By increasing the use of biofuel, we are bridging the gap to zero-emission flights. We recognize the significance of our customers, both leisure and corporate, actively participating in these efforts, and SAS Bio is our response to meet this demand.

ENVIRONMENTAL REGULATIONS AND COMPLIANCE

In addition to enhancing resource efficiency and environmental performance, our sustainability efforts ensure that SAS operations remain in full compliance with all relevant environmental laws and regulations. We are pleased to report that no significant incidents resulting in breaches of environmental permits were recorded in FY 2023.

Environment-related costs

In FY 2023, SAS external environment-related user charges and travel taxes amounted to MSEK 2,097 (919). These charges and travel taxes comprised environment-related travel taxes and user charges that are sometimes associated with the environmental performance of aircraft and are included in landing fees. Our environmental taxes in Sweden and Norway amounted to MSEK 961 (415).

In accordance with the established European Union Emission Trading Scheme (EU-ETS), the aviation industry addresses its CO₂ emissions within the EU through a market-based approach. From January 1, 2021, SAS has also been reporting CO₂ emissions to CORSIA. Furthermore, the United Kingdom introduced its own emission trading scheme (UK-ETS) as of the same date, which SAS fully adheres to.

We advocate for market-based measures that prioritize emission reduction targets and encourage continuous improvement without distorting competition. For many

years, SAS has actively supported the development of a global, market-based solution for airline emissions.

While SAS fully embraces the Polluter Pays Principle and takes responsibility for its emissions, we raise concerns about the additional Swedish and Norwegian taxes, which do not directly correlate with actual CO₂ emissions and are in addition to EU-ETS and the soon-to-be-introduced CORSIA. This approach may be viewed as an economic measure but lacks incentives for reducing CO₂ emissions. For instance, a passenger on an A320neo aircraft powered by 50% SAF incurs the same tax as a passenger on an aircraft two generations older, despite the significantly lower emissions of the former.

Environment-related liabilities

SAS does not have any significant environmental liabilities or contingent liabilities related to issues like contaminated land.

Environment-related investments

Following SAS guidelines, our investments are directed towards solutions that are both environmentally and economically prudent. This approach not only contributes to our profitability but also positions us to meet future environmental requirements.

The most substantial sustainability investment made in FY23 was directed towards fleet renewal, and additional details on the financing can be found on page 65. We prefer leasing over direct investments in assets such as aircraft, vehicles, and computers.

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SOCIAL PERFORMANCE

EMPLOYMENT AND LABOR PRACTICES

Our employee commitment

As an employer we are dedicated to ensuring favorable working conditions within our operations, primarily in the Nordic region. SAS also actively fosters personal and professional growth opportunities. Our commitment is reinforced through the application of the SAS Work Environment Policy, Leadership Policy, Personnel Policy, and Diversity Policy, which are applicable to all SAS employees. Group Management holds the ultimate responsibility for these policies. They undergo annual reviews, and their execution is systematically monitored and reported on a weekly, monthly, quarterly, or annual basis, as needed.

We maintain a strict zero-tolerance approach to all forms of harassment and consistently work to prevent harassment through a variety of initiatives. Our Code of Conduct regulates this commitment, with mandatory web-based training for all employees.



In response to employee feedback and in alignment with SDG 8 (Decent Work and Economic Growth), SAS is delighted to introduce a new Employer Value Proposition (EVP). This initiative, now a vital part in both internal and external



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conversations, aims to move SAS culture forward and highlight the benefits of being part of the SAS team. Through active engagement with employees, we are committed to fostering a more cohesive and empowered workforce.

Redundancies and cooperation with labor unions

SAS is adapting and reshaping its approach to short-term planning while considering the uncertainties surrounding the aviation industry's overall future.

Collaboration with labor unions occurs primarily at the national level, involving unions with collective agreements with SAS. These collaborations operate within the framework of national laws and agreements relevant to the specific workforce. Over 95% of SAS employees are covered by collective bargaining agreements. The remaining personnel includes senior executives, certain types of civil servants, and employees in regions where employment conditions are regulated differently.

SAS employees elect representatives from units within the group's Scandinavian operations to sit on the SAS Board of Directors. These employees are also covered by collective bargaining agreements, except for a few specialists and senior executives at the group level.



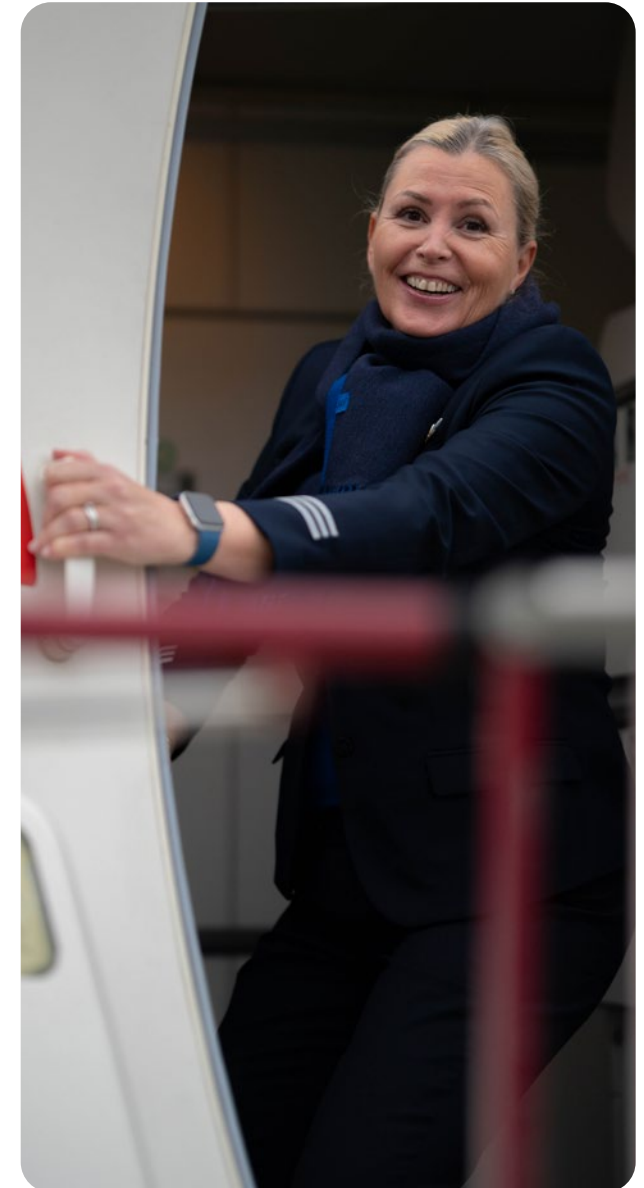
Diversity and equal opportunities

The SAS Diversity Policy is dedicated to ensuring equal treatment for all employees and job applicants. Our commitment to equal opportunities extends to the promotion of diversity and equality in all its facets. In FY 2023, SAS maintained a gender distribution of 38% women and 62% men among its employees.

SAS exhibits a conventional gender divide in roles, with certain positions being traditionally male-dominated and others female-dominated. For instance, pilots (5% women) and technicians in aircraft maintenance (5% women) tend to be male-dominated, while cabin crew (74% women) and check-in and gate personnel at airports (66% women) are typically female-dominated.

As of October 31, 2023, the composition of SAS Group Management comprised 33% women, the SAS Board of Directors comprised 29% women, and the SAS Cargo Board of Directors comprised 17% women.

SAS actively promotes gender equality in both traditionally gender-dominated positions and in management, recognizing the importance of fostering an inclusive work environment. This is achieved by prioritizing gender equality and diversity through our recruitment policy and annual personnel reviews. The SAS recruitment policy places a strong emphasis on selecting the most qualified candidate for each role while concurrently prioritizing and aligning with the broader SAS diversity and inclusion objectives. Creating an inclusive workplace is not only a commitment to gender equality but also an integral part of cultivating a diverse and thriving organizational culture.



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Legal gender	Age			Total
	<30	31–50	>50	
Women	865	1,073	1,620	3,558
Men	1,373	1,918	2,606	5,897
Total	2,238	2,991	4,226	9,455

EMPLOYEES BY GENDER AND REGION

	Permanent		Temporary		Total		Total
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	
Region DK (Incl INTL)							
Female	640	562	8	1	648	563	1,211
Male	1,652	407	50	2	1,702	409	2,111
Total	2,292	969	58	3	2,350	972	3,322
Region NO							
Female	750	318	1	24	751	342	1,093
Male	1,404	352	4	86	1,408	438	1,846
Total	2,154	670	5	110	2,159	780	2,939
Region SE							
Female	1,087	64	101	2	1,188	66	1,254
Male	1,667	155	115	3	1,782	158	1,940
Total	2,754	219	216	5	2,970	224	3,194
Region TOTAL							
Female	2,477	944	110	27	2,587	971	3,558
Male	4,723	914	169	91	4,892	1,005	5,897
Total	7,200	1,858	279	118	7,479	1,976	9,455

There have been no significant fluctuations in the number of employees during the reporting period or between reporting periods.

Workers who are not employees

In FY 2023, SAS engaged the services of at least 37 consultants or contractors. Information pertaining to the nature of their work and methodologies employed is currently insufficient. Efforts are underway to gather more comprehensive data for the upcoming year.

Training

In FY 2023, SAS employees collectively devoted approximately 374,737 hours to training (excluding in-air training hours), averaging about 40 hours per employee. Flight crews, technical personnel, and operational ground staff are subject to various licensing and competency requirements stipulated by EU-OPS and IATA through the IOSA (IATA Operational Safety Audit).

4,837.5 hours of e-learning training was undertaken by employees at SAS Head Office during FY2023.



HEALTH AND SAFETY

Company health services

Our company health services, which cater to the well-being of our entire organization, provide a range of services through in-house and outsourced resources. These resources include therapists, stress and rehabilitation experts, ergonomic specialists, and engineers. Additionally, the function offers specialized services, such as aviation medicine, stress management, sick leave follow-up, health assessments, ergonomic guidance, and chemical handling advice. We continue to invest in a variety of health-promoting initiatives throughout the organization, both in the workplace and during employees' leisure time.

Sick leave

Sick leave represents a significant societal cost, resulting from both physical and mental illnesses. In FY 2023, our calculation of sick leave costs amounted to approximately MSEK 133 (164). SAS is actively engaged in the prevention of both short- and long-term sick leave.

We've implemented a standardized reporting method for all three Scandinavian countries, adhering to the reporting requirements of Swedish legislation. Managers, with the support of our HR team, conduct early follow-ups with employees on sick leave, resulting in a reduction in long-term absences.

For our crew members, specialized sick leave follow-up teams collaborate closely with external occupational health and aeromedical specialists. This early engagement with employees, along with support for medical healthcare and rehabilitation programs, has proven effective in shortening periods of illness.

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In cases of short-term sick leave, employees are provided with medical advice from nurses. For situations involving frequent short-term sick leave, SAS requires a “first-day doctor's note.” We also offer temporary workplaces and special work schedules to facilitate quicker and improved rehabilitation.

In FY 2023, total sick leave at SAS decreased to 5.87% (from 6.8%). Long-term sick leave, exceeding 14 days, accounted for 3.74% (compared to 4.5%) of the total sick leave at SAS.

Occupational accidents

In FY 2023, the number of occupational accidents leading to absence at SAS decreased to 1 (from 6). SAS has been actively working to enhance processes for systematic follow-up, educational activities, and the clarification of definitions in collaboration with safety representatives, supervisors, HR, and labor-management joint safety committees encompassing all employees in each country.

Ground handling remains the department with the highest frequency of occupational accidents within SAS. These accidents include incidents such as crushing, falling, and, in some cases, those involving vehicles in connection with baggage handling.

SAS	DK	NO	SE	Total
No. of employees October reporting fiscal year (head count)	3,120	2,936	3,194	9,456
No. of women	1,117	1,093	1,254	3,558
of whom, women, %	36	37	39	38
Total sick leave, %	4.6	8.5	4.5	avg 5.9
Long-term sick leave, % (more than 14 days)	2.6	5.8	2.8	avg 3.7
Total number of occupational accidents with one day sick leave or more	1	0	0	1

HUMAN RIGHTS

SAS is deeply committed to upholding human rights and ensuring decent working conditions in its operations, collaborating actively with the United Nations Global Compact (UNGC) to adhere to its principles. As a participant in UNGC, SAS strives to implement the ten principles covering human rights, labor standards, environmental stewardship, and anti-corruption.

The Norwegian transparency act

In alignment with the Norwegian Transparency Act (Åpenhetsloven) which became effective from July 1, 2022, SAS is committed to promote respect for fundamental human rights and decent working conditions in connection with our operations and services and to ensure the general public access to information regarding how SAS address adverse impacts on fundamental human rights and decent working conditions.

Efforts have been taken to ensure compliance with the new legal requirements and improve the implementation of human rights due diligence, as endorsed by the Board.

HUMANITARIAN SUPPORT

SAS humanitarian support and social initiatives are mainly related to our airline operations.

Rescue flights

One of SAS aircraft is used to evacuate wounded and critically ill patients from Ukraine. We see it as an important social mission to assist in connection with the war in Ukraine, where the medical evacuation

(medevac) flights take war victims to hospitals across Europe from the evacuation center in Poland.

The operation is part of the EU Civil Protection Mechanism, and through a long-standing agreement with the Norwegian Armed Forces and Directorate of Health. A regular Boeing 737 commercial aircraft has been converted into a flying hospital, with medical equipment and hospital beds. SAS personnel on these flights are dedicated and trained for demanding assignments, and often have nursing background and expertise in trauma treatment, etc.

The cooperation is unique and together we have flown near-weekly flights since mid-2022 and evacuated more than 2,000 war victims from Ukraine using the SAS aircraft. Medevac operations in general have been going on for over 25 years, with missions like the tsunami in Thailand, terror attack in In Amenas, Algeria, and evacuation missions from Afghanistan and Moira refugee camps.

SAS operated two flights in collaboration with the Danish Ministry of Foreign Affairs in respond to the outbreak of the Israel– Hamas war. Military personnel evacuated people from Tel Aviv to Cyprus, from where SAS carried passengers on specially chartered flights home to Denmark.

SAS has a rich history of providing support to Scandinavian citizens in critical situations worldwide. Our close collaboration with national authorities in Scandinavia has allowed for well-coordinated rescue efforts, encompassing scenarios from conflicts to natural disasters in countries such as Ukraine, Afghanistan, Thailand, and Peru.

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Securing infrastructure

SAS plays a crucial role in maintaining Scandinavian connectivity, particularly on domestic routes, and ensuring the integrity of essential infrastructure for both travelers and cargo.

Air bridges for medical supply

SAS played a vital role in the transportation of essential medicine and medical equipment to Scandinavia via air freight during the pandemic.

Christmas flight

SAS Christmas Flight represents a relief campaign conducted by SAS employees and volunteers from

various companies and organizations throughout the year. In FY2023, this charitable endeavor made substantial contributions in the form of equipment, food, and financial aid to centers in Riga and Tallinn, as well as to refugees affected by the conflict in Ukraine. SAS provides an aircraft with full operational support, and our pilots and crew volunteer their time, while fuel is generously sponsored by a fuel supplier.

This initiative, which began nearly four decades ago, has had a profound impact by saving lives and assisting thousands of children and young people over the years.

SAS – YOU ASSIST

SAS – YOU ASSIST is a non-profit initiative launched by SAS' employees in 1979. It is run voluntarily by current and former SAS' employees. The main focus is to help children in developing countries get a better life through various projects in different countries.

SAS YOU ASSIST only support projects where there is a trusted individual on site who can support with reports on the projects. The donations support development projects such as building schools, playground, student dorms, water tanks or well drilling. Approximately 95% of the funds raised by SAS YOU ASSIST goes directly to the projects, leaving only 5% used for administration.



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SAS MANAGEMENT SYSTEM

Sustainability is a vital part of our business and is seamlessly integrated into the SAS management system. This system encompasses all SAS activities and is built upon airline operational standards. It encompasses our internal and shared environmental and sustainability policies, the SAS Code of Conduct, the UN Global Compact, the UN Sustainability Development Goals, EU taxonomy, Lean, and ISO 14001. The system serves as a blueprint for continuous planning, implementation, evaluation, and the enhancement of processes and activities to meet operational and sustainability objectives. SAS has established control mechanisms with dedicated follow-up systems and resources to ensure adherence to international and national legislation.

Our approach to environmental responsibility revolves around not only complying with pertinent legislation but also minimizing our absolute and relative greenhouse gas emissions and other environmental impacts.

Both the SAS Environmental Policy and the SAS Sustainability Policy have received approval from Group Management and are applicable to all SAS employees, products, and services. These policies, along with our objectives and strategies, undergo annual review as part of the ISO 14001 management review conducted by Group Management. Activities are monitored within the management system and reported on a weekly, monthly, quarterly, or annual basis as per specific requirements.

SAS has held ISO 14001 certification for its environmental management system across the organization since 2010. This ISO standard plays a pivotal role in how we pursue our environmental targets.

CODE OF CONDUCT

The SAS Code of Conduct, issued by the Board of Directors, serves to consolidate, and clarify SAS' outlined priorities, commitments, policies, and other guidelines. This Code is applicable to all employees, irrespective of their role or employment type. To underscore its significance, we have established a comprehensive training program that actively fosters Code implementation, and all personnel regularly participate. The Code of Conduct does not provide detailed due diligence procedures or specific human rights provisions.

The latest updated version of SAS Code of Conduct is available at www.sasgroup.net

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PROCESSES TO REMEDIATE NEGATIVE IMPACTS

We have clear rules and established structures for reporting and addressing suspected violations within our management system and through the SAS whistle-blower function. Critical concerns are communicated to the board on a case-by-case basis. In FY 2023, the whistle-blower function was utilized on eight occasions. All cases have been closed.

SAS is fully committed to collaborate in the remediation of negative impacts we may have caused. The nature of this collaboration varies depending on the context and whether the grievance has been raised through legal or non-legal channels. The assessment of grievance mechanisms remains an integral part of our ongoing stakeholder engagement.

RISK MANAGEMENT

SAS adopts a precautionary risk management approach with a clear focus on minimizing sustainability-related risks and harnessing potential opportunities. These risks and opportunities are thoroughly assessed and strategically managed within our management system, seamlessly integrated into our comprehensive risk management framework. The implementation of risk control measures is essential in effectively managing these risks.

SAS monitors all risks and identifies opportunities that hold strong business potential. Through our certified environmental management system, we quickly identify changes in the business environment and swiftly adapt our operations to mitigate their environmental impact. For more information, please refer to the Risk Management section on pages 67-74.



SAS annually discloses its change-related risks and opportunities to CDP. These factors apply to our ability to carry out aircraft operations in a shifting climate, transition initiatives, and how customers perceive SAS as a more sustainable choice for fast and efficient long-distance travel. You can find our CDP disclosure and results, including a B- rating in 2023, on www.cdp.net.



EcoVadis assists SAS in overseeing our entire value chain, from suppliers to customers, by transparently sharing our performance with stakeholders. In the near future, we plan to extend this monitoring to include the performance of SAS's upstream value chain. Our EcoVadis Business Sustainability rating result for FY2023 accessible on www.ecovadis.com.



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EU TAXONOMY

The EU Taxonomy, a system classifying environmentally sustainable economic activities, can play an important role in advancing sustainable investment and implementing the European Green Deal. It provides clear definitions for companies, investors, and policymakers, enabling them to identify economic activities that align with environmental sustainability principles.

SAS fall under the scope of the Non-Financial Reporting Directive and is a large PIE with more than 500 employees, SAS is required to disclose to what extent the activities that they carry out meet the criteria set out in the EU Taxonomy.

As this is the first year of disclosure of the additional activities, only the proportion of Taxonomy-eligible and Taxonomy non-eligible are disclosed. An economic activity can be eligible to more than one environmental goal and we assess that the Group only contributes to one environmental goal per economic activity. Due to the fact that we structure cost reporting as separate costs per activity, we are reducing the risk of double accounting of key data.

During 2023, the EU Commission has decided that it is only required to report eligibility on the new activities. SAS will initiate processes to address the alignment criteria for all applicable economic activities, to move towards Taxonomy alignment. Table for nuclear energy and fossil gas-related operations is not reported as SAS does not finance or is exposed to this type of operations.

Turnover

Most of SAS' revenue now aligns with EU Taxonomy economic activities, 3.21 comes from note 2 and is part of technical maintenance. Revenue for 6.19 from note 2 and refers to Passenger and freight air transport and 6.20. Ground handling operations revenue refers to ground handling under note 2. SAS is working on improving the process of breaking out revenue for Ground handling.

7.7 Leasing and rental revenue, as was also reported in last year's report. SAS has not initiated processes to assess alignment of this activity as it is not part of our core business.

CAPEX

CAPEX includes capital expenditure related to SAS' core business and non-sales activities. 6.19 refers to new RoU during the year (note 13). 6.20 also refers to RoU for Ground Handling during the year (note 13). In 2024, SAS will initiate alignment initiatives, and the outcomes will be detailed in the 2025 Annual and Sustainability Report.

OPEX

OPEX comprises non-capitalized operating expenditure, as defined by economic activities falling under the EU Taxonomy umbrella. The OPEX category is closely related to maintenance and repair costs and includes maintenance material, employee costs that are maintenance specific. 6.20 is extracted from technical aircraft maintenance under note 4, 3.21 is the remaining costs during technical aircraft maintenance under note 4, including the cost of employees repairing. 6.19 concerns short-term leasing falling under note 23, 7.7. refers to short-term leasing of properties also falling under note 23. Initiatives focused on maintenance will be detailed in alignment initiatives starting in 2024.

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BUSINESS ETHICS AND ANTI-CORRUPTION

Our management approach is to proactively combat all forms of corruption and anti-competitive behavior.

The SAS Code of Conduct, Legal Policy, and SAS Anti-bribery Policy apply to all individuals representing SAS Group. The SAS Board of Directors holds the overall responsibility for enforcing the Code of Conduct and overseeing compliance, which is continuously assessed within our management system and through internal audits.

Regulations pertaining to bribery and other improper activities are notably stringent. For instance, the "Competition Law Compliance Program" currently in progress encompasses all SAS entities. This program targets the most significant corruption-related risks and focuses on employees facing corruption risks in their daily responsibilities.



SUSTAINABILITY IN OUR SUPPLY CHAIN

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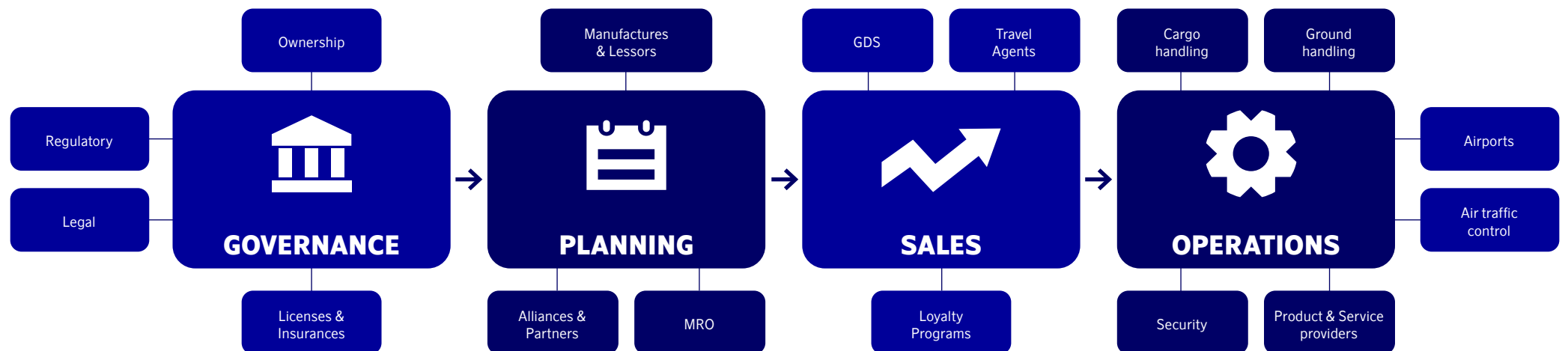
At SAS, we prioritize sustainability across our supply chain, which is closely linked to our core aircraft operations. We collaborate with 3,979 suppliers in the following categories:

- Aircraft and Engine Manufacturers
- Airport and Air Navigation Providers
- Fuel Suppliers
- Catering Suppliers
- IT Suppliers
- Technical Maintenance Suppliers
- Regional Production Partners
- Financial Services

Most of our suppliers are strategically located in the geographical areas where SAS operates its routes. In alignment with our operational model, we are outsourcing ground handling, regional production partners, customer services, and accounting functions to external suppliers. Our collaborative efforts with these partners are dedicated to advancing the cause of a more sustainable aviation industry.

Supply chain responsibility

The SAS Supplier Code of Conduct and the SAS Purchasing Policy govern all purchasing activities. These policies are overseen by our Group Management and are reviewed annually. We track and report activities as needed, whether weekly, monthly, quarterly, or annually, to ensure our commitment to responsible sourcing is upheld.



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Supply chain governance

Our established governance model provides clarity on supply chain responsibilities, risks, and areas for improvement, along with procedures for addressing any potential deviations. Responsibility for consistent monitoring of our critical suppliers is centralized and standardized. We mandate that all SAS suppliers meet our high-priority sustainability and social responsibility standards, adhere to our Purchasing Policy, and comply with the general terms and conditions of the UN Global Compact, as well as other specific sustainability requirements. Sustainability is an integral evaluation criterion within SAS' sourcing governance.

These criteria vary based on the product or service type and its production location. They may encompass factors like energy efficiency, waste management, adherence to collective agreements, human rights, and child labor, among others. These criteria are assessed and managed during both the procurement phase and the agreement period.

Stakeholder dialogue

We maintain a longstanding tradition of continuous dialogue and collaboration with a diverse array of stakeholders and actively engage in community-related matters.

SAS places a strong emphasis on fostering close partnerships with customers, authorities, suppliers, and airports to foster conditions conducive to devising solutions for enhanced sustainability performance. We also conduct dialogues with individuals and entities seeking knowledge, advocating for change, or supporting SAS in various capacities, including employees, partners, experts, NGOs, organizations, researchers, and more.

Our approach to stakeholder dialogue serves as an opportunity to initiate meaningful discussions on pertinent topics and gather input to further refine the SAS customer offerings and sustainability agenda. As part of our endeavor to enhance understanding of the aviation industry, we participate in various industry and employee organizations.

For a comprehensive list of our stakeholders, please refer to page 23.

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PRODUCT RESPONSIBILITY



We take responsibility for maintaining the highest standards of product responsibility and follow strict policies and relevant legislation governing health, safety, environmental impact, IT security, and food safety. Additionally, we take responsibility for delivering dependable products and services produced under ethical conditions. The SAS Quality Policy applies universally to all SAS products and services, subject to ongoing oversight and annual review by Group Management. Activities are diligently tracked within the management system and reported as needed, whether on a weekly, monthly, quarterly, or annual basis.

Flight Safety remains under stringent regulation, with SAS undergoing regular audits by external parties. The relevant authorities scrutinize airline personnel working conditions, including aspects such as working hours, in the pursuit of promoting flight safety.

Maintaining punctuality and regularity is imperative in delivering passenger transport as planned. SAS continuously monitors and enhances punctuality and regularity, attributes highly prized by our customers. Furthermore, punctuality plays a vital role in emissions reduction.

The realm of IT security and integrity is of increasing significance, prompting SAS to maintain a comprehensive program that ensures the requisite high level of IT security. Moreover, we uphold compliance with the European Union's General Data Protection Regulation (GDPR) legislation.

SAS CONTRIBUTES TO ECONOMIC DEVELOPMENT

Our operations contribute to society by generating economic value and social well-being, both directly and indirectly, in the countries and communities where we are active.

We play a significant role in fostering direct economic benefits as an employer and through our procurement of goods and services. In FY 2023, SAS disbursed wages and salaries totaling MSEK 7,587 which included

MSEK 1 100 for social security expenses and MSEK 428 for pensions. It is our objective to provide competitive compensation for all employee groups.

SAS adds economic value by providing the essential infrastructure required for seamless passenger and cargo transportation to, from, and within Scandinavia. Air transport bears the costs associated with the necessary infrastructure, such as airports, air traffic control, and security. In FY 2023 these expenses amounted to MSEK 7,376 for Scandinavian Airlines, with Scandinavian Airlines contributing MSEK 1,246 toward security-related costs.



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The sustainability reporting in SAS Annual and Sustainability Reports, has been subject to third-party review since 1996. The report describes the company's most essential environmental and societal aspects during fiscal year 2023 from November 1, 2022, to October 31, 2023.

The Annual and Sustainability Report has been prepared in accordance with the GRI Standards. The UN Global Compact, UN Sustainability Development Goals, ISO 14001 and CDP were also taken into consideration in the preparation of this report. The sustainability part of this report has been prepared following the SAS Accounting Policies for Sustainability Reporting.

In accordance with the Swedish Annual Accounts Act, SAS has prepared a statutory Sustainability Report, which has been incorporated into the Annual and Sustainability Report FY 2023, separate from the Report by the Board of Directors, on pages 20–55 and 149–151. The auditor's opinion regarding the statutory sustainability report is included on page 56.

This Annual and Sustainability Report is a key part of our commitment to communicate transparently with stakeholders. The materiality analysis was renewed in 2022 and “sustainability communication” was still identified as an area of great importance to SAS and its stakeholders. The SAS Group is referred to as SAS

in this Sustainability Report. Publication date of this report: February 7, 2024.

External review: material sustainability information and EU-ETS and UK ets

All material sustainability information in the Annual and Sustainability Report for FY 2023 has been reviewed by KPMG. The Auditor's assurance report can be found on page 56.

For year 2022 KPMG verified the reporting systems regarding CORSIA and the EU trading scheme for emission allowances for flights under the SK flight number. Verifavia has verified the UK ETS reporting systems regarding UK trading scheme for emission allowances for flights under Connect flight number for year 2021.

External initiatives

SAS has been a member of the UN Global Compact since 2003 and participates in the Nordic Network. One criterion for publishing company information on the Global Compact website is an annual update – the Communication On Progress (COP). The most recent SAS information update was completed in June 2022. The UN Global Compact is a pivotal component of the SAS Code of Conduct and the requirements imposed on the company's suppliers.

We have also chosen to use the UN Sustainable Development Goals (SDGs) as a tool to structure our strategic sustainability agenda. See page 26 for more on our approach to the SDGs.

Examples of organizations related to sustainability issues where SAS is a member:

- Member in the IATA's Sustainability and Environment Advisory Council (SEAC)
- Member in the Star Alliance Sustainability Committee Strategy Team
- Member and founding partner of the Nordic initiative Sustainable Aviation
- Member of Nordic CEOs for a Sustainable Future
- Member of the biofuel cluster Fossilfritt Flyg 2045
- Member of The Nordic Network for Electric Aviation (NEA)
- Active in the Nordic working group for environmental issues in aviation (N-ALM)
- Participation in three national industry organizations: NHO Luftfart in Norway, Svenska Flygbranschen in Sweden and Dansk Industri in Denmark

Accounting policies for sustainability reporting fiscal year 2023

'SAS' or 'The SAS Group' is used throughout the report when referring to our overall operations.

The sustainability reporting covers all the entities within SAS unless otherwise noted.

For environmental responsibility, SAS strives to distinguish between airline and ground operations.

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Accordingly, the following distinctions have been made:

- Airline operations with an SK flight number. Scope 1
- Ground handling in SAS Ground Handling (SGH). SGH conducts ground handling for SAS and other customers, such as other airlines. Scope 1
- Technical maintenance in SAS Maintenance Production. SAS Maintenance Production conduct technical maintenance primarily for SAS but also for other customers, such as other airlines. Scope 1
- Freight and mail services within SAS Cargo Group A/S (SCG). Scope 1
- Facilities owned or leased by SAS. Scope 2

The SAS legal structure is presented on page 77.

Monitoring sustainability-related data

We monitor relevant sustainability key performance indicators (KPIs) on an ongoing basis. SAS uses various parts of the Lean methodology and follow-ups of these KPIs are conducted within the management system and reported weekly, monthly, quarterly, or annually according to specific needs.

As preparation for external sustainability reporting, there are data collection processes in the management system covering all areas of the SAS sustainability agenda. SAS has not made any restatement in the reporting period.

SCOPE OF THE SUSTAINABILITY WORK

The goal of the Annual and Sustainability report is to disclose all information necessary to provide the reader with a comprehensive overview of our environmental, societal, and financial responsibilities.

The ultimate responsibility for our sustainability aspects, and their integration in operational activities, lies with Group Management. The Annual and Sustainability Report is approved by SAS Board of Directors and SAS Group Management before publication. The SAS Board of Directors submitted the Annual and Sustainability Report FY 2023 in February 2024.

Limitations

The main principle for sustainability reporting is that all units and companies controlled by SAS are accounted for. This means that sustainability-related data for divested companies owned by SAS during the period is reported wherever possible. The same accounting policies as for financial information in the Annual Report are intended to be used for information in the Sustainability Report.

SAS has a number of production indicators (such as passenger kilometers and tonne kilometers). There are differences between the Annual Report and the Sustainability Report with regards to the disclosure of the number of passenger kilometers. The Annual Report uses revenue passenger kilometers (RPK) where paying passengers are included, while the Sustainability Report uses passenger kilometers

(PK) where all passengers (including non-revenue) are included.

Standard definitions for environmental and societal data have been applied throughout SAS. None of the limitations are considered to have any substantial significance.

Changes in accounting policies and calculating principles

None.

Principles for reporting and calculating external and other environment related costs

Where possible, environment-related costs are based on information directly from the accounting system. When this has not been possible, for example, for calculations of certain charges and taxes that are included in landing charges, estimates were used based on the number of passengers to a certain destination and the charge or tax per passenger.

Principles for reporting and calculating environmental data

Reported environmental information is based on the following calculations and/or factors:

- Distance, based on WGS84 Great Circle Distance (GCD) calculations between airport reference points as defined in national Aeronautical Information Publication (AIPs).
- Passenger weight for PK calculations uses 100 kg for any person with hand luggage and checked luggage transported. This does not include active crew.
- Cargo and mail, actual weight is used.

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- Fuel density (kg per liter):
 - Jet A/A-1¹: Actual density or 0.8
 - Diesel: 0.84
 - Petrol: 0.73
 - Heating oil: 0.84
- CO₂ factor (per weight unit of fuel):
 - Jet A/A-1¹: 3.15
 - Diesel: 3.17
 - Petrol: 3.12
 - Heating oil: 3.17
 - Electricity: 90 (grams/kWh based on Nordic energy mix)
- CO₂e factor (per weight unit of fuel):
 - Jet A/A-1²: 3.18
- Energy conversion of fuels (GWh per 1,000 tonnes):
 - Jet A/A-1: 12.0
 - Diesel: 12.0
 - Petrol: 12.2
 - Heating oil: 12.0
- Nitrogen oxides (NO_x), factors (per weight unit of fuel):
 - Jet A/A-1³ Between 0.00694 and 0.01932

1) Fuel density and CO₂ factor for Jet A/A-1 is calculated according to approved MRV plan.

2) Emission factor 3.18 for CO₂e from DEFRA.

3) Varies per aircraft/engine combination.

CO₂ emissions per passenger kilometer and cargo tonne kilometer – Scope 1

SAS has chosen to apply a calculation method to divide the amount of fuel used for passenger and cargo transport before dividing the amount by passenger or cargo tonne-kilometer. The method is based on the IATA

Carbon Calculator Tool. The assumption is that fuel usage is proportional to weight. Passenger fuel usage is the ratio of total passenger weight to total weight multiplied by the total fuel used. The remainder is allocated to cargo transport.

$$\begin{aligned} \text{Total Passenger Fuel Usage} &= \frac{(\text{Total Passenger Weight} / \text{Total Weight}) \times \text{Total Fuel Used}}{\text{Total Fuel Used}} \\ \text{Where, Total Weight} &= \frac{\text{Total Passenger Weight} + \text{Total Freight/Cargo Weight}}{\text{Total Passenger Weight (kg)} = \frac{(\text{Number of Seats} \times 50 \text{ kg}) + (\text{Number of Passengers} \times 100 \text{ kg})}{\text{Total Passenger Weight (kg)}} \end{aligned}$$

The calculation method allocates 50 kg per seat as a prerequisite for passenger transport and the same weight per passenger as used in all other calculations applied within the industry.

For cases when flights were conducted without passengers or freight/cargo transport, all CO₂ emissions were allocated as passenger transport. This may include training flights, positioning flights between scheduled flights, and flights to/from maintenance, etc. The reason for this changed calculation method is to achieve more precise CO₂ emissions per production unit calculations. The previous calculation method essentially involved double accounting, with emissions per passenger kilometer including the fuel used for freight/cargo transport and vice versa.

CO₂ emissions per available seat kilometer – scope 1

In order to calculate the CO₂ emissions for each available seat, the assumption is that each seat is occupied by one passenger which corresponds to 100 kg. The metric is calculated by dividing the total CO₂ emissions with the total available tonne kilometer and then multiplied with 0.1 (i.e. 100 kg or 0.1 tonne).

Principles for reporting and calculating employee data

The following principles for calculating and reporting societal data have been used.

Number of employees

In this report, the number of employees is based on the number of persons during the month of October and sick leave statistics calculated for the fiscal year. The statistics include employees with a budgeted or actual schedule and/or who were sick during the period. Employees hired outside Scandinavia are included in the disclosure as Denmark.

Sick leave

Sick leave is reported as the number of days sick in relation to the number of employees multiplied by the number of calendar days. For sick leave, absence due to sick children is excluded. Long-term sick leave (more than 14 days) is reported as a percentage of the total sick leave.

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Statement of use SAS has reported in accordance with the GRI Standards for the period November 1, 2022–October 31, 2023.
GRI 1 used GRI 1: Foundation 2021
Applicable GRI Sector Standard(s) No sector standard is available yet

GRI STANDARDS	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION	
				REASON	EXPLANATION
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	2-2 Entities included in the organization's sustainability reporting	50			
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	2-4 Restatements of information	51			
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	2-6 Activities, value chain and other business relationships	3, 47–48, 58–61			
	2-7 Employees	40, 52, 106	2-7-b-iii	Not applicable	No non-guaranteed hours employees.
	2-8 Workers who are not employees	40	Types of work and methodologies	inadequate	Information unavailable
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	2-16 Communication of critical concerns	44			
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	2-18 Evaluation of the performance of the highest governance body	80			
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	2-20 Process to determine remuneration	84–86			
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			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
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GRI 3: Material Topics 2021	3-3	Management of material topics			25, 41, 46
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption			67-74
ANTI-COMPETITIVE BEHAVIOR					
GRI 3: Material Topics 2021	3-3	Management of material topics			37, 46, 66
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			66
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GRI 3: Material Topics 2021	3-3	Management of material topics			21, 25, 27–35, 37, 43, 50-51
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	305-2	Energy indirect (Scope 2) GHG emissions			25, 51–52
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	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			29, 30, 52
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SUPPLIER ENVIRONMENTAL ASSESSMENT					
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GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria			47
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GRI STANDARDS	DISCLOSURE	LOCATION	REQUIREMENT(S) OMITTED	OMISSION		
				REASON	EXPLANATION	
DIVERSITY AND EQUAL OPPORTUNITY						
GRI 3: Material Topics 2021	3-3	Management of material topics	24–25, 38–39			
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> Assurance report

Auditor's limited assurance report on SAS AB sustainability report and statement regarding the statutory sustainability report.

To SAS AB, Corp. Id. 556606-8499

Introduction

We have been engaged by the Board of Directors and the Chief Executive Officer of SAS AB to undertake a limited assurance engagement of SAS AB Sustainability Report for the financial year 2022-11-01 – 2023-10-31. SAS AB has defined the scope of the Sustainability Report that also is the Statutory Sustainability Report on page 1 in this document.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with applicable criteria and the Annual Accounts Act respectively. The criteria are defined on page 50 in the Sustainability Report, and are part of the Sustainability Reporting Standards published by GRI (The Global Reporting Initiative), that are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our assignment is limited to the historical information that is presented and does not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 Assurance engagements other than audits or reviews of financial information (revised). A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR's accounting standard RevR12 The auditor's opinion regarding the Statutory Sustainability Report. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies ISQM 1 (International Standard on Quality Management) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of SAS AB in accordance with professional ethics for accountants in Sweden and

have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and Chief Executive Officer as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions below.

Conclusions

Based on the limited assurance procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Chief Executive Officer.

A Statutory Sustainability Report has been prepared. Stockholm, 6 February 2024

KPMG AB

Tomas Gerhardsson
Authorized Public Accountant

Torbjörn Westman
Expert Member of FAR



*Report by the
Board of Directors*

REPORT BY THE BOARD OF DIRECTORS

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Summary of fiscal year 2023

- Revenue for the year: MSEK 42,043 (31,824)
- The total number of passengers increased 32.5% and amounted to 23.7 million.
- Unit revenue (PASK) increased 8.1%¹
- Unit cost (CASK) decreased 4.5%²
- Income before tax was MSEK -5,516 (-7,846)
- Income before tax and items affecting comparability: MSEK -5,661 (-7,941)
- Net income for the year was MSEK -5,701 (-7,048)

1) Currency-adjusted.

2) Currency-adjusted and excluding jet fuel.

SAS made significant progress with its transformation plan SAS FORWARD and the Chapter 11 process in the US. SAS has, among other things, concluded lessor negotiations, which is expected to achieve annual cost savings of at least SEK 1 billion, and secured capital for its exit financing of a total of approximately SEK 13.2 billion.

The Board of Directors and the President of the Parent Company, SAS AB, hereby submit the annual and sustainability report for SAS AB and the SAS Group for fiscal year 2023 (November 1, 2022–October 31, 2023). SAS AB is registered in Stockholm and the address of its head office is Frösundaviks allé 1, Solna, Stockholm, Sweden, and its corporate registration number is 556606-8499. The company conducts air-line operations, including ground handling,

technical maintenance and cargo, in a Scandinavian and international network.

Market performance fiscal year 2023

The number of passengers who traveled with SAS increased by 32.5%, totaling 23.7 million in FY 2023.

SAS scheduled traffic increased by 48.1% on intercontinental routes, 32.6% on European and intra-Scandinavia routes, and 22.9% on domestic routes.

SAS' charter capacity increased by 5.5% and charter passenger volumes increased by 13.8%, amounting to 955,000. RPK for charter traffic increased by 14.6% and load factor increased with 7.3 percentage points and amounted to 91.5%.

During the fiscal year, the currency-adjusted yield decreased by 0.2% and currency-adjusted unit revenue (PASK) rose 8.1% compared with last year. SAS' currency-adjusted unit cost excluding jet fuel decreased by 4.5%.

Punctuality and regularity

In FY 2023, SAS' arrival punctuality (P15) declined to 71.4% (75.3) and regularity increased to 98.3% (95.8).

TRAFFIC TRENDS FOR SAS

SAS scheduled traffic	FY23	FY22	Change
Number of passengers (000)	22,726	17,029	33.5%
RPK, Revenue Passenger Kilometers (mill)	29,964	22,058	35.8%
ASK, Available Seat Kilometers (mill)	39,736	31,688	25.4%
Load factor	75.4%	69.6%	5.8 ¹
Passenger yield (currency-adjusted), SEK	1.08	1.08	-0.2%
Currency-adjusted unit revenue, PASK, SEK	0.81	0.75	8.1%

	FY23 vs. FY22	
Geographical trends, scheduled traffic	RPK	ASK
Intercontinental	48.1%	33.6%
Europe/Intra-Scandinavia	32.6%	24.9%
Domestic	22.9%	13.0%

SAS charter traffic	FY23	FY22	Change
Number of passengers (000)	955	839	13.8%
RPK, Revenue Passenger Kilometers (mill)	2,589	2,259	14.6%
ASK, Available Seat Kilometers (mill)	2,830	2,683	5.5%
Load factor	91.5%	84.2%	7.3 ¹

SAS Total traffic (scheduled and charter traffic)	FY23	FY22	Change
Number of passengers (000)	23,681	17,868	32.5%
RPK, Revenue Passenger Kilometers (mill)	32,553	24,317	33.9%
ASK, Available Seat Kilometers (mill)	42,566	34,371	23.8%
Load factor	76.5%	70.7%	5.7 ¹
Currency-adjusted unit cost, CASK, excl. jet fuel	-0.71	-0.74	-4.5%

1) Figures given in percentage points

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Progress with SAS FORWARD and Chapter 11

SAS is taking steps as part of SAS FORWARD, its comprehensive business transformation plan that was launched to enable the company to continue to be a competitive player in the global airline industry. On July 5, 2022, SAS AB, together with some of its subsidiaries, initiated a court-supervised process in the United States by voluntarily filing for Chapter 11. This process provides SAS with legal tools to strengthen its financial position and accelerate work with SAS FORWARD, while the airline is able to continue airline operations as normal.

The Chapter 11 process is a legal process under the supervision of the U.S. federal court system, which many large international airlines based outside of the U.S. have successfully used over the years to reduce their costs and complete financial restructurings. SAS' operations are unaffected by the Chapter 11 filing, and SAS will continue to serve its customers as normal.

SAS expects to have sufficient liquidity to support its business and meet its obligations going forward. SAS has also secured Debtor-in-Possession (DIP) financing, which provides SAS with a strong financial position to maintain operations throughout the Chapter 11 process. DIP financing is a specialized type of bridge financing used by businesses that are restructuring through a Chapter 11 process. During the year, SAS announced an agreement with Castllake for a new DIP loan of USD 500 million (~SEK 5.5 billion) to, inter alia, refinance SAS' existing DIP loan from Apollo Global Management, increase liquidity and support SAS' path to exit from its voluntary restructuring proceedings. Consequently, after the end of the fiscal year, SAS and Castllake contracted a new DIP term loan agreement,

which received final US Court approval on November 21, and repaid its original DIP loan that had been provided by Apollo Global Management.

During the year, SAS completed negotiations with lessors under the framework of the Chapter 11 process. SAS has signed agreements with a total of 15 lessors, which account for 59 aircraft, seven of which are wide-body and 52 are narrow-body aircraft. Through the amended lease agreements, SAS is expected to reach the cost-saving target of no less than SEK 1.0 billion in reduced aircraft lease expenses and annual cash flow items pertaining to aircraft leases. This comprises a key element in the achievement of annual cost-savings of SEK 7.5 billion by fiscal year 2026 as part of the SAS FORWARD plan. The amended lease agreements require the Chapter 11 plan to be approved and enter force.

In the first six months, SAS also renewed a multi-year agreement with Amadeus, a key travel technology provider for the company. The agreement will deliver efficiency within Distribution & IT, in line with the targets set forth in the SAS FORWARD plan, while concurrently keeping SAS at the forefront of technology evolutions.

SAS reached an important milestone in the Chapter 11 process in the fourth quarter of the fiscal year. On October 3, SAS announced that the investors Castllake, Air France-KLM and Lind Invest, together with the Danish state had been designated as the winning bidder consortium in SAS' exit financing solicitation process. After the end of the fiscal year, on November 4, 2023, SAS announced that it had entered an investment agreement with the winning bidder consortium. The investment agreement entails a total

investment in the reorganized SAS corresponding to USD 1,200 million (~SEK 13.2 billion), comprised of USD 475 million (~SEK 5.225 billion) in new unlisted equity and USD 725 million (~SEK 7.975 billion) in secured convertible debt. The agreed investment structure will result in a shareholder structure post-reorganization (based on total equity, but pre-conversion of the convertible debt) where:

- (i) Castllake holds approximately 32.0% of the equity and 55.2% of the convertible debt;
- (ii) the Danish State holds approximately 25.8% of the equity and 30.0% of the convertible debt;
- (iii) Air France-KLM holds approximately 19.9% of the equity and 4.8% of the convertible debt;
- (iv) Lind Invest holds approximately 8.6% of the equity and 10.0% of the convertible debt; and
- (v) the remaining approximately 13.6% of the equity will be distributed among and held by certain creditors who may receive recovery in equity.

The investment agreement includes the final terms of the investors' equity investment, as well as the key terms for the secured convertible debt and SAS' Chapter 11 reorganization plan. On November 21, the investment agreement was approved by the US court.

The agreed exit transaction remains subject to approval in connection with the confirmation of SAS' Chapter 11 plan.

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On January 23, 2024, SAS filed an amended Chapter 11 plan of reorganization and related disclosure statement with the US Court, including financial projections for the reorganized SAS. SAS currently aims to receive approval by the US Court for the Chapter 11 plan in the first quarter of 2024, followed by regulatory approval and a likely Swedish company reorganization at the SAS AB level. As a result of that process, SAS expects that there will be only a modest recovery for general unsecured creditors, no recovery for subordinated creditors and no value for SAS AB's existing shareholders, and that all of SAS AB's common shares and listed commercial hybrid bonds will be cancelled, redeemed and delisted, in connection with emergence from the Chapter 11 process. Any payment of recoveries to creditors will be made only after the completion of the transaction and the fulfilment of any conditions for payment to creditors. SAS currently expects to emerge from the Chapter 11 process around the end of the first half of 2024.

Going concern assumption

SAS wants to highlight that there are no guarantees that SAS FORWARD will successfully be completed through the Chapter 11 process. In the event that the expected burden sharing, debt conversions and new capital raising are not completed as planned, SAS will be unable to support its existing capital structure and current liquidity levels and it cannot be ruled out that SAS could become unable to meet its obligations over the longer term as they fall due. Despite the situation described above, the Board's assessment is that the Group has adequate liquidity, including the DIP financing, to continue operations for at least the

next 12 months, and therefore continues to apply the going concern principle to the preparation of the financial statements.

Income November 2022–October 2023

SAS generated an EBIT of MSEK -2,705 (-3,332). Income before tax amounted to MSEK -5,516 (-7,846) and income after tax was MSEK -5,701 (-7,048). During the year, tax amounted to MSEK -185 (798). Year-on-year, the exchange-rate trend had a positive impact on revenue of MSEK 802 and a negative effect on operating expenses of MSEK 1,912. Foreign exchange rates thus had a negative impact on operating income of MSEK 1,110. Net financial items were positively impacted by currency items amounting to MSEK 2,809. The items mainly related to currency revaluations for lease liabilities, which amounted to a cost of MSEK 154, compared with a cost of MSEK 2,906 last year. In total, currency effects had a net positive impact of MSEK 1,699 on EBT.

INCOME STATEMENT, SUMMARY

MSEK Statement of income	Nov–Oct 22–23	Nov–Oct 21–22	Change vs LY	Currency effects	Change vs LY (Curr. adj)
Revenue	42,043	31 824	10,219	802	9 417
Total operating expenses	-44,748	-35 156	-9,592	-1 912	-7 680
Operating income (EBIT)	-2,705	-3 332	627	-1 110	1 737
Income before tax (EBT)	-5,516	-7 846	2,330	1 699	631

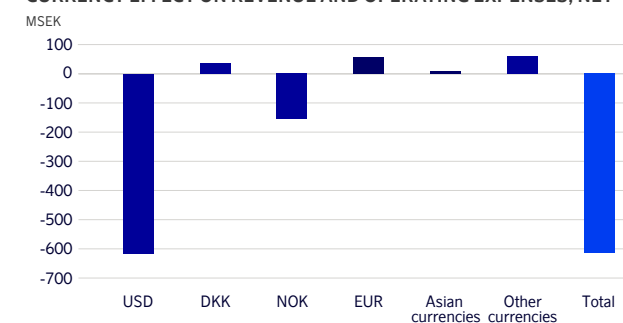
CURRENCY EFFECT BETWEEN YEARS

MSEK	FY23	FY22
Revenue	802	579
Personnel expenses	-176	-125
Other expenses	-1,240	-693
Translation of working capital	76	-701
Income from hedging of commercial flows	-572	641
Operating income (EBIT)	-1,110	-299
Net financial items	2,809	-3,103
Income before tax (EBT)	1,699	-3,402

CURRENCY EFFECTS ON NET INCOME FOR THE YEAR

MSEK	FY23	FY22
Translation of working capital	-212	-284
Income from hedging of commercial flows	11	579
Operating income (EBIT)	-201	295
Currency effect on the Group's financial net debt/receivables	-102	-2,911
Income before tax (EBT)	-303	-2,616

CURRENCY EFFECT ON REVENUE AND OPERATING EXPENSES, NET



Revenue

Revenue totaled MSEK 42,043 (31,824), see Note 2. Currency-adjusted revenue was up MSEK 9,417 year-on-year. The increase in revenue mainly related to increased production and increased demand.

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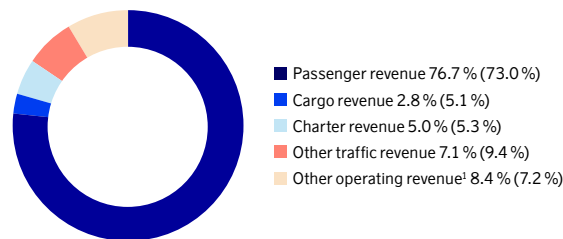
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Currency-adjusted passenger revenue rose 36%. The increase was a result of higher scheduled capacity (ASK) which, based on the preceding year's circumstances, had a positive impact on revenue of MSEK 6,194. The higher load factor had a positive effect of MSEK 2,327. The lower yield had a negative effect of MSEK -69 on passenger revenue.

Currency-adjusted cargo revenue decreased MSEK 518 and currency-adjusted charter revenue was up MSEK 391 year-on-year. Other traffic revenue (currency-adjusted) was MSEK 68 lower.

Year-on-year, other operating revenue (currency-adjusted) was up MSEK 1,160, primarily due to a negative revenue adjustment and a SEK 1.1 billion provision made in the preceding year's fiscal year to cover estimated compensation claims from customers regarding flights canceled in conjunction with the pilot strike in July 2022. Revenue also increased as a consequence of higher revenue from sales of EuroBonus points and other volume-related revenue.

REVENUE BREAKDOWN FISCAL YEAR 2023



1) Ground handling services, technical maintenance, terminal and forwarding services, sales commissions and charges, in-flight sales and other operating revenue.

Operational and financial expenses

Personnel expenses amounted to MSEK -8,072 (-7,086). After adjustment for currency, personnel expenses increased MSEK 809 year-on-year. The increase was mainly due to an increase in the number of employees.

Jet-fuel costs amounted to MSEK -10,940 (-8,511). Adjusted for currency, jet-fuel costs increased 21%. Volume effects had a negative impact on costs of MSEK 2,471. Lower jet-fuel prices had a positive impact on costs of MSEK 1,602. The cost of emission rights increased MSEK 720 year-on-year.

Air traffic charges amounted to MSEK -3,800 (-2,855). Adjusted for currency, air traffic charges increased 28%. The increase pertained mainly to higher traffic volumes.

Other external expenses amounted to MSEK -17,659 (-12,058), see Note 4. Year-on-year, other external expenses (currency-adjusted) increased MSEK 4,521. The increase pertained primarily to higher costs for sales and distribution, wet-lease expenses and technical maintenance. Currency-adjusted sales and distribution costs increased MSEK 640, primarily due to higher volumes. Wet-lease expenses increased MSEK 629 (currency-adjusted). Technical maintenance costs (currency-adjusted) increased MSEK 1,088 due to larger volumes and higher prices.

Depreciation, amortization and impairment amounted to MSEK -4,440 (-4,763), a decrease of MSEK 323 year-on-year. See Note 5.

Financial income and expenses amounted net to MSEK -2,811 (-4,514), representing a decrease in net expenses of MSEK 1,703 year-on-year. The decline mainly related to currency revaluations for lease liabilities, which had a cost of MSEK 154 this year, compared with a cost of MSEK 2,906 last year. Interest income amounted to MSEK 1,016, compared with MSEK 219 last year. Interest expense amounted to MSEK 3,641, compared with MSEK 1,686 last year. The increase was mainly the result of increased costs as the result of DIP financing. Other changes of MSEK 109 mainly comprised other currency revaluations. See Note 8. Operating income amounted to MSEK -2,705 (-3,332) and EBT amounted to MSEK -5,516 (-7,846).

Net income for the year was MSEK -5,701 (-7,048) and tax amounted to MSEK -185 (798). Income tax for the year was largely attributable to the effects of currency revaluations of lease liabilities and the change of temporary differences.

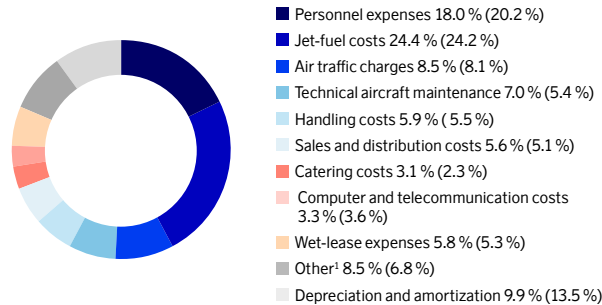
Year-on-year, the foreign exchange-rate trend had a positive impact on revenue of MSEK 802 and a negative effect on operating expenses of MSEK 1,912. Foreign exchange rates thus had a negative impact on operating income of MSEK 1,110. Net financial items were positively impacted by currency items amounting to MSEK 2,809. The items mainly related to currency revaluations for lease liabilities, which amounted to a cost of MSEK 154, compared with a cost of MSEK 2,906 last year. In total, currency effects had a net positive impact of MSEK 1,699 on EBT.

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COST BREAKDOWN FOR SAS, FY 2023



¹⁾ Property costs, cost of handling passengers on the ground, freight and administration costs, etc.

Items affecting comparability

Total items affecting comparability amounted to MSEK 145 (95) during the year and pertained to sale and leaseback transactions for eight A320 aircraft and one engine as well as the rejection of lease contracts under the Chapter 11 process. Last year, the item primarily comprised capital gains on the sale of three 737-800 aircraft and sale and leaseback transactions for nine A320 aircraft and eight spare engines and the rejection of lease contracts as part of the Chapter 11 process.

Income before tax and items affecting comparability, MSEK	FY23	FY22
Income before tax (EBT)	-5,516	-7,846
Rejection of lease contracts in Chapter 11	-160	88
Capital gains/losses ¹	15	-183
Income before tax and items affecting comparability	-5,661	-7,941

¹⁾ Capital gains/losses include aircraft and engine sales amounting to MSEK -15 (170), of which sale and leaseback amounted to MSEK -14 (97). Capital gains/losses also include sales of subsidiaries of MSEK 0 (13) during the year.

BALANCE SHEET AND FINANCIAL POSITION

Assets

Intangible and tangible assets have decreased MSEK 4,123 since October 31, 2022. Changes for the year included investments of MSEK 4,012, amortization and depreciation of MSEK -1,118, sales of MSEK -4,341 and other effects of MSEK -2,676. The amount for investments included advance payments of MSEK 1,023 as well as MSEK 2,701 in the form of delivery payments for eight A320 aircraft, which have been sold and leased back. Other investments totaled MSEK 288 and mainly comprised capitalized expenditure for engine maintenance and modifications. Other effects included rejection of lease contracts regarding two A350 aircraft under Chapter 11 of about MSEK -3,000 and translation differences of slightly more than MSEK 270.

Right-of-use assets decreased MSEK 676. New leases amounted to MSEK 3,024, and mainly pertained to new leases for eight A320 aircraft, three E195 aircraft and one spare engine. Changes in indexation and modification as well as the rejection of lease contracts decreased net assets by MSEK 372, and depreciation and impairment totaled MSEK -3,322. The currency revaluations had an impact of MSEK -6.

Financial assets decreased MSEK 1,421, mainly due to remeasurements of SAS' defined-benefit pension plans.

Deferred tax assets increased MSEK 225. The increase was primarily due to the effects of currency revaluations of lease liabilities and the change of temporary differences. No loss carryforwards were capitalized during the year.

Current receivables increased MSEK 1,052. This increase was mainly attributable to blocked bank funds.

Cash and cash equivalents were MSEK 6,160 (8,654) as of October 31, 2023. Unutilized contracted credit facilities amounted to MSEK 3,892 (3,847). Financial preparedness amounted to 35% (60) of SAS' fixed costs.

Shareholders' equity and liabilities

Shareholders' equity decreased MSEK 6,872 to MSEK -6,110. The decrease pertained mainly to net income for the year of MSEK -5,701 and the negative actuarial effect on defined-benefit pension plans of MSEK 1,359. Changes in cash-flow hedging positively impacted equity by MSEK 135.

Non-current liabilities decreased MSEK 5,008 and current liabilities increased MSEK 4,567. The total decrease in liabilities was MSEK 441 and was mainly due to amortization, currency revaluation and the rejection of two A350 aircraft under Chapter 11. The decrease in liabilities was offset by new borrowing, accrued interest and an increase in the unearned transportation liability.

Interest-bearing liabilities

On October 31, 2023, interest-bearing liabilities amounted to MSEK 42,492 (45,519), a decrease of MSEK 3,027 since October 31, 2022. New loans and amortization for the period were MSEK 1,585 and MSEK 3,179, respectively. New leases and amortization of lease liabilities amounted to MSEK 3,289 and MSEK 2,796 respectively. The rejection of lease contracts as part of the Chapter 11 process has reduced debt with just over MSEK 3,600. Currency revaluations

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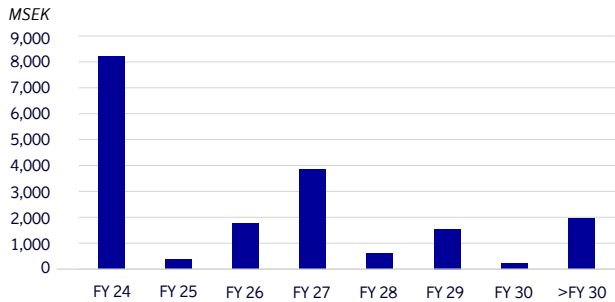
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increased liabilities by about MSEK 500, and other items, primarily accrued interest, resulted in a net increase in liabilities of about MSEK 1,300.

BREAKDOWN OF SAS' INTEREST-BEARING LIABILITIES, OCTOBER 31, 2023

Liability	Note	MSEK
Subordinated loans	22	1 569
Aircraft financing liabilities	22	7 480
Government guaranteed loans	22	5 045
DIP-financing	22	4 813
Other loans	22	824
Lease liabilities	23	21 427
Current liabilities	22	1 333
Total		42 491

REPAYMENTS OF INTEREST-BEARING LIABILITIES, OCTOBER 31, 2023

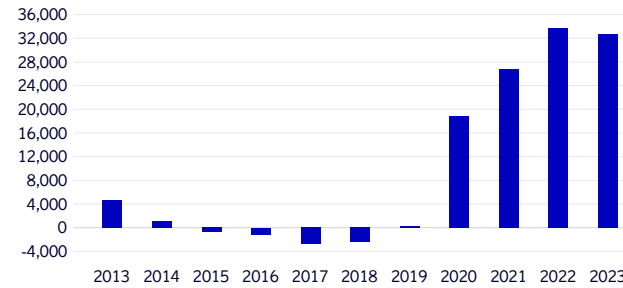


Financial net debt

On October 31, 2023, financial net debt amounted to MSEK 32,634 (33,657), a decrease of MSEK 1,023 since October 31, 2022. The decrease was primarily attributable to the positive cash flow before financing activities of MSEK 2,531 and the rejection of lease contracts as part of the Chapter 11 process that reduced debt by just over MSEK 3,600. The decrease was offset by a negative effect from new lease liabilities of MSEK

3,289, accrued interest of about MSEK 1,500 and negative currency revaluations of about MSEK 400.

FINANCIAL NET DEBT
MSEK



Cash-flow statement

Cash flow for the year amounted to MSEK -2,504 (4,375). Cash and cash equivalents amounted to MSEK 6,160, compared with MSEK 8,654 on October 31, 2022.

Cash flow from operating activities

Cash flow from operating activities before changes in working capital amounted to MSEK 242 (-183) for the year.

The change in working capital was positive and amounted to MSEK 2,185 (1,955). The positive outcome for the year was mainly the result of an increased unearned transportation liability as the result of increased ticket sales.

Cash flow from operating activities amounted to MSEK 2,427 (1,772).

Investing activities

Investments totaled MSEK 4,069 (5,093), of which the majority of MSEK 4,012 (5,093) pertained to aircraft and MSEK 57 (0) pertained to acquired subsidiaries that own three properties with smaller carrying amounts close to Kastrup, which were previously leased by SAS. Aircraft investments comprised eight A320 aircraft, capitalized expenditure for aircraft maintenance and modifications, and advance payments to Airbus.

During the year, one engine and eight A320 aircraft were sold and leased back, generating inflows of MSEK 4,173 (5,842).

Financing activities

New loans amounted to MSEK 1,585 (8,515), while repayments totaled MSEK 3,179 (3,359). Amortization of lease liabilities totaled MSEK 2,796 (2,820).

Key figures

On October 31, 2023, the return on invested capital (ROIC) was -7%, up 1 percentage point since October 31, 2022. The increase pertained mainly to an improved operating income (EBIT).

Financial preparedness was 35% (60) at the end of the period. After SAS received a new DIP loan from Castlake in November 2023 and secured exit financing, the contracted credit facility that was part of the financial preparedness on October 31, 2023 (MUSD 350 in DIP loan with Apollo) has been returned. A lower cash position together with higher fixed costs were the reasons for the change in the key figure.

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The financial net debt/adjusted EBITDA ratio was a multiple of 20.4 as of October 31, 2023. On October 31, 2022, the multiple was 23.3.

As of October 31, 2023, the equity/assets ratio amounted to -11%, compared with 1% on October 31, 2022. The decline was primarily attributable to lower shareholders' equity as a result of the year's negative earnings.

Credit rating

SAS has a credit rating of D from the Japanese credit-rating agency, Rating and Investment Information Inc. (R&I). The previous credit ratings from Moody's and Standard and Poor's have been withdrawn.

Financial targets and dividend policy

The overriding financial goal for SAS is to create shareholder value. To reach this goal, SAS works with the customer offering, efficiency enhancements and sustainability to create the foundation for long-term sustainable profitability.

SAS operates in a capital-intensive industry that requires an optimized capital structure. For this reason, SAS has three financial targets. These are:

SAS financial targets:

- Return on invested capital (ROIC) to exceed the post-tax Weighted Average Cost of Capital (WACC) over a business cycle
- Financial net debt/adjusted EBITDA to be a multiple of less than three and a half (3.5x)
- Financial preparedness: cash and cash equivalents and available credit facilities must exceed 25% of SAS annual fixed costs.

The ROIC target corresponds with the capital markets' and SAS' internal assessment of SAS' weighted average cost of capital (WACC). This is also linked to SAS' dividend policy, which stipulates that dividends can first be paid when value is created through SAS' ROIC exceeding its WACC.

Leverage target – financial net debt/adjusted EBITDA – is a key ratio used by credit rating agencies and banks for assessing creditworthiness and includes the value of leased aircraft. The aim of maintaining a ratio with a multiple of less than three and a half (3.5x) is aligned with SAS' ambition of improving the financial position and credit rating, and thereby lowering financing costs.

The financial preparedness target is to have cash funds in preparedness of at least 25% of annual fixed costs. Normally, this covers SAS' unearned transportation liability and also meets regulatory requirements regarding liquidity.

CALCULATION OF ROIC

MSEK	October 2023
EBIT, 12 months	-2,705
Theoretical tax	579
Total	-2,126
Average shareholders' equity	-3,557
Average financial net debt	32,131
Invested capital	28,574
ROIC	-7%

CALCULATION OF FINANCIAL NET DEBT/ADJUSTED EBITDA

MSEK	
Average financial net debt	32,131
Adjusted EBITDA, 12 months	1,572
Financial net debt/Adjusted EBITDA	20.4

CALCULATION OF FINANCIAL PREPAREDNESS

MSEK	
Cash and cash equivalents	6,160
Unutilized credit facilities	3,892
Total	10,052
Total other external expenses	-25,729
Net financial items excluding exchange-rate effects on lease liabilities	-2,664
Total	-28,393
Financial preparedness	35%

Dividend policy

SAS' overriding goal is to create shareholder value. Dividends require a resolution by a shareholders' meeting, and that SAS AB has distributable earnings. A dividend may only be distributed after value has been created. This is defined as when SAS' ROIC exceeds its WACC. The Group's financial position, earnings, expected performance, investment requirements and relevant economic conditions should also be taken into account. The dividend should take into account any restrictions applying to the Group's right to distribute dividends to shareholders. The dividend policy endeavors to achieve long-term sustainable dividends.

In previous fiscal years, SAS has received various forms of Covid-19 pandemic-related state aid, which are conditional on SAS not distributing funds to shareholders. The European Commission's approval of the aid encompassed by SAS' recapitalization plan from 2020 includes, inter alia, such a prohibition on distributing dividends to shareholders. This ceases to apply once the instruments signed by the states under SAS' recapitalization plan have been fully redeemed or sold.

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Parent Company

The Parent Company SAS AB conducts limited intra-Group services. Revenue totaled MSEK 872 (426) and operating expenses MSEK -1,068 (-560). Net financial items totaled MSEK 479 (213) and impairment of shares in subsidiaries amounted to MSEK -1,840 (-2,788). Net income for the year was MSEK -1,557 (-2,709).

FINANCING AND CAPITAL MANAGEMENT

Financing

SAS can use bank loans, capital market products, export credits and leases as sources of financing. In connection with aircraft transactions, the financing method is a very important factor that is taken into account together with residual value risks and financing costs. New loans raised during the fiscal year amounted to MSEK 1,585 (8,515) and pertained to financing with owned emissions rights as collateral.

Aircraft fleet

The aircraft fleet consists of the Airbus A320 family, Airbus A330/350, Embraer E195-100 and Boeing 737NG aircraft. In addition, SAS wet-leases 31 aircraft through strategic business partners. SAS is developing and planning to have four operational platforms: SAS Scandinavia, SAS Connect, SAS Link and Wet Lease. The aircraft fleet is SAS' largest tangible asset. SAS depreciates directly-owned aircraft over 20 years utilizing a residual value of 10%, excluding aircraft engines. Aircraft engines are depreciated over around eight years. Maintenance of leased aircraft is set off on an ongoing basis related to use, whereas maintenance of owned aircraft is capitalized and depreciated. Passenger aircraft are generally used for 20 to 25 years in commercial passenger traffic but aircraft that are well maintained can operate for longer periods.

There are still items of value in an aircraft after it has been taken out of service, for example engines and spare parts.

Financing of aircraft orders

As of October 31, 2023, SAS had aircraft orders for 18 Airbus A320neo, two Airbus A350 and one Embraer E195-100 aircraft for delivery up through 2025. In financing aircraft, SAS uses a combination of leases and secured bank loans and credit facilities. SAS aims to maintain a balance between owned and leased aircraft based on a cost, risk and flexibility perspective. SAS intends to utilize a mix of bank loans, leases and bank facilities to finance owned aircraft. When leasing, which can be conducted via sale and leaseback agreements, aircraft are sold on delivery and leased back over an eight- to 12-year period.

THE SAS AIRCRAFT FLEET ON OCTOBER 31, 2023

SAS Group's Aircraft Fleet	Age	Owned	Leased	Wet Lease	Total	SAS Scandinavia	SAS Connect	SAS Link	Wet Lease	In service for SAS Group	Firm order purchase	Firm order lease
Airbus A330/A350	9.7	5	6		11	11				11	2	
Airbus A320 family	7.1	15	64	8	87	52	27		8	87	18	
Boeing 737NG	18.3	4			4	4				4		
Embraer E195-100	14.8		9		9			9		9		1
Bombardier CRJ	9.3			17	17				17	17		
ATR-72	10.1			6	6				6	6		
Total aircraft in operation	8.6	24	79	31	134	67	27	9	31	134	20	1
Aircraft undergoing phase-out/leased out												
Airbus A321-200	21.5	4			4							
Boeing 737NG ¹⁾	15.2	6			6							
Airbus A350-900	3.7		1		1							
Total	16.9	10	1		11							

1) Of which five had been leased out as of October 31, 2023

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Of the remaining order for 18 Airbus A320neo aircraft, SAS has financed eight aircraft through operating leases.

AIRCRAFT ON FIRM ORDER 2023–2025 AS OF OCTOBER 31, 2023

	FY24	FY25	Total
Airbus A320neo	12	6	18
Embraer E195-100	1		1
Airbus A350		2	2
Total	13	8	21

As of October 31, 2023, SAS' remaining contracted future purchase commitments for aircraft orders with delivery in the 2023–2025 period totaled MUSD 975.

CONTRACTED MATURITY OF LEASED AIRCRAFT

	FY24	FY25	FY26	FY27	FY28>
Operating leases, aircraft	4	6	0	7	63
Wet-leased aircraft	15	4	2	0	10
Total	19	10	2	7	73

Financing of pre-delivery payments for aircraft

Airlines make prepayments before delivery. In addition to payment in conjunction with placing the order, pre-delivery payments (PDPs) normally commence when production of the aircraft starts about two years prior to delivery. SAS continuously evaluates possibilities for the external financing of PDPs and, during this fiscal year, SAS has repaid in full an existing facility for financing of pre-delivery payments with total repayments amounting to MSEK 767.

Through a combination of ownership, and operational and wet-leased aircraft, the aim is to have high flexibility regarding the return of aircraft. This is important, as the airline industry is exposed to several macro-economic events that could rapidly have a negative effect on demand.

Seasonal effects and cash-flow optimization

SAS analyzes balance-sheet items and operating trends to optimize cash flow with the aim of attaining the lowest possible funding cost within the framework of SAS' financial policy. As a result of operating liabilities exceeding current assets, working capital amounted to MSEK -13,529 (-11,692) at October 31, 2023, representing a year-on-year decline of MSEK 1,837.

Cash flow from operating activities in FY23 amounted to MSEK 2,427 (1,772), up MSEK 655 year-on-year. The positive outcome for the period was mainly the result of an increased unearned transportation liability as the result of increased ticket sales.

Sustainability report

In accordance with the Swedish Annual Accounts Act, SAS has prepared a statutory Sustainability Report, which has been incorporated into the Annual and Sustainability Report Fiscal Year 2023, separate from the Report by the Board of Directors, on pages 21–55 and 148-150. The auditor's opinion regarding the statutory sustainability report is included on page 56.

Legal issues

The European Commission's decision in November 2010 found SAS and many other airlines guilty of alleged participation in a global air cargo cartel 1999–2006, and ordered SAS to pay a fine of MEUR 70.2. SAS appealed the decision in January 2011 and in December 2015, the Court of Justice of the European Union (CJEU) annulled the European Commission's decision including the MEUR 70.2 fine. The CJEU's ruling entered into force and the MEUR 70.2 fine was repaid to SAS at the beginning of March 2016. The European Commission took a new decision on the same issue in March 2017 and again imposed fines on SAS and many other airlines for alleged participation in a global air cargo cartel in the 1999–2006 period. The fine of MEUR 70.2 was the same as that imposed under the 2010 decision. SAS appealed the European Commission's decision and a hearing was held in the CJEU in July 2019. Judgement was announced on March 30, 2022. SAS was partly successful with its appeal and the fine paid in under 2017 was slightly reduced. SAS has appealed the judgement.

As a consequence of the European Commission's decision in the cargo investigation in November 2010 and the renewal of that decision in March 2017, SAS and other airlines fined by the Commission are involved in various civil lawsuits initiated by cargo customers in countries including the Netherlands and Norway. SAS contests its responsibility in all these legal processes. Unfavorable outcomes in these disputes could have a significantly negative financial impact on SAS. Further lawsuits by cargo customers cannot be ruled out. No provisions have been made.

RISK MANAGEMENT

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Risk area	Risk	Risk level	Risk control measures fiscal year 2023
1	Market risks	1.1 Macro economic development	Continuous monitoring of demand, projected revenue and adaptation of SAS' capacity offering and production.
		1.2 Market and competition	Revised strategy encompassing with further efficiency enhancements to meet lower demand and increased competition.
2	Employee risks	2.1 Competence	Annual people reviews and successor identification.
		2.2 Motivation	Strengthened leadership increased internal communication and transparency.
		2.3 Processes and systems	Follow-up of low and high-performing individuals. Documentation of internal processes and maximizing the cross functional collaboration.
		2.4 Labor actions	Strengthen dialogue and relationships to increase consensus with the unions.
3	Operational risks	3.1 Incidents and accidents	Continuous internal monitoring and reporting to the Board.
		3.2 Suppliers	Focus on renegotiating agreements with strategic suppliers as well as follow up quality levels and efficiency. Increased communication with suppliers to handle the effects of Chapter 11 process.
		3.3 Cost competitiveness and efficiency	Transformation office to ensure continuous scrutiny on the progress of the savings initiatives in SAS FORWARD.
4	Sustainability risks	4.1 Environmental requirements	Continued efforts with measures to improve climate and environmental performance, and to ensure compliance with applicable laws and regulations. Organizational enhancements to drive ESG improvements.
		4.2 Human rights	Requirement of complying with United Nations Global Compact in contracts with suppliers and subcontractors. Continuous monitoring of compliancy.
5	Legal and political risks	5.1 Political and regulatory risks	Active dialogues with the political systems and industry organizations (IATA) to obtain early information about regulatory changes and sanctions, and to participate in decision-making. Together with the industry, SAS promotes the importance of the aviation for business and society.
		5.2 Fraud and other crime	Continuous improvement of SAS' capabilities for proactive identification and prevention of potential criminal and fraudulent activity.
		5.3 Legal and insurance risks	Development of policies and training to stay compliant with laws and regulations. Ongoing self-assessment of compliancy. Legal counseling and participation in contracting processes. Insurance protection for operations and employees.
6	Financial risks	6.1 Liquidity, refinancing and funding risk	Ongoing follow-up and projections of financial preparedness.
		6.2 Exchange rates	Currency hedging in line with SAS' financial policy and monitoring the currency market.
		6.3 Interest rates	Interest rate risk in line with SAS' financial policy. Relative large portion of liabilities are fixed rate.
		6.4 Jet-fuel price and emission rights	Jet-fuel hedging in line with SAS' financial policy and monitoring the jet-fuel price trend.
		6.5 Counterparty losses	SAS' counterparty risks are managed in line with SAS' financial policy.
7	IT	7.1 Operational reliability and dependability	Continual improvement of monitoring, incident- and problem-handling procedures.
		7.2 Cyber Security	Expansion and improvement of processes and tools to prevent negative impacts on operations.
8	Other events	8.1 Extraordinary events	Continuous monitoring of extra ordinary events. Discussion in Group Management on their impact on SAS operations and financial situation, and implementation of mitigating activities.
		8.2 Brand and reputation	Constant monitoring of SAS presentation in media, and implementation of brand strengthening activities.

● Low risk ● Medium risk ● High risk

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The underlying objective of risk management is to create the optimal preconditions for growing value for our stakeholders. SAS, like other organizations, is exposed to many general and more company-specific risks that may impact operations both negatively and positively.

Risk management at SAS is about positioning SAS in relation to, known and unknown, possible events with the aim of minimizing the potential negative effects should an unexpected event occur. Overall risks are monitored and identified centrally and followed-up through policies that aim to control the risks. Flight safety always is the highest priority at SAS.

Value for shareholders and other stakeholders in SAS is maximized, when strategies, goals and strategic priorities are set to ensure an optimal balance between the growth, profitability and their related risks, and the resources are used efficiently and sustainably. Accordingly, risk management and risk assessment are of fundamental importance to ensure SAS' long-term sustainable profitability.

1. MARKET RISKS

1.1 Macroeconomic development

63% of SAS passenger revenue stems from Scandinavia (Ticket revenue, FY23). Norway accounts for 27%, Sweden for 24% and Denmark 13%. Development of demand in Scandinavia is crucial for SAS financial performance.

Scandinavian economies have experienced energy shortages, high inflation and rising interest rates. Geopolitical instability and the wars in Ukraine and the Middle East contribute to uncertainty around

the macro economic development. Households have experienced a sharp increase in the cost of living and a decline in purchasing power. Going forward, other factors such as falling housing prices, further mortgage rate increases and higher rents may depress the outlook even further. Estimation uncertainty for forecasts and future demand therefore remains.

1.2 Market and competition

The COVID-19 pandemic has made the last three years the most challenging in the history of the aviation industry. A new customer landscape with different travel patterns and higher focus on leisure travelers has been created. Furthermore, intense competition both from legacy airlines as well as from new entrants is noted across our home markets. SAS continuously analyzes performance and makes proactive adjustments to the network, customer offering and pricing to strengthen its' competitiveness.

2. EMPLOYEE RISKS

2.1 Competence

SAS remains in a vulnerable position following the Chapter 11 filing and industry changes to customer mix and travel patterns in the aftermath of COVID-19. Moving forward one challenge is to maintain high engagement internally and also to retain competence critical to the successful operation of the business. SAS is, due to skewed demographics, particularly exposed to retirements the coming years putting pressure on knowledge transfer and long term learning initiatives.

To manage the above, SAS runs regular employee and leadership programs based on its own employee and manager models, and works continuously with the succession order, competence planning and risk evaluation.

SAS has also boosted its Talent Acquisition capability, building a fully centralized recruitment and branding function to secure the long-term hiring needs across all parts of the company.

2.2 Motivation

SAS operates in a highly competitive market where it is essential to have the right capabilities throughout the business, and every individual at SAS has an important role to play. It is essential that SAS provides opportunities for employees to grow and develop together with SAS.

SAS also works continuously with the follow-up of sickness numbers in close collaboration with occupational health care and in conversations between employees and managers to implement measures and provide support early-on when necessary to secure a healthy workplace and the wellbeing of employees.

SAS has continued to strengthen the internal communication by establishing new channels, like digital Townhalls, leader briefs, and improved newsletters and intranet where the latest information can be shared, and questions can be addressed directly to the CEO to keep employees updated on the progress of SAS FORWARD and Chapter 11, and be assured on the continuous improvements SAS are doing.

SAS continuously measures employee engagement and motivation through various employee surveys. SAS' attractiveness as an employer is measured on public Employer Rankings as well as with internal, Employee Net Promoter Score (ENPS).

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To reinvigorate energy and future belief, SAS has developed a new Employee Value Proposition “Together we Move Scandinavia” to better position SAS' brand in the market. In addition, SAS is in the middle of implementing a cultural transformation program, in 26 employee driven initiatives by 2026 “26by26”, to align SAS' employee experience with our value proposition to build a strong identity built on SAS purpose.

To lift employee wellbeing, SAS applies a hybrid workplace policy and is currently reviewing plans for the future workplace including activity based office layouts to foster collaboration and inclusion. To further boost SAS' attractiveness as an employer, employee incentive programs and visualization of internal career paths are being developed.

2.3 Processes and systems

SAS uses systems and processes to secure necessary skills and to identify the succession bench. SAS conducts a yearly analysis of internal skills with the aim of leveraging the greatest talents and adjusting where improvements are needed. Further standardization and automation of processes continues through digitalization. A better job architecture is implemented to improve mapping of competences and qualifications to proactively ensure succession planning.

2.4 Labor actions

To avoid future conflicts, SAS strives for long term labor agreements including industry wide agreements wherever possible. SAS works with collaboration models to strengthen transparent and open dialogue with labor organizations throughout the year.

3. OPERATIONAL RISKS

3.1 Incidents and accidents

Flight safety is the top priority at SAS. SAS' safety culture builds on the foundation comprised by the values, skills, and experience of all employees throughout the organization.

The safety culture entails continuously striving to improve safety by encouraging SAS employees to actively learn, adapt and modify individual and organizational behavior to reduce exposure to risk.

SAS' management is well versed in the safety efforts at SAS and is involved in daily safety activities.

SAS has a safety policy that is documented, communicated, and implemented in its operations.

SAS has a longstanding and well-implemented Safety Management System (SMS), which has received regulatory approval. SAS also meets IATA's safety standard, IOSA – IATA Operational Safety Audit, which certifies that operations meet the most stringent flight safety regulations and best practices in the market.

Flight safety continues to be extremely high on a global basis and, statistically, the risk of an accident is very low. However, the aim of flight safety efforts is not to remain at these low percentages; it is to keep the total number of accidents at the same level or even improve the numbers despite an expected doubling in air travel until 2035.

Since start, safety efforts have been based on minimizing the risk of a previous event recurring, by learning from previous incidents and accidents, and through

conducting diligent investigations and analyses of incidents and accidents to minimize the risk of recurrence.

In addition to traditional methods of preventing accidents and incidents through reactive measures to prevent recurrence, SAS also has a more mature safety management system (SMS) that is based on analyzing data and trends, which identifies safety issues before they result in an incident or accident. The identification of potential incidents and accidents is one method of working proactively with flight safety. The work also entails learning from the risks at other departments, other airlines, etc., and implementing processes and procedures to ensure that serious accidents and incidents do not occur.

The SMS provides SAS with the possibility of acting more proactively with its safety efforts, prioritizing effectively, and ensuring the entire organization promotes passengers', employees', and the company's safety.

All the operating platforms used by SAS are required to be IOSA certified and hold a European traffic license. To ensure corresponding safety levels at the wet-lease companies that together with our own flight operations comprise the operational platforms, SAS has set the following requirements:

- Prior to contract, the operator's safety efforts are analyzed;
- Monthly safety summaries and continuous deviation reports are sent regularly to SAS management;
- Safety follow-up meetings are held quarterly;
- SAS conducts inspection flights and performs observations in simulator training sessions;
- Annual audits are carried out by SAS;

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SAS only initiates code-share collaboration with other airlines that have IOSA certification or that have submitted to a comparable audit.

Safety activities and risk levels in fiscal year 2023

In fiscal year 2023, SAS has continuously monitored and measured daily risk levels in flight operations, ground operations, technical maintenance, and aviation security in a hierarchical system of objective safety performance indicators.

To aid follow-up of flight safety on a departmental basis and for the various operational platforms, SAS uses operational flight safety tools, systems and processes with the capacity for identifying trends and correlations. This in turn leads to SAS acting more proactively with safety related risks.

Compared to FY2022 we saw a drop in FY2023 in number of safety related occurrences per one thousand flights. The increase in number of flights have had an impact on the statistics compared to FY2022 where the entire industry was ramping up after the Covid pandemic. A slight increase of medium risk reports can be seen. However, this is more due to change of method of assessing the reports than an actual increase in number of medium risk events.

RISK INDEX FY2023

Operations	Low	Medium	High
Flight Operations, %	2.89	0.02	0
Ground Operations, %	1.41	0.01	0
Technical Operations, %	0.53	0.01	0
Security, %	0.46	0.002	0
Total FY2023 as a % of the No. of flights	5.29	0.042	0

Low: Events that occurred where the remaining safety margin was extremely effective. Normal monitoring is the only action required.

Medium: Events that occurred where the remaining safety margin was limited. Risk evaluation plus appropriate actions were adopted for continued operations.

High: Events that occurred where the safety margins were minimal or ineffective. This group includes more serious events (such as engine failure during takeoff). Such incidents must be investigated immediately to identify whether they are isolated incidents and do not affect continued airline operations.

3.2 Suppliers

Dependence on external suppliers across all operations is increasing in pace with changes in the airline industry and development of the operating model at SAS. This applies equally to operations such as ground handling and production partners, and to administrative functions such as customer service and accounting. SAS conducts continual reviews of its supplier base, identifying the most operation-critical suppliers. SAS has an established steering model that clarifies responsibilities, risks and areas for improvement, as well as how any deviations should be managed. Responsibility for ongoing follow-up of critical suppliers has been centralized and standardized. All of SAS suppliers must meet requirements for sustainability and social responsibility in line with SAS' Supplier Code of Conduct.

3.3 Cost competitiveness and efficiency

For many years, SAS has been burdened by an uncompetitive cost structure that prevents the company from reaching its full potential. Cost reductions across all of SAS remain in focus to optimize our competitive

capability. SAS FORWARD is a comprehensive business and transformation plan with the purpose of securing SAS long term-competitiveness. (More information can be found on p.12).

Another key element of SAS FORWARD is to effectuate a deleveraging of the balance sheet while substantially improving the liquidity position. A Transformation Office has been established to closely monitor the progress of the cost saving initiatives.

4. SUSTAINABILITY RISKS

SAS has integrated its sustainability work into its management system, which has structured processes for mitigating and managing all risks and possibilities in the field of sustainability.

4.1 Environmental requirements

It is a firm ambition of SAS to contribute to a better future. Society and our customers will continue demanding more sustainable solutions with a focus on reducing emissions and more efficient use of resources. Accordingly, we have set comprehensive and ambitious, short- and long-term environmental goals to drive our environmental work, which is in line with SAS' aspiration to invest in sustainable aviation.

Different laws and regulations impose requirements to reduce climate and environmental impact, including restrictions on noise levels and greenhouse gas emissions. All laws and regulations in the field of the environment and the climate are handled by SAS' management system which, as regards the environment, is ISO 14001:2015 certified. SAS conducts annual reporting in EU ETS, CH ETS, UK ETS, and in CORSIA. To ensure SAS' compliance with national and

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international rules and legislation, sustainability improvements are continuously being made. SAS measures its' eco-efficiency by measuring total and relative carbon emissions. The long-term emission reduction is driven by renewal of the aircraft fleet, ongoing efficiency efforts and increased blend-in of sustainable aviation fuels.

4.2 Human rights

SAS is a major purchaser of products and services from a large number of suppliers and subcontractors. SAS stands firmly behind the UN Global Compact, and therefore requires that all the suppliers and subcontractors share SAS' perception on, for example, human rights through solid market based employment terms and right to organize into unions (freedom of association). The SAS Group People Policy explicitly requires compliance to Human Rights as an overall requirement.

5. LEGAL AND POLITICAL RISKS

5.1 Political and regulatory risks

SAS operates on a global market and is exposed to various types of political and regulatory decisions which may significantly impact SAS' operations and economy either in a positive or negative way. SAS carefully monitors political and regulatory development in the markets it operates. Through active dialogue with political decision-makers, public agencies, and organizations, SAS strives to influence development that may have significant impact on SAS as a company.

SAS is a member of and operates through domestic and international industry bodies that are tasked with monitoring society, influencing public opinion and

promoting SAS and the airline industry's positions in relevant areas.

Increasing sustainability regulation and awareness and increasing levels of customer protection legislation may impact SAS financially and operationally. Furthermore, sanctions because of geopolitical tensions will remain an increasingly important area of risk focus.

5.2 Fraud and other crime

SAS is potentially exposed to crimes that may cause both economic and immaterial impact. A substantial portion of SAS' ticket sales is conducted online using credit cards, which entails a risk of credit card fraud and other cybercrimes.

SAS analyzes these risks on an ongoing basis and ensures that internal controls and procedures are in place to identify and prevent potential crime and fraud.

5.3 Legal and insurance risks

SAS flies and operates in many different countries meaning that SAS must comply with a large number of laws and regulations. The breadth of SAS' operations and many contractual relations mean that SAS is, and potentially will be, involved in legal processes and arbitration procedures either as plaintiff or defendant. As of October 31, 2023, SAS was involved in a number of legal processes, the most important of which are described in more detail on page 66.

SAS' legal division strives for compliance with relevant laws and rules through education and internal policies, processes and rules including the SAS Code of

Conduct, which establishes ethical rules and guidelines for all employees in SAS to follow. SAS continuously monitors changes in laws and regulations and their impact on SAS. The procedures and guidelines are consequently updated. Contractual risks in relation to external parties are minimized through legal counseling and participation in contracting processes. SAS applies insurances on its operations and personnel to protect the company financially from unforeseen events and risks.

6. FINANCIAL RISKS

SAS is exposed to various types of financial risks. All risk management is performed centrally pursuant to the financial policy adopted by the Board.

Financial risks pertaining to volatility in currency rates, interest rates and fuel prices, are hedged with derivatives, which aim to counter short-term negative fluctuations and provide scope for adapting operations to longer-term changes in levels. Another aim of SAS' hedging strategy is to enable SAS to act quickly when changes in exchange rates, interest rates and fuel prices are advantageous. More information is available in Note 25.

6.1 Liquidity, refinancing and funding risk

The cash flow from SAS' airline operations follows clear seasonal trends. As passenger revenue is recognized when SAS or another airline provides the transportation, this means that seasonal variations impact cash flow and earnings differently. SAS also has several different financial instruments issued, as well as 79 aircraft on operating leases and 31 aircraft on wet lease contracts that are continually maturing.

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The target is a financial preparedness of at least 25% of fixed costs (measured as % of cash and cash equivalents together with unutilized credit facilities in relation to annual fixed costs). SAS prepares a rolling liquidity forecast that is used as a basis to ensure that financial preparedness is maintained and to identify refinancing needs. SAS typically uses bank loans, bonds, subordinated loans, hybrid bonds and leases as sources of funding.

SAS is in continual discussion with banks and financiers regarding refinancing of SAS' loan and leasing maturities. The business environment continues to recover from the COVID-19 pandemic and is affected by the ongoing Chapter 11 process which in turn may have a negative impact on liquidity levels. In November 2023, SAS entered into a new debtor-in-possession ("DIP") financing credit agreement for USD 500 million with Castlake to, among other things, refinance SAS' existing DIP term loan, increase liquidity, and support SAS' path to exit from its Chapter 11 proceedings. The DIP financing, along with cash generated from ongoing operations, enables SAS to continue operations and to meet its obligations for at least the next 12 months. Financial market and risk appetite are still affected by COVID-19, which together with the generally uncertain market outlook, is impacting the financing risk negatively. Also, the ongoing Chapter 11 process has impacted SAS' ability to refinance and fund itself negatively. Access to certain finance sources impacted by the Chapter 11 filing will continue to remain closed for SAS whereas access to other finance sources is expected to improve as a result of successful emergence from Chapter 11. In refinancing or funding processes, SAS runs a dialogue with several providers of financing with the purpose to ensure the most optimal contract terms.

6.2 Exchange rates

Transaction risk arises from currency rates volatility that impact the size of commercial revenue and costs and thus SAS' operating income. As a consequence of aircraft and jet fuel being priced in USD and of international operations, SAS is considerably exposed to price changes in several currencies.

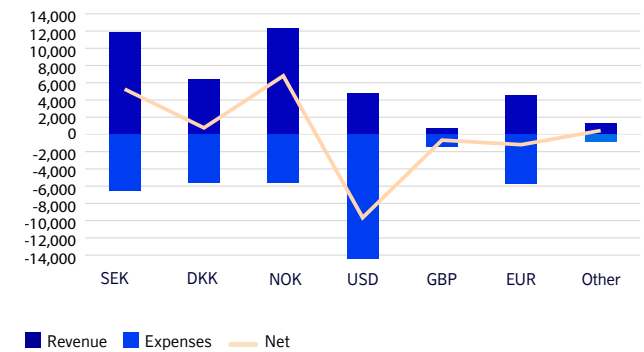
The USD is SAS' largest deficit currency, and NOK is SAS' largest surplus currency. Introduction of IFRS16 in 2019, has created substantial volatility in both operating income and balance sheet.

Currency exposure is managed through continuously hedging 40–80% of SAS' surplus and deficit currencies based on a 12-month rolling liquidity forecast. At October 31, 2023, SAS had hedged 41% of its anticipated USD cash flow deficit using forward contracts and currency options. 42% of NOK, which is SAS largest surplus currency, was hedged for the next 12 months. Hedging is mainly performed through currency forward contracts to prevent earnings-related revaluation effects pertaining to financial assets and liabilities. SAS' USD denominated loans are hedged against the SEK to reduce currency risk in the loan portfolio.

Year-on-year, the foreign exchange-rate trend had a positive impact on revenue of MSEK 802 and a negative effect on operating expenses of MSEK 1,912. Foreign exchange rates thus had a negative impact on operating income of MSEK 1,110. Net financial items were positively impacted by currency items amounting

to MSEK 2,809 which mainly related to currency revaluations for lease liabilities, which had a cost of MSEK 154 this year, compared with a cost of MSEK 2,906 last year. In total, currency effects had a net positive impact of MSEK 1,699 on EBT.

CURRENCY BREAKDOWN SAS FISCAL YEAR 2023
MSEK



NET EARNINGS IMPACT FOR THE NEXT 12 MONTHS FORECASTED CURRENCY EXPOSURE (EXCL. HEDGING AND IFRS 16):

SAS total	MSEK
1% weakening of SEK against USD	-130
1% weakening of SEK against NOK	78
1% weakening of SEK against DKK	13
1% weakening of SEK against EUR	5
1% weakening of SEK against GBP	9

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Currency risk for aircraft investments

SAS uses currency forwards to hedge part of the order value for aircraft it has on order to limit the currency risk. Any currency forwards outstanding are terminated on delivery under leases, both operating leases and JOLCO (Japanese leases with purchasing options). SAS has currency hedged a portion of its remaining aircraft order for two Airbus A350 aircraft.

6.3 Interest rates

The airline industry is capital-intensive and on the closing date, SAS had MSEK 21,065 (24,006) in interest-bearing liabilities, excluding lease liabilities, which exposes SAS to interest-rate changes.

Despite rising market interest rates following soaring inflation, the impact on SAS financial situation has been limited. A large proportion of SAS liabilities are on fixed interest rates. However, the large DIP-financing has a floating rate, increasing SAS exposure to rising interest rates significantly. Also, rising interest rates create additional pressure on potential lease negotiations as funding costs for lessors increase.

Financial policy at SAS regulates the proportion between floating and fixed-interest rates with the objective that gross financial debt has a tenor of three years with a permitted interval of 1–5 years. The average fixed-interest period for gross financial debt, including the hybrid bond, was 1.3 years (2.1) as of October 2023.

6.4 Jet-fuel price and emission rights

Jet-fuel price

Jet-fuel costs comprise the single largest expense item for SAS and in fiscal year 2023 amounted to around 24% (24) of SAS' operating expenses

(including leases, depreciation, and amortization). SAS normally hedges jet-fuel costs to counter short-term negative fluctuations.

The policy for jet-fuel hedging states that jet fuel should be hedged at an interval of 40–80% of anticipated volumes for the coming 12 months.

The policy also allows hedging of up to 50% of the anticipated volumes for the period, 13–18 months. Under the current uncertain and volatile market conditions SAS has temporarily adjusted the financial policy with regard to the hedging ratio for jet fuel.

The exception applies until the end of fiscal year 2024 and permits hedging between 0 and 80% of the anticipated volumes for the next 12 months. For the forthcoming 12 months, SAS has 0% of the fuel consumption hedged. Hedging of SAS' future jet-fuel consumption is normally conducted through swaps and options.

In FY23, market prices for jet fuel on a weighted average basis were 15% lower than the preceding fiscal year. At the start of the fiscal year, jet-fuel prices were trading around USD 1000/MT. However, during the summer season, the prices fell and traded around the USD 750/Mt-level as key central banks increased interest rates. In the autumn the prices increased and climbed back to the USD 1000/MT-level as the OPEC cartel cut their oil production.

The lower jet-fuel price meant that jet-fuel costs, adjusted for currency and volume effects, decreased MSEK 1 602 or by 19% of the total jet-fuel costs year-on-year.

VULNERABILITY MATRIX, JET-FUEL COST (NOV2023 – OCT2024), SEK BILLION

Market price	10.0	10.5	11.0	11.5	12.0
USD 700/MT	8.9	9.4	9.8	10.2	10.7
USD 800/MT	9.9	10.4	10.9	11.4	11.9
USD 900/MT	10.9	11.4	12.0	12.5	13.1
USD 1,000/MT	11.9	12.5	13.1	13.7	14.3
USD 1,100/MT	12.9	13.5	14.2	14.8	15.5

The jet-fuel cost in the statement of income does not include USD currency hedging effects. These effects are recognized under "Other" in Other operating expenses. Note 4, since currency hedging is performed separately and is not linked specifically to its jet-fuel purchases.

Emission rights

In fiscal year 2023, SAS' emission rights profit and loss effect in the European EU-ETS emissions trading scheme totaled MSEK -412 (+307). Last year, the effect was due to a result of revaluation of reserve.

6.5 Counterparty losses

SAS is exposed to counterparty losses through credits, lease agreements and guarantees to external parties. This exposure is governed by SAS' financial policy. No counterparty loss of any significance had any impact on SAS in the fiscal year. Net impairment of accounts receivable and recovered accounts receivable, as well as the impairment of other current receivables, had an earnings impact of MSEK 64 (10) in fiscal year 2023.

Financial policy at SAS regulates how and in what manner SAS should act to reduce the risk of counterparty losses. SAS invests cash and cash equivalents in instruments with good liquidity or short maturity with credit ratings not lower than A3/P1 according to Moody's, or A-/K1 according to Standard & Poor's.

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7. IT

7.1 Operational reliability and dependability

SAS is increasingly dependent on its own and its suppliers' IT systems and procedures for efficient and secure operations. These systems are often vulnerable to and can be disrupted or harmed by, for example, internal faults, sabotage, cyber-related fraud, computer viruses, software errors, physical damage or other events outside of SAS' and its suppliers' control. Disruptions could stem from configuration errors during upgrades or maintenance operations, and by the operational disruption of systems following the upgrade of applications.

SAS is also dependent on IT and secure information flows in all parts of its operations, and through transparent processes and continual updates, SAS secures the confidentiality, correctness, accessibility, and traceability of the information. This is governed by a number of policies and safety solutions. The stability is improved with focus on shorter resolution time through modernized infrastructure, improved processes and improved velocity of development.

7.2 Cyber Security

Like numerous other companies, SAS is exposed to various types of attacks on its IT systems. Cybercrime, such as ransomware attacks and cyber espionage is increasing globally. SAS' capabilities to identify and prevent cybercrimes are constantly improving through automated tools and enhanced processes. SAS' Security Operation Center (SOC) actively monitors and actively manages threats and any identified cybercrime attempts to enter SAS' IT systems on a 24/7 basis.

Regular training and mandatory courses for all SAS employees are held to improve own behavior in sensitive IT environments and create a broad front line to recognize any suspicious cyber activities. Investments in IT Risk and Governance Management tooling and processes, improved DDoS protection and IT security specialists have been made.

8. OTHER EVENTS

8.1 Extraordinary events

Airline companies are impacted by extraordinary events around the world, such as natural disasters, terror attacks, conflicts, and epidemics.

Implications from the COVID-19 pandemic have not had a major impact during FY2023. Instead, the Russian invasion of Ukraine, international protests against Sweden and Denmark and the recent escalated situation in Israel and Gaza have entered the arena and require continuous risk assessments to assure safe operations.

8.2 Brand and reputation

SAS continuously monitors the confidence trend for SAS and the industry and works strategically to strengthen the SAS brand and reputation. SAS has established media and information policies aimed at ensuring that all information pertaining to SAS is correct and accurate. If inaccurate rumors are spread about SAS or if information is provided incorrectly, SAS endeavors to follow up and correct errors to minimize any negative impact on SAS' general rating and position in the market.

The SAS Brand Platform is used to secure brand supported endeavors. Trust margins for potential future crisis and negative publicity are built in to secure strong brand growth. An inhouse agency has been established to support strong brand content and to ensure brand consistency within SAS. SAS brand perception and preference is steadily improving since Summer 2022. Challenges remain both internally and externally that will be cautiously monitored and acted upon.

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Dividend

The Board of Directors proposes to the 2024 AGM that no dividend be distributed to holders of SAS AB's common shares for fiscal year 2023.

Proposed disposition of earnings

The following Parent Company earnings are available for disposition by the AGM:

	SEK
Hybrid bonds	7,615,000,019
Share premium reserve/Retained earnings	3,931,818,635
Net income for the year	-1,556,631,860
Unrestricted equity, October 31, 2023	9,990,186,794

The Board of Directors proposes that the earnings be allocated as follows:

	SEK
To be carried forward ¹⁾	9,990,186,794
Total	9,990,186,794

1) Of which SEK 7,615,000,019 pertains to hybrid bonds.

Significant events after October 31, 2023

- On November 4, 2023, SAS announced that it had entered into an investment agreement with the winning bidder consortium in its exit financing solicitation process, consisting of Castlake, Air France-KLM and Lind Invest, together with the Danish state. As part of the agreed transaction structure, SAS has also entered into a new debtor-in-possession (“DIP”) financing credit agreement for MUSD 500 with Castlake to, inter alia, refinance SAS’ existing DIP term loan, increase liquidity, and support SAS’ path to exit from its voluntary restructuring proceedings.
- On November 15, SAS repaid its original DIP term loan that was provided by Apollo Global Management.
- On November 21, the investment agreement and DIP term loan agreement was approved by the US court.
- On November 29, the European Commission announced that the recapitalization of SAS in 2020 complied with state aid rules and was thereby approved, subject to the introduction of a step-up mechanism for the states’ 2020 share investments.
- On January 10, 2024, an extraordinary general meeting approved the commitments for the step-up mechanism and these were entered into by the company on January 11, 2024.

- On January 23, 2024, SAS filed an amended Chapter 11 Plan of reorganization and related disclosure statement with the US Court, including financial projections for the reorganized SAS. The Chapter 11 plan and the disclosure statement remain subject to further amendments and court approval.

Demand recovery and market competition

The outbreak of the Covid-19 pandemic has entailed the greatest challenge ever for the aviation industry. Following the pandemic, the airline industry has struggled to recover and increase capacity sufficiently quickly to meet the rapidly increasing demand from passengers. Geopolitical tensions in combination with Russia’s ongoing war in Ukraine have negatively impacted the recovery of air traffic to and from Asia. Operational challenges, including capacity problems in terms of air traffic control and strikes across Europe, also impacted the airline industry during the year.

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The Scandinavian air travel market has three customer segments:

1. customers whose primary focus is the price of the offering;
2. customers who want a high quality offering but who remain price sensitive; and
3. customers who value the quality of the offering highly.

Based on this segmentation, SAS has primarily operated in the third segment historically (the premium segment). In the last few years, the premium segment's share of the total market has declined and, in coming years, SAS expects this trend to continue.

However, the other two segments have posted a more positive trend driven by the expansion of several low-cost carriers in the Scandinavian market. This trend started prior to the Covid-19 pandemic and is expected to continue. This has resulted in increased competition in the Scandinavian market and SAS needing to reduce its unit cost per available seat kilometer ("CASK"), after adjustment for changes in fuel prices, to remain competitive.

Financial projections

On January 23, 2024, SAS filed an amended Chapter 11 plan of reorganization and related disclosure statement with the US Court. In connection with the filing of the updated disclosure statement, SAS announced financial projections for the reorganized SAS, including for the fiscal year 2024. During FY 2024, SAS expects revenue to exceed SEK 48 billion, with an adjusted EBT¹ of approximately SEK 0.0 to –1.0 billion. SAS further expects that during FY 2024, its net debt will range from SEK 36–39 billion prior to emergence from the chapter 11 process, and from SEK 22–24 billion following emergence from the Chapter 11 process, with liquidity at or above SEK 4 billion or approximately 8% of LTM² revenues in the period prior to emergence from the Chapter 11 process, and SEK 11 billion or approximately 25% of LTM revenues in the period following emergence from the Chapter 11 process. Assuming successful implementation of the Chapter 11 plan, SAS expects improved financial performance following FY 2024 in an unlisted environment.

1) Earnings before tax, excluding capital gains or losses, or other gains or losses related to the completion of the Chapter 11 process.

2) Last twelve months.

The financial information set forth above is indicative and is not a guarantee of future performance. Even though the financial information reflects SAS' current beliefs and expectations, it is subject to material uncertainties and factors, including but not limited to market demand levels, foreign exchange rates, fuel prices, and a successful implementation of the Chapter 11 plan.

Furthermore, the financial projections are based on, among other things, the following assumptions: a foreign exchange rate of 10.49 SEK per USD and an average base jet fuel price of USD 830 per metric ton. All numbers are presented on a consolidated basis for the SAS Group.

CORPORATE GOVERNANCE REPORT

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This Corporate Governance Report for fiscal year 2023 has been prepared pursuant to the Swedish Annual Accounts Act and the Swedish Corporate Governance Code (the Code).

Parent Company

SAS AB, which is the Parent Company for operations at SAS, is a Swedish public limited company headquartered in Stockholm, Sweden. Since July 2001, SAS AB has been listed on Nasdaq Nordic in Stockholm with secondary listings in Copenhagen and Oslo.

IMPORTANT REGULATIONS ADHERED TO BY SAS

External rules:

- Swedish legislation, EU regulations and laws set by other countries in which SAS operates
- The Swedish Corporate Governance Code (the Code)
- Nasdaq Nordic in Stockholm and Copenhagen and the Oslo Børs's rule book for issuers
- The Market Abuse Regulation
- The recommendations issued by relevant Swedish and international organizations
 - Flight safety regulations and certifications
 - Accounting rules

Internal rules:

- The Articles of Association¹
- The Information Policy
- The Board's work plan
- The Board's instructions to the President
- The Code of Conduct¹
- The Insider Policy

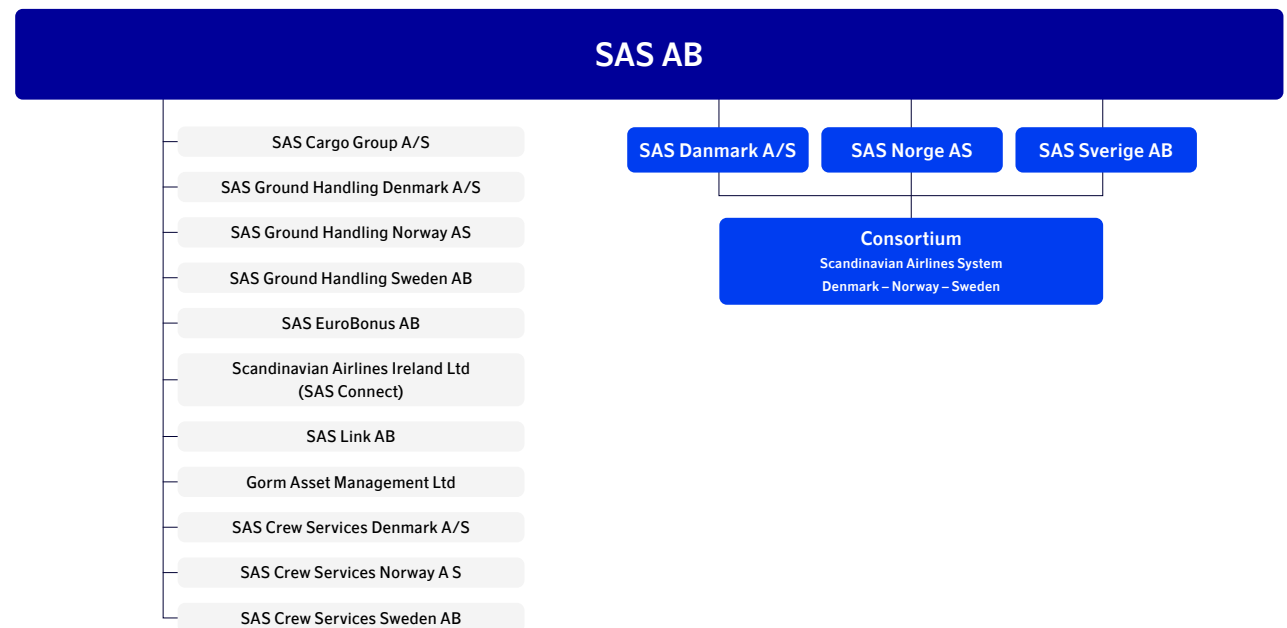
1) Available for download at www.sasgroup.net

SAS' shareholders and share

SAS maintains ongoing dialogues with capital markets on questions regarding the SAS Group's performance, strategic position and growth possibilities. No major changes were implemented in the corporate governance principles in FY 2023. Operationally, it has been a challenging year for the aviation industry. Russian airspace has remained closed because of Russia's on-going war on Ukraine, which has had negative impact on traffic to and from Asia. Air traffic control capacity issues and strikes around Europe have

also caused operational disruptions and had negative impact on the result. SAS' common share had a negative development and the share price declined 93 percent over the fiscal year. As part of SAS' Chapter 11 process, SAS AB (but none of the subsidiaries) will likely initiate a Swedish company reorganization in 2024 with the aim of implementing elements of the Chapter 11 plan in Sweden. As a result of the company reorganization, SAS' existing shareholders are not expected to have any remaining value and the share is expected to be delisted.

SAS' LEGAL STRUCTURE, OCTOBER 31, 2023 (COMPANIES WITH OPERATIONS)



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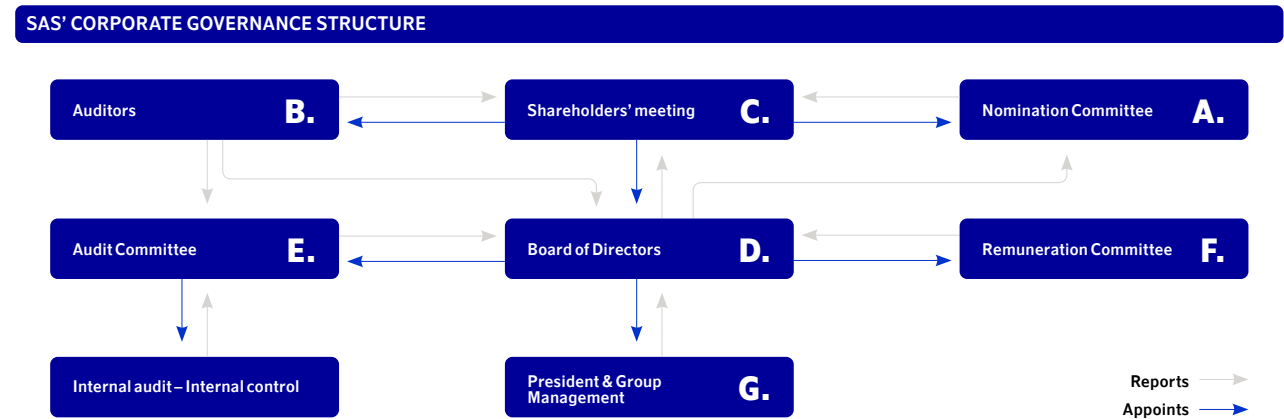
Ownership, control and share classes

SAS AB has three classes of shares: common shares, subordinated shares and class C shares. Following the implementation of SAS' recapitalization plan 2020, on October 31, 2023, there were 7,266,039,292 million common shares issued with a quotient value of approximately SEK 1.19, representing a registered share capital of SEK 8,649,529,469.

There are no subordinated shares or class C shares issued or outstanding. Common shares and subordinated shares entitle the holders to one vote each. Each class C share entitles the holder to one-tenth of a vote.

The maximum number of common shares and subordinated shares that may be issued is limited to a number that corresponds with 100% of the company's share capital. The maximum number of class C shares that may be issued is limited to 5% of the share capital. The common shares provide shareholders the rights set out in the Swedish Companies Act and the Articles of Association.

Subordinated shares provide shareholders the right to participate in and vote at the company's shareholders' meetings. Subordinated shares do not entitle shareholders to dividends or participation in bonus issues. If subordinated shares are redeemed or the company is dissolved and its assets distributed, holders of subordinated shares are treated as holders of common shares and receive an equal share in the company's assets, although not at an amount higher than the quotient value of the subordinated shares index-adjusted from the first date of registration of the subordinated shares until the date of the payment of



the redemption amount or the date of the distribution with an interest-rate factor corresponding to STIBOR 90 days plus two percentage points. For more information on subordinated shares, see Note 21. The share price performance of the common share is presented on page 18. On November 29, 2021, the Board, with the authorization granted by the AGM, resolved on an issue of 2021/2041 warrants, with the right to subscribe for a total of 3,633,019,647 subordinated shares (equivalent to approximately 50 percent of the shares outstanding and votes in SAS AB).

Class C shares do not entitle the holder to dividends. If the company is dissolved, class C shares entitle the holder to equal parts of the company's assets as the company's common shares, however not for an amount that exceeds the share's quotient value. The company's Board has the right to reduce the share capital by redeeming all class C shares. If such a decision is taken, class C shareholders are obligated

to redeem all of their class C shares for an amount corresponding to the quotient value. The redemption amount is to be paid immediately. Class C shares held as treasury shares by the company will, on demand by the Board, be eligible for conversion to common shares. Thereafter, the conversion is to be registered with the Swedish Companies Registration Office without delay and is effective when it has been registered with the Register of Companies and noted in the Central Securities Depository Register.

Protection of SAS' air traffic rights in the Articles of Association

For aviation policy reasons, SAS' Articles of Association authorize, in part, the mandatory redemption of common shares by means of a reduction of share capital and, in part, should redemption not be possible or be adjudged inadequate, an option to issue subordinated shares for subscription with the support of the warrants issued.

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IF TRAFFIC RIGHTS ARE THREATENED SAS CAN:

- Mandatorily redeem common shares
- Issue subordinated shares

A precondition for these actions is an assessment by the company's Board that a direct threat exists against the air traffic rights of the company or any of its subsidiaries when the company or its subsidiaries infringe or risk infringing provisions on ownership and control in bilateral aviation agreements or in laws or regulations pertaining to permits for air traffic in the EU/EEA. Furthermore, for aviation policy reasons, the Articles of Association contain certain suitability and qualification requirements for Board members to ensure that the Board will at all times have the composition it needs to ensure that the company and its subsidiaries are able to retain their air traffic rights. These requirements include citizenship, domicile and knowledge and experience of the social, business and cultural conditions prevailing in the Scandinavian countries.

Beyond these requirements and the regulations contained in the Articles of Association, there are no restrictions or voting rules pertaining to the appointment or removal of Board members.

Mandatory redemption

If the Board assesses that there is a direct threat to the company's traffic rights, it may decide to mandatorily redeem a sufficient number of common shares not owned by shareholders domiciled in Denmark, Norway or Sweden along with common shares that are controlled, directly or indirectly, by a person or company outside of these three countries, so as to

ensure continued Scandinavian ownership and control. Primarily, such mandatory redemption of common shares is performed on shares owned or controlled by a person or company outside the EU/EEA. Prior to redemption, the shareholders are given an opportunity to sell their common shares voluntarily within a prescribed period. Redemptions are made subsequently without refund to the shareholder since the reduction is to be transferred to the company's statutory reserve.

Subordinated shares

Should the Board deem the action of redeeming common shares not possible or inadequate, the issued warrants may be used to issue subordinated shares equivalent to approximately 50 percent of the shares and votes outstanding in SAS AB so as to safeguard continued Scandinavian ownership and control. However, any such issue of subordinated shares may only take place following a resolution by the general shareholders' meeting approved by at least half of the votes cast at the meeting. Subscription for subordinated shares through the issued warrants may only be performed to the extent necessary, as assessed by the Board, to eliminate the aforementioned threat. As soon as the aforementioned threat ceases to exist, the Board shall ensure that the subordinated shares thus issued are redeemed.

Ownership and control

On October 31, 2023, SAS AB had a total of 218,817 shareholders. The major shareholders are the Swedish and Danish governments, who together represent 43.6% of the votes. More information about the share and the ownership structure is available on pages 18 and 19 in the SAS Annual Report Fiscal Year 2023.

No restrictions exist in the Articles of Association concerning the voting rights of shareholders at shareholders' meetings and, pursuant to the Swedish Companies Act, shareholders may vote for the entire number of shares they own or represent by proxy. Nor are there any special plans, such as employee-benefit plans or the like, through which company or Group employees own shares with restricted voting rights. SAS AB has no knowledge of any agreements between shareholders that would restrict the capacity of shareholders to vote at a shareholders' meeting or their right to freely transfer such shares.

Impact of the recapitalization plan on corporate governance

The SAS recapitalization plan 2020 has been implemented based on the renewed approval of the European Commission pursuant to the applicable rules for state aid. The approval includes the requirements contained in the Commission Temporary Framework for State aid measures to support the economy in the current COVID-19 outbreak which include, inter alia, a ban on dividends, restriction of SAS' ability to carry out acquisitions and a requirement for unchanged remuneration to senior executives. These requirements will be eased when the aid has been repaid.¹

Effects of a change in majority ownership or control of the company

SAS is currently party to a number of agreements in which the counterparties are entitled to terminate the agreement, in the event of changes in the majority stake or control of the company.

¹) The requirements pursuant to the approval by the European Commission are described in more detail on pages 63–64 of the prospectus published by SAS pertaining to the recapitalization plan on September 30, 2020.

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SAS FORWARD and restructuring process

On July 5, 2022, SAS AB, together with some of its subsidiaries, initiated a voluntary Chapter 11 procedure in the US with the aim of completing key elements of the company's transformation plan SAS FORWARD. The Chapter 11 process is a legal process for financial restructuring under the supervision of the US federal court system. During the process, the board and the company's management retain their obligations and authority for the business. Decisions and actions outside ordinary course of business must however be brought to the US court (or the administrator) for approval.

For additional information about the restructuring process and SAS FORWARD, see pages 12 and 59-60.

Sustainability

The entire Board is committed to the sustainability efforts within SAS, which has resulted in adopting an updated sustainability strategy during the year. During the year, the Board has completed training in sustainable aviation fuel (SAF) and the future development of aircraft technology.

The Board has specific sustainability expertise in the aviation industry with a particular focus on aircraft and sustainable aviation fuel (SAF). Strategic sustainability expertise can also be found in processes, structure, and research and development.

A. NOMINATION COMMITTEE

The Nomination Committee represents shareholders of SAS and is appointed by the AGM and tasked with preparing the meeting's resolutions on nomination and remuneration issues, as well as matters of procedure for the next nomination committee. An instruction for the Nomination Committee was adopted in conjunction with the 2023 AGM.

The Nomination Committee is tasked with making proposals for the election of the Chairman of the AGM, the number of Board members and Directors' fees, broken down among the Chairman, Vice Chairman, other Board members and any remuneration for work on Board committees, election of Board members and Chairman of the Board, election of the company's auditors, auditors' fees and the Nomination Committee ahead of the next AGM.

NOMINATION COMMITTEE, FIVE MINUTED MEETINGS (REFERS TO THE PERIOD MARCH 16, 2023 TO JANUARY 31, 2024)

Member	Representative of Votes, %	Votes, % October 31, 2023
Åsa Mitsell, Chairman	Swedish Ministry of Finance, for the Swedish government	21.80
Adrian Lübbert	Danish Ministry of Finance, for the Danish government	21.80
Jacob Wallenberg	Wallenberg Investments AB	3.42
Gerald Engström	Gerald Engström and Färna Invest AB	0.21
Carsten Dilling	Chairman of the Board	0

Issues discussed in the Nomination Committee

Since the 2023 AGM, the Nomination Committee has evaluated the Board's work, qualifications and composition. The Nomination Committee applies Rule 4.1 of the Code as a diversity policy, that is to say that the Board must have a composition that is appropriate for

the company's operations, stage of development and circumstances in general, characterized by versatility and breadth regarding the competence, experience and background of the members elected by the AGM, and that an equal gender balance should be pursued. Sustainability competence is included as an evaluation criterion for candidates for new election to the Board. Since the 2018 AGM, the Chairman of the Board has participated on the Committee, and the result of the evaluation of the Board is made available to the Committee.

At least one meeting with the Board and the Group CEO must be held before the Committee submits its recommendations to the AGM.

The Committee's recommendations are published in the notice calling the AGM, on the company's website and at the AGM. Committee members received no fees or other remuneration from SAS for their work on the Nomination Committee.

When required for carrying out its assignment, the Committee utilizes recruitment consultants and other outside consultants, with SAS defraying the cost.

B. AUDITORS

The auditors are elected by the AGM and tasked with scrutinizing the company's financial reporting and the administration of the company by the Board and the President. An election was conducted to appoint an auditor at the 2023 AGM, whereby KPMG was elected for the period until the end of the 2024 AGM. The auditor in charge is Tomas Gerhardsson.

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On two occasions during fiscal year 2023, the auditor in charge met with the Board, presenting the program for auditing work and reporting observations from the audit.

The auditor also met with the Audit Committee on five occasions. On one occasion during the fiscal year, the Board met with the company’s auditor without the presence of the President or any other representative of the company management.

KPMG submits an auditors’ report for SAS AB, the Group and an overwhelming majority of the subsidiaries. Over the past year, in addition to its auditing work, KPMG has performed advisory services for SAS Group companies in auditing-related areas as outlined in the table below. For more information about the auditors’ fees in FY 2023, see Note 35.

Auditors’ fees	MSEK
Auditing services	9
Other statutory assignments	0
Tax consultancy services	–
Other	1
Total	10

C. SHAREHOLDERS’ MEETING

The shareholders’ meeting is the highest decision-making body at SAS. At shareholders’ meetings of SAS AB, one common share is equal to one vote with no restrictions on the number of votes any one shareholder is entitled to cast at such a meeting.

The shareholders’ meeting may be held in Stockholm, Solna or in Sigtuna. Notice convening the AGM is issued no earlier than six and no later than four weeks

prior to the meeting. Notice is published in daily newspapers and in Post- och Inrikes Tidningar in Sweden, and announced in press releases as well as published on the company’s website. SAS also e-mails notices to shareholders who have requested this service via the company’s website: www.sasgroup.net.

In fiscal year 2023, the Board convened the AGM on March 16, 2023.

The Articles of Association contain no special provisions regarding the election and discharge of Board members or regarding changes to the Articles of Association. As per October 31, 2023, no authority has been provided by the shareholders’ meeting to the Board empowering the Board to issue new shares or to buy back the company’s own shares. As per October 31, 2021, one of shareholders’ meetings authorized the Board to issue warrants with the right to subscribe for subordinated shares, which the Board exercised on November 29, 2021.

RESOLUTIONS BY THE AGM ON MARCH 16, 2023

- Adoption of statement of income and balance sheet as well as consolidated financial statements and balance sheet.
- Discharge from liability for Board members and President.
- Appointment of Board members, Chairman of the Board, auditors and Nomination Committee as well as resolution on the Instruction for the Nomination Committee.
- Directors’ fees would remain unchanged from the previous year.
- The AGM resolved that no dividends would be distributed to shareholders for the fiscal year November 1, 2022 to October 31, 2023.
- The AGM passed a resolution to approve the Board’s report on remuneration to senior executives.
- The shareholder proposal from Thorwald Tilman (formerly Arvidsson) for a special examination did not receive sufficient support.

D. BOARD OF DIRECTORS

The Board’s work is governed by the Swedish Companies Act, the Articles of Association, the Code and the formal work plan adopted by the Board each year. The Board is ultimately responsible for SAS’ operations. This also includes risk management, regulatory compliance and internal control at SAS. The Board members are elected by the AGM for the period until the next AGM has been held. The Articles of Association stipulate that the Board of Directors should consist of six to eight members elected by the shareholders’ meeting. Following the 2023 AGM, the Board comprised seven elected members. In addition, the Board consisted of three employee representatives, each with two personal deputies.

The employee representatives are appointed by the SAS employee groups in Denmark, Norway and Sweden in line with governing legislation and special agreements. Deputies attend Board meetings only in the absence of an ordinary member. Except for employee representatives, no Board member is employed by SAS AB or any other company in the SAS Group. The elected Board members are appointed for the period until the end of the next AGM. No regulation exists that limits the period of time a Board member can serve in that capacity. The experience of the Board members and their independence in relation the owners of the company are disclosed on pages 89-90.

The President and other senior executives in the company attended Board meetings to make presentations and the company’s General Counsel served as the Board’s secretary.

ATTENDANCE AT BOARD MEETINGS, NOVEMBER 2022–OCTOBER 2023

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Name	29/11	23/1	23/2	16/3 ¹	2/4 ²	20/4 ²	15/5 ²	31/5	12/6	20/7 ²	31/8	29/9 ²	2/10 ²	3/10 ²	19/10 ²	26/10
Carsten Dilling, Chairman	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Lars-Johan Jarnheimer, Vice Chairman	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Monica Caneman, member ³	●	○	●	●												
Kay Kratky, member	●	●	●	●	●	●	○	●	●	●	●	●	●	●	○	●
Oscar Stege Unger, member	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Michael Friisdahl	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Henriette Hallberg Thygesen, member	●	○	●	●	●	●	●	○	●	●	●	●	●	●	●	●
Nina Bjornstad, member	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Tommy Nilsson, employee representative	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Jens Lippestad, employee representative	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Kim John Christiansen, employee representative.	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●

1) Two meetings, of which one was the statutory meeting following the AGM. 2) Extra Board meeting. 3) Monica Caneman left the Board of Directors following the AGM on March 16, 2023.

The average age of members is 56 and two of the seven members elected by the 2023 AGM are women. All members elected by the shareholders’ meeting are regarded by the Nomination Committee as being independent of the company and company management. Moreover, all Board members are deemed to be independent in relation to major shareholders on October 31, 2023.

To streamline and enhance the work of the Board, there are three committees:

- The Remuneration Committee
- The Audit Committee
- SAS FORWARD Sub-Committee to the Board

The members of these Committees are appointed by the Board. The main duty of the committees is to prepare issues for decision by the Board. These committees do not imply any delegation of the Board’s legal responsibilities. Reports to the Board on issues discussed at committee meetings are either in writing

or given verbally at the following Board meeting. The work on each committee follows written instructions and a formal work plan stipulated by the Board. The General Counsel of SAS serves as the secretary to the Audit Committee. Minutes of Committee meetings are provided to all Board members. Remuneration for work on Board committees is determined by the AGM.

The Board’s work fiscal year 2023

The Board’s work follows a yearly agenda with regular business items as well as special topics. The formal work plan regulates the division of the Board’s work between the Board and its committees and among the Board, its Chairman and the President. Working closely with the President, the Chairman of the Board monitors the company’s performance, plans Board meetings, takes responsibility for ensuring that the other members of the Board always receive high-quality information about the Group’s finances and performance, and ensures that the Board evaluates its work and that of the President each year.

The formal work plan also contains provisions for meeting the Board’s needs for information and financial reporting on an ongoing basis as well as instructions for the President and the company’s Board committees. This process is evaluated each year, including the work of the Board. Evaluation of the Board is carried out by way of an annual survey that is compiled and then discussed by the Board.

The Board appoints from among its own members the members of the Board’s three committees: the Remuneration Committee, the Audit Committee and the SAS FORWARD Sub-Committee to the Board. Between November 2022 and October 2023, the Board held 17 minuted Board meetings, including one statutory meeting.

The President and other senior executives in the company attended Board meetings to make presentations and the company’s General Counsel served as the Board’s secretary.

MAIN ISSUES ADDRESSED AT BOARD MEETINGS

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Q1 November–January	Q2 February–April	Q3 May–July	Q4 August–October
<p>November 29 Year-end report for fiscal year 2023 with the proposed appropriation of earnings, the report from the external auditors and the forecast for fiscal year 2024. Revisions made to SAS Information Policy. Update on SAS FORWARD.</p> <p>January 23 Review of aviation, corporate and cyber safety efforts.</p>	<p>February 23 Adoption of the interim report for the first quarter of FY 2023.</p> <p>March 16 Adoption of the Board's work plan and meeting schedule for FY 2024. Update on SAS FORWARD. The Statutory Board meeting was held at the second Board meeting following the AGM.</p> <p>April 2 Financial projections summary</p> <p>April 20 Update on SAS FORWARD</p>	<p>May 15 Update following the general court's verdict on state support.</p> <p>May 31 Review and adoption of the interim report for the second quarter of FY 2023.</p> <p>June 12 Customer and EuroBonus update. Sustainability decisions on changes of standards and targets. Update on SAS FORWARD.</p> <p>July 20 Review of the financial position. Update on SAS FORWARD.</p>	<p>August 31 Adoption of the interim report for the third quarter of FY 2022. Update on SAS FORWARD.</p> <p>September 29 Update on the Equity process.</p> <p>October 2 Update on the Equity process.</p> <p>October 3 Update on the Equity process.</p> <p>October 19 Update on the Equity process. Decisions on investment agreements and the DIP mandate.</p> <p>October 26 Budget FY24. Update on SAS FORWARD. Follow-up of risk management, regulatory compliance, internal control and corporate governance. Annual review of the Insider Policy.</p>

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E. AUDIT COMMITTEE

Area of responsibility

The Audit Committee monitors the company’s financial reporting as well as the effectiveness of its internal control, internal audit and risk management. The Committee keeps itself informed about the audit. The Audit Committee is responsible for preparing the Board’s quality assurance work regarding financial reporting. The Committee performs quality assurance through the discussion of critical auditing issues and the financial statements that the company submits. Issues discussed by the Committee include internal control, compliance, uncertainty in reported values, events after the closing date, changes in estimates and assessments, financial and legal risks, suspected irregularities, and other matters affecting the company’s financial reporting. During the year, the Audit Committee also held a meeting specifically focused on sustainability matters.

The company’s external auditors attend all meetings of the Committee. Without otherwise impacting the responsibilities and obligations of the Board, the Committee is tasked with scrutinizing and monitoring the impartiality and independence of the auditor including paying particular attention to any non-audit-related assignments provided to the company by the auditor as well as assisting in the preparation of proposals regarding the election of auditors and auditors’ fees for resolution at AGMs.

Appointment of members

The Board appoints members of the Audit Committee. All members of the Audit Committee are independent in relation to SAS, the company management and

the shareholders in line with the Code. Besides the Committee Secretary and the external auditor, the SAS Group CFO and one employee representative and, as required, representatives from SAS’ accounting unit attend Committee meetings.

AUDIT COMMITTEE’S WORK FISCAL YEAR 2023 — EIGHT MINUTED MEETINGS

Meeting date	25/11	29/11	23/1	23/2	31/5	11/6	13/6	30/8
Kay Kratky (Chairman) ¹					●	●	●	●
Lars-Johan Jarnheimer	●	●	●	●	●	●	●	●
Oscar Stege Unger	●	●	●	●	●	●	●	●

● Present ○ Absent

¹⁾ Kay Kratky was appointed Chairman of the Audit Committee following the AGM on March 16, 2023.

F. REMUNERATION COMMITTEE

Area of responsibility

The Remuneration Committee prepares issues for the Board’s decision vis-à-vis remuneration policies, remuneration and other employment terms for senior executives with a view to ensuring the company’s access to executives with the requisite skills at a cost appropriate to the company. The Committee prepares proposals for policies for remuneration and other employment terms for resolution at the AGM.

Appointment of members

The Board appoints members of the Remuneration Committee. The Code specifies that members of the Remuneration Committee must be independent of the company and company management. All members of the Remuneration Committee are independent in relation to SAS and the company management.

REMUNERATION COMMITTEE’S WORK FISCAL YEAR 2023 — FIVE MINUTED MEETINGS

Meeting date	2/12	1/2	26/2	1/5	6/6
Carsten Dilling	●	●	●	●	●
Lars-Johan Jarnheimer	●	●	●	●	●

● Present ○ Absent

G. SAS FORWARD SUB-COMMITTEE TO THE BOARD

Area of responsibility

The SAS FORWARD’s Sub-Committee to the Board prepares the Board’s decisions regarding the SAS FORWARD plan, including the considerations in Chapter 11.

Appointment of members

The Board appoints members of the Committee. The Board reassesses the need for Board committees annually.

Guidelines for remuneration to senior executives

The 2020 AGM established updated guidelines for remuneration to senior executives, which are detailed below.

The guidelines concern remuneration to the President and other members of Group Management. The guidelines also encompass any remuneration to Board members, other than Directors’ fees. The guidelines apply to remuneration agreed after the 2020 AGM and amendments to agreed remuneration made thereafter. The guidelines do not apply to remuneration resolved by the general meeting. For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with

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mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

The Board intends to propose no amendments to the guidelines for remuneration to senior executives for resolution at the 2024 AGM.

How the guidelines advance the company's business strategy, long-term interests and sustainability

Successful implementation of the company's business strategy and safeguarding the company's long-term interests, including its sustainability, require the company to recruit and retain highly qualified employees. In order to do so, SAS must offer competitive total remuneration, which these guidelines enable. Total remuneration should be on market terms and competitive and relate to responsibility and authority.

For information about the company's business strategy, see the SAS website (<https://www.sasgroup.net/en/strategic-priorities/>).

Types of remuneration, etc.

Remuneration is on market terms and may consist of the following components: fixed salary, any variable remuneration according to separate agreements, pension and other benefits. The general meeting can also, irrespective of these guidelines, resolve on share and share-price based remuneration among other things.

Fixed salary

The fixed salary consists of fixed cash salary. The fixed salary reflects the position's requirements with respect to qualifications, responsibilities, complexity and

the manner in which it serves to reach the business objectives. The fixed salary also reflects the performance of the executive and can thus be both individual and differentiated.

Variable salary

In addition to fixed salary, senior executives reporting to the President may, under separate agreements, receive variable salary when fulfilling agreed performance criteria, provided that their fixed salaries are frozen for review for a certain period after payment of the variable salary. Any variable salary consists of an annual variable cash salary and may amount to a maximum of 20% of the fixed annual salary. Criteria fulfillment for awarding variable salary must be measured over a period of one year.

The variable salary is linked to one or several predetermined and measurable criteria, which can be financial, such as EBT, CASK and PASK, or non-financial, such as CO₂ emissions, flight safety, employee engagement and customer satisfaction. Less than 30% of the variable cash remuneration depends on non-financial criteria. By linking the remuneration to senior executives to the company's earnings as well as sustainability, the criteria contribute to the company's business strategy, long-term interests and competitiveness.

The extent to which the criteria for awarding variable remuneration have been satisfied is determined when the measurement period has ended. For financial targets, the evaluation is based on the latest financial information made public by the company.

The terms for variable remuneration are designed so that the Board of Directors, under exceptional financial conditions, may limit or refuse to pay variable remuneration if such a measure is deemed reasonable.

Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 20% of the fixed annual cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration is taken by the Board of Directors based on a proposal from the Remuneration Committee.

Pension

For the President, pension benefits, including health insurance, are defined-contribution with premiums not exceeding 40% of the fixed annual salary. For other members of Group Management, pension benefits, including health insurance, are defined-contribution unless the executive is encompassed by a defined-benefit pension under mandatory collective agreement provisions. Premiums for defined-contribution pensions are not to exceed 30% of the fixed annual salary. Variable remuneration qualifies for pension benefits to the extent required by mandatory collective agreement provisions applicable to the executive (applies to Sweden and defined-contribution pension). In such case, the premiums for defined-contribution pensions may not exceed 36% of the fixed annual salary as a result of pension provisions for variable salary.

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Other benefits

Other benefits, including company car, travel benefits and health insurance, are market-based and only constitute a limited part of the total remuneration. Premiums and other costs associated with such benefits may amount to a maximum of 10% of the fixed annual salary.

Termination of employment

For the President and other members of Group Management, the notice period is six months in the event the senior executive resigns and 12 months in the event the termination of employment is by the company. In case of termination by the company, severance pay is payable in an amount corresponding to a maximum of one year's fixed salary less any remuneration received from new employments or assignments.

Additionally, remuneration is payable for any non-compete undertakings. Such remuneration compensates for loss of income and is only paid in so far as the previously employed executive is not entitled to severance pay. The remuneration is based on the fixed salary at the time of termination of employment and amounts to not more than 60% of the fixed salary at the time of termination of employment, unless otherwise provided by mandatory collective agreement provisions, and is paid during the time the non-compete undertaking applies, however not for more than 18 months following termination of employment.

Fees to Board members

SAS Board members elected by the general meeting may, in specific cases and for limited time, be remunerated for services beyond Board work within their respective areas of competence. A fee on market terms

for these services (including services rendered by a company wholly owned by a Board member) is paid, provided that such services contribute to the implementation of SAS' business strategy and long-term interests, including its sustainability. Such consultant's fee may, for each Board member, in no case exceed the annual Director's fee.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out therein are reasonable.

Preparation and decision-making process

The Board of Directors has established a Remuneration Committee. The Committee's duties include preparing principles for remuneration to Group Management and the Board of Directors' decisions to propose guidelines for remuneration to senior executives. The Board of Directors prepares proposals for new guidelines at least every fourth year, and submits it to the AGM for resolution. These guidelines apply until new guidelines have been adopted by the general meeting. The Remuneration Committee also monitors and evaluates programs for variable remuneration to Group Management, the application of the guidelines to senior executives as well as the current remuneration structures and compensation levels in the company. Remuneration to the President is decided by

the Board of Directors in line with approved policies following preparation and recommendation by the Remuneration Committee. Remuneration to other senior executives is decided by the President in line with approved policies and after consultation with the Remuneration Committee. The members of the Remuneration Committee are independent in relation to the company and Group Management. The President and other members of Group Management do not participate in the Board of Directors' discussions and decisions on remuneration-related matters that pertain to them.

Derogation from these guidelines

The Board may decide to derogate from these guidelines, in whole or in part, if in a specific case there is special cause and such a derogation is necessary to safeguard the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As stated above, the Remuneration Committee's duties include preparing the Board of Directors' decisions on remuneration matters, including decisions to derogate from these guidelines.

H. PRESIDENT AND GROUP MANAGEMENT

The Board appoints the President of SAS AB, who is also Group CEO. The Board has delegated responsibility for the day-to-day administration of SAS to the President. Each year, an instruction defining the division of duties between the Board and the President is determined by the Board who also evaluate the work performed by the President. The Board's instructions to the President contain detailed rules governing the President's authority and obligations.

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The President liaises, works closely, and has regular meetings with the Chairman to discuss the operations and performance of SAS, and to plan Board meetings. To enable the Board to monitor the financial position of SAS on an ongoing basis, the President makes monthly reports to the Board.

In FY 2023, Group Management comprised eight members, including the President. The composition and functions of the Group Management are shown on pages 91–92.

Group Management is not a corporate body in the sense of Swedish limited company law and as a collegial management body has no legal liability vis-à-vis the Board and shareholders. Only the President reports to the Board. Group Management normally holds minuted meetings every week. These meetings are chaired by the President, who reaches decisions after consulting with the other members of Group Management.

The main business areas of SAS that are not themselves a separate legal entity are led by Group Management through representatives for the respective business area.

Group Management's management and control of operations are based on guidelines and policies regarding financial management and follow-up, communication issues, human resources, legal issues, brands, business ethics and environmental matters.

INTERNAL AUDIT – Internal control

SAS applies COSO, the internationally recognized framework for internal control, to describe and evaluate the Group's control structure.

Internal control of financial reporting is a process involving the Board of Directors, company management and employees, and is designed to provide reasonable assurance regarding the reliability of external reporting. The Board is ultimately responsible for internal control. Five areas that jointly form the basis of a sound control structure are described below.

Control environment

The control environment comprises the basis for internal control and includes the culture in which SAS communicates and acts. The Group's ambition is that its values — reliability, openness, care and value-creation — will permeate the organization and the internal control environment.

All actions, internal as well as external, are to reflect these basic values. The SAS Group's Code of Conduct describes the desired approach in various situations, including a structure for reporting deviations from the desired approach. Information concerning governance of the Group is available for all employees on the Group's intranet. These documents describe SAS' control philosophy, control model and entities as well as the companies' roles and responsibilities, owner requirements, overall monitoring, internal business relationships and the allocation of tasks.

Risk assessment

Each year, company management produces a risk assessment that encompasses all operations and is based on the targets of those operations. The risk assessment is presented to the Audit Committee and reviewed continuously throughout the year.

With regard to financial reporting, an assessment of significant risks in relation to major balance sheet and income items is carried out annually. This assessment grades the risks concerning financial reporting, and critical areas are identified.

Furthermore, SAS' internal audit carries out an annual risk assessment that forms the basis of future years' audit plans. Both the risk assessment and the audit plan are presented to company management and the Audit Committee.

Control activities

Control activities are carried out at different levels within SAS to manage risks and ensure the reliability of financial reporting. These key controls have been compiled and described in relation to each process as part of the SAS internal control framework. The processes covered by the framework include general governance processes, accounting process, revenue process, purchasing process, payroll process, asset management process and controls related to IT. The framework is subject to an annual review based on the updated risk assessment concerning risks related to financial reporting. SAS carried out three internal audits in fiscal year 2023 pertaining to Sustainability SAF, Human Resources and Procurement/Spend Management.

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Information and communication

SAS aims for information and communication paths pertaining to the internal control of financial reporting to be known and appropriate. All policies and guidelines in the financial areas are on the intranet, under the SAS Group Financial Guide. SAS' accounting policies as well as any changes are always communicated by direct dispatch and at regular meetings with those responsible for financial matters in the entities and subsidiaries.

All entities and subsidiaries submit a monthly report on their activities, including their financial status and performance. To ensure that the external information is correct and complete, an IR/Information policy has been adopted by the SAS Board. SAS' published external reports are based on reporting from all legal entities in accordance with a standardized reporting procedure.

Regularly reported financial information includes the annual report, interim reports, monthly traffic reports, press releases, presentations and telephone conferences focused on financial analysts, investors and meetings with the capital market in Sweden and abroad. The above information is also available on the SAS website www.sasgroup.net.

Monitoring

Internal audits at SAS have been outsourced. The audits carried out by internal audit are based on an annual internal audit plan and are mainly focused on operational risk areas. However, the internal audit plan also covers processes that impact financial reporting and the risk of irregularities, improper favoritism of another party at the company's expense, and the risk of loss or embezzlement. The annual internal audit plan is approved by the Audit Committee and the SAS Board.

Monitoring and continuous evaluation of compliance with policies and guidelines as well as monitoring reported deficiencies are conducted regularly. In connection with monitoring action plans for noted deficiencies in control activities and their control targets, these measures are tested as is their compliance. Recommendations from the external and internal audits and the status of ongoing measures are compiled and presented to Group Management and the Audit Committee. Financial reporting is discussed at each Board meeting and at meetings of the Audit Committee.

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BOARD OF DIRECTORS

The Board is responsible for the organization and administration of SAS, for ensuring proper control of its accounting and other financial circumstances as well as for appointing and removing the President. All Board members elected by the shareholders' meeting are independent of the company and company management. The 2023 AGM adopted the Nomination Committee's recommendation for re-election of Carsten Dilling, Lars-Johan Jarnheimer, Oscar Stege Unger, Kay Kratky, Nina Bjornstad, Henriette Hallberg Thygesen and Michael Friisdahl. Carsten Dilling was re-elected Chairman of the Board.

The composition of the Board is based on the fact that SAS operates in a market subject to significant pressure for change and intense competition and, not least, the considerable impact of Covid-19. With its extensive experience of driving change processes, its broad expertise in customer and consumer issues, digitalization and comprehensive experience in strategic development, the Nomination Committee deemed the Board to be particularly suited to provide the company's management the necessary support in the ongoing change process.

The Nomination Committee's opinion was that the Code's requirements for diversity, breadth and an even gender balance were satisfactorily met through the Nomination Committee's proposal.

No share convertibles or options have been issued to the Board of SAS AB.



**CARSTEN DILLING,
BORN 1962**

Chairman of the Board of SAS AB since 2018. Member of the Board of SAS AB since 2014.

Directorships/positions: Chairman of NNIT A/S, MT Højgaard Holding A/S and Terma A/S as well as a member of Maj Invest.

Education: B.Sc. and M.Sc. in Economics and Business Administration, Copenhagen Business School.

Earlier directorships/positions: Chairman of Get AS and Traen A/S, Board member of Gatetrade A/S, Columbus IT Partner A/S, Confederation of Danish Industry (DI) and Industrial Employers in Copenhagen (IAK) and a number of board assignments for the TDC Group. Previously President and CEO of TDC A/S.

Shareholding: 352,220.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



**LARS-JOHAN JARNHEIMER,
BORN 1960**

Vice Chairman of the Board of SAS AB since 2021. Member of the Board of SAS AB since 2013.

Directorships/positions: Chairman of Telia Company AB, Arvid Nordqvist HAB, Elite Hotels and Ingka Holding B.V (IKEA).

Education: B.Sc. in Business Administration and Economics, Lund and Växjö universities.

Earlier directorships/positions: Chairman of Egmont International Holding AS, Qliro Group, BRIS and Eniro AB. Board member of MTG Modern Times Group AB, Invik and Apoteket AB. President and CEO of Tele2.

Shareholding: 100,000.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



**NINA BJORNSTAD,
BORN 1977**

Member of the Board of SAS AB since 2021.

Directorships/positions: Board Member of Telenor Group ASA and Utopi Ltd. PwC UK Advisory Board and Mace Group Advisory Board.

Education: MBA in Business, University of Washington, B.Sc. in Finance and Economics, University of Colorado.

Earlier directorships/positions: Board member of Starship, Head of Professional Services Google Cloud Northern Europe, Country Manager Google Cloud UK, Microsoft Enterprise Sales and Partnerships Director UK, Amazon US.

Shareholding: 0.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



**MICHAEL FRIISDAHL,
BORN 1962**

Member of the Board of SAS AB since 2021.

Directorships/positions: Board member of the Hospital for SickKids Foundation, Toronto, Canada, and Campaign Cabinet Chair for the Scarborough Health Network Foundation \$100M fundraising campaign. President and Chief Executive Officer of Maple Leaf Sports & Entertainment (MLSE).

Education: No formal degree.
Earlier directorships/positions: Board member of Entertainment One (eOne), Air Canada Rouge, Air Canada Vacations, Thomas Cook North America and The Holiday Network. President and Chief Executive Officer of Air Canada Leisure Group and President & CEO of Thomas Cook North America and The Holiday Network.

Shareholding: 521,800.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.

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HENRIETTE HALLBERG THYGESEN, BORN 1971

Member of the Board of SAS AB since 2021.

Directorships/positions: EVP Chief Delivery Officer, A.P. Møller Maersk A/S.

Education: Executive MBA, Columbia Business School and London Business School, Ph.D. Applied Mathematics, Copenhagen Business School. M.Sc., Copenhagen Business School.

Earlier directorships/positions: Board member of Cowl Holding A/S. With A.P.Møller-Maersk since 1994. CEO of Svitzer, Regional Manager of Damco Americas, Regional Manager Damco North Asia and other previous leading positions in A.P. Møller Maersk.
Shareholding: 0.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



KAY KRATKY, BORN 1958

Member of the Board of SAS AB since 2019.

Directorships/positions: President of KK Global Consult and Chairman of the Advisory Board of Caphenia GmbH.

Education: Mechanical engineering at Technische Hochschule Darmstadt.

Earlier directorships/positions: President of the Aviation Initiative for Renewable Energy in Germany e.V., Chief Executive Officer of Austrian Airlines, COO Lufthansa German Airlines and CEO of Jade Cargo International.
Shareholding: 50,000.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



OSCAR STEGE UNGER, BORN 1975

Member of the Board of SAS AB since 2018.

Directorships/positions: Senior Advisor Wallenberg Foundations AB, Founder and CEO of Canucci AB.

Education: M.Sc. in Business Administration and B.Sc. in Economics at Stockholm University.

Earlier directorships/positions: Head of Investor Relations and Head of Communications at Investor AB and Director of Wallenberg Foundations AB.
Shareholding: 100,000.
Shareholding of related parties: 0.

Independent of the company, the company management and the company's major shareholders.



EMPLOYEE REPRESENTATIVE KIM JOHN CHRISTENSEN BORN 1963

Employed at SAS Cargo in Denmark. Member of the Board of SAS AB since 2021.

Shareholding: 0.
Shareholding of related parties: 0.

Deputies: William Nielsen, First Deputy.
Shareholding: 133.
Henrik Thyregod, Second Deputy.
Shareholding: 0



EMPLOYEE REPRESENTATIVE JENS LIPPESTAD BORN 1960

Employed at Scandinavian Airlines in Norway. Member of the Board of SAS AB since 2020.

Shareholding: 1,000.
Shareholding of related parties: 0.

Deputies: Pål Gisle Andersen, First Deputy.
Shareholding: 0.
Øystein Eliassen, Second Deputy.
Shareholding: 0.



EMPLOYEE REPRESENTATIVE TOMMY NILSSON BORN 1957

Employed at Scandinavian Airlines in Sweden. Member of the Board of SAS AB since 2020.

Shareholding: 0.
Shareholding of related parties: 0.

Deputies: Lennart Selggren, First Deputy.
Shareholding: 0.
Hans Ahlberg, Second Deputy.
Shareholding: 0.

Auditors: KPMG
Auditor in charge: Tomas Gerhardsson. Authorized Public Accountant. Elected at the 2023 AGM
Board secretary: Anna Almén, General Counsel.

GROUP MANAGEMENT

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> Group management

Group Management is responsible for the company's business management, financial reporting, acquisitions/divestments, financing and communication, and other corporate matters. The members of the Group Management are appointed by the President in consultation with the Board of Directors. Only the President reports to the Board while the other members of Group Management report to the President. Group Management's responsibilities are divided among its members with regard to managing the company's business affairs, and minuted meetings are normally held every week. During fiscal year 2023, Simon Pauck Hansen left his role as COO on January 1, 2023 and was replaced by Mikael Wångdahl in the role as acting COO. On May 1, 2023, Mikael Wångdahl was replaced by Jason Mahoney as COO. Erik Westman assumed the role of EVP & Chief Revenue Officer on February 1, 2023. Thérèse Lorenius, co-acting COO, was also replaced by Paul Verhagen on August 14, 2023. On January 1, 2024, Pernille Ormholt Vang assumed her position as new Chief People Officer as Carina Hengren left her position on February 1, 2024. Further, Anna Almén, VP General Counsel, joined SAS Group Management from January 1, 2024.



ANKO VAN DER WERFF,
BORN 1975

President & CEO.
Member of SAS Group Management since July 15, 2021.
Previously: CEO of Avianca 2019–2021, Executive Vice President & Chief Commercial Officer at Aeromexico 2014–2019, and several leading management positions at Qatar Airways and Air France-KLM 2006–2014.
External directorships: Member of IATA Board of Governors.
Education: Law degree Leiden University, Exec degree Harvard Business School.
Shareholding: 0.
Shareholding of related parties: 0.

Anko van der Werff and related parties have no significant shareholdings or part ownership in companies with which SAS conducts major business.



ERNO HILDÉN,
BORN 1971

Executive Vice President & CFO.
Member of SAS Group Management since April 1, 2022.
Previously: Executive Vice President of Saudia Airlines and CFO, COO and previous senior positions at Finnair.
External directorships: None.
Education: M.Sc. in Economics and Business Administration from Tampere University.
Shareholding: 0.
Shareholding of related parties: 0.



CHARLOTTE SVENSSON,
BORN 1967

Executive Vice President & CIO.
Member of SAS Group Management since February 1, 2020.
Previously: Head of Digital & Communication Services and member of Group Executives in Post Nord 2017–2020, Business Area Manager for the letter operations in the Nordic region. Before that, CTO within the Bonnier Group.
External directorships: Board member of ICA Gruppen.
Education: Executive Program, Strategy at Stanford University, studies in physics and mathematics at Chalmers University of Technology and graduation in systems science from Karlstad University.
Shareholding: 50,000.
Shareholding of related parties: 0.



ANNA ALMÉN,
BORN 1970

Executive Vice President & Chief Legal Officer.
Member of SAS Group Management since January 1, 2024.
Previously: Vice President General Counsel 2022–2023, Head of Legal Department Sweden 2019–2022. Before that, various positions within SAS legal department since 2001.
External directorships: None.
Education: Juris kandidat degree, University of Stockholm, Sweden. Master in International Commercial Law, University of Nottingham, England.
Shareholding: 0.
Shareholding of related parties: 550.

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**JASON MAHONEY,
BORN 1971**

Executive Vice President & COO. Member of SAS Group Management since May 1, 2023.

Previously: Chief Operating Officer, Chief Technical Officer at British Airways, Director of Engineering and Maintenance at TUI.

External directorships: Non Executive Director of Dublin Aerospace Limited.

Education: Applied Management, University of Warwick. Management, leadership and engagement, IMD.

Shareholding: 0.

Shareholding of related parties: 0.

**MIKAEL WÅNGDAHL,
BORN 1967**

On May 1, 2023, Mikael Wångdahl, Acting COO, was replaced by Jason Mahoney in the role as EVP & COO.



**KJETIL HÅBJØRG,
BORN 1972**

Executive Vice President Airline Services. Member of SAS Group Management since October 1, 2019.

Previously: Vice President SAS Ground Handling and several previous senior positions at SAS. Before being recruited to SAS in 2004, worked as a management consultant.

External directorships: Board member of Federation of Norwegian Aviation industries (NHO Luftfart).

Education: Executive MBA, Master in Strategic Management, Norwegian Business School.

Shareholding: 25,000.
Shareholding of related parties: 0.



**PAUL VERHAGEN,
BORN 1971**

Executive Vice President & Chief Commercial Officer (CCO). Member of SAS Group Management since August 14, 2023.

Previously: Deputy Chief Executive Officer of Iberojet Airlines 2020–2023, Senior Vice President International Sales and Commercial Strategy of Aeromexico 2016–2020, several leading positions at Air Berlin and Air France-KLM 2000–2016.

External directorships: None.

Education: International MBA IE University, executive programs at Nijenrode University, HEC Paris, Cornell University.

Shareholding: 0.
Shareholding of related parties: 0.

**THÉRÈSE LORENIUS,
BORN 1975**

On August 14, 2023, Thérèse Lorenius was replaced by Paul Verhagen in the role of CCO.



**ERIK WESTMAN,
BORN 1981**

Executive Vice President & Chief Revenue officer. Member of SAS Group Management since June 27, 2022.

Previously: Vice President Revenue Management at SAS 2017–22, Vice President Group Strategy at SAS 2014–17. Worked at McKinsey before joining SAS in 2013.

External directorships: None.

Education: M.Sc. In Engineering Physics from KTH, Stockholm. Exchange studies at Stanford University.

Shareholding: 0.

Shareholding of related parties: 0.



**PERNILLE VANG,
BORN 1977**

Executive Vice President & Chief People Officer. Member of SAS Group Management since January 1, 2024.

Previously: Regional HR Head Asia Pacific & West Central Area, Maersk; Head of HQ, HR & HR leagal, A.P. Moller-Maersk; Senior Global Talent Partner, Maersk Line and various other leading positions in HR.

External directorships: None.

Education: Master in Psychology & Business Studies, Roskilde University.

Shareholding: 0.

Shareholding of related parties: 0.

**CARINA MALMGREN HEANDER,
BORN 1959**

On February 1, 2024, Carina left her role as Executive Vice President & Chief of Staff, but will remain at SAS as senior advisor to the CEO until summer 2024. In light of Carina leaving her role, SAS did an internal reorganization and appointed Pernille Ormvolt Vang as Chief People Officer.



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CONSOLIDATED STATEMENT OF INCOME INCLUDING STATEMENT OF OTHER COMPREHENSIVE INCOME

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MSEK	Note	FY23	FY22
Revenue	2	42,043	31,824
Personnel expenses	3	-8,072	-7,086
Jet-fuel costs		-10,940	-8,511
Air traffic charges		-3,800	-2,855
Other external expenses	4	-17,659	-12,058
Depreciation, amortization and impairment	5	-4,440	-4,763
Income from shares in affiliated companies	6	18	22
Income from the sale and return of aircraft, and other non-current assets	7	145	95
Operating income (EBIT)		-2,705	-3,332
Financial income	8	1,068	219
Financial expenses	8	-3,879	-4,733
Income before tax (EBT)		-5,516	-7,846
Tax	9	-185	798
Net income for the year		-5,701	-7,048
Other comprehensive income			
<i>Items that may later be reversed to net income:</i>			
Exchange-rate differences in translation of foreign operations		53	212
Cash-flow hedges — hedging reserve, net after tax		135	-755
<i>Items that will not be reversed to net income:</i>			
Revaluations of defined-benefit pension plans, net after tax		-1,359	1,937
Total other comprehensive income, net after tax		-1,171	1,394
Comprehensive income for the year		-6,872	-5,654
<i>Attributable to Parent Company shareholders:</i>			
Net income for the year		-5,701	-7,048
Comprehensive income for the year		-6,872	-5,654
Earnings per common share (SEK)	39	-0.78	-0.97
Earnings per common share after dilution (SEK)	39	-0.78	-0.97

CONSOLIDATED BALANCE SHEET

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ASSETS, MSEK	Note	Oct 31, 2023	Oct 31, 2022
Non-current assets			
Intangible assets	10	663	692
Aircraft and spare engines/parts	11	10,225	13,733
Other tangible assets	11	464	500
Prepayments for aircraft	12	3,513	4,063
Right-of-use assets	13	17,164	17,840
Participations in affiliated companies	6	20	22
Other participations	14	3	9
Pension funds, net	15	8,001	9,252
Long-term receivables	14	1,402	1,564
Deferred tax assets	9	1,853	1,628
Total non-current assets		43,308	49,303
Current assets			
Inventories and expendable spare parts	16	443	319
Accounts receivable	17	1,255	1,299
Receivables from affiliated companies		0	0
Other receivables	18	3,781	2,826
Prepaid expenses and accrued income	19	897	756
Cash and cash equivalents	20	6,160	8,654
Total current assets		12,536	13,854
TOTAL ASSETS		55,844	63,157

SHAREHOLDERS' EQUITY AND LIABILITIES, MSEK	Note	Oct 31, 2023	Oct 31, 2022
Equity	21		
Share capital		8,650	8,650
Other contributed capital		2,899	2,899
Reserves		-36	-224
Hybrid bonds		7,615	7,615
Retained earnings incl. net income for the year		-25,238	-18,178
Shareholders' equity attributable to Parent Company shareholders		-6,110	762
Non-controlling interests		0	0
Total shareholders' equity		-6,110	762
Non-current liabilities			
Interest-bearing liabilities	22	11,091	16,627
Interest-bearing lease liabilities	23	17,034	17,686
Other liabilities	24	1,529	1,564
Provisions	26	3,388	2,151
Deferred tax liabilities	9	546	568
Total non-current liabilities		33,588	38,596
Current liabilities			
Interest-bearing liabilities	27	9,974	7,379
Interest-bearing lease liabilities	23	4,393	3,827
Accounts payable		2,202	2,261
Unearned transportation liability	24	6,676	5,426
Tax liabilities		31	7
Other liabilities		562	459
Accrued expenses and prepaid income	28	4,165	4,183
Provisions	26	363	257
Total current liabilities		28,366	23,799
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		55,844	63,157

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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	Share capital	Other contributed capital	Hedging reserve	Translation reserve	Hybrid bonds	Retained earnings	Total shareholders' equity attributable to Parent Company shareholders
MSEK							
Opening shareholders' equity in accordance with approved balance sheet, October 31, 2021	8,650	2,899	511	-192	7,615	-13,067	6,416
Hybrid bond interest						-	-
Net income for the year						-7,048	-7,048
Other comprehensive income for the year			-755	212		1,937	1,394
Closing balance, October 31, 2022	8,650	2,899	-244	20	7,615	-18,178	762
Hybrid bond interest						-	-
Net income for the year						-5,701	-5,701
Other comprehensive income for the year			135	53		-1,359	-1,171
Closing balance, October 31, 2023	8,650	2,899	-109	73	7,615	-25,238	-6,110

CONSOLIDATED CASH-FLOW STATEMENT

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MSEK	Note	FY23	FY22
OPERATING ACTIVITIES			
Income before tax (EBT)		-5,516	-7,846
Depreciation, amortization and impairment		4,440	4,763
Income from sale of aircraft, buildings and shares		-145	-82
Adjustment for other non-cash items, etc.	32	1,463	2,982
Tax paid		-	-
Cash flow from operations before change in working capital		242	-183
<i>Change in:</i>			
Inventories and expendable spare parts		-124	136
Operating receivables		5	-396
Operating liabilities		2,304	2,215
Cash flow from change in working capital		2,185	1,955
Cash flow from operating activities		2,427	1,772
INVESTING ACTIVITIES			
Aircraft		-2,923	-3,167
Buildings, equipment and investment in progress		-61	-14
Shares and participations, intangible assets, etc.		-5	-
Prepayments for aircraft		-1,023	-1,912
Acquisition of subsidiaries/affiliated companies	33	-57	-
Sale of subsidiaries and affiliated companies	33	-	26
Sale of aircraft, spare engines and buildings		148	364
Income from sale and leaseback of aircraft		4,013	5,344
Sale of fixed assets, etc.		12	108
Cash flow from investing activities		104	749

MSEK	Note	FY23	FY22
FINANCING ACTIVITIES			
	34		
Proceeds from borrowings		1,585	8,515
Repayment of borrowings		-3,179	-3,359
Amortization of lease liabilities		-2,796	-2,820
Payments of deposits and blocked bank funds		-1 888	-2,156
Repayments of deposits and blocked bank funds		1 388	853
Defined-benefit pension payments		-113	-149
Derivatives		151	702
Fees DIP financing		-381	-257
Other financing activities		198	525
Cash flow from financing activities		-5,035	1,854
Cash flow for the year			
Translation difference in cash and cash equivalents		10	11
Cash and cash equivalents at beginning of the year		8,654	4,268
Cash and cash equivalents at year end	20	6,160	8,654

EXPLANATION OF NOTES

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NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

GENERAL

SAS AB (the "Company") and its subsidiaries (collectively referred to as the "Group") provide transportation services.

The core business of the Group is operating passenger flights on an extensive Nordic and international route network. The Group's three main operational hubs in Copenhagen, Oslo and Stockholm form the backbone of its flight network. In addition to passenger flights, the Group provides air cargo and other aviation services at selected airports in the Group's route network.

SAS AB is a Swedish public limited company registered in Stockholm, Sweden and the address of its head office is Frösundaviks allé 1, Solna, Stockholm. SAS AB is the Parent Company of the SAS Group.

The consolidated financial statements for SAS AB have been prepared in accordance with the Annual Accounts Act, recommendation RFR 1 — *Supplementary Accounting Rules for Corporate Groups*, and the EU-approved International Financial Reporting Standards (IFRS) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that apply for fiscal years starting November 1, 2022. These standards have been consistently applied to all periods presented in the consolidated financial statements. The financial statements have been prepared on a cost basis, except for the remeasurement of certain financial assets and liabilities. The principal accounting policies adopted are set out below.

ACCOUNTING ESTIMATES AND ASSUMPTIONS IN THE FINANCIAL STATEMENTS

The preparation of financial statements in accordance with IFRS requires management to perform estimates and assumptions that influence the application of the accounting policies and the carrying amounts of assets, liabilities, revenue and expenses. Actual outcomes may differ from these estimates and assumptions.

The estimates and assumptions are regularly reviewed. Changes in estimates are recognized in the period in which the change is made if the change affects only that period, or in the period in which the change is made and future periods if the change affects both current and future periods. For more information, see "Critical accounting estimates and key sources of estimation uncertainty" in this note.

IMPACT OF THE COVID-19 PANDEMIC, THE CHAPTER 11 FILING AND GOING CONCERN ASSUMPTION

Over the past three years, the Covid-19 pandemic has significantly affected the whole aviation industry, including SAS. Substantially rising demand for travel is having a significant impact and the industry is struggling to recover quickly enough to meet this positive trend. The current geopolitical situation and Russia's invasion of Ukraine is also affecting the airline industry and has led, inter alia, to the closure of Russia's airspace. This also impacts the recovery

of traffic to and from Asia among other things. Due to the current market conditions in the aviation industry, estimation remains uncertain.

SAS has worked continuously and intensively with various cost reduction measures, limiting non-business-critical investments and utilizing various financing solutions to protect its liquidity. After the fiscal year ended, SAS published updated financial projections for the reorganized SAS, see more on page 76.

SAS FORWARD, a plan to strengthen and secure SAS' long-term future position, was launched at the end of February 2022. Key elements of the plan include: 1. Reducing the annual costs by SEK 7.5 billion, including renegotiations of existing financing arrangements and other long-term credit facilities. 2. Redesigned fleet, network and product offerings. 3. Digital transformation. 4. Positioning SAS as the leader in sustainable aviation. 5. Operating platform acceleration. 6. Strengthening SAS' balance sheet by deleveraging and raising new capital.

To accelerate important parts of the SAS FORWARD transformation plan, SAS voluntarily filed for Chapter 11 in the US on July 5, 2022. The court has approved SAS' filing and SAS can thereby continue its operations as normal. On October 3, SAS announced that the investors Castlelake, Air France-KLM and Lind Invest, together with the Danish state had been designated as the winning bidder consortium in SAS' exit financing solicitation process. After the end of the year, on November 4, SAS announced that it had entered an investment agreement with the winning bidder consortium. The investment agreement entails a total investment in the reorganized SAS corresponding to USD 1,200 million (~SEK 13.2 billion), comprised of USD 475 million (~SEK 5.225 billion) in new unlisted equity and USD 725 million (~SEK 7.975 billion) in secured convertible debt. As detailed on page 13, SAS has also entered a DIP term loan agreement with Castlelake. On November 15, SAS repaid its original DIP term loan that was provided by Apollo Global Management.

Debt or debt-like items of SEK 20 billion are expected to be converted or reduced through the Chapter 11 process during fiscal year 2024, which is why the current negative equity position in the Group is deemed to be transient. Assuming successful implementation of the SAS FORWARD plan, SAS expects to attain a strong financial position. SAS wants to highlight that there are no guarantees that SAS FORWARD will successfully be completed through the Chapter 11 process. In the event that the expected burden sharing, reduction or conversion of debt, and the new capital raise are not completed as planned, SAS will be unable to support its existing capital structure and current liquidity levels and it cannot be ruled out that SAS could become unable to meet its obligations over the longer term as they fall due.

Despite the situation described above, the Board's assessment is that the Group has adequate liquidity, including the DIP financing, to continue operations for at least the next 12 months, and therefore continues to apply the going concern principle to the preparation of the financial statements.

NEW AND AMENDED STANDARDS AND INTERPRETATIONS APPLICABLE FOR FISCAL YEAR 2023

No material amendments occurred in IFRS in FY 2023 that affected the Group.

NEW AND AMENDED STANDARDS AND INTERPRETATIONS THAT HAVE NOT ENTERED FORCE AND HAVE NOT BEEN ADOPTED EARLY BY THE GROUP

No material new and amended standards, agenda decisions and interpretations have been issued for the accounting of the Group for fiscal years beginning on or after November 1, 2023.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Parent Company and the entities over which controlling influence is exercised by the Group. The Group controls a company when it is exposed to, or has rights to, variable returns from its participation in the company and is able to affect those returns through its influence over the company.

Entities in which the Group has an ownership interest of at least 20% and no more than 50%, or where the Group has significant influence by other means but cannot exercise controlling influence, are affiliated companies. Affiliated companies are accounted for using the equity method.

The earnings of subsidiaries acquired during the year are included in the Group's earnings from the effective date of control. The separate net assets, both tangible and intangible, of newly acquired subsidiaries are consolidated into the financial statements on the basis of the fair value to the Group as of the effective date of control. The earnings of subsidiaries disposed of during the fiscal year are included in the Group's earnings up to the effective date of disposal.

Non-controlling interests in the net assets of consolidated subsidiaries are recognized in the consolidated balance sheet as a separate component of equity. The Group's earnings and components in other comprehensive income are attributable to the Parent Company's owners and to the non-controlling interests. All intra-Group transactions, balance-sheet items, revenue and expenses are eliminated on consolidation.

BUSINESS COMBINATIONS

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured as the aggregate of the fair values (at the acquisition date when controlling influence is achieved) of the assets transferred, liabilities incurred or assumed, and equity shares issued by the Group in exchange for control of the acquiree. Acquisition-related expenses are recognized in profit or loss when they are incurred. The cost also includes fair value at the acquisition date for the assets or liabilities that arise from any agreement governing a contingent consideration. Contingent considerations are classified either as equity or

Note 1 continued

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financial liabilities. Amounts classified as financial liabilities are remeasured each period at fair value, and any remeasurement gains or losses are recognized in profit or loss.

The acquiree's identifiable assets, liabilities and contingent liabilities that qualify for recognition under IFRS 3 – *Business Combinations* are recognized at fair value on the acquisition date.

In business combinations where the sum of the cost, any non-controlling interests and fair value at the acquisition date for previously held equity exceeds fair value at the acquisition date for identifiable acquired net assets, the difference is recognized as goodwill in the balance sheet. Following a review of the difference, any negative difference is recognized directly in profit or loss as a gain from a bargain purchase.

Non-controlling interests

Changes in the Parent Company's share in a subsidiary that do not lead to a loss of controlling influence are recognized as equity transactions (in other words, as transactions with the Group's owner). Any difference between the sum by which the non-controlling interests has been adjusted and the fair value of the consideration paid or received is recognized directly in equity and distributed to the Parent Company's owners.

Loss of controlling influence

When the Parent Company loses controlling influence of a subsidiary, the divestment gain or loss is calculated as the difference between:

- the sum of the fair value for the consideration received and the fair value of any remaining holdings; and
- the previously recognized values of the subsidiary's assets (including goodwill) and liabilities as well as any non-controlling interest.

INVESTMENTS IN AFFILIATED COMPANIES

Affiliated companies comprise all companies where the Group exercises significant but not controlling influence, which generally applies for shareholdings representing 20–50% of the votes. Affiliated companies are accounted for using the equity method.

The earnings of affiliated companies are accounted for based upon the Group's proportional ownership of the earnings of these affiliates. Any losses arising from affiliated companies are recorded in the consolidated financial statements until the investment in such affiliated companies is impaired to zero. Thereafter, losses are only accounted for to the extent that the Group is committed to providing financial support to such affiliated companies.

The carrying amount of investments in affiliated companies represents the cost of each investment, including goodwill, the share of retained earnings following acquisition and any other changes in equity. The carrying amount of investments in affiliated companies is reviewed on a regular basis and if any decline in value has occurred, it is impaired in the period in which this occurred.

Profits and losses from transactions with affiliated companies are eliminated in proportion to the Group's interest in these affiliated companies.

SEGMENT REPORTING

The Group's operations are reported as one operating segment, which is consistent with the internal reporting to the Chief Operating Decision Maker (CODM), which is defined as SAS Group Management.

Geographic information about revenue from external customers and assets

The Group's operational monitoring of traffic revenue is destination based. Traffic revenue from domestic services in Denmark, Norway and Sweden is allocated to Domestic. Traffic between the three countries is allocated to Intra-Scandinavian. Other traffic revenues are allocated to the geographical area where the destination is located. Sales generating other operating revenue are allocated geographically by source country.

In addition to the above, the Group's total revenue broken down by country of sales is presented in Note 2.

Assets broken down by geographic area do not include the Group's aircraft or prepayments for tangible assets. Since aircraft are utilized in a flexible manner across the route network, there is no justifiable basis for allocating aircraft.

FOREIGN CURRENCY TRANSLATION

The individual financial statements of the entities in the Group are measured in the functional currency of the entities, i.e., the currency of the primary economic environment in which they operate.

Transactions in currencies other than the entity's functional currency (foreign currencies) are remeasured at the exchange rates prevailing on the transaction dates. At each closing date, monetary assets and liabilities denominated in foreign currencies are retranslated at the closing-date exchange rates. Non-monetary items carried at fair value denominated in foreign currencies are translated at the rates prevailing at the date fair value was determined. Non-monetary items that are measured in terms of cost in a foreign currency are not translated.

Exchange differences arising from translation are recognized as a gain or loss in the period in which they arise, except for exchange differences on transactions entered into to hedge net investments in foreign subsidiaries and exchange differences relating to monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur and, which form part of the net investment in a foreign operation. These differences are recognized in other comprehensive income. For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at the closing-date exchange rates. Revenue and expense items are translated at the average exchange rates for the period, provided that exchange rates do not fluctuate substantially in the period. In the latter case, the exchange rate on the transaction date is applied. Any translation differences are recognized in other comprehensive income.

The exchange rates applied in the translation of the financial statements for consolidation purposes are as follows:

EXCHANGE RATES

			Closing rate		Average rate	
			Oct 31, 2023	Oct 31, 2022	FY23	FY22
Denmark	DKK	100	158.40	146.99	149.66	140.45
Norway	NOK	100	99.74	105.77	103.53	104.44
U.S.	USD		11.12	10.99	10.62	9.71
U.K.	GBP		13.53	12.71	12.80	12.31
Switzerland	CHF	100	1,233.74	1,098.10	1,076.66	1,041.66
Japan	JPY	100	7.40	7.42	7.61	7.75
EMU countries	EUR		11.82	10.90	11.13	10.45

FINANCIAL INSTRUMENTS, ACCOUNTING POLICIES

Financial assets

Financial assets are recognized in the consolidated balance sheet when the Group becomes a party under the contractual terms of the instrument. At the time of initial recognition, financial assets are measured at fair value and subsequently classified at amortized cost, fair value through other comprehensive income (FVTOCI) or fair value through profit and loss (FVTPL). The classification of financial assets depends on the characteristics of the asset and the business model in which it is held.

The fair value of a financial asset is generally determined by reference to official market quotes. When market quotes are not available, the fair value is determined using generally accepted valuation methods, such as discounted future cash flows based on observable market inputs.

Amortized cost is calculated using the effective-interest method, where any premiums or discounts and directly attributable expenses and revenue are capitalized over the contract period using the effective interest rate. The effective interest rate is the rate that yields the instrument's cost when calculating the present value of future cash flows.

Other financial assets at amortized cost

Financial assets are classified as recognized at amortized cost if the contractual terms give rise to payments that are solely payments of principal and of interest on the principal amount outstanding, and the financial asset is held in a business model aimed at holding financial assets to collect contractual cash flows. With the exception of derivatives, all of the Group's financial assets are recognized at amortized cost through application of the effective-interest method. For subsequent periods, the assets are measured at amortized cost reduced with impairment provisions.

Impairment of financial assets

The Group's financial assets measured at amortized cost are assessed for impairment based on expected credit losses (ECLs). Provisions for accounts

Note 1 continued

receivable are always based on lifetime ECLs. If there is no expectation of collection, the full asset value is written off. Losses and write offs are recognized as expenses in the income statement.

Derivatives and hedge accounting

The Group uses derivatives to manage exposures related to fluctuations in interest rates, exchange rates and fuel prices. The derivatives used are mainly recognized pursuant to the rules for hedge accounting in IFRS 9. The Group's hedge instruments are designated as fair-value hedges and cash-flow hedges. Derivatives that do not meet the hedge accounting requirements are remeasured on an ongoing basis at FVTPL. Derivatives with positive values are recognized as current assets in the consolidated balance sheet, and derivatives with negative values are recognized as current liabilities.

For fair-value hedges, the effective and ineffective portions of the change in fair value of the derivative is recognized in net income for the year, together with the gain or loss on the hedged item attributable to the hedged risk.

When hedging projected cash flows, the effective portion of the change in fair value of the derivative outstanding is recognized in other comprehensive income until the underlying transaction is reflected in net income for the year, whereupon any deferred hedging gains or losses are restored in net income for the year. The ineffective portion of the change in fair value of a derivative used to hedge cash flow is recognized in net income for the year. Should hedged future transactions result in non-financial assets or liabilities, the gains and losses are included in the cost of the assets or liabilities upon initial recognition.

For measurement of effectiveness, an overall assessment is conducted of whether or not the hedging relationship is effective. The initial time value is treated as a cost for the hedging strategy and changes in the time value are recognized in other comprehensive income.

Financial liabilities

Financial liabilities, excluding derivatives, are initially measured at fair value and subsequently at amortized cost using the effective-interest method.

Accounts payable

Accounts payable are expected to have short terms and are therefore categorized as short-term liabilities where the interest effect is negligible. The liabilities are carried at nominal amounts with no discounts.

Borrowings

Long-term borrowings, i.e., liabilities with a tenor longer than one year, consist of interest-bearing liabilities to banks and credit institutions as well as bond issues. Short-term borrowings comprise the current portion of interest-bearing long-term borrowings, i.e., the portion of the loans that is to be amortized in the coming fiscal years, as well as other current interest-bearing liabilities with a remaining tenor of less than one year.

Borrowings are initially recognized at fair value less transaction costs, and thereafter at amortized cost using the effective-interest method.

HYBRID BONDS

New hybrid bonds were issued in October 2020 to the governments of Denmark and Sweden for a total amount of MSEK 6,000. In October 2020, MSEK 2,250 of bond debt was converted into hybrid bonds with a par value of MSEK 1,615 and the remaining amount was exchanged for shares.

As all of the hybrid bonds are perpetual and since SAS controls the payment of interest and principal in the instruments, the bonds are classified as equity instruments in their entirety according to IAS 32. Transaction costs and interest attributable to the hybrid bonds are also recognized directly in shareholders' equity.

TANGIBLE ASSETS

Tangible assets are recognized at cost less accumulated depreciation and any impairment. These assets are depreciated to their estimated residual values on a straight-line basis over their estimated useful lives. As aircraft components have varying useful lives, the Group has separated the components for depreciation purposes. Costs for routine aircraft maintenance as well as repair costs are expensed as incurred. Extensive modifications such as the obligatory major overhauls of engines and improvements to fixed assets are capitalized and depreciated together with the asset to which the work is related over its remaining useful life. Investments in leased premises are depreciated over their estimated useful lives, but not over a period exceeding the remaining lease period for leased premises.

Net income from the sale or disposal of a tangible fixed asset is calculated as the difference between the net realizable value and the carrying amount. The gain or loss that arises is recognized in profit or loss. Depreciation is based on the following estimated periods of useful life:

Asset class	Depreciation
Aircraft	20 years ¹
Spare equipment and spare parts	20 years ¹
Engine components (average)	8 years ²
Workshop and aircraft servicing equipment	5–10 years
Other equipment and vehicles	3–5 years
Buildings	5–50 years

1) Estimated residual value after a useful life of 20 years is 10%.

2) Depreciation is based on the engines' use.

LEASES

SAS applies the accounting standard IFRS 16 – Leases, whereby the lessee recognizes an asset (a right-of-use asset) and a financial liability in the balance sheet. An expense for depreciation of the right-of-use asset is recognized in profit or loss together with an interest expense for the financial liability.

SAS applies IFRS 16 for all leases. IFRS 16 permits exceptions for short-term leases and where the underlying asset is of low value (<USD 5,000). Short-term leases are leases that at the commencement date have a lease term of

12 months or less and do not include a purchase option. Lease payments relating to short-term leases or low value leases will be recognized in the income statement over the lease term, primarily on a straight-line basis and recognized in EBIT as lease expenses.

AIRCRAFT

Lease term

Normally, the lease term used for aircraft lease agreements is the non-cancellable period stated in the lease agreement. Some lease agreements contain extension options or options to purchase the asset, and options are taken into consideration in the lease term if the Group is reasonably certain to exercise these options. The Group does not generally include options in the lease term, since there is a significant uncertainty as to whether they will be exercised. Closer to the end of the lease term and the relevant option, the Group has a better understanding of whether it is beneficial to start negotiations to keep the aircraft for an extended period. If the Group decides to use an extension option, or an option to purchase the asset, the lease liability will be remeasured. Other facts indicating that an option could be used are major modifications of the aircraft, such as a cabin facelift.

Discount rate

For new leases, the Group has chosen to apply the interest rate implicit in the lease. Aircraft lease agreements do not clearly define the implicit interest rate as defined by IFRS 16. Since the fair values of the aircraft are provided by third parties, SAS has decided to calculate the interest rate to be used for discounting the lease liabilities based on fair values available for the aircraft. The rate is calculated per contract. The rate implicit in the lease is defined as the rate that causes the sum of the present value of lease payments and the present value of the residual value of the underlying asset at the end of the lease to equal the fair value of the underlying asset.

Sale & Leaseback

Sometimes SAS sells an aircraft to a lessor and leases back that asset from the lessor. In each transaction the Group determines if the transfer to the lessor qualifies as a sale according to IFRS 15. If the lease agreement between SAS and the lessor includes an option to buy back the aircraft, the initial transfer of the asset to SAS does not generally qualify as a sale. In that situation, the Group continues to report the aircraft as owned in the balance sheet with the corresponding financial liability applying IFRS 9. If the transfer qualifies as a sale, SAS applies the sale and leaseback rules in IFRS 16, whereby the right-of-use asset arising from the leaseback is measured at the proportion of the previous carrying amount of the asset that relates to the right of use retained by SAS. This means that only part of any gain/loss that relates to the transfer of the aircraft is recognized in profit or loss.

Costs for restoring the asset

SAS has an obligation to return the leased aircraft and their engines according to redelivery conditions specified in the lease agreement. If the condition of the aircraft and its engines, at the time of redelivery, differs from

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the agreed redelivery condition, the Group needs to settle the difference in cash to the lessor or maintain the aircraft and its engines so that it meets the agreed conditions.

Under IFRS 16, SAS has divided the maintenance costs into two main groups: costs incurred independent of the usage of the aircraft and costs incurred dependent on the usage of the aircraft.

Costs incurred independent of the usage of the aircraft are included in the right-of-use asset and provisions at the commencement date. These costs include the final check and painting required on return of the aircraft.

For costs incurred dependent on the usage of leased aircraft, SAS makes ongoing provisions related to the use. Please see detailed information in the section "Critical Accounting Estimates and Key Sources of Estimation Uncertainty" in Note 1. Maintenance costs for owned aircraft are capitalized and depreciated together with the asset to which the work is related. See more information in the section "Tangible assets" in Note 1.

Wet Lease

SAS wet leases aircraft capacity from external operators. The Group accounts for each lease component separately from non-lease components. The consideration in the contract that has been allocated to the aircraft has been done based on the relative stand-alone price of the aircraft and the aggregate stand-alone price of the wet-lease services.

The lease term used for wet leased aircraft is the non-cancellable period stated in the lease agreements. Some contracts contain options, but they have not been included since there is a significant uncertainty to whether they will be exercised.

There is no material return obligation relating to the wet leased aircraft.

PROPERTIES

Lease term

The lease term used for property lease contracts is the non-cancellable period stated in the lease agreements. Options to extend the lease term are not included, since there is a significant uncertainty as to whether they will be exercised.

Costs for restoring the asset

There is no material return obligation relating to the leased properties.

GROUND HANDLING EQUIPMENT

Lease term

The lease term used for ground handling equipment lease contracts is normally the non-cancellable period stated in the lease agreements. Some lease agreements contain extension options, and they have been included if the Group's assessment is that the options will be exercised.

OTHER ASSETS

Lease contracts that individually, or by asset class, are not material to the Group have been excluded from the right-of-use asset and lease liability. These contracts include leases for vehicles, smaller IT equipment and office equipment.

The Group as lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

INTANGIBLE ASSETS

Intangible assets comprise goodwill and capitalized expenditure for systems development. The Group is not engaged in any research and development (R&D) activity.

Intangible assets are recognized in the balance sheet when:

- an identifiable, non-monetary asset exists;
- it is probable that the future financial advantages that can be attributed to the asset will accrue to the company;
- the cost of the asset can be calculated in a reliable manner; and
- SAS has control of the asset.

Goodwill is recognized in the balance sheet as an intangible asset at cost less accumulated impairment losses. Goodwill represents the excess value over the fair value of the Group's share of identifiable acquired net assets at the acquisition date, of the cost of an acquisition, any non-controlling interests and fair value at the acquisition date or earlier shareholdings.

Gains or losses on the disposal of an entity include the remaining carrying amount of goodwill relating to the entity sold.

Goodwill is assessed as having an indefinite useful life. Goodwill is allocated to the smallest possible cash-generating unit (CGU) and the carrying amount is tested at least once a year for any impairment. However, testing for impairment takes place more frequently if there are indications that a loss in value has occurred. A discounted cash-flow analysis is carried out based on the cash flows of the CGU and compares the carrying value of assets of the CGU with their recoverable amount. These cash flows are discounted at rates that the Group estimates to be the risk-affected weighted average cost of capital (WACC) for the particular businesses. Any impairment is recognized immediately in profit or loss.

Development costs that do not meet the criteria specified above, regarding when intangible assets are recognized in the balance sheet, are expensed in the period they arise. Costs for systems development are recognized as an asset provided that they meet the criteria specified above. Capitalized development costs are amortized on a straight-line basis over the expected useful life of the asset, which amounts to between one and four years. Amortization of capitalized IT system costs is included in the depreciation/amortization item in the statement of income.

EMISSION RIGHTS

Any emission rights received from the respective countries' government agencies, without the need for payment of any consideration, are recognized at their nominal amounts, which in practice means that the intangible asset and the prepaid income are valued at zero. Any emission rights purchased for own uses are recognized as intangible assets under current assets at cost after impairment. A provision is recognized in the balance sheet commensurate to the extent that emission rights used correspond to emission rights held. This provision is measured at the cost of the emission rights held. The provision is measured at the current market price with a corresponding cost in the statement of income commensurate to the extent emission rights used exceed the amount of emission rights held.

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IMPAIRMENT OF TANGIBLE, INTANGIBLE AND RIGHT-OF-USE ASSETS WITH DETERMINABLE USEFUL LIVES

The Group continuously evaluates whether any indications exist of a need for impairment of any tangible, intangible and right-of-use assets with determinable useful lives to identify any potential need for impairment. If any such indication is identified, the recoverable amount of the asset is calculated (or as part of the CGU to which it belongs) to determine the extent of any impairment loss. The recoverable amount is defined as the higher of an asset's fair value less selling costs and the value in use (VIU). If the estimated recoverable amount of the asset (or the CGU) is lower than its carrying amount, the carrying amount of the asset (or the CGU) is impaired. The recoverable amount is determined based on the type of asset.

At each balance-sheet date, a review is conducted to assess for indications that any earlier impairment losses no longer exist or have improved. When such indications exist, the recoverable amount is recalculated and the carrying amount is increased to the lower of the recoverable amount and the carrying amount that the asset would have had if the previous impairment had not taken place.

INVENTORIES AND EXPENDABLE SPARE PARTS

Inventories and expendable spare parts are carried at the lower of cost or net realizable value. Cost is calculated using the weighted average cost. Net realizable values are calculated in part through verification with external parties and in part through internal estimates at SAS based on similar or previous sales of similar goods.

PROVISIONS AND CONTINGENT LIABILITIES

Provisions are reported when the Group identifies legal or informal commitments as a result of historic events, where the outcome is probable, and where the financial resources required to settle these commitments can be estimated with reasonable certainty.

A restructuring obligation is considered to have arisen and a provision for the obligation is recognized when the Group has adopted a detailed and formal restructuring plan. The plan must have been communicated to affected parties and have been commenced or publicly announced.

REMUNERATION OF EMPLOYEES

Pensions

The Group has various pension plans for its employees. These vary considerably due to different legislation and agreements on occupational pension systems in the individual countries.

For pension plans where the employer has accepted responsibility for a defined contribution, the obligation to employees ceases when the contractual premiums have been paid. Where defined-benefit pensions have

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been agreed, the commitments do not cease until the contractual pensions have been paid. The liability or asset recognized in the balance sheet for defined-benefit pension plans is the current value of the defined-benefit obligation at the end of the reporting period after deduction of the fair value of plan assets. The defined-benefit plan obligation is calculated each year by independent actuaries using the projected unit credit method. Pension costs for the year for defined-benefit pension plans comprise the present value of the current service cost plus net interest, which is calculated using the discount rate on the defined-benefit pension liability or pension assets, and recognized as a personnel expense in EBIT. All deviations in estimates are immediately recognized in other comprehensive income.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes severance pay when such an obligation exists according to employment contracts or for termination as a result of an offer made to encourage voluntary redundancy.

REVENUE RECOGNITION

The recognition of contractual revenue from customers follows a five-step model that requires revenue to be recognized when control over goods and services are transferred to the customer. All of the Group's customer contracts have been analyzed using the five-step model. The performance obligations identified are fulfilled at a defined point in time.

Passenger revenue

When SAS or another airline provides the transportation, in other words the flight, the Group meets its performance obligation toward the customer and the passenger revenue is recognized in profit or loss. During the period from the sale of an airline ticket until the completion of the flight, airline tickets sold are recognized as a short-term unearned transportation liability in the consolidated balance sheet. The Group assesses the estimated unearned transportation liability on an ongoing basis. More information is available under "Other traffic revenue."

Rebooking fees, that is fees for changing the time or destination of a booked airline ticket, are recognized as revenue in conjunction with the actual flight taking place.

Charter revenue

SAS has charter flight agreements with certain customers. As with passenger revenue, the Group discharges its performance obligation to the customer when transportation has been provided. Accordingly, charter revenue is recognized in profit or loss when the transportation has been provided.

Mail and freight revenue

The Group provides cargo services both on passenger planes and on commercial cargo flights. The performance obligation to the customer is

discharged in conjunction with the provision of transportation. Accordingly, mail and freight revenue is recognized in profit or loss when the transportation has been provided.

Other traffic revenue

Other traffic revenue mainly includes preseating, excess baggage, unused tickets and revenue adjustments. Preseating and excess baggage are examples of ancillary revenue that are closely linked to air travel. These are recognized as revenue in conjunction with the actual flight.

The Group prepares monthly assessments of unutilized airline tickets. Unutilized and expired tickets are recognized as other traffic revenue based on historic usage data for unutilized tickets for the last 24 months. Any differences between previous months' assessments and actual outcomes are recognized in profit or loss.

The Group periodically evaluates the estimated short-term unearned transportation liability and records any resulting adjustments in other traffic revenue in the period in which the assessments are completed. These adjustments relate primarily to refunds, exchanges, transactions with other airlines and other items for which final settlement occurs in periods subsequent to the sale of the related tickets at amounts other than the original sales price.

Other operating revenue

Other operating revenue mainly includes revenue from in-flight sales, ground handling services, technical maintenance and sales of EuroBonus points.

In-flight sales are recognized as revenue in conjunction with the actual sale. Revenue from the performance of ground handling services and technical maintenance is recognized when the services are performed. Sales of EuroBonus points to credit card partners are recognized as revenue in the same period that EuroBonus members use their credit cards and a EuroBonus liability arises in the consolidated balance sheet. Further information on the EuroBonus liability follows.

Loyalty program – EuroBonus

Membership in the Group's EuroBonus loyalty program enables customers to earn bonus points by flying with SAS and/or other Star Alliance companies as well as from purchases made from other business partners, such as car rental and credit card companies. The allocation of loyalty points is viewed as a separate identifiable transaction when purchasing airline tickets. As customers earn points, the EuroBonus liability increases in the consolidated balance sheet together with a corresponding decrease in revenue. The portion of the ticket price allocated to loyalty points is measured at the relative stand-alone price for the points and is not recognized as revenue until the period in which the obligation is met.

Contract assets and liabilities

IFRS 15 has introduced the terms "contract assets" and "contract liabilities." The Group presents contracts in the balance sheet as contract liabilities or contract assets depending on the relationship between the Group's performance and the customers' payments at the reporting date. Accrued income

is included under contract assets, since the Group meets the performance requirement prior to receiving payment from customers. The unearned transportation liability and the loyalty program are recognized as contract liabilities since payments are received from customers before the performance obligation is discharged by the Group. Information about the discharge of performance obligations can be found earlier in this section under the headings "Passenger revenue" and "Loyalty program – EuroBonus."

As before, the unearned transportation liability is presented on a separate line in the consolidated balance sheet, while the loyalty program is presented under other liabilities (long-term). Refer to Note 24 for disclosures by the Group pertaining to contract assets and contract liabilities.

BORROWING EXPENSES

Borrowing expenses that arise in operations are expensed in the period in which they are incurred. Borrowing expenses on aircraft pre-delivery payments (PDPs) are capitalized as part of the process of obtaining qualified production resources. If a decision is made to sell and lease back an asset, capitalization of interest expense ceases. Amortization of capitalized borrowing expenses commences when aircraft are put into service, as per the main principle for aircraft.

TAXES

Current tax for the period is based on net income for the period, adjusted for non-tax-deductible costs and non-taxable income. The current tax is calculated on the basis of tax rates applying on the closing date.

Deferred tax is recognized according to the balance sheet method where-by temporary differences, differences between the recognized and fiscal value of assets or liabilities, result in a deferred tax asset or deferred tax liability. Deferred tax liabilities are recognized for all temporary differences liable to tax, while deferred tax assets are recognized to the extent it is probable that a taxable surplus will be created against which the deductible temporary difference can be utilized or before the right to utilize the loss carryforward is lost.

Deferred tax liabilities are recognized for all taxable temporary differences attributable to investments in subsidiaries and affiliated companies except in cases where the Group can control the timing of reversal of the temporary differences, and it is probable that such reversal will not take place in the foreseeable future.

Deferred tax is estimated on the basis of the tax rates and fiscal regulations that have been decided or announced as of the closing date. Deferred tax is expensed, except when it relates to items charged or credited in other comprehensive income or directly in equity, in which case the deferred tax is also dealt with in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are recognized net if the items pertain to the same tax authority.

CRITICAL ACCOUNTING ESTIMATES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements and application of accounting policies are often based on management's assessments, or on estimates

Note 1 continued

and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates are recognized in the period in which the change is made if the change affects only that period, or in the period in which the change is made and future periods if the change affects both current and future periods.

Below is an overall description of the accounting policies affected by such estimates or assumptions that are expected to have the most substantial impact on the Group's reported earnings and financial position. For information about the carrying amount on the closing date, see the balance sheet with accompanying notes.

Impairment of assets

The Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets are impaired. In making the impairment assessment, assets that do not generate independent cash flows are allocated to an appropriate CGU.

Management is required to make certain assumptions in estimating the value of the assets, including the timing and value of cash flows to be generated from the assets. The cash-flow projections are based on reasonable assumptions that represent management's best estimate of the set of economic conditions that will exist over the remaining useful life of the asset and are based on the most recent financial plan that management has approved. Due to its subjective nature, these estimates will likely differ from future actual results of operations and cash flows, and any such difference may result in impairment in future periods.

Pensions

Pension assumptions are an important element in the actuarial methods used to measure pension commitments and value assets, and can significantly affect the recognized pension obligation, pension assets and the annual pension cost. The most critical assumptions are the discount rate, inflation and expected salary adjustments.

The measurement to be applied under IAS 19 when measuring defined-benefit plans is known as the projected unit credit method. This method requires several assumptions (actuarial parameters) for calculating the present value of the defined-benefit obligation. Actuarial assumptions comprise both demographic and financial assumptions. Since assumptions must be neutral and mutually compatible, they should be neither imprudent nor overly conservative. They should reflect the economic relationships between factors such as inflation, rates of salary increase, the return on plan assets and discount rates. This means that they should be realistic, based on known financial relations and reflect SAS' best assessment of the factors that will determine the ultimate cost of providing post-employment benefits, that is pension costs.

In calculating pension obligations, the current service cost and the return on plan assets, locally set parameters are applied in the respective countries on the basis of the local market situation and expected future trends. This means that the parameters are based on market expectations at the end of the reporting period regarding the time period in which the obligation will be settled.

The discount rate has been determined on the basis of market yields on high-quality corporate bonds (preferably mortgage bonds with a minimum AA rating). The tenor of the bonds reflects the estimated timing and size of pension payments (duration) as well as the currencies these payments are expected to be made in.

Other financial assumptions are based on anticipated developments during the term of the obligation. The assessment of future salary adjustments corresponds to the assumed rate of inflation in the respective countries and life expectancies are set under DUS21 for Sweden and K2013 for Norway, refer to Note 15 for additional information.

The interest expense on the obligation and the expected return on plan assets are reported as "net interest," which is calculated using the discount rate. SAS classifies this net interest as a personnel expense and recognizes the net interest expense in profit or loss.

Deviations can arise if the discount rate changes (a lower discount rate increases the present value of the pension liability and the annual pension cost), or if actual inflation levels, salary adjustments and life expectancies deviate from the Group's assumptions. Any change in these assumptions could potentially result in a significant change to the pension assets, obligations and pension costs in future periods.

During the year, the discount rate was raised for all countries. The discount rate for Sweden was raised by 2.5 percentage points to 4.3%. During the fiscal year, the inflation assumption for the Swedish pension plans was raised from 1.9% to 2.15%. The total impact, primarily from changed discount rates and inflation, entailed a positive impact on other comprehensive income of SEK 4.1 billion. The return on plan assets was below the discount rate, which entailed a negative impact on other comprehensive income of SEK 2.1 billion.

Sensitivity to changes in individual parameters can be estimated as follows: A one percentage point change in the discount rate of interest has approximately a SEK 1.6 billion impact on the obligation and a one percentage point change in the inflation assumption has an impact of about SEK 1.5 billion.

Deferred tax

The Group recognizes deferred tax assets at each balance sheet date to the extent that it is probable that they will be utilized in future periods. This determination is based on estimates of future profitability. A change in these estimates could result in a decrease in deferred tax assets in future periods for assets that are currently recognized in the consolidated balance sheet. In estimating levels of future profitability, historical results of operations in recent years are considered and, if necessary, the implementation of prudent and feasible tax planning strategies to generate future profitability are considered. If future profitability is less than the amount calculated in determining the deferred tax asset, then a decrease in deferred tax assets will be required, with a corresponding charge in profit or loss, except in cases

where it is related to items recognized directly in equity. If future profitability exceeds the level that has been assumed in calculating deferred tax assets, an additional deferred tax asset can be recognized, with a corresponding credit in profit or loss, except to the extent that the deferred tax arises from a business combination.

A change in these estimates could also result in the impairment of deferred tax assets in future periods for assets that are currently recognized in the balance sheet.

Assumption regarding right-of-use assets – aircraft

SAS makes ongoing provisions related to use for undertakings arising in connection with aircraft leasing. The undertakings primarily pertain to engines, but also include landing gear, air frames and APUs. The financial impact is complex to assess as it depends on a large number of factors. Since provisions are made on an ongoing basis for larger mandatory overhauls of engines, landing gear, air frames and APUs, the risk of a return having a material impact on the Group's earnings is reduced.

Hybrid bonds

As all of the hybrid bonds are perpetual and since SAS controls the payment of interest and principal in the instruments, the bonds are classified as equity instruments in their entirety according to IAS 32.

Litigations

The Group is involved in litigations and other claims in the ordinary course of its business activities. Management judgment is required in determining the likelihood of the outcome. The actual effects of the outcome could differ from the management's estimate, which would impact the Group's earnings (see also, the Report by the Board of Directors: Legal issues).

Claims in connection with Chapter 11

The Chapter 11 process provides an option to negotiate and reject contracts that were in effect at the beginning of the process. During the period August to October, SAS chose to reject lease contracts pertaining to one B737-700, one A350-900, three A321-200 aircraft and a number of engines. All of these contract rejections have been approved by the US court. In conjunction with this approval, SAS made the related assets available for retrieval by the applicable leaseholders or lenders, with the consequent effect that the assets and liabilities associated with the contracts were removed from the balance sheet. The net cost for derecognizing the assets and liabilities totaled MSEK 88. As a step in the Chapter 11 process, SAS expects the lenders/leaseholders to seek damages for their economic losses and report this to the US court. The outcomes, if any, for claims arising under Chapter 11 are subject to uncertainty due to being dependent on the number and size of the claims as well as on the restructuring plan, which will require court approval later in the process, and accordingly, SAS has been unable to reliably estimate a corresponding total provision for claims. These claims may be material. SAS has recognized provisions in its financial statements for claims where adequate and reasonable information was available to estimate the liability. More

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information on the Chapter 11 process is provided in Note 1 page 99 and in the Report by the Board of Directors on page 58.

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PARENT COMPANY'S ACCOUNTING POLICIES

The Parent Company has prepared its financial statements according to the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 *Accounting for Legal Entities* as well as applicable statements from the Swedish Financial Reporting Board. Under RFR 2, the Parent Company, in preparing the annual financial statements for the legal entity, applies all EU-approved IFRSs and statements insofar as this is possible within the framework of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act and with respect to the connection between accounting and taxation. The recommendations specify which exceptions and additions are to be made from and to IFRS.

THE DIFFERENCES BETWEEN THE GROUP'S AND THE PARENT COMPANY'S ACCOUNTING POLICIES ARE LISTED BELOW:

Pensions: Current pension premiums are recognized as an expense.

Shares in subsidiaries and affiliated companies: Recognized at cost.

Acquisition-related expenses for subsidiaries, which are expensed in the consolidated financial statements, are included as part of the cost for holdings in subsidiaries.

Other shares and participations: Recognized at cost.

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NOTE 2 REVENUE

REVENUE BY CATEGORY

	FY23	FY22
Traffic revenue:		
Passenger revenue	32,236	23,225
Charter revenue	2,096	1,703
Cargo revenue	1,183	1,611
Other traffic revenue	2,992	2,982
Total traffic revenue	38,507	29,521
Other operating revenue:		
In-flight sales	219	367
Ground handling services	377	721
Technical maintenance	207	147
Terminal and forwarding services	135	322
Sales commissions and charges	781	357
Other operating revenue	1,817	389
Total other operating revenue	3,536	2,303
Total	42,043	31,824

SAS recognizes passenger and charter revenue when the transportation has been performed, cargo revenue when the transportation has been completed and other revenue when the goods have been delivered or the service performed. The performance obligations identified are fulfilled at a defined point in time.

Refer to the above table for the Group's revenue broken down by category and to the table below for revenue broken down on a country basis for material sources of sales revenue.

REVENUE BY COUNTRY

Traffic revenue FY23	Sweden	Norway	Denmark	Other	Total
Passenger revenue	7,709	8,545	4,125	11,857	32,236
Charter revenue	618	1,052	426	–	2,096
Cargo revenue	238	171	281	493	1,183
Other traffic revenue	717	795	383	1,097	2,992
Total traffic revenue	9,282	10,563	5,215	13,447	38,507
Total other operating revenue	467	875	527	1,667	3,536
Total	9,749	11,438	5,742	15,114	42,043

Traffic revenue FY22	Sweden	Norway	Denmark	Other	Total
Passenger revenue	6,005	6,675	3,138	7,407	23,225
Charter revenue	541	862	301	0	1,704
Cargo revenue	242	216	320	833	1,611
Other traffic revenue	790	881	407	903	2,981
Total traffic revenue	7,578	8,634	4,166	9,143	29,521
Total other operating revenue	485	755	419	644	2,303
Total	8,063	9,389	4,585	9,787	31,824

NOTE 3 PERSONNEL EXPENSES

AVERAGE NUMBER OF EMPLOYEES

In fiscal year 2023, the average number of employees in the SAS Group was 7,959 (7,033). A breakdown of the average number of employees by country is provided in the table below.

The average number of employees totaled 2,746 (2,400) in Denmark, 2,306 (2,087) in Norway, and 2,729 (2,380) in Sweden.

	FY23		FY22	
	Men	Women	Men	Women
Denmark	1,780	966	1,579	821
Norway	1,431	874	1,332	755
Sweden	1,654	1,075	1,447	933
Other countries	91	88	80	86
Total	4,956	3,003	4,438	2,595
Total men and women	7,959		7,033	

GENDER BREAKDOWN OF SENIOR EXECUTIVES IN THE GROUP

	Oct 31, 2023		Oct 31, 2022	
	Closing-date total	of which, men	Closing-date total	of which, men
Board members	54	67%	60	68%
President and other senior executives	49	67%	30	67%

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SALARIES, REMUNERATION AND SOCIAL SECURITY EXPENSES

The SAS Group's total payroll expenses amounted to MSEK 7,587 (6,882), of which social security expenses comprised MSEK 1,100 (941) and pensions MSEK 428 (611).

Salaries, remuneration and social security expenses include restructuring costs of MSEK 0 (0).

	FY23		FY22	
	Salaries & other remuneration	Soc. sec. exp. (of which pension cost) ²	Salaries & other remuneration	Soc. sec. exp. (of which pension cost) ¹
SAS AB	17	12 (5)	19	13 (5)
SAS Consortium	3,491	974 (205)	3,285	1,146 (469)
Other subsidiaries	2,551	541 (218)	1,966	393 (137)
SAS Group, total	6,059	1,527 (428)	5,270	1,552 (611)

¹⁾ The pension cost for all CEOs and other senior executives of SAS Group companies amounted to MSEK 16 (15).

A breakdown of the salaries and other remuneration of Board members, CEOs, other senior executives and other employees is provided in the table below.

	FY23		FY22	
	Board, CEO & senior executives (of which variable salary)	Other employees	Board, CEO & senior executives (of which variable salary)	Other employees
SAS AB	16 (-)	1	18 (-)	1
SAS Consortium	31 (-)	3,460	25 (2)	3,260
Ground handling operations	16 (0)	1,877	12 (-)	1,650
SAS Cargo	7 (-)	60	10 (-)	74
Other subsidiaries	19 (0)	571	14 (-)	206
SAS Group, total	89 (0)	5,969	79 (2)	5,191

	FY23	FY22
Pension costs		
Defined-benefit pension plans	-349	-63
Defined-contribution pension plans	777	674
Total	428	611

REMUNERATION AND BENEFITS PAID TO THE BOARD, PRESIDENT AND OTHER SENIOR EXECUTIVES

The fees and other remuneration paid to Board members of SAS AB are determined by the Annual General Shareholders' Meeting (AGM), which also approves the policies applied for the remuneration of senior executives.

BOARD OF DIRECTORS

At the AGM of SAS AB on March 16, 2023, fees were set for the remuneration of Board members and for work on Board committees as follows:

Board Chairman	TSEK 630
Board First Vice Chairman	TSEK 420
Other Board members (8)	TSEK 320 per member
Deputy employee representatives (6)	TSEK 5 fee/Board meeting on participation
Chairman of Audit Committee	TSEK 100
Other members of Audit Committee (2)	TSEK 50
Chairman of Remuneration Committee	TSEK 80
Other members of Remuneration Committee (1)	TSEK 27

With the exception of the employee representatives and their deputies, no Board member was employed by the SAS Group in fiscal year 2023. No Board member not employed by the SAS Group received any remuneration or benefit from any SAS Group companies beyond customary airline-industry travel benefits and the fees received for board and committee duties.

POLICIES

The following remuneration policies adopted by the 2023 AGM have been applied in fiscal year 2023 in regard to senior executives in the SAS Group. In this connection, senior executives refers to the President and the other members of the SAS Group Management.

Total remuneration should be market-based and competitive and relate to responsibility and authority. Remuneration consists of fixed salary, variable remuneration by separate agreement, and other benefits and pension. The guidelines apply for employment contracts agreed after the 2023 AGM and amendments to existing employment contracts made thereafter.

Remuneration of senior executives is to consist of a fixed annual cash salary, which reflects the position's requirements with respect to qualifications, responsibilities, complexity and the manner in which it serves to reach the business objectives. The fixed salary also reflects the performance of the executive and can thus be both individual and differentiated. In addition to fixed salary, senior executives reporting to the President may, under separate agreements, receive variable salary (annual incentive systems) when fulfilling agreed performance criteria, provided that their fixed salaries are frozen for review for a defined period after payment of the variable salary. Any variable salary consists of an annual variable cash salary and may amount to a maximum of 20% of the fixed annual salary. Criteria fulfillment for awarding variable salary must be measured over a period of one year.

Other benefits, including company car, travel benefits and health insurance, are market-based and only constitute a limited part of the total remuneration. Premiums and other costs associated with such benefits may amount to a maximum of 10% of the fixed annual salary.

For the President, pension benefits, including health insurance, are defined-contribution with premiums not exceeding 40% of the fixed annual salary. For other members of Group Management, pension benefits, including health insurance, are defined-contribution unless the executive is encompassed by a defined-benefit pension under mandatory collective agreement provisions. Premiums for defined-contribution pensions are not to exceed 30% of the fixed annual salary. Variable remuneration qualifies for pension benefits to the extent required by mandatory collective agreement provisions applicable to the executive (applies to Sweden and defined-contribution pension). In such case, the premiums for defined-contribution pensions are not to exceed 30% of the fixed annual salary as a result of pension provisions for variable salary.

For the President and other members of Group Management, the notice period is six months in case of termination by the executive. In case of termination by the company the maximum notice period is 12 months. In case of termination by the company, severance pay is payable in an amount corresponding to a maximum of one year's fixed salary less any remuneration received by the executive from new employments or assignments.

The Board can depart from the guidelines if, in an individual case, particular reasons exist for so doing.

LIMITATIONS TO THE APPLICATION OF REMUNERATION POLICIES RESULTING FROM THE RECAPITALIZATION AND CHAPTER 11

Pursuant to the European Commission decision dated August 14, 2020, and until such time as 75% of the government-subscribed instruments as part of the recapitalization completed in October 2020 have been redeemed or sold, the senior executives are not entitled to increased salaries. Moreover, no variable compensation will be paid to senior executives.

In the event of any outcome from future annual incentive systems (AIS) to senior executives pursuant to the company's remuneration policies, the AIS remuneration will be reserved and not distributed until such time as 75% of the government-subscribed instruments as part of the recapitalization completed in October 2020 have been redeemed or sold. For FY23 no AIS accrual or payment has been made to senior executives.

PRESIDENT AND CEO

President and CEO Anko van der Werff has the following remuneration components in his employment contract:

- An annual salary, which is normally subject to an annual salary review. The annual salary was not revised during fiscal year 2023 and as such, amounts to TSEK 12,468.

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- A defined-contribution pension plan where an amount corresponding to 40% of the fixed salary is paid as cash remuneration on a cost-neutral basis for SAS. The Board has decided on an exception from the remuneration guidelines and, with regard to the CEO Anko van der Werff, has approved the exchange of pension premiums for the corresponding cash salary payments with the preconditions that this is cost-neutral for SAS and that EU rules on remuneration of senior executives are complied with, taking into account the importance of offering market-based and competitive total remuneration to meet SAS' long-term interests, including its sustainability.
- Other benefits included company car, travel benefits, health insurance and group life insurance.
- The notice period is six months in the event the President resigns and ten months if the termination of employment is by SAS AB. Severance pay for the President in the event employment is terminated by SAS AB for reasons other than material breach of contract, gross neglect of his duties as President or criminal acts against the SAS Group is payable in an amount equivalent to four months' salary in accordance with a stair model where severance pay increases in line with time of employment and can be up to 12 months after five years' employment. Should new employment be obtained within 12 months of employment ending, the severance pay awarded is reduced by an amount corresponding to the remuneration received from the new position.

OTHER SENIOR EXECUTIVES

The remaining current members of Group Management have defined-contribution pension plans where a pension provision of up to 30% of fixed base salary is made, either in the form of premiums or as cash remuneration. The retirement age is 65 for all of the current members of the Group Management. The Board has decided on an exception from the remuneration guidelines and, with regard to the CFO Erno Hildén, CCO Paul Verhagen and COO Jason Mahoney, has approved the exchange of pension premiums at 30% of fixed salary for the corresponding cash salary payments with the preconditions that this is cost-neutral for SAS and that EU rules on remuneration of senior executives are complied with, taking into account the importance of offering market-based and competitive total remuneration to meet SAS' long-term interests, including its sustainability.

The notice period is six months in the event that the senior executive resigns and 12 months if employment is terminated by SAS AB. Severance pay is payable to the senior executives in the event employment is terminated by SAS AB for reasons other than material breach of contract, gross neglect of the senior executive's duties or criminal acts against the SAS Group in an amount equivalent to not more than 12 months' salary, with offsetting against income from any other appointment or engagement. Severance pay is also payable on the resignation of a senior executive when the responsibilities or authorities of the senior executive are materially changed through organiza-

tional changes. However, severance pay in the above case is not payable if the senior executive is offered another relevant position in the SAS Group. An additional fixed allowance is paid to acting members of the Group Management over and above the pension, insurance and notice period conditions under their existing employment contracts.

OTHER

For other standard managerial contracts at the SAS Group, total remuneration must be market-based and competitive and must be in relation to responsibility and authority.

In fiscal year 2023, total remuneration comprised fixed salary, other benefits and pension. Some 30 managers have participated in an annual incentive system for 2023.

Moreover, a variable remuneration model was introduced for management and employees in the sales organization in 2013. The variable salary component is based on outcomes in relation to predetermined individual sales targets that are set in a target contract and is capped at two months' salary.

DISCUSSION AND DECISION-MAKING PROCESS

The issue of the Directors' fees is discussed by the Nomination Committee, which consists of representatives elected at the AGM. The Nomination Committee presents its proposal concerning Directors' fees to the shareholders' meeting for resolution.

The Board of Directors has established a Remuneration Committee. The Committee's duties include preparing principles for remuneration to Group Management and the Board of Directors' decisions to propose guidelines for remuneration to senior executives. The Board of Directors prepares proposals for new guidelines at least every fourth year, and submits it to the AGM for resolution. These guidelines apply until new guidelines have been adopted by the general meeting. The Remuneration Committee also monitors and evaluates programs for variable remuneration to Group Management, the application of the guidelines to senior executives as well as the current remuneration structures and compensation levels in the company. Remuneration to the President is decided by the Board of Directors in line with approved policies following preparation and recommendation by the Remuneration Committee. Remuneration to other senior executives is decided by the President in line with approved policies and after consultation with the Remuneration Committee. The members of the Remuneration Committee are independent in relation to the company and Group Management. The President and other members of Group Management do not participate in the Board of Directors' discussions and decisions on remuneration-related matters that pertain to them.

The Remuneration Committee held five minuted meetings in fiscal year 2023.

DIRECTORS' FEES IN FISCAL YEAR 2023 (NOV–OCT), TSEK

Name	Board of Directors	Audit Committee	Remuneration Committee	Total FY23	Total FY22
Carsten Dilling	630		80	710	710
Monica Caneman				–	420
Lars-Johan Jarnheimer	420	50	27	497	497
Oscar Stege Unger	320	50		370	370
Kay Kratky	320	100		420	320
Michael Friisdahl	320			320	320
Henriette Hallberg Thygesen	320			320	320
Nina Bjornstad	320			320	320
Tommy Nilsson	320			320	320
Jens Lippestad	320			320	320
Kim John Christiansen	320			320	320
Total	3,610	200	107	3,917	4,237

Note 3 continued

REMUNERATION AND BENEFITS TO THE PRESIDENT AND OTHER SENIOR EXECUTIVES IN FISCAL YEAR 2023, TSEK

Name	Fixed salary ¹	Variable remuneration ²	Other benefits ³	Pension ⁴
Anko Van der Werff	12,675	-	286	4,715
Other ⁵	23,381	-	1,141	5,525
Total	36,056	-	1,427	10,240
Other ⁶	6,405	-	163	852
Total	42,461	-	1,590	11,092

- 1) Includes holiday compensation
- 2) Pertains to AIS provisions for future payments in accordance with remuneration policies and the limitations resulting from the recapitalization and payment of variable compensation. For more information, see the section "Limitations to the application of remuneration policies resulting from the recapitalization."
- 3) Other benefits include company car, travel benefits, health insurance and group life insurance.
- 4) Includes health insurance.
- 5) Pertains to: five members for the full fiscal year; Simon Pauck Hansen from November 1, 2022 to January 15, 2023; Michael Wängdahl from January 16, 2023 to April 30, 2023; Jason Mahoney from May 1, 2023 to October 31, 2023; Therese Lorenius from November 1, 2022 to August 13, 2023 and Paul Verhagen from August 13, 2023 to October 31, 2023.
- 6) Pertains to salary, pension and benefits during the 12-month notice period and the potential outcome for severance pay. Severance pay is capped at fixed salary for 12 months after the end of the notice period and is only payable if no new employment has been secured. In the case of new employment, any difference between the former fixed monthly salary and the new fixed monthly salary will be paid.

REMUNERATION AND BENEFITS TO THE PRESIDENT AND OTHER SENIOR EXECUTIVES IN FISCAL YEAR 2022, TSEK

Name	Fixed salary ¹	Variable remuneration ²	Other benefits ³	Pension ⁴
Anko Van der Werff	12,675	-	284	4,715
Other ⁵	23,213	2,303	516	6,044
Total	35,888	2,303	800	10,759
Other ⁶	13,861	-	96	2,494
Total	49,749	2,303	896	13,253

- 1) Includes holiday compensation
- 2) Pertains to AIS provisions for future payments in accordance with remuneration policies and the limitations resulting from the recapitalization and payment of variable compensation. For more information, see the section "Limitations to the application of remuneration policies resulting from the recapitalization."
- 3) Other benefits include company car, travel benefits, health insurance and group life insurance.
- 4) Includes health insurance.
- 5) Pertains to: four members for the full fiscal year; Karl Sandlund from November 1, 2021 to June 30, 2022; Magnus Örnberg from November 1, 2021 to March 31, 2022; Erno Hildén from April 1, 2022 to October 31, 2022; Erik Westman from July 1, 2022 to October 31, 2022; and Therese Lorenius from July 1, 2022 to October 31, 2022.
- 6) Pertains to salary, pension and benefits during the 12-month notice period and the potential outcome for severance pay. Severance pay is capped at fixed salary for 12 months after the end of the notice period and is only payable if no new employment has been secured. In the case of new employment, any difference between the former fixed monthly salary and the new fixed monthly salary will be paid.

NOTE 4 OTHER EXTERNAL EXPENSES

	FY23	FY22
Sales and distribution costs	2,492	1,785
Catering costs	1,399	819
Handling costs	2,641	1,949
Technical aircraft maintenance	3,118	1,910
Computer and telecommunication costs	1,494	1,249
Wet-lease expenses	2,617	1,846
Administrative services	1,544	985
Other	2,354	1,515
Total	17,659	12,058

NOTE 5 DEPRECIATION, AMORTIZATION AND IMPAIRMENT

	FY23	FY22
Amortization and depreciation		
Intangible assets	0	30
Right-of-use assets	3,322	3,255
Buildings and fittings	49	60
Aircraft	982	1,259
Spare engines and spare parts	54	53
Workshop and aircraft servicing equipment	20	22
Other equipment and vehicles	13	20
Impairment		
Spare engines and spare parts	-	64
Total	4,440	4,763

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NOTE 6 SHARE OF INCOME AND EQUITY IN AFFILIATED COMPANIES

Income from shares in affiliated companies:	FY23	FY22
Malmö Flygfrakttterminal AB	10	12
Other	8	10
Total	18	22
Total revenue of affiliated companies	399	357
Income after tax in affiliated companies	55	67

Malmö Flygfrakttterminal AB operates air cargo services in Malmö, Sweden. The affiliated company is closely linked to flight operations and shares in income are recognized in profit or loss.

Equity in affiliated companies	Oct 31, 2023	Oct 31, 2022
Opening cost	22	24
Contributions	-	-
Income from shares in affiliated companies	18	22
Dividends	-20	-24
Exchange-rate differences	0	0
Closing accumulated cost	20	22

Equity in affiliated companies:	Corporate registration number	Domicile	Share of equity %	Share of equity	
				Oct 31, 2023	Oct 31, 2022
Malmö Flygfrakttterminal AB	556061-7051	Malmö, Sweden	40.0	18	19
Other				2	3
Total				20	22
Total assets in affiliated companies				310	357
Total liabilities in affiliated companies				-238	-269
Shareholders' equity in affiliated companies				72	88

NOTE 7 INCOME FROM THE SALE AND RETURN OF AIRCRAFT, AND OTHER NON-CURRENT ASSETS

	FY23	FY22
Airbus A320 (sale and leaseback)	-20	-3
Boeing 737	-	73
Engines (sale and leaseback)	5	100
Rejection of lease contracts in Chapter 11	160	-88
Sale of subsidiaries	-	13
Total	145	95

NOTE 8 NET FINANCIAL ITEMS

Financial income	FY23	FY22
Interest income on financial assets not measured at fair value	161	28
Interest income on financial assets measured at fair value	855	191
Other financial income	-	-
Exchange-rate differences lease liabilities, net	52	-
Total	1,068	219

Financial expenses	FY23	FY22
Interest expense on interest-bearing liabilities not measured at fair value	-1,967	-802
Interest expense on interest-bearing liabilities measured at fair value	-780	-179
Interest expense lease liabilities	-894	-774
Other financial expenses	-84	-67
Exchange-rate differences lease liabilities, net	-154	-2,906
Exchange-rate differences interest-bearing liabilities, net	0	-5
Total	-3,879	-4,733
Total net financial items	-2,811	-4,514

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NOTE 9 TAX

The following components are included in the Group's tax.

	FY23	FY22
Current tax	-5	-7
Deferred tax	-180	805
Total tax recognized in net income for the year	-185	798
Tax recognized in other comprehensive income	346	-308
Total tax recognized in other comprehensive income	346	-308

Current tax is calculated based on the tax rate in each country. Deferred tax is calculated at the tax rate expected to apply when the tax is realized.

Tax for the fiscal year can be reconciled against income before tax as follows:

	FY23	FY23 (%)	FY22	FY22 (%)
Income before tax (EBT)	-5,516		-7,846	
Tax according to weighted average tax rate	1,180	21.4	1,679	21.4
Tax effect of non-tax-deductible costs	-96	1.7	-35	-0.4
Tax effect of non-taxable income	59	-1.1	155	2.0
Tax effect of different tax rates	0	0	0	0
Tax effect of non-capitalized loss carryforwards	-1,117	20.3	-1,038	-13.2
Other	-211	3.8	37	0.5
Tax and effective tax rate for the fiscal year	-185	-3.3	798	10.2

The tables below show the Group's deferred tax liabilities and tax assets according to category and how these liabilities and assets changed.

	Oct 31, 2023	Oct 31, 2022
Deferred tax liability in the balance sheet:		
Non-current assets	1,362	1,366
Pensions	1,121	1,304
Other temporary differences	297	447
Cash-flow hedges	-1	-9
Netting of deferred tax assets/liabilities	-2,233	-2,540
Total	546	568

	Oct 31, 2023	Oct 31, 2022
Deferred tax assets in the balance sheet:		
Pensions	78	-49
Other temporary differences	1,810	1,983
Tax loss carryforwards	2,198	2,234
Netting of deferred tax assets/liabilities	-2,233	-2,540
Total	1,853	1,628

	Oct 31, 2023	Oct 31, 2022
Reconciliation of deferred tax, net:		
Opening balance	1,060	585
Change according to statement of income	-185	805
Change in cash-flow hedging according to OCI	-35	204
Change in defined-benefit pension plans according to OCI	373	-512
Exchange-rate differences, etc.	90	-22
Deferred tax, net, on October 31	1,308	1,060

On the closing date, the Group had unutilized loss carryforwards of slightly more than MSEK 34,000 (29,000). Based on these loss carryforwards, the Group recognized a deferred tax asset of MSEK 2,198 (2,234). Deferred tax assets are recognized to the extent that there are factors indicating that taxable profits will be created. The assessment of the respective Group companies' future profit performance is based on earnings reported in recent years as well as improved profitability prospects. Of recognized loss carryforwards totaling MSEK 2,198, MSEK 737 pertains to operations in Denmark, MSEK 273 to Norway, MSEK 1,083 to Sweden and MSEK 105 to Ireland. For loss carryforwards amounting to MSEK 4,971 (3,854), no deferred tax asset is recognized due to uncertainty as regards future profit earnings. There are no expiration dates for the loss carryforwards.

Deferred tax liabilities mainly pertain to fixed assets, where fiscal values are lower than accounting values. In the future, a temporary difference pertaining to a fixed asset will change when the carrying amount and fiscal value match or, alternatively, when the fixed asset is divested and a higher taxable gain arises. Pensions also give rise to deferred tax liabilities, since accounting and fiscal values are treated differently. SAS has chosen to recognize deferred tax net in the balance sheet as there is a legal right to offset at the same time as there is a strong legal connection between the deferred tax assets and deferred tax liabilities.

No provision has been made for deferred tax on temporary differences relating to non-distributed profits in subsidiaries and affiliated companies since these profits will not be distributed within the foreseeable future, or alternatively a distribution can be made without the profits being subject to tax.

The OECD/G20 Inclusive Framework (IF) has published model rules as part of its efforts to address the challenges that the digitalization of the global economy poses to taxation. It is difficult to assess whether the global minimum tax rules (Pillar 2) give rise to additional temporary differences, whether deferred tax assets and liabilities need to be remeasured, and which tax rate should be applied when calculating deferred tax. In response to these uncertainties, on May 23, 2023, the International Accounting Standards Board (IASB) issued an amendment to IAS 12 Income Taxes. The amendment provides a mandatory exception from the requirements to recognize and disclose deferred tax assets and liabilities related to the proposed global minimum tax rules. The SAS Group applies the mandatory exception which applies until further notice.

In several of the countries in which the Group operates, legislation on global minimum taxation has been enacted, or in practice enacted, and it is assessed as likely that the Group will be subject to such legislation from fiscal year 2025. As of October 31, 2023, it is not yet possible to reliably estimate the potential tax exposure under Pillar 2. Investigation of the potential exposure is ongoing and is expected to be completed during the second quarter of fiscal year 2024.

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NOTE 10 INTANGIBLE ASSETS

	Goodwill		IT system		Total intangible assets	
	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022
Opening cost	748	721	632	643	1,380	1,364
Investments	-	-	6	-	6	-
Sales/disposals	-	-	-	-11	-	-11
Exchange-rate differences	-43	27	-	-	-43	27
Closing accumulated cost	705	748	638	632	1,343	1,380
Opening amortization	-75	-72	-613	-583	-688	-655
Amortization and impairment for the year	-	-	-	-30	-	-30
Exchange-rate differences	4	-3	4	-	8	-3
Closing accumulated amortization	-71	-75	-609	-613	-680	-688
Opening impairment	-	-	-	-	-	-
Closing impairment	-	-	-	-	-	-
Carrying amount	634	673	29	19	663	692

The SAS Group is not engaged in activities relating to research and development (R&D).

	Oct 31, 2023	Oct 31, 2022
Goodwill:		
SAS Scandinavian Airlines Norway	634	673
Total goodwill	634	673

TESTING FOR IMPAIRMENT OF INTANGIBLE ASSETS

The value of the Group's intangible assets has been estimated through comparison with the recoverable amount, which is based on the Group's cash-generating value in use based on five-years' cash flow in the Group's business plan. A growth rate of +1.0% (+1.0) has been adopted for the period beyond the plan period.

The projected cash flows are based on assumptions regarding volume trends, unit revenue, operating margins and discount rates, which have been established by the management based on historical experience and market data. The discount rate has been estimated based on a weighted capital cost of 8.2% (8.2) before tax, and of 6.9% (6.9) after tax. To support the impairment tests performed on goodwill in the Group, a comprehensive analysis was performed of the sensitivity in the variables used in the model. A weakening of any of the significant assumptions included in the business plans or a weakening of the annual growth rate in revenue and operating margins beyond the plan period, or an increase in the discount rate that, individually, is reasonably probable, shows that a margin still exists between the recoverable amount and carrying amount. Management therefore determined that there was no need for impairment of goodwill and other intangible assets at the close of October 2023.

NOTE 11 TANGIBLE ASSETS

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	Aircraft ^{1,2}		Engines & spare parts		Total aircraft and engines/spare parts	
	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022
Opening cost	22,865	23,529	1,942	1,993	24,807	25,522
Investments	2,922	3,103	1	19	2,923	3,122
Sales/disposals	-7,733	-6,893	-179	-889	-7,912	-7,782
Reclassifications	788	137	278	676	1,066	813
Exchange-rate differences	268	2,989	7	143	275	3,132
Closing accumulated cost	19,110	22,865	2,049	1,942	21,159	24,807
Opening depreciation	-10,481	-10,661	-593	-444	-11,074	-11,105
Depreciation and impairment for the year ³	-982	-1,259	-55	-117	-1,037	-1,376
Sales/disposals	512	1,047	73	59	585	1,106
Reclassifications	713	836	-98	-91	615	745
Exchange-rate differences	-23	-444	0	0	-23	-444
Closing accumulated depreciation	-10,261	-10,481	-673	-593	-10,934	-11,074
Carrying amount	8,849	12,384	1,376	1,349	10,225	13,733

SAS recognizes aircraft in the balance sheet as tangible assets or as right-of-use assets. Leases defined in accordance with IFRS 16 are entered in the balance sheet as right-of-use assets (see Note 13). In cases where SAS acquires aircraft to thereafter sell and lease back, and where it is (essentially) certain that the asset will be bought back at the end of the period, the related liability that arises is treated as a financial liability pursuant to IFRS 9 and the asset is treated as a tangible asset pursuant to IAS 16.

CONTRACTUAL PURCHASE COMMITMENTS

The Group had the following commitments relating to future acquisition of tangible assets. On October 31, 2023, contracted orders amounted to 18 Airbus A320neo and two Airbus A350 aircraft with delivery through to 2025 amounting to a total future purchase commitment, including spares, of MUSD 975. SAS has also entered into contracts for one Embraer E195 aircraft that will be leased.

	Buildings and land		Other equipment & vehicles		Investment in progress		Workshop & servicing equipment; aircraft		Total other tangible fixed assets	
	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022
Opening cost	1,272	1,255	370	387	3	3	435	428	2,080	2,073
Investments	-	5	-	-	5	5	55	10	60	20
Sales/disposals	-6	-	-3	-24	-	-5	-135	-4	-144	-33
Reclassifications	2	-15	1	-	-2	-	-	-	1	-15
Exchange-rate differences	9	27	6	7	-	-	1	1	16	35
Closing accumulated cost	1,277	1,272	374	370	6	3	356	435	2,013	2,080
Opening depreciation	-900	-831	-336	-332	-	-	-344	-324	-1,580	-1,487
Depreciation and impairment for the year	-52	-60	-13	-19	-	-	-20	-22	-85	-101
Sales/disposals	6	-	3	21	-	-	129	3	138	24
Reclassifications	-	15	-	-	-	-	-	-	-	15
Exchange-rate differences	-13	-24	-8	-6	-	-	-1	-1	-22	-31
Closing accumulated depreciation	-959	-900	-354	-336	-	-	-236	-344	-1,549	-1,580
Carrying amount	318	372	20	34	6	3	120	91	464	500

1) The insured value of aircraft as of October 31, 2023 amounted to MSEK 54,288. This includes the insured value of leased aircraft in the amount of MSEK 44,543.

2) Modifications of leased aircraft are included in planned residual value in the amount of MSEK 123 (70).

3) As of October 31, 2023, aircraft depreciation and impairment amounted to MSEK -55 (-117) and included impairment of MSEK 0 (64) pertaining to aircraft under phase-out. See also Note 5.

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NOTE 12 PREPAYMENTS FOR AIRCRAFT

	Prepayment	
	Oct 31, 2023	Oct 31, 2022
Opening cost	4,063	2,966
Investments	1,023	1,911
Capitalized interest	169	188
Reclassifications	-1,807	-1,624
Exchange-rate differences	65	622
Closing accumulated cost	3,513	4,063

MSEK 3,265 (3,762) pertains to prepayments for Airbus and MSEK 248 (301) prepayments for Other.

NOTE 13 RIGHT-OF-USE ASSETS

Right-of-use assets	Aircraft	Properties	Ground handling equipment	Total	
				Total FY23	Total FY22
Carrying amount	15,672	1,884	284	17,840	16,959
New contracts	2,930	63	31	3,024	4,011
Contract modifications and index or interest rate changes to agreements	-651	283	-5	-373	108
Reclassifications	-	-	-	-	-
Currency revaluations	-	-	-5	-5	17
Depreciation over the fiscal year	-2,831	-401	-90	-3,322	-3,255
Impairment over the fiscal year	-	-	-	-	-
Carrying amount	15,120	1,829	215	17,164	17,840

New contracts during the year with terms longer than 12 months are recognized under the line item *New contracts* and mainly comprised leases for eight new A320neo, three E195 aircraft as well as eight spare engines.

For information on SAS' lease liabilities, see notes 23 and 31.

NOTE 14 NON-CURRENT FINANCIAL ASSETS

	Other holdings of securities		Other long-term receivables ¹		Total non-current financial assets	
	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022
Opening cost	79	79	1,564	1,539	1,643	1,618
Contributions	-	-	144	200	144	200
Sale	-6	-	-	-	-6	-
Amortization	-	-	-311	-513	-311	-513
Reclassifications	-	-	0	17	-	17
Exchange-rate differences	-	-	5	321	5	321
Closing accumulated cost	73	79	1,402	1,564	1,475	1,643
Opening impairment	-70	-70	-	-	-70	-70
Impairment	-	-	-	-	-	-
Closing accumulated impairment	-70	-70	-	-	-70	-70
Carrying amount	3	9	1,402	1,564	1,411	1,573

¹) The carrying amount includes blocked bank funds of MSEK 517 (652).

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NOTE 15 POST-EMPLOYMENT BENEFITS

The table below outlines where the Group's post-employment benefits are included in the financial statements.

	Oct 31, 2023	Oct 31, 2022
Pension funds in the balance sheet		
Present value of funded obligations	-12,421	-12,090
Fair value of plan assets ¹	20,628	21,552
Surplus in funded plans	8,207	9,462
Present value of unfunded obligations	-206	-210
Surplus in defined-benefit pension plans (net pension funds)	8,001	9,252

1) Includes Swedish payroll tax of MSEK 1,586 (1,826).

Recognized in profit or loss pertaining to ¹	FY23	FY22
Defined-benefit pension plans	349	63
Defined-contribution pension plans	-777	-674
	-428	-611
Remeasurements of defined-benefit pension plans ²	-1,359	1,937

1) Expenses recognized in profit or loss include the current service cost, past service cost, net interest expense and gains and losses on settlements.

2) Recognized under other comprehensive income, net after tax.

DEFINED-BENEFIT PENSION PLANS

Most personnel pension plans in Scandinavia are now defined-contribution based. Defined-contribution pension plans are in place for the majority of personnel in Denmark and Norway, and in Sweden for aircraft crew, younger salaried employees and personnel covered by the SAF-LO collective agreement. The majority of the remaining defined-benefit pension plans are secured through insurance companies in the respective countries. In Sweden, pension plans are mainly placed with Alecta and SPP, in Denmark with Danica and in Norway with DNB. Premiums for defined-benefit retirement pensions are individual and depend, inter alia, on the insured party's age, salary and previously vested pension rights. Expected fees in the next fiscal year (FY 2024) for defined-benefit pension plans under the Alecta plan are expected to amount to about MSEK 33. The collective consolidation level comprises the market value of Alecta's assets as a percentage of insurance undertakings estimated pursuant to Alecta's actuarial assumptions, which do not comply with IAS 19. Collective consolidation, in the form of a collective consolidation level, is normally permitted to range between 125% and 175%. If Alecta's collective consolidation level falls below 125% or exceeds 175%, actions must be taken to create conditions enabling the consolidation level to revert to the normal interval. Alecta's surplus can be allocated to the policy holders or the insured parties if the collective consolidation level exceeds 175%. However, Alecta applies reductions in premiums to avoid an excessive surplus arising. At the end of the fiscal year, Alecta's surplus in the form of the consolidated

collective consolidation level was 178% (189). According to a statement by the Swedish Financial Reporting Board, UFR 10, this constitutes a multi-employer defined-benefit plan and enterprises covered by a multi-employer pension plan classified as defined-benefit must account for their proportional share of the plan's obligations, plan assets and costs in the same way as for any other defined-benefit plan. SAS is provided with information that enables SAS to report its proportional allocated share of the Alecta plan's commitments, plan assets and costs in accordance with IAS 19 rules regarding defined-benefit pension plans. SAS therefore reports net defined-benefit assets since the future economic benefits are available to SAS in the form of future reductions in premiums, cover for future pension indexing or a cash refund.

IAS 19 – *Employee Benefits* entails that all deviations in estimates are to be immediately recognized in other comprehensive income. Furthermore, the discount rate on the defined-benefit plan obligation or pension asset is calculated net, and this net interest expense is recognized by SAS as a personnel expense in profit or loss. SAS reports special payroll tax in line with the rules in IAS 19, which means that those actuarial assumptions made in the calculation of defined-benefit pension plans must also include taxes payable on pension benefits.

As per October 31, 2023, the remaining pension plans in Sweden reported a surplus of about SEK 6.4 billion and, accordingly, special payroll tax was recognized for the surplus. On October 31, 2023, special payroll tax totaled about SEK 1.6 billion (1.8).

Defined-benefit pension plans	FY23	FY22
Current service cost	-29	-50
Past service cost and gains and losses on settlements	-20	-3
Interest expense on pension obligations	-517	-298
Interest income on plan assets	838	393
Payroll tax	77	21
Total impact recognized in profit and loss for defined-benefit pension plans	349	63

The above earnings effect is recognized in its entirety as personnel expenses.

Changes in the present value of defined-benefit plan obligations	Oct 31, 2023	Oct 31, 2022
Opening balance, pension obligations	12,300	16,815
Current service cost	29	50
Settlements	-3	-8
Interest expense	517	298
Reclassification	-	-
Pensions paid out	-882	-818
Exchange-rate differences	37	73
	11,998	16,410

Remeasurements:

– Gain/loss (-/+) from change in demographic assumptions	12	-121
– Gain/loss (-/+) from change in financial assumptions	-485	-4,121
– Experience gains/losses (-/+)	1,102	132

Closing balance, pension obligations, October 31	12,627	12,300
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Change in fair value of plan assets	Oct 31, 2023	Oct 31, 2022
Opening balance, plan assets	21,552	23,408
Settlements	-16	-6
Interest income	838	393
Contributions/premiums paid	22	39
Other expenses/revenue	72	16
Reclassification	-	-
Pensions paid out	-790	-712
Exchange-rate differences	53	76
	21,731	23,214

Remeasurements:

– Special payroll tax	-316	485
– Return on plan assets (excluding amounts included in interest income)	-787	-2,147

Closing balance, plan assets, October 31	20,628	21,552
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	Oct 31, 2023	Oct 31, 2022
Change in pension funds (net)		
Opening balance, pension funds (net)	9,252	6,593
Total recognized in net income for the year	349	63
Reclassification	-	-
Remeasurements	-1,733	2,448
Contributions/premiums paid	112	145
Exchange-rate differences	21	3
Closing balance, pension funds (net), October 31	8,001	9,252

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Breakdown of the defined-benefit plan obligations and plan assets by country	Oct 31, 2023					Oct 31, 2022				
	Sweden	Norway	Denmark	Other	Total	Sweden	Norway	Denmark	Other	Total
Present value of obligation	-11,655	-179	-	-793	-12,627	-11,246	-171	-18	-865	-12,300
Fair value of plan assets	19,754	0	-	874	20,628	20,556	-	31	965	21,552
Pension funds, net	8,099	-179	-	81	8,001	9,310	-171	13	100	9,252

Remeasurements — analysis of amounts recognized under other comprehensive income	FY23	FY22
– Gain/loss (+/-) from change in demographic assumptions	-12	121
– Gain/loss (+/-) from change in financial assumptions	485	4,121
– Experience gains/losses (+/-)	-1,102	-132
– Special payroll tax	-316	485
– Return on plan assets (excluding amounts included in interest income)	-787	-2,147
Total remeasurements	-1,732	2,448

During the year, the discount rate was raised for all countries. The discount rate for Sweden was raised by 0.15 percentage points to 4.45%. During the fiscal year, the inflation assumption was lowered for the Swedish pension plans from 2.15% to 2.0%. The total impact, primarily from changed discount rates and inflation, entailed a positive impact on other comprehensive income of SEK 0.485 billion. The return on plan assets was below the discount rate, which entailed a negative impact on other comprehensive income of SEK 0.787 billion.

ACTUARIAL ASSUMPTIONS

The measurement to be applied under IAS 19 when measuring defined-benefit plans is known as the projected unit credit method. This method requires several assumptions (actuarial parameters) for calculating the present value of the defined-benefit obligation. Actuarial assumptions comprise both demographic and financial assumptions. Since assumptions must be neutral and mutually compatible, they should be neither imprudent nor overly conservative. They should reflect the economic relationships between factors such as inflation, rates of salary increase, the return on plan assets and discount rates. This means that they should be realistic, based on known financial relations and reflect SAS' best assessment of the factors that will determine the ultimate cost of providing post-employment benefits, that is pension costs.

In calculating pension obligations, the current service cost and the return on plan assets, locally set parameters are applied in the respective countries

on the basis of the local market situation and expected future trends. This means that the parameters are based on market expectations at the end of the reporting period regarding the time period in which the obligation will be settled.

The discount rate has been determined on the basis of market yields on high-quality corporate bonds (preferably mortgage bonds with a minimum AA rating). The tenor of the bonds reflects the estimated timing and size of pension payments (duration) as well as the currencies these payments are expected to be made in.

Other financial assumptions are based on anticipated developments during the term of the obligation. The assessment of future salary adjustments corresponds to the assumed rate of inflation in the respective countries and life expectancies are set under DUS23 (DUS21) for Sweden and K2013 (K2013) for Norway.

Key actuarial assumptions	Oct 31, 2023					Oct 31, 2022				
	Sweden	Norway	Denmark	Other	Total	Sweden	Norway	Denmark	Other	Total
Discount rate	4.45%	4.70%	3.70%	5.75%	4.54%	4.30%	4.25%	1.60%	5.0%	4.34%
Inflation	2.0%	0–1.75%	1.75%	3.50% ¹⁾	2.0%	2.15%	0–1.75%	1.75%	3.70% ¹⁾	2.15%
Salary growth rate	2.0%	0%	0%	0%	2.0%	2.0%	-	1.75%	-	2.0%
Pension growth rate	2.0%	0–1.75%	1.75%	3.30%	2.08%	2.15%	0–1.75%	1.75%	3.60%	2.25%

1) Pertains solely to UK plans.

The average duration of defined-benefit pension plans was as follows:	Sweden	Norway	Denmark	Other
Fiscal year 2023	10.49	5.9	-	13
Fiscal year 2022	11.0	9.2	1.7	14.0

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	Oct 31, 2023		Oct 31, 2022	
	Total	%	Total	%
Plan assets are comprised as follows¹:				
Alecta (Sweden):				
Equities, of which 38% (37%) is invested in Swedish equities	3,064	32	3,322	34
Interest-bearing securities	4,441	47	4,397	45
Properties	1,983	21	2,052	21
	9,488	100	9,771	100
SPP (Sweden):				
Equities, of which 20% (25%) is invested in Swedish equities	1,475	17	2,151	24
Interest-bearing securities	4,600	53	5,467	61
Properties	1,128	13	1,165	13
Other	1,475	17	179	2
	8,678	100	8,962	100
Danica (Denmark):				
Equities	–	–	6	20
Interest-bearing securities	–	–	22	70
Properties	–	–	3	10
	–	–	31	100
Other countries:				
Equities	–	–	–	–
Interest-bearing securities	735	84	829	86
Other	139	16	135	14
	874	100	964	100

1) The plan assets in the Swedish pension plans exclude special payroll tax, which is not included in the plan assets managed by Alecta and SPP. Only an insignificant share of the plan assets is invested in SAS shares.

Membership statistics on October 31, 2023	Active employees	Taken early retirement	Deferred pensioners	Pensioners
The Alecta plan	1,194	116	3,040	4,168
SPP	17	–	274	1,152
Other plans in Sweden (unfunded)	–	–	–	17
DnB	–	–	–	691
Danica	–	–	–	–
Other	–	–	334	339
Total	1,211	116	3,648	6,367

The effect on/sensitivity of the defined-benefit pension obligation to changes in the key assumptions, MSEK:	Sweden	Norway	Denmark	Other	Total
Discount rate, -1%	1,389	11	0	102	1,502
Inflation, +1% ¹	1,438	0	0	19	1,457
Salary, +1%	29	0	0	0	29

The above sensitivity analyses are based on a change in one assumption while holding all other assumptions constant.

1) Corresponds with sensitivity in terms of pension increases.

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NOTE 16 INVENTORIES AND EXPENDABLE SPARE PARTS

	Oct 31, 2023	Oct 31, 2022
Expendable spare parts, flight equipment	341	220
Expendable spare parts, other	58	76
Inventories	44	23
Total	443	319
Measured at cost	385	203
Measured at net realizable value	58	116
Total	443	319

NOTE 17 ACCOUNTS RECEIVABLE

Net impairment of accounts receivable and recovered accounts receivable, as well as the impairment of other current receivables, had an earnings impact of MSEK 64 (10).

Age analysis of accounts receivable	Oct 31, 2023	Oct 31, 2022
Accounts receivable not yet due	1,005	932
Due <31 days	208	221
Due 31–90 days	42	114
Due 91–180 days	6	16
Due >180 days	-6	16
Total	1,255	1,299

Provision for expected credit losses on accounts receivable	Oct 31, 2023	Oct 31, 2022
Opening provision	46	50
Provision for expected losses	64	2
Reversed provisions	-	-6
Closing provision	110	46

NOTE 18 OTHER RECEIVABLES

	Oct 31, 2023	Oct 31, 2022
Derivatives	67	59
Other receivables	3,714	2,767
Total	3,781	2,826

NOTE 19 PREPAID EXPENSES AND ACCRUED INCOME

	Oct 31, 2023	Oct 31, 2022
Prepaid expenses	474	304
Accrued income	423	452
Total	897	756

Accrued income is categorized as contract assets. Further information is provided in Note 24.

NOTE 20 CASH AND CASH EQUIVALENTS

	Oct 31, 2023	Oct 31, 2022
Cash and bank balances	5,891	8,381
Deposits	174	172
Tax deduction account in Norway	95	101
Total	6,160	8,654

The carrying amount of short-term investments corresponds with the fair value. Fair value is the amount that should have been received for short-term investments outstanding if sold on the closing date. Short-term investments are categorized as financial assets at amortized cost.

All investments have a term of no more than three months.

Disclosure of interest paid

During the year, interest received amounted to MSEK 988 (204), of which MSEK 861 (180) pertained to forward premiums for currency derivatives. During the year, interest paid amounted to MSEK 1,506 (1,103), of which MSEK 789 (168) pertained to forward premiums for currency derivatives.

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NOTE 21 SHAREHOLDERS' EQUITY

SHARE CAPITAL

SAS AB has three classes of shares: common shares, subordinated shares and class C shares.

As of October 31, 2023, there were 7,266,039,292 common shares issued with a quotient value of about SEK 1.19, representing a registered share capital of SEK 8,649,529,469.

There are no subordinated shares or class C shares issued or outstanding. Common shares and subordinated shares entitle the holders to one vote each. Each class C share entitles the holder to one-tenth of a vote.

The maximum number of common shares and subordinated shares that may be issued is limited to a number that corresponds with 100% of the company's share capital. The maximum number of class C shares that may be issued is limited to 5% of the share capital. The common shares provide shareholders the rights set out in the Swedish Companies Act and the Articles of Association. Subordinated shares provide shareholders the right to participate in and vote at the company's shareholders' meetings. Subordinated shares do not entitle shareholders to dividends or participation in bonus issues. If subordinated shares are redeemed or the company is dissolved and its assets distributed, holders of subordinated shares are treated as holders of common shares and receive an equal share in the company's assets, although not at an amount higher than the quotient value of the subordinated shares index-adjusted from the first date of registration of the subordinated shares until the date of the payment of the redemption amount or the date of the distribution with an interest-rate factor corresponding to STIBOR 90 days plus two percentage points.

Class C shares do not entitle the holder to dividends. If the company is dissolved, class C shares entitle the holder to equal parts of the company's assets as the company's common shares, however not for an amount that exceeds the share's quotient value. The company's Board has the right to reduce the share capital by redeeming all class C shares. If such a decision is taken, class C shareholders are obligated to redeem all of their class C shares for an amount corresponding to the quotient value. The redemption amount is to be paid immediately. Class C shares held as treasury shares by the company will, on demand by the Board, be eligible for conversion to common shares. Thereafter, the conversion is to be registered with the Swedish Companies Registration Office without delay and is effective when it has been registered with the Register of Companies and noted in the Central Securities Depository Register.

To ensure that the ownership circumstances of the company comply with the requirements stipulated in bilateral air traffic agreements or in laws or regulations pertaining to the state of air traffic in the EEA, the Board is entitled, pursuant to the Articles of Association, to make a decision on mandatory redemption of shares held by shareholders outside of Scandinavia without refund to affected shareholders. Where such a redemption is not possible or where the Board finds it inadequate and following approval by a shareholders' meeting supported by not less than half of the votes cast, the issued warrants may be used to issue subordinated shares to Scandinavian

shareholders to dilute the non-Scandinavian shareholdings to the requisite level to ensure compliance with the aforementioned regulations.

OTHER CONTRIBUTED CAPITAL

Comprises equity contributed by the owners. Includes share premiums paid in conjunction with issues.

RESERVES

	2023	2022
Translation reserve		
Opening translation reserve	20	-192
Translation differences for the year	52	212
Closing translation reserve, October 31	72	20
Hedging reserve		
Opening hedging reserve	-244	511
Cash-flow hedges:		
– Recognized directly in other comprehensive income	145	-254
– Change in statement of income	25	-706
– Tax attributed to year's change in hedging reserve	-35	205
Closing hedging reserve, October 31	-109	-244
Total reserves		
Opening reserves	-224	319
Change in reserves for the year:		
– Translation reserve	53	212
– Hedging reserve	135	-755
Closing reserves, October 31	-36	-224

Translation reserve

The translation reserve includes all exchange-rate differences arising in conjunction with the translation of financial statements from foreign operations that have prepared their financial statements in a currency other than Swedish kronor.

Hedging reserve

The hedging reserve includes the effective part of the cumulative net change in fair value on a cash-flow instrument attributable to hedging transactions that have not yet transpired.

HYBRID BONDS

In conjunction with the recapitalization in October 2020, new hybrid bonds were issued to the governments of Denmark and Sweden for a total amount of MSEK 6,000. At the same time, MSEK 2,250 of bond debt was converted into hybrid bonds with a par value of MSEK 1,615 and the remaining amount was exchanged for shares. The hybrid bonds issued to the governments of Denmark and Sweden (MSEK 2,500 each) and to the Danish government (MSEK 1,000) carry a floating coupon of 6M STIBOR plus a margin of 590

bps and 690 bps respectively. The current margin applies from October 26, 2023 until October 26, 2025. Thereafter, the margin increases every two years until the eighth year. No further increase in the margin applies after the eighth year. The state hybrid bonds are subordinated and only senior to the share capital.

The hybrid bond of MSEK 1,615 carries a floating coupon of 6M STIBOR plus a margin of 590 bps. The current margin applies from October 23, 2023 until October 23, 2025. Thereafter, the margin increases every two years until the eleventh year. No further increase in the margin applies thereafter and all of the hybrid bonds are perpetual and SAS controls the payment of interest and principal in the instruments. In accordance with the terms and conditions of the respective hybrid bonds, interest payments of MSEK 366 and MSEK 599 have been deferred in fiscal year 2022 and fiscal year 2023.

MSEK	
Hybrid bonds, state	6,000
Hybrid bond	1,615
Total	7,615

RETAINED EARNINGS

Encompass net income for the year and profits earned in the Parent Company and its Group companies. Retained earnings also includes revaluations related to post-employment benefits.

DIVIDEND POLICY

As of October 31, 2023, SAS AB had one share class listed. SAS' overriding goal is to create shareholder value. Dividends require a resolution by a shareholders' meeting, and that SAS AB has distributable earnings. Dividends to holders of common shares can only be paid when value is created through SAS' ROIC exceeding its WACC. The Group's financial position, earnings, expected performance, investment requirements and relevant economic conditions should also be taken into account. The dividend should take into account any restrictions applying to the Group's right to distribute dividends to shareholders¹⁾. The dividend policy endeavors to achieve long-term sustainable dividends.

1) SAS has received various forms of COVID-19 pandemic-related state aid, which are conditional on SAS not distributing funds to shareholders. Moreover, the European Commission's approval of the aid encompassed by SAS' recapitalization plan includes, inter alia, such a prohibition on distributing dividends to shareholders, which ceases to apply once the instruments signed by the states under SAS' recapitalization plan have been fully redeemed or sold.

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NOTE 22 INTEREST-BEARING LIABILITIES

Maturity profile for interest-bearing liabilities

	FY24	FY25	FY26	FY27	FY28	FY29>	Oct 31, 2023	Oct 31, 2022
Subordinated loans	0	0	0	0	0	1,569	1,569	1,397
Bonds	-	-	-	-	-	-	-	-
Other loans	9,974	728	2,017	3,969	677	2,131	19,496	22,609
Total	9,974	728	2,017	3,969	677	3,700	21,065	24,006
Less amortization FY24 and FY23							-9,974	-7,379
Total							11,091	16,627

SUBORDINATED LOANS

A subordinated loan of MCHF 200 was issued during fiscal year 1986. There is no set maturity date for this loan. The interest rate is fixed for ten-year periods and amounts to 0.625% from January 2016. SAS has an exclusive right to cancel this loan every fifth year. When the loan is canceled in connection with an interest-rate reset, SAS is entitled to repay the loan at 100% of its nominal value. If it is canceled five years after an interest-rate reset, the loan must be repaid at 102.5% of the nominal value.

In previous years, SAS repurchased MCHF 73 of the bonds, after which the balance of the loan is MCHF 127 (127), with a countervalue of MSEK 1,569 (1,397).

The bond is listed on the Basel Stock Exchange, Geneva Stock Exchange and Swiss Exchange. On the closing date, its total market value (including credit risk) amounted to MCHF 6 (15), with a countervalue of MSEK 74 (159). Fair value has been established entirely by the use of official price quotes.

BONDS

In May 2001, a MEUR 1,000 European Medium-Term Note program was established. The EMTN program makes it possible for the Group to issue bonds with fixed or floating interest rates in any currency. On the closing date, the SAS Group's issued bonds amounted to MSEK 0 (0). A specification of individual bonds issued is provided below:

OTHER LOANS

In fiscal year 2022, SAS entered an agreement for USD 700 million in Debtor-in-Possession financing ("DIP financing") with funds managed by Apollo Global Management ("Apollo"), which aimed to provide SAS with a strong financial position to maintain operations throughout the ongoing Chapter 11 process in the US. The first tranche of USD 350 million was utilized in September 2022, which corresponded to the amount outstanding as of October 31, 2023. DIP financing is a specialized type of bridge financing used by businesses that are restructuring through a Chapter 11 process and is structured as a non-amortized, senior secured super-priority credit. During the year SAS announced an agreement with Castllake for a new DIP loan of USD 500 million to, inter alia, refinance SAS' existing DIP loan from Apollo, increase liquidity and support SAS' path to exit from its voluntary restructuring proceedings. Consequently, after the end of the year, SAS and Castllake contracted a new DIP term loan agreement, which received final US Court approval on November 21, 2023, and repaid its original DIP loan that had been provided by Apollo. The loan from Castllake has an initial maturity of nine months from November 2023 but can be extended incrementally up to a 6-month term.

SAS also reached an important milestone in the Chapter 11 process during the year. In October, SAS announced that the investors Castllake, Air France-KLM and Lind Invest, together with the Danish state, had been designated as the winning bidder consortium in SAS' exit financing solicitation process. After the end of the year, in November 2023, SAS announced that it had entered an investment agreement with the winning bidder consortium. The investment

agreement, which also received US Court approval on November 21, 2023, entails a total investment in the reorganized SAS corresponding to USD 1,200 million, comprised of USD 475 million in new unlisted equity and USD 725 million in secured convertible debt. The agreed exit transaction remains subject to approval in connection with the confirmation of SAS' Chapter 11 plan.

	Oct 31, 2023		Oct 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Aircraft financing liabilities	7,480	7,179	11,915	12,054
Government-underwritten loan	5,045	5,173	4,683	4,925
Other long-term loans	824	799	686	886
DIP financing	4,813	4,833	3,847	3,728
Other short-term loans	1,127	1,131	1,024	1,024
Accrued interest	172	172	353	353
Derivatives	34	34	101	101
Total before amortization	19,495	19,321	22,609	23,071
Less amortization FY23 and FY22	-9,974	-10,128	-7,379	-7,406
Total other loans	9,521	9,193	15,230	15,665

Maturity profile of other loans	FY24	FY25	FY26	FY27	FY28	FY29>	Total
Aircraft financing liabilities	2,004	367	1,766	619	593	2,131	7,480
Government-underwritten loan	1,819	-2	-2	3,230	0	0	5,045
Other long-term loans	5	362	253	120	84	0	824
DIP financing	4,813	-	-	-	-	-	4,813
Other current liabilities	1,333	-	-	-	-	-	1,333
Total	9,974	727	2,017	3,969	677	2,131	19,495

Other loans are recognized at amortized cost.

Aircraft financing liabilities and DIP financing denominated in USD amounted to MSEK 12,293, other loans are mainly denominated in NOK, EUR and DKK. Aircraft financing liabilities include some liabilities linked to assets subject to title reservation agreements. The average interest rate on the closing date amounted to 4.6% for aircraft financing liabilities and 5.1% for other loans. The interest rate for the DIP financing amounted to 14.5%, excluding periodized transaction costs of approximately 6%.

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NOTE 23 INTEREST-BEARING LEASE LIABILITIES

						Oct 31, 2023	Oct 31, 2022
Non-current lease liabilities						17,034	17,686
Current lease liabilities						4,393	3,827
Total						21,427	21,513
Lease liabilities	FY24	FY25	FY26	FY27	FY28>	Oct 31, 2023	Oct 31, 2022
Aircraft	4,731	3,613	3,156	2,989	7,792	22,281	22,402
Properties	423	415	359	275	728	2,200	2,278
Ground handling equipment	76	57	42	29	35	239	309
Total	5,230	4,085	3,557	3,293	8,555	24,720	24,989
Discounting effect	-837	-688	-550	-420	-798	-3,293	-3,476
Total	4,393	3,397	3,007	2,873	7,757	21,427	21,513

The Group leases aircraft, properties and ground handling equipment for which the present values of contractual lease commitments have been reported as interest-bearing liabilities. The terms of the above contracts extend for 1–12 years and are subject to various conditions, such as linking to different indices as well as interest rates. Lease liabilities are denominated in the following currencies: USD (MSEK 19,307), SEK (MSEK 872), NOK (MSEK 835), DKK (MSEK 407) and other currencies (MSEK 6). For more information about assets leased by the Group (right-of-use assets), see Note 13.

Amortization of lease liabilities amounted to MSEK 2,796 (2,820) for the year and the interest expense on lease liabilities was MSEK 894 (774) for the year. Remeasurement of currencies in lease liabilities had an impact on earnings of MSEK -154 (-2,906) for the year. During the year, the Group had rental costs linked to short-term contracts and variable fees as well as for low value assets amounting to MSEK 335 (177).

NOTE 24 CONTRACT ASSETS AND LIABILITIES

The Group has identified contract assets, which are recognized as accrued income, refer to Note 19. The identified contract assets pertain mainly to cargo revenue and EuroBonus points sold that have yet to be invoiced to customers.

The Group has identified the following contract liabilities:

	Oct 31, 2023	Oct 31, 2022
Unearned transportation liability	6,676	5,426
Loyalty program	1,529	1,564

The unearned transportation liability and the loyalty program are recognized as contract liabilities since payments are received from customers before the performance obligation is discharged by the Group. Information about the discharge of performance obligations can be found in Note 1 under the headings "Passenger revenue" and "EuroBonus."

The unearned transportation liability was MSEK 6,676 (5,426) on October 31. Future, unmet, performance obligations are expected to be essentially discharged in the 12 months following October 31, 2023. During the year, MSEK 3,531 (3,241) of the year's opening liability was recognized in revenue.

The liability pertaining to the EuroBonus loyalty program was MSEK 1,529 (1,564) on October 31. EuroBonus points earned are valid for five years. Since uncertainty exists in terms of when the EuroBonus points will be used, the whole liability is recognized as long-term. The Group's assessment is that one quarter of the EuroBonus points will be used and recognized as revenue within 12 months from October 31, 2023 and the remainder at a declining rate over future years. During the year, MSEK 841 (584) of the year's opening liability was recognized in revenue.

NOTE 25 FINANCIAL RISK MANAGEMENT AND FINANCIAL DERIVATIVES

The SAS Group is exposed to various types of financial risks. All risk management is handled centrally and in accordance with the policies set by the Board. The SAS Group uses derivative instruments as part of its financial risk management to limit its fuel, currency and interest-rate exposure.

FUEL PRICE RISK

The SAS Group is exposed to changes in jet-fuel prices. Exposure is handled by continuously hedging 40–80% of the forecast fuel consumption for the coming 12 months. Under the current uncertain and volatile market conditions SAS has temporarily adjusted the financial policy with regard to the hedging ratio for jet fuel. The exception applies for FY 2024 and permits hedging between 0 and 80% of the anticipated volumes for the next 12 months. The main financial derivatives used for hedging jet fuel are options and swaps. As of October 31, 2023, the Group had signed derivative agreements covering approximately 0% of the Group's forecast jet-fuel requirement for November 2023–October 2024. In November 2022–October 2023, jet-fuel-related costs accounted for 24% of the Group's operating expenses (including leases, amortization and depreciation), compared with 24% in November 2021–October 2022.

CURRENCY RISK

The SAS Group has currency exposure both to transaction risk and to translation risk.

Transaction risk arises when flows in foreign currencies are exposed to currency fluctuations. To manage the transaction risk to which the SAS Group is exposed, the projected commercial currency flows are hedged using currency derivatives. According to the financial policy, the hedge level must be 40–80% of a 12-month rolling liquidity forecast. Future contracted aircraft purchases denominated in USD can be hedged by up to 80% of the contracted amount. Additionally, future aircraft sales can be hedged with currency derivatives and loans in USD in an amount up to 80% of the carrying amounts of the aircraft fleet. As of October 31, 2023, the Group had signed agreements for derivatives covering approximately 41% of the Group's forecast commercial currency exposure for November 2023–October 2024.

Translation risk arises during conversion of balance-sheet items in foreign currencies due to currency fluctuations. To limit translation risk, the policy is to keep the financial net debt mainly in the presentation currency of the respective subsidiary. With the introduction of IFRS 16, future lease payments are recognized as an asset (right-of-use asset) and a financial lease liability. Most of the right-of-use assets are denominated in SEK but the corresponding lease liabilities are denominated in foreign currencies, mainly USD. The currency exposure from recalculating USD lease liabilities into SEK is significant. Forecast future USD revenue is hedged using the external USD denominated lease liabilities as hedging instruments to manage a specific portion of this risk.

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INTEREST-RATE RISK

The SAS Group is exposed to interest-rate risk when the market value of the financial net debt (interest-bearing assets and liabilities) is affected by movements in the yield curve (market interest rates at different maturities). Group borrowing includes loans at both fixed and floating interest rates. To manage the interest-rate risk, interest-rate derivatives are used to change the fixed-interest term of the underlying gross financial debt. The target of current policy is for the average fixed-interest term of the gross financial debt to correspond to 3 years, with a permitted interval of 1–5 years. In addition, the development of the gross financial debt for the forthcoming 12 months and contracted future aircraft purchases is taken into consideration. As of October 31, 2023, the average fixed-interest term, including the hybrid bonds, was 1.3 years (2.1).

SENSITIVITY ANALYSIS, REVALUATION EFFECT ON CLOSING DATE

The sensitivity analysis concerning fuel price shows the immediate revaluation effect of a 10% parallel shift in the price curve for fuel derivatives.

The sensitivity analysis concerning currency shows the immediate revaluation effect on the closing date for cash-flow hedges, accounts receivable and accounts payable of a 10% strengthening or weakening of the Swedish krona against all currencies the SAS Group is exposed to. In addition to the revaluation effect, a 1% weakening of the USD against the SEK would have a positive impact of about MSEK 193 on the SAS Group's net financial items based on lease liabilities of around MUSD 1,736. A 1% strengthening of the USD against the SEK would have the corresponding negative effect on net financial items.

The sensitivity analysis for market interest rates shows the immediate revaluation effect on the closing date for interest-rate derivatives and short-term investments with a 1-percentage-point parallel shift in the yield curve. Beyond the revaluation effect, the SAS Group's net interest for the November 2022–October 2023 period is affected by around MSEK 69 (73) if short-term market rates rise by 1 percentage point. However, if short-term market rates fall by 1 percentage point the corresponding negative effect on net interest is MSEK -69 (-73).

SENSITIVITY ANALYSIS, REVALUATION EFFECT ON CLOSING DATE

			Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022
Market risk	Change	Currency	Earnings impact	Earnings impact	Equity impact	Equity impact
Fuel price	+/-10%		-/-	-/-	-/-	-/-
Currency risk, SEK	+/-10%	CHF	1/-1	1/-1	12/-12	14/-14
Currency risk, SEK	+/-10%	DKK	16/-16	10/-10	49/-49	33/-33
Currency risk, SEK	+/-10%	EUR	20/-20	24/-24	21/-21	29/-29
Currency risk, SEK	+/-10%	GBP	8/-8	3/-3	29/-29	33/-33
Currency risk, SEK	+/-10%	NOK	19/-19	14/-14	284/-284	268/-268
Currency risk, SEK	+/-10%	USD	27/-27	-4/4	-214/214	-170/170
Currency risk, SEK	+/-10%	OTHER	2/-2	-7/7	-/-	-/-
Market interest rates	+/-1%		-/-	-/-	-/-	-/-

FINANCIAL DERIVATIVES

Different types of currency derivatives, such as currency forward contracts, currency swap contracts and currency options, are used to manage currency exposure. Furthermore, interest-rate exposure is managed by different types of interest-rate derivatives such as forward rate agreements (FRAs), futures, interest-rate swap contracts and currency interest-rate swap contracts. The Group holds interest-rate derivatives that are exposed to LIBOR. These will not be affected by the ongoing IBOR reform, since these interest-rate swap contracts will expire prior to the reform entering force. As of October 31, 2023, the fair value of the SAS Group's derivative instruments outstanding totaled MSEK 33 (-42), broken down according to the table below.

		Oct 31, 2023 Fair value			Oct 31, 2022	
	Volume outstanding	Assets	Liabilities	Net	Volume outstanding	Fair value, net
Currency derivatives	31,510	67	-34	33	40,435	-42
Interest-rate derivatives	0	0	0	0	0	-
Fuel derivatives	0	0	0	0	0	-
Total	31,510	67	-34	33	40,435	-42

As of the balance-sheet date, fair value is consistent with carrying amounts.

The fair value is the amount received or paid if outstanding financial instruments are sold on the closing date. Derivatives not subject to hedge accounting are classified as financial instruments at FVTPL. Volume outstanding means the nominal amount of derivative contracts expressed in absolute terms.

The total carrying amount for the Group's derivative financial instruments is presented in the balance-sheet items in the table below.

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OFFSETTING OF FINANCIAL DERIVATIVES

To reduce credit risks for bank receivables related to derivatives, SAS has entered into netting agreements, under ISDA agreements, signed with all of its counterparties.

The information in the following table includes financial assets and liabilities that are subject to enforceable master netting arrangements and similar agreements that cover financial instruments.

	Oct 31, 2023	Oct 31, 2022
Other receivables	67	59
Total derivative assets	67	59
Current liabilities	-34	-101
Total derivative liabilities	-34	-101
<i>Derivative assets/liabilities net at end of the period</i>	33	-42
<i>Allocation of derivatives according to the following:</i>		
Cash-flow hedges	40	-13
Derivatives not designated as hedges for accounting purposes	-7	-29
Derivative assets/liabilities net at end of the period	33	-42

	Oct 31, 2023			Oct 31, 2022		
	Financial assets	Financial liabilities	Total	Financial assets	Financial liabilities	Total
Gross amount	67	-34	33	59	-101	-42
Amount offset	0	0	0	-	-	-
Recognized in the balance sheet	67	-34	33	59	-101	-42
Amounts covered by netting agreements	-34	34	0	-59	60	1
Net amount after netting agreements	33	0	33	0	-41	-41

HEDGE-ACCOUNTED DERIVATIVES, CASH-FLOW HEDGE

Hedging of aircraft

The hedging of future contracted aircraft purchases/sales represents hedging transactions since it is the payment flow in foreign currency during a future purchase/sale that is hedged according to the cash-flow method. The loans and the currency forward contracts included in hedging relationships are translated at the relevant closing rate and the change that is calculated as effective is recognized in other comprehensive income. As of October 31, 2023, the accumulated currency effect on cash-flow-hedged loans and derivatives relating to future aircraft purchases and sales was recognized after tax in the hedging reserve in equity in the amount of MSEK 369 (433).

Commercial flows

Currency derivatives are used to manage the transaction risk relating to projected commercial flows. These currency derivatives represent hedging transactions according to the cash-flow method and their accounting policies are matched with those of the underlying liquidity projection. Provided that the effectiveness of the hedges can be demonstrated, the accumulated change in market value of each hedging transaction is recognized in equity until it is recycled to the statement of income as a cost/revenue. As of October 31, 2023, the accumulated currency effect of these cash-flow-hedged currency derivatives was recognized after tax in the hedging reserve in equity in the amount of MSEK 213 (150).

Certain projected future USD revenue is hedged using the external USD denominated lease liabilities as hedging instruments. Changes in the USD/SEK spot rate for the designated part of the USD denominated lease liability are recognized in other comprehensive income and reported as a separate component (cash-flow hedge reserve) in equity. When the hedged expected cash flows impact profit or loss as revenue, the corresponding part of the cash-flow hedge reserve is reclassified from other comprehensive income to profit or loss. As of October 31, 2023, the accumulated currency effect of these cash-flow-hedged derivatives was recognized after tax in the hedging reserve in equity in the amount of MSEK -299 (-368).

Interest-rate derivatives

When the SAS Group borrows at floating interest rates and changes its interest-rate exposure by entering into interest-rate swap contracts whereby floating interest is received and fixed interest is paid, the hedging relationship is classified as a cash-flow hedge. When hedge accounting is applied, the effective portion of the change in value of the hedge instrument is recognized in other comprehensive income. The terms of the interest-rate derivatives used for hedging transactions are matched with those of the individual loans. On the closing date October 31, 2023, the accumulated effect on these cash-flow-hedged interest-rate derivatives was recognized after tax in the hedging reserve in equity in the amount of MSEK -399 (-465).

Fuel derivatives

Fuel derivatives are used to manage the price risk relating to jet fuel. These derivatives represent hedging transactions according to the cash-flow method and their accounting policies are matched with those of the underlying forecast jet-fuel requirement. As of October 31, 2023, the accumulated effect on these cash-flow-hedged fuel derivatives was recognized after tax in the hedging reserve in equity in the amount of MSEK 0 (0).

Altogether, MSEK -116 (-250) was recognized after tax in the hedging reserve in equity on October 31, 2023, and is expected to affect the statement of income in the following years as per the following table:

	FY24	FY25	FY26	FY27	FY28	FY29>	Total
Aircraft	92	94	94	69	30	91	470
Commercial flows, revenue	-147	-128	-59	-46	-	-	-380
Commercial flows, other	270	-	-	-	-	-	270
Interest-rate derivatives	-84	-84	-81	-79	-74	-106	-508
Fuel derivatives	-	-	-	-	-	-	-
Deferred tax	-28	26	10	12	9	3	32
Effect on equity	103	-92	-36	-44	-35	-12	-116

DERIVATIVES NOT SUBJECT TO HEDGE ACCOUNTING

Other derivatives not subject to hedge accounting are remeasured on an ongoing basis and recognized at fair value through profit or loss. Nor are interest-rate derivatives that cannot be linked to specific borrowing subject to hedge accounting and are remeasured on an ongoing basis at their fair value through profit or loss.

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CREDIT RISK

The Group's financial transactions give rise to exposure to credit risk vis-à-vis the financial counterparties. Credit risk or counterparty risk pertains to the risk of loss if a counterparty does not fulfill its contractual obligations. The financial policy prescribes that transactions may only be entered into with counterparties with high credit ratings, defined as category A3/P-1 or better according to Moody's or alternatively A-/A-1 according to Standard & Poor's.

Limits are set for each counterparty and are continuously revised. To further reduce counterparty risks, ISDA agreements (netting agreements) are signed with most counterparties. 63% of the credit-related exposure is geographically concentrated in the Nordic countries. The breakdown of the remaining credit exposure is 2% in the rest of Europe and 35% in the rest of the world. The maximum credit exposure for derivative instruments is matched by carrying amounts/fair values, see the above table under the heading Financial derivatives. For cash and cash equivalents, the size of the credit risk is the carrying amount and is distributed as follows:

Rating (Moody's)	Carrying amount	
	Oct 31, 2023	Oct 31, 2022
Aaa/P-1	–	–
Aa1/P-1	–	–
Aa2/P-1	1	2
Aa3/P-1	96	78
A1/P-1	5,936	7,855
A2/P-1	24	51
A3/P-1	103	668
Total	6,160	8,654

Under other long-term receivables, credit risk is allocated between financial institutions, external aircraft lessors, external aircraft operators and various property companies. The same regulations as those defined above for financial counterparties apply for financial institutions. With regard to external aircraft lessors, the majority of claims consist of pledged collateral for leasing fees as well as costs for return requirements. Since the cost of meeting the return requirements largely relates to those costs incurred dependent on the usage of the aircraft, the credit-related exposure is substantially neutralized. The payments structure in agreements with external aircraft operators is

designed so that SAS Group's receivables in the form of pledged collateral are often or always lower than the current liabilities/expenses of the SAS Group to these external operators.

In relation to the SAS Group's accounts receivable, the credit risk is spread over a large number of customers including private individuals and companies in various industries. Credit information is required for credit sales with the aim of minimizing the risk of bad debt losses and is based on intra-Group information on payment history supplemented with credit and business information from external sources.

The maximum credit risk for the SAS Group accords with the carrying amounts of financial assets according to the categorization table.

LIQUIDITY AND BORROWING RISK

Liquidity and borrowing risks refer to the risk that sufficient liquidity is not available when required, and that refinancing of matured loans will be costly or problematic.

The target is for financial preparedness to amount to a minimum of 25% of the SAS Group's fixed costs. The financial preparedness equals cash and cash equivalents plus total unutilized credit facilities. As of October 31, 2023, financial preparedness amounted to MSEK 10,052 (12,501), with cash and cash equivalents amounting to MSEK 6,160 (8,654) and unutilized credit facilities with maturities longer than three months totaling MSEK 3,892 (3,847) or 60% (60) of the Group's fixed costs. The SAS Group's cash and cash equivalents are held in instruments with good liquidity or short maturity with a credit rating of no lower than A3/P-1 according to Moody's or A-/A-1 according to Standard & Poor's.

The following tables show remaining contractual terms for SAS' financial liabilities. The figures shown are contractual undiscounted cash flows. The tables show the contracted date when SAS is liable to pay or receive, and includes both interest and nominal amounts. Future interest flows at variable rates are estimated using the current interest rate on the closing date, which means the amounts may differ.

As of October 31, 2023, the Group's interest-bearing liabilities amounted to MSEK 42,492 (45,519); 12% (8) of the interest-bearing liabilities have financial key ratio covenants for cash flow and liquidity. The term of the interest-bearing gross debt amounted to approximately 2.0 years (3.1) at year end, excluding the subordinated loan of MCHF 127 and hybrid bonds of MSEK 7,615 which run without stipulated maturity.

FINANCIAL NET DEBT

	Net financial debt
MSEK	
Long-term receivables	572
Other receivables	3,126
Short-term investments	269
Cash and bank balances	5,891
Subordinated loans	-1,569
Bonds	0
Other loans	-8,705
Lease liabilities	-17,034
Other long-term	-817
Current portion of long-term loans	-3,272
Current portion of lease liabilities	-4,393
Short-term loans	-6,702
Net financial debt	-32,634

Note 25 continued

LIQUIDITY RISK

The following table illustrates the SAS Group's outflows and inflows of financial liabilities and financial derivatives as of October 31, 2023 and as of October 31, 2022. The amounts are contracted, undiscounted cash flows including interest.

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Oct 31, 2023	FY24	FY25	FY26	FY27	FY28	FY29>	Oct 31, 2022	FY23	FY24	FY25	FY26	FY27	FY28>
Financial liabilities							Financial liabilities						
Subordinated loans	-10	-10	-10	-10	-10	-1 579	Subordinated loans	-9	-9	-9	-9	-9	-1,397
DIP financing	-4 898	-	-	-	-	-	Bonds	-4,313	-	-	-	-	-
Aircraft financing liabilities ¹	-2 269	-567	-1 891	-712	-666	-2 379	Aircraft financing liabilities ¹	-1,728	-2,267	-815	-2,128	-962	-5,012
Other loans	-4	-388	-288	-145	-107	-	Other loans	-372	-2,106	-481	-269	-3,138	-33
Government-underwritten loan	-1 957	-157	-143	-3 249	-	-	Short-term loans	-1,036	-	-	-	-	-
Short-term loans	-1 172	-	-	-	-	-	Lease liabilities	-3,827	-3,177	-3,177	-2,762	-2,613	-5,957
Lease liabilities	-4 393	-3 397	-3 007	-2 873	-1 881	-5 875	Accounts payable and other liabilities	-5,748	-	-	-	-	-
Accounts payable and other liabilities	-5 748	-	-	-	-	-	Derivatives (financial assets)						
Derivatives (financial assets)							Derivatives (financial assets)						
Fuel derivatives	-	-	-	-	-	-	Fuel derivatives	-	-	-	-	-	-
Currency derivatives	67	-	-	-	-	-	Currency derivatives	59	-	-	-	-	-
Interest-rate derivatives	-	-	-	-	-	-	Interest-rate derivatives	-	-	-	-	-	-
Derivatives (financial liabilities)							Derivatives (financial liabilities)						
Fuel derivatives	-	-	-	-	-	-	Fuel derivatives	-	-	-	-	-	-
Currency derivatives	-34	-	-	-	-	-	Currency derivatives	-101	-	-	-	-	-
Interest-rate derivatives	-	-	-	-	-	-	Interest-rate derivatives	-	-	-	-	-	-
Total	-20 418	-4 521	-5 339	-6 991	-2 664	-9 834	Total	-17,075	-7,559	-4,482	-5,168	-6,722	-12,399

¹) The company's aircraft financing liabilities include MSEK 0 (673) pertaining to financing for aircraft prepayments with pre-contracted sales on delivery. Accordingly, as no liquidity risk exists with regard to the above amount, it has been excluded from the above table.

Note 25 continued

CONTRACTED CREDIT FACILITIES

The Group normally enters into agreements on various credit facilities to secure additional funding if needed. In the ongoing work with Chapter 11, in November 2023, SAS received a new DIP loan from Castlake and secured exit financing, and the contracted credit facility that was part of the financial preparedness as of 2023-10-31 (MUSD 350 in DIP loan with Apollo) has been returned. The schedule below provides details of the credit facilities on October 31, 2023. In addition to these, the exit financing comprises a total of MUSD 1,200 in new capital divided into MUSD 475 in new unlisted shares and MUSD 725 in secured convertible debt.

Facility	Maturity	Total facility	Utilized facility	Oct 31,	
				2023	2022
Credit facility, MUSD 700	2023	7,785	3,892	3,892	3,847
Credit facility, MNOK 1,498	2024	1,494	1,494	-	-
Credit facility, MSEK 1,500	2026	1,500	1,500	-	-
Credit facility, MDKK 1,092	2026	1,730	1,730	-	-
Total		12,509	8,616	3,892	3,847

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MEASUREMENT AT FAIR VALUE

Under IFRS 7, disclosures pertaining to financial instruments measured at fair value in the balance sheet are to be provided if the method for establishing fair value utilizes a fair value hierarchy consisting of three levels. The levels reflect the extent to which fair value is based on observable market data or own assumptions. Below is a description of the different levels for determining fair value.

Level 1

Financial instruments for which fair value is based on observable (unadjusted) quoted prices in active markets for identical assets and liabilities. A market is considered active if quoted prices from an exchange, bank, pricing service (such as Thomson Reuters) or supervisory body are readily and regularly available and those prices represent actual and regularly occurring arm's length market transactions.

This category includes mainly standardized derivatives where the quoted price is used in the valuation.

Level 2

Financial instruments for which fair value is based on models that utilize observable data for the asset or liability other than the quoted prices included within level 1, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Examples of observable data in level 2 is data that can serve as a basis for assessing prices, such as market interest rates and yield curves.

This category includes mainly certificates and non-standard derivative instruments (interest-rate, currency and fuel swaps as well as currency and fuel options) not traded in an active market and the fair value is determined using valuation techniques based essentially on observable market data.

Level 3

Financial instruments for which fair value is based on valuation models, whereby significant input is based on unobservable data.

The SAS Group currently has no financial assets and liabilities where the valuation is essentially based on unobservable data.

DETERMINATION OF FAIR VALUE — VALUATION TECHNIQUES

Other holdings of securities

The balance-sheet item "Other participations" MSEK 3 (9) comprises share-holdings that are not affiliated companies or subsidiaries.

The entire balance-sheet item is measured at cost because its fair value cannot be reliably measured as a justifiable expense. For this reason, the balance-sheet item "Other security holdings" is not included in the adjacent table "Financial assets and liabilities measured at fair value."

Interest-rate derivatives

Interest-rate swaps: The fair value of interest-rate swaps is determined by discounting estimated future cash flows. Discounting takes place on the basis of yield curves based in turn on market rates prevailing at the closing date.

Futures: Standardized futures contracts with daily settlement. Fair value is thus determined by daily "mark-to-market" valuation.

Forward Rate Agreement, (FRA): The fair value of OTC FRAs is determined by discounting estimated future cash flows. Discounting takes place on the basis of yield curves based in turn on market rates prevailing at the closing date. Standardized FRAs with cash settlement are measured at fair value using quoted bid and ask rates at year end for an FRA with a corresponding term to maturity.

Currency derivatives

Currency swaps: The fair value of currency swaps is determined by discounting estimated future cash flows in each currency and interest rate. Discounting is based on yield curves on the closing date. Translation of the currency component is based on exchange rates prevailing at the closing date.

Currency options: The fair value of options is determined by application of the Black and Scholes valuation model, a recognized and accepted valuation model in financial markets. The model is based primarily on observable data such as spot price, exercise price, term to maturity, interest rate, volatility, etc.

Fuel derivatives

Fuel options: The fair value of fuel options is determined by application of the Black and Scholes valuation model. The model is based primarily on observable data such as the fuel swap curve, exercise price, term to maturity, interest rate, volatility, etc.

Fuel swaps: The fair value of fuel swaps is determined according to the fuel swap curve at the closing date.

Short-term investments

Short-term investments classified as held for trading comprise treasury bills, mortgage bonds and commercial paper with a maximum remaining term to maturity of three months. Fair value is determined by discounting on the basis of yield curves on the closing date.

Cash and bank balances

Cash and bank balances comprise cash on hand and demand deposits at banks and corresponding financial institutions. Carrying amounts correspond to fair value.

Note 25 continued

CATEGORIZATION OF FINANCIAL ASSETS AND LIABILITIES

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	Derivatives at FVTPL	Financial assets at amortized cost	Financial liabilities at amortized cost	Derivatives at fair value, hedge-accounted	Total carrying amount	Total fair value ¹
Oct 31, 2023						
ASSETS						
Other long-term receivables	-	1,364	-	-	1,364	1,364
Accounts receivable	-	1,255	-	-	1,255	1,255
Other receivables	-	3,714	-	-	3,714	3,714
Fuel derivatives	-	-	-	-	-	-
Currency derivatives	17	-	-	50	67	67
Accrued income	-	425	-	-	425	425
Cash and cash equivalents	-	6,160	-	-	6,160	6,160
Total	17	12,918	-	50	12,985	12,985
LIABILITIES						
Subordinated loans	-	-	1,569	-	1,569	74
Bonds ²	-	-	0	-	0	0
Other loans	-	-	8,730	-	8,730	9,129
Other long-term loans	-	-	817	-	817	817
Current portion of long-term loans	-	-	3,276	-	3,276	3,402
Short-term loans	-	-	6,668	-	6,668	5,965
Fuel derivatives	-	-	-	-	-	-
Currency derivatives	24	-	-	10	34	34
Interest-rate derivatives	-	-	-	-	-	-
Accounts payable	-	-	2,202	-	2,202	2,202
Other liabilities	-	-	562	-	562	562
Accrued expenses	-	-	2,982	-	2,982	2,982
Total	24	-	26,806	10	26,840	25,167

1) The fair values of subordinated loans have been set entirely by the use of official price quotes. The fair values of other financial assets and liabilities have been set in part by the use of official price quotes, such as discounting of future cash flows at quoted interest rates. The fair value of derivatives has been established pursuant to Level 2.

2) The remaining debt is included in the current portion of long-term loans

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	Derivatives at FVTPL	Financial assets at amortized cost	Financial liabilities at amortized cost	Derivatives at fair value, hedge-accounted	Total carrying amount	Total fair value ¹
Oct 31, 2022						
ASSETS						
Other long-term receivables	–	1,464	–	–	1,464	1,464
Accounts receivable	–	1,299	–	–	1,299	1,299
Other receivables	–	2,767	–	–	2,767	2,767
Fuel derivatives	–	–	–	–	0	0
Currency derivatives	27	–	–	31	59	59
Accrued income	–	452	–	–	452	454
Cash and cash equivalents	–	8,654	–	–	8,654	8,654
Total	27	14,636	0	31	14,695	14,695
LIABILITIES						
Subordinated loans	–	–	1,397	–	1,397	159
Bonds ²	–	–	–	–	0	0
Other loans	–	–	15,485	–	15,485	16,224
Current portion of long-term loans	–	–	1,826	–	1,826	1,994
Short-term loans	–	–	5,451	–	5,451	4,753
Fuel derivatives	–	–	–	–	0	0
Currency derivatives	57	–	–	44	101	101
Interest-rate derivatives	–	–	–	–	–	–
Accounts payable	–	–	2,261	–	2,261	2,261
Other liabilities	–	–	453	–	453	453
Accrued expenses	–	–	3,034	–	3,034	3,034
Total	57	–	29,907	44	30,008	28,979

1) The fair values of subordinated loans have been set entirely by the use of official price quotes. The fair values of other financial assets and liabilities have been set in part by the use of official price quotes, such as discounting of future cash flows at quoted interest rates. The fair value of derivatives has been established pursuant to Level 2.

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NOT 26 PROVISIONS

	Undertakings pertaining to aircraft under operating leases							
	Restructuring		Other provisions		Total			
	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022
Opening provisions	93	196	2,313	1,938	2	14	2,408	2,147
Reclassifications	-	-	-	-	-	-	-	-
New provisions	9	4	1,612	1,163	-	-	1,621	1,167
Utilized provisions	-54	-103	-256	-1,060	-	-1	-310	-1,164
Dissolved provisions	-	-2	-	-	-	-14	-	-16
Currency effects	2	-2	30	272	-	3	32	274
Closing provisions	50	93	3,699	2,313	2	2	3,751	2,408
Breakdown in balance sheet:	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022
Non-current liabilities	0	36	3,388	2,113	0	2	3,388	2,151
Current liabilities	50	57	311	200	2	0	363	257
	50	93	3,699	2,313	2	2	3,751	2,408

RESTRUCTURING

The restructuring provisions are attributable to the cost cutting and efficiency measures initiated in the last few years. These measures entail radical changes and simplification of operations, and will generate a reduction in unit cost.

In addition to restructuring provisions for personnel, the reserve also comprises provisions for property costs.

The long-term portion of the restructuring reserve will be fully utilized within five years.

The provision for restructuring costs includes no reversed unutilized amounts.

UNDERTAKINGS PERTAINING TO AIRCRAFT UNDER OPERATING LEASES

SAS makes ongoing provisions for undertakings related to aircraft leasing. The undertakings primarily pertain to engines, but also include landing gear, air frames and APUs. The long-term portion pertains primarily to a large number of undertakings with an average duration of around four years. The longest undertaking extends for just less than ten years.

NOTE 27 CURRENT INTEREST-BEARING LIABILITIES

	Oct 31, 2023	Oct 31, 2022
Current portion of non-current liabilities	3,272	1,826
Accrued interest	500	353
Derivatives	34	101
DIP financing	4,813	3,847
Other short-term loans	1,355	1,252
Total	9,974	7,379

NOTE 28 ACCRUED EXPENSES AND PREPAID INCOME

	Oct 31, 2023	Oct 31, 2022
Vacation pay liability	708	678
Other accrued personnel expenses	475	471
Selling costs	93	54
Jet-fuel costs	945	449
Air traffic charges	232	257
Technical aircraft maintenance	25	90
Handling costs	259	239
Computer and telecommunication costs	123	105
Other accrued expenses	1,305	1,840
Total	4,165	4,183

NOTE 29 PLEDGED ASSETS

	Oct 31, 2023	Oct 31, 2022
<i>Related to liabilities:</i>		
Aircraft, carrying amount	-	-
Prepayments, carrying amount	-	673
<i>Related to deposits:</i>		
Deposits and blocked bank funds	3,375	3,602
Total	3,375	4,275

As of October 31, 2023, the liability outstanding related to aircraft mortgages was MSEK 0 (0). The liability outstanding for aircraft prepayments was MSEK 0 (673). In addition to the above, the carrying amount for aircraft-related assets subject to title reservation agreements totaled MSEK 7,167 (11,076) with liabilities outstanding of MSEK 7,277 (11,230).

In addition to the above, in August 2022, SAS entered into a debt-or-in-possession ("DIP") financing credit agreement for USD 700 million with funds managed by Apollo Global Management. DIP financing is a specialized type of bridge financing used by businesses that are restructuring through a Chapter 11 process and is structured as a delayed draw term loan (DDTL) – a non-amortized, senior secured super-priority credit. As of October 31, 2023, MUSD 350 of this financing had been drawn. The DIP term loan agreement is secured in the form of collateral in substantially all SAS' assets that have not previously been utilized as collateral, whether real or personal, tangible or intangible, now existing or hereafter acquired (subject to certain customary exclusions), including certain take-off and landing slots at London Heathrow Airport; all shares in certain companies in the SAS Group, including the SAS Consortium and SAS EuroBonus AB (which owns all rights to the EuroBonus

Note 29 continued

loyalty program); all material registered intellectual property; certain unencumbered aircraft and engines; intercompany receivables; and the products and proceeds of the foregoing. The carrying amount for the aircraft and engines pledged as collateral under the DIP financing agreement totals MSEK 2,432 (1,914).

NOTE 30 CONTINGENT LIABILITIES

	Oct 31, 2023	Oct 31, 2022
<i>Guarantees related to:</i>		
Other	23	17
Total	23	17

The Group is involved in various claims and legal proceedings arising in the ordinary course of business. These claims relate to, but are not limited to, the Group's business practices, employment matters, and tax matters. Provisions have been recognized for such matters in accordance with probable and quantifiable loss risks. On the basis of information currently available, those issues not requiring any provisions will not have any material adverse effect on the Group's earnings, nor will they be recognized as contingent liabilities. However, litigation is inherently unpredictable and, even though the provisions were assessed as adequate and/or that the Group has valid defenses in these matters, unfavorable results could occur. This could have a material adverse effect on the Group's earnings in future accounting periods. For more information see the Report by the Board of Directors on page 66. The Chapter 11 process provides an option to negotiate and reject contracts that were in effect at the beginning of the process and, during the fiscal year, SAS has chosen to reject a number of lease contracts. As a step in the Chapter 11 process, SAS expects the lenders/leaseholders to seek damages for their economic losses and report this to the US court. The outcomes, if any, for claims arising under Chapter 11 are subject to uncertainty due to being dependent on the number and size of the claims as well as on the restructuring plan, which will require court approval later in the process, and accordingly, SAS has been unable to reliably estimate a corresponding total provision for claims. These claims may be material. SAS has recognized provisions in its financial statements for claims where adequate and reasonable information was available to estimate the liability.

Currently, no litigation is outstanding in connection with the Chapter 11 cases, but there is a risk that there may be litigation in Sweden, New York or other jurisdictions prior to the emergence out of Chapter 11.

NOTE 31 LEASE COMMITMENTS

October 31, 2023

In addition to the leasing commitments included in the recognized lease liabilities, the SAS Group has entered into the following contracts, with specification of the total annual rent for:

	FY24	FY25	FY26	FY27	FY28	FY29>	Total
Aircraft	297	354	354	354	354	1,766	3,479
Total	297	354	354	354	354	1,766	3,479

Rental contracts with an annual rental cost in excess of MSEK 0.5 and which are not encompassed by lease liabilities have been included in the above table. The contracts pertain to contracted aircraft leases starting after October 31, 2023. For information on the Group's lease liabilities, see Note 23.

October 31, 2022

In addition to the leasing commitments included in the recognized lease liabilities, the SAS Group has entered into the following contracts, with specification of the total annual rent for:

	FY23	FY24	FY25	FY26	FY27	FY28>	Total
Aircraft	157	191	191	191	191	964	1,885
Total	157	191	191	191	191	964	1,885

Rental contracts with an annual rental cost in excess of MSEK 0.5 and which are not encompassed by lease liabilities have been included in the above table. The contracts pertain to contracted aircraft leases starting after October 31, 2023.

NOTE 32 ADJUSTMENT FOR OTHER NON-CASH ITEMS, ETC.

	FY23	FY22
Income from shares in affiliated companies	-18	-22
Dividends from affiliated companies	20	23
Capitalized interest on aircraft prepayments	-169	-187
Revaluation of lease liabilities IFRS 16	181	4,061
Earnings impact from measuring financial instruments	124	-972
Revaluations of pension commitments	-349	-61
Accrued interest, DIP financing fees	1,651	109
Reversed provisions	0	-18
Other	23	49
Total	1,463	2,982

NOTE 33 ACQUISITION AND DIVESTMENT OF SUBSIDIARIES AND AFFILIATED COMPANIES

	FY23	FY22
Non-current assets	33	2
Deferred tax	23	
Current assets	1	26
Cash and cash equivalents	47	41
Non-current liabilities	-	-1
Current liabilities	0	-20
Total	104	48
Capital gain/loss	N/A	13
Purchase price (Sum)	-104	61
Selling costs	N/A	6
Cash and cash equivalents in divested companies	47	-41
Impact on the Group's cash and cash equivalents	-57	26

One acquisition was completed in the fiscal year and comprised the acquisition of one subsidiary for MSEK 57 (0). Last year, three subsidiaries of SAS Cargo were divested.

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NOTE 34 LIABILITIES IN FINANCING ACTIVITIES

	Interest-bearing liabilities, non-current		Interest-bearing lease liabilities, non-current		Interest-bearing liabilities, current		Interest-bearing lease liabilities, current		Total	
	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022
Opening balance	16,627	12,989	17,686	13,231	7,379	3,871	3,827	2,833	45,519	32,924
Proceeds from borrowings	250	3,232	3 289	4,226	1 585	5,283	-	-	5 124	12,741
Reclassification debt ¹	-2 628	-1,432	-	-	-319	-934	-759	-54	-3 706	-2,420
Repayment of borrowings	-	-	-	-	-3 364	-3,359	-2 796	-2,820	-6 160	-6,179
Exchange-rate differences	226	3,341	160	4,057	27	648	18	40	431	8,086
Accrued interest/fees	-	75	-	-	1 350	226	-	-	1 350	301
Derivatives	-	-	-	-	-67	66	-	-	-67	66
Reclassification to short-term	-3 383	-1,578	-4 102	-3,828	3 382	1,578	4 102	3,828	-	0
Debt outstanding	11,091	16,627	17,034	17,686	9,974	7,379	4,394	3,827	42,491	45,519

1) Of which SEK 3.6 (1.6) billion refers to return of contracts in chapter 11.

NOTE 35 AUDITORS' FEES

The following remuneration was paid to auditing firms for auditing services.

	FY23	FY22
Auditing services		
KPMG	9	8
Other statutory assignments		
KPMG	0	0
Tax consultancy services		
KPMG	-	-
Other		
KPMG	1	1
Total	10	9

KPMG Sweden: Fees totaled MSEK 5.4 (4.7) for auditing services, MSEK 0 (0) for other statutory assignments, MSEK 0 (0) for tax and MSEK 1.3 (1.5) for other.

NOTE 36 TRANSACTIONS WITH AFFILIATED COMPANIES

Revenue from sales to affiliated companies amounted to MSEK 37 (0).
Cost of purchases from affiliated companies was MSEK 29 (54).

NOTE 37 SEGMENT REPORTING

The Group's airline operations and other appurtenant operations are reported as one operating segment.

The following geographical breakdown of traffic revenue is based on the destination flown. Sales generating other operating revenue are allocated geographically by source country as follows. Refer to Note 2 for the Group's material source countries of sales revenue.

GEOGRAPHICAL BREAKDOWN

	Domestic		Intra-Scandinavian		Europe		Intercontinental		Total	
	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22
Passenger revenue	7,901	6,516	3,085	2,324	12,853	9,101	8,397	5,284	32,236	23,225
Cargo revenue	3	3	4	3	43	34	1,133	1,571	1,183	1,611
Charter revenue	–	–	–	–	2,096	1,703	–	–	2,096	1,703
Other traffic revenue	737	836	286	298	1,190	1,168	779	680	2,992	2,982
Total traffic revenue	8,641	7,355	3,375	2,625	16,182	12,006	10,309	7,535	38,507	29,521

	Denmark		Norway		Sweden		Europe		Other countries		Total	
	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22	FY23	FY22
Other operating revenue	527	419	875	755	467	485	667	294	1,000	350	3,536	2,303

In fiscal year 2023 and fiscal year 2022, there was no single customer who accounted for more than 10% of the Group's revenue.

The Group's assets and liabilities are mainly located in Scandinavia. Total non-current assets, including prepayments for tangible assets, which do not comprise financial instruments, deferred tax assets or assets pertaining to post-employment benefits are allocated geographically as follows. The group, Not allocated, includes prepayments to Airbus and others for future aircraft deliveries amounting to MSEK 3,513 (4,063), refer to Note 12. Aircraft are utilized in a flexible manner across the route network, and are not allocated.

	Denmark		Norway		Sweden		Other countries		Not allocated		Total	
	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022	Oct 31, 2023	Oct 31, 2022
Non-current assets	696	828	1,074	1,076	2,095	4,733	728	3,691	28,861	28,095	33,454	38,423

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NOTE 38 SUBSIDIARIES IN THE SAS GROUP

					Oct 31, 2023	Oct 31, 2022
	Domicile	Corp. Reg. No.	Total owned shares	Holding	Carrying amount	Carrying amount
<i>Owned by SAS AB:</i>						
SAS Sverige AB	Sigtuna	556042-5414	70,500,000	100	42	1,009
SAS Norge AS	Bærum	811176702	47,000,000	100	2,756	3,028
SAS Danmark A/S	Copenhagen	56994912	47,000,000	100	3,127	3,728
SAS Crew Services AB	Stockholm	556063-8255	610,000	100	595	595
Linjeflyg AB	Sigtuna	556062-8454	2,000,000	100	237	237
SAS Cargo Group A/S	Tårnby	25736443	200,500	100	0	0
SAS Ground Handling Denmark A/S	Tårnby	32339026	55,000	100	45	45
SAS Ground Handling Norway AS	Oslo	912056228	5,000	100	0	0
SAS Ground Handling Sweden AB	Stockholm	556934-7924	445,000	100	35	35
SAS EuroBonus AB	Stockholm	559224-9782	50,000	100	200	200
Scandinavian Airlines Ireland Ltd	Dublin	601918	2,000,000	100	80	80
SAS Link AB	Stockholm	559150-1910	50,000	100	55	55
Gorm Asset Management Ltd	Dublin	592913	1	100	0	0
Other					1	1
					7,173	9,013
<i>Owned by SAS Consortium:</i>						
SAS Ejendom Denmark ApS	Tårnby	902001-7720 25711734	573,001	100	104	-
Other					6	6
					110	6
<i>Owned by SAS Crew Services AB:</i>						
SAS Link Crew Services A/S	Copenhagen	24202941	500	100	1	1
SAS Connect Crew Services A/S	Copenhagen	40995269	400	100	0	0
SAS Crew Services Denmark A/S	Copenhagen	43211781	400,000	100	1	1
Other					0	0
					2	2
<i>Owned by SAS Cargo Group A/S:</i>						
SAS Cargo Sverige AB	Stockholm	556891-0490	50,000	100	2	2
<i>Owned by Gorm Asset Management Ltd:</i>						
Gorm Dark Blue Ltd	Dublin	593238	1	100	0	0
Gorm Deep Blue Ltd	Dublin	593239	1	100	0	0
Gorm Sky Blue Ltd	Dublin	593240	1	100	0	0
Gorm Light Blue Ltd	Dublin	617208	1	100	0	0
Gorm Warm Red Ltd	Dublin	627405	1	100	0	0
Gorm Ocean Blue Ltd	Dublin	627406	1	100	0	0
Gorm Engine Management Ltd	Dublin	656777	1	100	0	0

NOTE 39 EARNINGS PER SHARE

Earnings per common share are calculated as net income for the period attributable to Parent Company shareholders and hybrid bond expenses in relation to 7,266,039,292 (7,266,039,292) common shares outstanding. The calculation of earnings per share before and after dilution is based on the following earnings and number of common shares. In October 2020, the number of common shares increased 6,877,479,859 through a new share issue. In November 2020, a further 5,976,822 shares were registered from the new share issue. The total number of shares after new issues in 2020 amounted to 7,266,039,292, refer to Note 21. There are no potential common shares outstanding and, accordingly, no dilution can arise.

	FY23	FY22
Net income for the year, attributable to Parent Company shareholders	-5,701	-7,048
Hybrid bond interest paid	-	-
Net income for the year, attributable to Parent Company shareholders, before and after dilution	-5,701	-7,048
Weighted average number of common shares during the year, before and after dilution	7,266,039,292	7,266,039,292
Earnings per common share before dilution (SEK)	-0.78	-0.97
Earnings per common share after dilution (SEK)	-0.78	-0.97

NOTE 40 RELATED-PARTY TRANSACTIONS

The recapitalization plan was completed in October 2020, when a total of 1,729,170,833 common shares were issued to the governments of Denmark and Sweden through the directed share issue, in addition to the major shareholders' participation in the rights issue. In total, the recapitalization plan resulted in the governments of Denmark and Sweden each holding 1,584,296,144 common shares, corresponding to a holding of approximately 21.8% for each government. The governments of Denmark and Sweden also subscribed for MSEK 6,000 in new hybrid bonds. Interest payments of MSEK 474 (291) were deferred in fiscal year 2022. In fiscal year 2021, the interest was paid on the hybrid bonds.

In July 2021, a credit facility totaling SEK 3 billion was entered into with the governments of Denmark and Sweden as lenders. The credit facility was utilized in fiscal year 2022.

IT consulting services were purchased for MSEK 2.3 from a company controlled by one of the Board members during fiscal year 2022.

Aside from the above, no significant related-party transactions took place in fiscal year 2023 or in fiscal year 2022 except those between Group companies, where transactions are conducted subject to market terms and conditions. No significant transactions occurred with related parties aside from the above and the information in Note 3 regarding the remuneration of senior executives.

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NOTE 41 SIGNIFICANT EVENTS AFTER THE CLOSING DATE

- On November 4, 2023, SAS announced that it had entered into an investment agreement with the winning bidder consortium in its exit financing solicitation process, consisting of Castlelake, Air France-KLM and Lind Invest, together with the Danish state. As part of the agreed transaction structure, SAS has also entered into a new debtor-in-possession ("DIP") financing credit agreement for MUSD 500 with Castlelake to, inter alia, refinance SAS' existing DIP term loan, increase liquidity, and support SAS' path to exit from its voluntary restructuring proceedings.
- On November 15, SAS repaid its original DIP term loan that was provided by Apollo Global Management.
- On November 21, the investment agreement and DIP term loan agreement was approved by the US court.
- On November 29, the European Commission announced that the recapitalization of SAS in 2020 complied with state aid rules and was thereby approved, subject to the introduction of a step-up mechanism for the states' 2020 share investments.
- On January 10, 2024, an extraordinary general meeting approved the commitments for the step-up mechanism and these were entered into by the company on January 11, 2024.
- On January 23, 2024, SAS filed an amended Chapter 11 plan of reorganization and related disclosure statement with the US Court, including financial projections for the reorganized SAS. The Chapter 11 plan and the disclosure statement remain subject to further amendments and court approval.

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STATEMENT OF INCOME

MSEK	Note	FY23	FY22
Revenue		872	426
Personnel expenses	1	-33	-29
Other operating expenses		-1,035	-531
Operating income (EBIT)		-196	-134
Impairment of shares in subsidiaries		-1,840	-2,788
Interest income and similar income items		584	340
Interest expenses and similar income items		-105	-127
Income before tax (EBT)		-1,557	-2,709
Appropriations		0	0
Tax	2	0	0
Net income for the year		-1,557	-2,709

The Parent Company recognized no items in other comprehensive income for fiscal year 2023 and fiscal year 2022, respectively. Accordingly, net income for the year for the Parent Company corresponds to comprehensive income.

BALANCE SHEET

ASSETS, MSEK	Note	Oct 31, 2023	Oct 31, 2022
Non-current assets			
<i>Financial non-current assets</i>			
Participations in subsidiaries	3	7,173	9,013
Other holdings of securities	4	2	2
Deferred tax assets	2	719	719
Receivables from Group companies		12,713	12,171
Other long-term receivables		16	15
Total non-current assets		20,623	21,920
Current assets			
<i>Current receivables</i>			
Receivables from Group companies		348	519
Other receivables		35	-
Prepaid expenses and accrued income		16	44
		399	563
Cash and bank balances		1	1
Total current assets		400	564
TOTAL ASSETS		21,023	22,484

SHAREHOLDERS' EQUITY AND LIABILITIES, MSEK	Note	Oct 31, 2023	Oct 31, 2022
Shareholders' equity			
Restricted equity			
Share capital		8,650	8,650
Statutory reserve		447	447
Unrestricted equity			
Share premium reserve		2,729	2,729
Hybrid bonds		7,615	7,615
Retained earnings		1,202	3,911
Net income for the year		-1,557	-2,709
Total shareholders' equity		19,086	20,643
Non-current liabilities			
Non-current liabilities		14	1,623
Total non-current liabilities		14	1,623
Current liabilities			
Liabilities to Group companies		81	46
Accounts payable		8	8
Other liabilities		1,631	47
Accrued expenses and prepaid income		203	117
Total current liabilities		1,923	218
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		21,023	22,484

Information regarding the Parent Company's contingent liabilities is available in Note 6.

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CHANGES IN SHAREHOLDERS' EQUITY

	Restricted equity		Unrestricted equity			Total shareholders' equity
	Share capital	Statutory reserve	Share premium reserve	Hybrid bonds	Retained earnings	
MSEK						
Opening shareholders' equity in accordance with approved balance sheet, October 31, 2021	8,650	447	2,729	7,615	3,911	23,352
Net income for the year					-2,709	-2,709
Closing balance, October 31, 2022	8,650	447	2,729	7,615	1,202	20,643
Net income for the year					-1,557	-1,557
Closing balance, October 31, 2023	8,650	447	2,729	7,615	-355	19,086

CASH-FLOW STATEMENT

MSEK	FY23	FY22
OPERATING ACTIVITIES		
Income before appropriations and tax	-1,557	-2,709
Impairment of subsidiaries	1,840	2,788
Other non-cash items, etc.	0	92
Cash flow from operations before change in working capital	283	171
<i>Change in:</i>		
Operating receivables	164	-441
Operating liabilities	96	118
Cash flow from change in working capital	260	-323
Cash flow from operating activities	543	-152
INVESTING ACTIVITIES		
Investment in subsidiaries	-	-159
Cash flow from investing activities	0	-159
FINANCING ACTIVITIES		
Hybrid bond interest	0	-
Repayment from subsidiaries	-542	427
Lending to subsidiaries	0	-130
Changes in blocked funds	-	-
Disbursement of deposits	-1	-15
Proceeds from borrowings	-	-
Other change in interest-bearing liabilities	0	28
Cash flow from financing activities	-543	310
Cash flow for the year	0	-1
Cash and cash equivalents at beginning of the year	1	1
Cash and cash equivalents at year end	1	0

Disclosure of interest paid:

During the year, interest received amounted to MSEK 581 (203). During the year, interest paid amounted to MSEK 99 (27).

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NOTE 1 NO. OF EMPLOYEES, SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY EXPENSES

The average number of employees amounted to 2 (2), all of whom were employed in Sweden.

	FY23		FY22	
	Men	Women	Men	Women
Sweden	1	1	1	1
Total men and women	2		2	

For salaries, remuneration and social security expenses as well as remuneration and benefits paid to Board members, the President and other senior executives of SAS AB, see SAS Group Note 3.

NOTE 2 TAX

	FY23	FY22
Current tax	–	–
Deferred tax	–	–
Total tax	0	0
Reconciliation of deferred tax, net		
Opening balance	719	719
Tax effect on items in equity	–	–
Change according to statement of income	–	–
Deferred tax, net, on October 31	719	719

NOTE 3 PARTICIPATIONS IN SUBSIDIARIES

	FY23	FY22
Opening balance	9,013	11,642
Contributions	0	159
Impairment	-1,840	-2,788
Closing balance	7,173	9,013

See also SAS Group Note 38 — Subsidiaries in the SAS Group.

NOTE 4 OTHER HOLDINGS OF SECURITIES

	Oct 31, 2023	Oct 31, 2022
Incorporate Cell Company	2	2
Total	2	2

NOTE 5 PLEDGED ASSETS

In August 2022, SAS entered into a debtor-in-possession (“DIP”) financing credit agreement for USD 700 million with funds managed by Apollo Global Management. DIP financing is a specialized type of bridge financing used by businesses that are restructuring through a Chapter 11 process and is structured as a delayed draw term loan (DDTL) – a non-amortized, senior secured super-priority credit. As of October 31, 2022, MUSD 350 of this financing had been utilized by the SAS Consortium. The DIP term loan agreement is secured in the form of collateral in substantially all SAS’ assets that have not previously been utilized as collateral, whether real or personal, tangible or intangible, now existing or hereafter acquired (subject to certain customary exclusions), including certain take-off and landing slots at London Heathrow Airport; all shares in certain companies in the SAS Group, including the SAS Consortium and SAS EuroBonus AB (which owns all rights to the EuroBonus loyalty program); all material registered intellectual property; certain unencumbered aircraft and engines; intercompany receivables; and the products and proceeds of the foregoing. The carrying amount in SAS AB for the shares pledged as collateral under the DIP financing agreement totals MSEK (7,173) 9,013.

NOTE 6 CONTINGENT LIABILITIES

SAS AB has provided an irrevocable undertaking to assume liability, as for its own debt, for the SAS Consortium’s contractual interest-bearing obligations, leasing commitments and other financial obligations with some reservations in terms of subordinations and with the proviso that the obligations were entered into from the date the irrevocable undertaking entered force until it terminated on September 30, 2020.

Furthermore, SAS AB provides downstream guarantees for subsidiaries on a case-by-case basis. These guarantees may cover, wholly or in part, a subsidiary’s general obligations or be for a fixed sum or a specific purpose. The downstream guarantees mainly include undertakings pursuant to purchase contracts, aircraft financing, and leasing of aircraft and other equipment.

Moreover, SAS AB has also issued time-limited capital adequacy guarantees for certain subsidiaries. SAS AB has also given guarantees, as for its own debt, for the DIP financing.

Currently, no litigation is outstanding in connection with the Chapter 11 cases, but there is a risk that there may be litigation in Sweden, New York or other jurisdictions prior to the emergence out of Chapter 11.

NOTE 7 AUDITORS' FEES

	FY23	FY22
Auditing services		
KPMG	9	8
Other statutory assignments		
KPMG	0	0
Tax consultancy services		
KPMG	–	–
Other		
KPMG	1	1
Total	10	9

Auditors’ fees are invoiced to the Parent Company which, in turn, invoices the Group subsidiaries for their respective costs.

KPMG Sweden: Fees totaled MSEK 5.4 (4.7) for auditing services, MSEK 0 (0) for other statutory assignments, MSEK 0 (0) for tax and MSEK 1.3 (1.5) for other.

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The Board of Directors and the President hereby give their assurance that this Annual Report has been prepared pursuant to the Swedish Annual Accounts Act and RFR 2, *Accounting for Legal Entities*, and provides a true and fair view of the company's financial position and earnings and that the Report by the Board of Directors provides a true and fair overview of the company's operations, financial position and earnings, and describes the significant risks and uncertainty factors to which the company is exposed.

The Board of Directors and President hereby give their assurance that the consolidated financial statements have been prepared pursuant to the International Financial Reporting Standards (IFRS) as adopted by the EU, and provide a true and fair view of the Group's financial position and earnings, and that the Report by the Board of Directors for the Group provides a true and fair overview of the performance of the Group's operations, financial position and earnings, and describes the significant risks and uncertainty factors to which the companies in the Group are exposed.

Stockholm, February 6, 2024

Carsten Dilling
Board Chairman

Lars-Johan Jarnheimer
Vice Chairman

Oscar Stege Unger
Board member

Henriette Hallberg Thygesen
Board member

Nina Bjornstad
Board member

Michael Friisdahl
Board member

Kay Kratky
Board member

Jens Lippestad
Board member

Tommy Nilsson
Board member

Kim John Christiansen
Board member

Anko Van der Werff
President & CEO

Our auditors' report was submitted on February 6, 2024

KPMG AB

Tomas Gerhardsson
Authorized Public Accountant

As stated above, the annual accounts and the consolidated accounts were approved for issuance by the Board of Directors on February 6, 2024. The consolidated statement of income and balance sheet and the Parent Company's statement of income and balance sheet will be subject to adoption by the Annual General Shareholders' Meeting on March 18, 2024.

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To the general meeting of the shareholders of SAS AB, Corporate Registration Number 556606-8499

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of SAS AB for the financial year 2022-11-01—2023-10-31, except for the corporate governance statement on pages 77–92. The annual accounts and consolidated accounts of the company are included on pages 57–138 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 October 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 October 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 77–92. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

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SAS FORWARD business transformation plan and Chapter 11 process

See pages 59–60 of the Report by the Board of Directors and note 1 in the annual accounts and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

SAS has during the financial year 2022/23 continued the work with the business transformation plan, SAS FORWARD, which was launched to enable the company to continue to be a competitive player in the global airline industry. To accelerate important parts of the SAS FORWARD plan, SAS AB and certain of its subsidiaries voluntarily filed for Chapter 11 in the U.S. on July 5, 2022, and an important milestone was reached in this process in the fourth quarter 2022/23 when the winning bidder consortium in SAS' exit financing was announced.

As disclosed on page 60 of the Report by the Board of Directors and in note 1, SAS highlight that there are no guarantees that SAS FORWARD will successfully be completed through the Chapter 11 process. It is also disclosed that in the event that the expected burden sharing, debt conversions and new capital raise are not completed as planned, SAS will be unable to support its existing capital structure and current liquidity levels and it cannot be ruled out that SAS could become unable to meet its obligations over the longer term as they fall due.

Response in the audit

In our audit, we have read and evaluated the supporting documentation related to the transformation plan and the Chapter 11 process including status and accounting effects of renegotiation of leasing contracts agreed to date and subject to final approval of the U.S. court. Furthermore, we have reviewed the documentation and accounting related to the DIP financing as well as the Group's liquidity forecast.

We have also reviewed the disclosures relating to the SAS business transformation plan and Chapter 11 process included in the annual accounts and the consolidated accounts.

Valuation of non-current assets and parent company participations in subsidiaries

See note 10–13 and accounting principles on page 102 in the annual accounts and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The Group's intangible and tangible non-current assets and right-of-use assets totalled MSEK 32,029 at October 31, 2023. The carrying value has been subject to an impairment test, which is complex in nature and is based on significant elements of judgment. An impairment test has been prepared for the respective cash generating unit, or group of units, which for the Group consists of one unit.

The impairment test requires that the Group make projections using assumptions about internal and external conditions and plans for the operations. Examples of such judgments include future cash flows, which in turn require assumptions to be made of future development and market conditions. Another important assumption is which discount rate to be used in order to reflect the time value of money as well as the specific risks the operations face. Changes in these assumptions and assessments may have a significant impact on the Group's results and financial position.

In the parent company, the carrying value of participations in subsidiaries at October 31, 2023 amounted to MSEK 7,173. An impairment test of this carrying value is also performed, using the same technique and judgments, as described above for intangible and tangible non-current assets and right-of-use assets.

Response in the audit

In our audit, we have assessed whether the impairment tests have been prepared in accordance with the prescribed method.

Moreover, we have considered the reasonableness of the assumptions of projected future cash flows as well as the discount rate used through review and evaluation of the Group's written documentation and forecasts. An integral part of our work has also been to examine the group's sensitivity analysis to evaluate how reasonable changes in the assumptions may impact the valuation. We have involved our valuation specialists in the audit, mainly with regard to assumptions for discount rate linked to external markets.

We have also reviewed the disclosures relating to the impairment test included in the annual accounts and the consolidated accounts.

Accounting of passenger revenue including contract liabilities for tickets sold but not yet recognized as revenue and the customer loyalty program

See notes 2 and 24 and accounting principles on page 103 in the annual accounts and consolidated accounts for detailed information and description of the matter.

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Description of key audit matter

The Group accounts for passenger revenue of MSEK 32,236 for the financial year 2022/23, and liabilities for unearned transportation revenue of MSEK 6,676 and for the customer loyalty program of MSEK 1,529 as at October 31, 2023.

Passenger revenue is accounted for as a liability from the point of sale until commencement of the air transport for the passenger. Upon departure of the air transport, revenue is recognized in the income statement. Additionally, tickets that subsequent to the scheduled flight date, have been assessed to expire before utilization by a passenger are recorded as revenue. Based on historical outcomes and seasonality, a regular assessment is performed to estimate the value of tickets, for which the scheduled flight date has passed, that will expire before utilization. The recognition of revenue relating to the estimate for expired tickets results in a corresponding reduction of the unearned transportation revenue liability.

Furthermore, the Group has a customer loyalty program, EuroBonus. Points earned by program members are recorded as a liability on the balance sheet until they are redeemed or have expired. The value of the liability is derived by the number of points held by members and the estimated fair value per point adjusted for the estimated future expiration rates. Points that are estimated to expire prior to redemption are recognized as revenue, with a corresponding reduction to the customer loyalty program liability.

The recognition of revenue and movements in contract liabilities associated with expired tickets and the customer loyalty program is based on a number of inherently complex assumptions. Volatility or inaccuracies in determining these assumptions may have significant impact on the Group's results and financial position.

Response in the audit

In our audit, we have assessed the risks of the processes relating to the accounting for passenger revenue, unearned transportation revenue, and the customer loyalty program. We have evaluated the design and implementation of internal controls relating to the relevant estimates and the interfacing of systems to derive the data used in these estimates.

We have assessed the reasonableness of the models utilized by the Group to develop these estimates and their impact on the associated accounts. This assessment includes the validation of the data utilized as a basis for each estimate and the accuracy of the underlying calculations.

For the estimate of the fair value of customer loyalty program points before consideration of the estimated expiry, we examined the key inputs used to calculate the value by comparing historical usage patterns and observable market values such as comparable airfares. For assumptions regarding future ticket expiration and customer loyalty program point expiration, we assessed the Group's accuracy in forecasting by comparing previous estimates to actual outcomes. We evaluated these assumptions against historical trends, and future expectations. We have also agreed the final estimates to the corresponding income statement and balance sheet accounts.

We have also assessed the disclosures for passenger revenue and related contract liabilities included in the annual accounts and the consolidated accounts.

Carrying values of aircraft and provisions for major maintenance costs of leased aircraft

See notes 11 and 26 and accounting principles on pages 101 and 104 in the annual accounts and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The carrying value of aircraft in the Group amounted to MSEK 8,849 as at October 31, 2023, and the provision for major maintenance costs of leased aircraft and engines amounted to MSEK 3,699.

The Group's aircraft are divided into various components and with an estimated end of life residual value. Engines are depreciated based on utilization and major maintenance costs for the various components are capitalized and depreciated until the next scheduled mandatory major maintenance occasion. For major maintenance costs of leased aircraft and engines, provisions are made on a continuous basis which are utilized when the major maintenance is carried out or the aircraft is returned.

The Group's estimations of useful lives, residual values and major maintenance costs for engines and other aircraft components are complex in nature. Changes in the basis for these assumptions and estimates may have a significant impact on the Group's results and financial position.

Response in the audit

In our audit, we have evaluated the design and implementation of internal controls associated with the determination and calculation of component depreciation and maintenance provisions. This includes the development and monitoring of flight hours and flight cycles for engine components.

We have assessed the reasonableness of assumptions made for useful lives, components and residual values regarding aircraft and reconciled these assumptions against carrying values of aircraft components and associated depreciation recorded in the income statement.

To assess the completeness and accuracy of provisions for major maintenance for leased aircraft, we have evaluated the Group's calculations and related accounting on a sample basis through inspection of lease agreements, market values, flight cycles and flight hours.

We have also assessed the disclosures for aircraft and provisions for major maintenance costs of leased aircraft included in the annual accounts and the consolidated accounts.

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Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–56 and 145–157. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual accounts and consolidated accounts and that they

give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Chief Executive Officer are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Chief Executive Officer are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Chief Executive Officer intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards

in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Chief Executive Officer.
- Conclude on the appropriateness of the Board of Directors' and the Chief Executive Officer's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We

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also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Auditor's audit of the administration and the proposed appropriations of profit or loss *Opinions*

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Chief Executive Officer of SAS AB for the financial year 2022-11-01—2023-10-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Chief Executive Officer be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

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The Chief Executive Officer shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Chief Executive Officer in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Chief Executive Officer have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for SAS AB for the financial year 2022-11-01—2023-10-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of SAS AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Chief Executive Officer determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

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RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Chief Executive Officer, but not for

the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Chief Executive Officer.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 77–92 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

KPMG AB, P.O. Box 382, SE-101 27, Stockholm, was appointed auditor of SAS AB by the general meeting of the shareholders on March 16, 2023. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2019.

Stockholm, February 6, 2024

KPMG AB

Tomas Gerhardsson
Authorized Public Accountant



Other

OPERATIONAL KEY FIGURES

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	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14	Jan–Oct, 2013
Passenger-traffic-related key figures											
Number of destinations served, scheduled	125	124	108	121	127	125	123	118	119	125	150
Number of flights, scheduled	216,919	183,504	99,821	149,608	287,969	291,908	298,100	297,481	293,898	294,679	402,460
Number of passengers, total, (000) ¹	23,681	17,868	7,585	12,610	29,761	30,082	30,065	29,449	28,884	29,408	30,436
Number of passengers, scheduled (000)	22,726	17,029	7,380	12,315	28,451	28,794	28,625	27,738	26,941	27,061	28,057
Available seat km, total (million) ¹	42,566	34,371	17,253	23,365	52,371	52,781	52,217	48,620	44,289	45,158	44,629
Available seat km, scheduled (million)	39,736	31,688	16,585	22,357	48,471	49,023	48,303	44,956	40,877	40,971	40,583
Revenue passenger km, total (million) ¹	32,553	24,317	8,256	14,127	39,375	39,946	40,078	36,940	33,781	34,714	33,451
Revenue passenger km, scheduled (million)	29,964	22,058	7,748	13,259	35,825	36,496	36,360	33,508	30,561	30,686	29,650
Load factor, total (%) ¹	76.5	70.7	47.9	60.5	75.2	75.7	76.8	76.0	76.3	76.9	75.0
Weight-related key figures											
Available tonne km, ATK, total (mill. tonne km)	5,562	4,495	2,275	3,052	6,797	6,859	6,746	6,179	5,553	5,617	5,527
Available tonne km, scheduled (mill. tonne km)	5,176	4,126	1,314	2,436	6,302	6,372	6,251	5,741	5,132	5,119	5,042
Available tonne km, other (mill. tonne km)	387	369	112	150	495	487	495	437	421	498	485
Revenue tonne km, RTK, total (mill. tonne km)	3,599	2,766	1,091	1,649	4,645	4,808	4,819	4,404	3,989	4,067	3,930
Passengers and excess baggage (mill. tonne km)	3,239	2,420	820	1,401	3,907	3,964	3,976	3,666	3,354	3,446	3,308
Total load factor, total (%)	64.7	61.5	47.9	54.0	68.4	70.1	71.4	71.3	71.8	72.4	71.1
Traffic revenue/revenue tonne km (SEK)	10.7	10.67	10.60	10.43	8.68	8.40	7.99	8.11	8.92	8.34	9.53
Key figures for costs and efficiency											
Unit cost	0.97	0.96	1.00	1.15	0.78	0.72	0.69	0.70	0.79	0.75	0.80
Jet-fuel price paid incl. hedging, average (USD/tonne)	1,012	1,166	728	1,017	750	675	566	583	757	978	1,093
Revenue-related key figures											
Passenger revenue/revenue passenger km, scheduled, yield (SEK)	1.08	1.05	1.08	1.05	0.97	0.93	0.90	0.91	1.00	0.94	1.07
Passenger revenue/available seat km, scheduled, (SEK)	0.81	0.73	0.51	0.62	0.73	0.70	0.68	0.68	0.75	0.70	0.78

¹) Total production includes scheduled traffic, charter, ad hoc flights and EuroBonus flights, etc. This means that the figures deviate from the published traffic statistics.

Definitions & concepts, see pages 154-155.

Operational key figures, continued

	FY23	FY22	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14	Jan–Oct, 2013	
Other	Environmental key figures											
> Operational key figures	CO ² , gram/passenger km ¹	86	90	118	111	95	95	96	99	101	100	104
	CO ² , gram/available seat km, total	55	54	52	59	62	63	65	67	69	70	70
EU Taxonomy	Key figures for Scandinavian Airlines											
Ten-year financial overview	Market share, to, from and within Scandinavia, (%)	29	25	30	36	32	32	31	31	32	33	32
Definitions	Yield, currency-adjusted change, (%)	-0.2	-6.9	6.8	8.6	3.2	1.6	-2.9	-7.7	4.0	-7.4	-0.4
Shareholder information	PASK, currency-adjusted change, (%) ²	8.1	38.7	-15.8	-12.8	2.5	0.5	-1.9	-8.0	3.8	-5.8	-3.2
Destinations	Total unit cost, change, (%)	-4.4	-19.3	14.2	46.4	7.7	2.2	-3.5	-11.1	-3.8	-2.2	-6.0
	No. of daily departures, scheduled, annual average	594	503	273	405	789	800	817	813	805	807	791
	Number of aircraft in operation ³	134	134	129	135	158	157	158	156	151	156	151
	Aircraft, block hours/day	8.5	7.5	5.7	6.9	9.3	9.6	9.6	9.3	8.8	9.0	8.7
	Pilots, FTEs	781 ⁵	805	779	989	1,285	1,273	1,345	1,300	1,228	1,396	1,413
	Pilots, block hours/year	586 ⁵	542	397	377	637	687	686	681	688	685	665
	Pilots, personnel expense, MSEK ⁴	1,877 ⁵	1,855	1,732	2,301	2,536	2,580	2,435	2,489	2,370	2,459	2,584
	Cabin crew, FTEs	1,467 ⁵	1,475	1,294	1,183	2,516	2,522	2,635	2,574	2,325	2,564	2,607
	Cabin crew, block hours	746 ⁵	704	589	530	734	771	777	759	762	762	721
	Cabin crew, personnel expense, MSEK ⁴	1,276 ⁵	1,164	756	1,185	1,738	1,767	1,613	1,647	1,546	1,587	1,769
	Regularity, %	98.3	95.8	98.6	98.8	97.5	98.0	98.9	98.4	98.7	99.0	98.8
	Punctuality (%) within 15 min.	71.4	75.3	85.9	87.9	80.3	77.7	83.6	83.9	87.9	88.4	86.2
	Customer satisfaction, CSI	69	68	70	73 ⁶	72	70	72	73	74	72	71

1) Carbon dioxide emissions per passenger kilometer comprising all passengers on board all flights (scheduled, charter, etc.). The method has been adjusted from fiscal year 2013 onward.

2) Refers to RASK prior to fiscal year 2014.

3) Including wet leases.

4) Excluding restructuring costs.

5) Number representing the SK platform

6) Measured from November 2019 to February 2020.

Definitions & concepts, see pages 154-155.

EU TAXONOMY

PROPORTION OF TURNOVER DERIVED FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING FY 2023

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Economic activities (1)	Code(s) (2)	Turnover (3) MSEK	Proportion of turnover (4) %	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)						Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2021/2022 (18) Percent	Category enabling activity (19) E	Category transitional activity (20) T
				Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Circular economy (8) Y; N; N/EL	Pollution (9) Y; N; N/EL	Biodiversity (10) Y; N; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular Economy (15) Y/N	Biodiversity (16) Y/N			

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Manufacturing of aircraft	CCM 3.21	187	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Passenger and freight air transport	CCM 6.19	38 507	92%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Air transport ground handling operations	CCM 6.20	83	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Acquisition and ownership of buildings	CCM 7.7	65	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		38 842	92%															
Total (A.1+A.2)		38 842	92%															

B. TAXONOMY NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy non-eligible activities (B)		3,201	8%
Total (A+B)		42,043	100%

Most of SAS' revenue now aligns with EU Taxonomy economic activities, including 3.21. Manufacturing of aircraft (relevant for SAS' Technical Maintenance activities, specific to aircraft maintenance), 6.19 Passenger and freight air transport and 6.20. Air transport ground handling operations.

A nonsignificant part of SAS' turnover is generated by 7.7 Acquisition and ownership of buildings, as was also reported in last year's report. SAS has not initiated processes to assess alignment of this activity as it is not part of our core business.

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PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING FY 2023

Economic activities (1)	Code(s) (2)	Absolute CapEx (3) MSEK	Proportion of CapEx (4) %	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)						Minimum safeguards (17) Y/N	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2021/2022 (18) Percent	Category enabling activity (19) E	Category transitional activity (20) T
				Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular Economy (9) Y; N; N/EL	Biodiversity (10) Y; N; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular Economy (15) Y/N	Biodiversity (16) Y/N				

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Passenger and freight air transport	CCM 6.19	2,279	84%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Air transport ground handling operations	CCM 6.20	21	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2,300	85%															
Total (A.1+A.2)		2,300	85%															

B. TAXONOMY NON-ELIGIBLE ACTIVITIES

CapEx of Taxonomy non-eligible activities (B)		417	15%
Total (A+B)		2,718	100%

CAPEX includes capital expenditure related to SAS' core business and non-sales activities. SAS is investing in state-of-the-art technology for low and zero-emission aircraft, and the associated capital expenditure will be considered Taxonomy eligible. In 2024, SAS will initiate alignment initiatives, and the outcomes will be detailed in the 2025 Annual and Sustainability Report.

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PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING FY 2022

Economic activities (1)	Code(s) (2)	Absolute OpEx (3) MSEK	Proportion of OpEx (4) %	Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)						Minimum safeguards (17) Y/N	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2021/2022 (18) Percent	Category enabling activity (19) E	Category transitional activity (20) T
				Climate change mitigation (5) Y; N; N/EL	Climate change adaptation (6) Y; N; N/EL	Water (7) Y; N; N/EL	Pollution (8) Y; N; N/EL	Circular Economy (9) Y; N; N/EL	Biodiversity (10) Y; N; N/EL	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular Economy (15) Y/N	Biodiversity (16) Y/N				

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																		
Manufacturing of aircraft	CCM 3.21	3,754	90%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Passenger and freight air transport	CCM 6.19	152	4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Air transport ground handling operations	CCM 6.20	76	2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
Acquisition and ownership of buildings	CCM 7.7	160	4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		4,142	99%															
Total (A.1+A.2)		4,142	99%															

B. TAXONOMY NON-ELIGIBLE ACTIVITIES

OpEx of Taxonomy non-eligible activities (B)		23	1%
Total (A+B)		4,165	100%

OPEX comprises non-capitalized operating expenditure that is associated with SAS sales and non-sales related undertakings, as defined by economic activities falling under the EU Taxonomy umbrella. The OPEX category is closely related to maintenance and repair costs and includes maintenance material, employee costs that are maintenance specific, expenses for short-term leasing, and other initiatives that are focused on maintenance. Initiatives focused on maintenance will be detailed in alignment initiatives starting in 2024.

TEN-YEAR FINANCIAL OVERVIEW

Other	2023	2022	2021 ⁴	2020 ^{2,4}	2019	2018	2017	2016	2015	2014	2013	
Operational key figures	Statements of income, MSEK											
EU Taxonomy	Revenue	42,043	31,824	13,958	20,513	46,736	44,718	42,654	39,459	39,650	38,006	42,182
> Ten-year financial overview	Operating income before amortization and depreciation	1,572	1,345	-570	-2,736	2,988	3,783	2,844	2,962	2,877	1,576	3,647
Definitions	Depreciation, amortization and impairment	-4,440	-4,763	-4,817	-6,703	-1,924	-1,763	-1,635	-1,367	-1,446	-1,443	-1,658
Shareholder information	Income from shares in affiliated companies	18	22	10	7	-10	35	4	39	37	30	25
Destinations	Income from the sale of shares in subsidiaries and affiliated companies	-	13	-	-	0	-4	-21	-7	-	6	700
	Income from the sale and return of aircraft, and other non-current assets	145	82	-143	2	112	479	995	265	777	-16	-118
	Financial income	1,068	219	214	806	172	129	148	91	124	102	50
	Financial expenses	-3,879	-4,733	-1,245	-1,408	-544	-609	-611	-553	-632	-1,130	-999
	Income before tax, EBT	-5,516	-7,846	-6,525	-10,097	794	2,050	1,725	1,431	1,417	-918	1,648
	Income before tax and items affecting comparability	-5,661	-7,941	-6,382	-8,565	786	2,136	1,951	939	1,174	-697	919
	Balance sheets, MSEK											
	Non-current assets	43,308	49,303	44,928	44,634	22,281	21,127	20,252	19,319	18,512	18,291	18,600
	Current assets, excluding cash and cash equivalents	6,376	5,200	3,516	2,101	2,968	3,316	3,467	4,065	3,556	3,617	3,462
	Cash and cash equivalents	6,160	8,654	4,268	10,231	8,763	9,756	8,836	8,370	8,198	7,417	4,751
	Shareholders' equity	-6,110	762	6,416	10,023	5,372	7,268	8,058	6,026	6,339	4,907	3,226
	Non-current liabilities	33,588	38,596	30,032	28,321	13,525	12,011	9,363	9,822	10,275	10,384	10,173
	Current liabilities	28,366	23,799	16,264	18,622	15,115	14,920	15,134	15,906	13,652	14,034	13,414
	Total assets	55,844	63,157	52,712	56,966	34,012	34,199	32,555	31,754	30,266	29,325	26,813
	Cash-flow statements, MSEK											
	Cash flow from operating activities	2,427	1,772	-4,756	-5,176	3,318	4,559	2,443	3,663	3,036	1,096	1,028
	Investments	-4,012	-5,093	-4,105	-7,557	-6,207	-6,840	-7,315	-5,960	-4,306	-2,113	-1,877
	Sale of fixed assets, etc.	4,173	5,842	2,568	370	1,627	4,161	7,228	3,345	3,193	1,632	1,644
	Cash flow before financing activities	2,531	2,521	-6,293	-12,363	-1,262	1,880	2,356	1,048	1,923	615	795
	New hybrid bond issue	-	-	-	6,000	1,474	-	-	-	-	-	-
	New share issue	-	-	-	5,910	-	1,223	-	-	-	3,500	-
	Proceeds from borrowings	1,585	8,515	5,319	11,210	2,292	-	-	-	-	-	-
	Amortization	-5,975	-6,179	-5,350	-7,602	-2,362	-	-	-	-	-	-
	Redemption of preference shares	-	-	-	-	-1,112	-2,579	-	-	-	-	-
	Dividends	-	-	-	-	-26	-228	-350	-350	-350	-175	-

	2023	2022	2021 ⁴	2020 ^{2,4}	2019	2018	2017	2016	2015	2014	2013	
Other												
Operational key figures												
EU Taxonomy												
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Destinations												
	External financing, net	-645	-482	360	-1,683	3	621	-1,537	-530	-787	-1,275	1,171
	Cash flow for the year	-2,504	4,375	-5,964	1,472	-993	917	469	168	786	2,665	1,966
	Key and alternative performance measures^{1,2}											
	EBIT margin, %	-6.4	-10.5	-39.4	-46.3	2.5	5.7	5.1	4.8	5.6	0.4	6.2
	Return on shareholders' equity, %	n/a	-261	-84	-538	14	22	18	24	18	-15	457
	Return on invested capital, % ³	-7	-8	-13	-28	8	14	13	12	14	4	18
	Financial net debt/adjusted EBITDA ³	20.4x	23.3x	n/a	n/a	3.7x	2.7x	3.1x	3.2x	3.0x	4.2x	3.2x
	Financial preparedness, % ³	35	60	60	67	38	42	37	41	40	37	26
	Equity/assets ratio, %	-11	1	12	18	16	21	25	19	21	17	12
	Adjusted equity/assets ratio, %	n/a	n/a	n/a	n/a	9	13	15	12	13	11	8
	Financial net debt, MSEK	32,634	33,657	26,770	18,899	328	-2,432	-2,799	-1,166	-726	1,102	4,567
	Shareholders' equity excluding hybrid bonds per common share	-1.89	-0.94	-0.16	0.33	10.12	16.11	13.28	7.12	8.10	3.66	33.70
	Debt/equity ratio	-5.3	44.1	4.1	1.8	0.06	-0.33	-0.35	-0.19	-0.11	0.22	1.42
	Adjusted debt/equity ratio	n/a	n/a	n/a	n/a	4.70	2.70	2.28	3.08	2.65	3.14	5.13
	Interest expense/average gross debt, %	6.5	2.3	1.8	1.8	4.3	6.4	6.6	5.4	5.6	7.4	7.6
	Interest-coverage ratio	-0.5	-1.7	-4.4	-6.7	2.5	4.4	3.8	3.6	3.2	0.2	2.6

1) SAS calculates various Alternative Performance Measures (APMs) that complement the metrics defined in the applicable rules for financial reporting. The APMs facilitate comparison between different periods and are used for internal analysis of the business's performance, development and financial position, and are therefore deemed to provide valuable information to external stakeholders, such as investors, analysts, rating agencies and others. For definitions, refer to the Definitions & concepts section. A list of the APMs deemed of sufficient material importance to specify is available at www.sasgroup.net under Investor Relations.

2) The key ratios from 2020 are inclusive of IFRS 16. The key ratios from 2019 and earlier are based on financial statements excluding IFRS 16 that have not been restated.

3) Key ratios calculated according to another definition from October 31, 2020 due to the introduction of IFRS 16. Previous years' key figures have not been restated.

4) The 2020 and 2021 fiscal years have been restated pursuant to the IFRS IC's agenda decision pertaining to cloud computing arrangement costs. Key figures for previous years have not been restated.

The APMs are calculated using averages of the qualifying periods' balance-sheet items. Until 2019, the return on invested capital, adjusted equity/assets ratio and adjusted debt/equity ratio were calculated using capitalized leasing costs, net, whereby operational leasing commitments for aircraft were taken into consideration. Definitions & concepts, see pages 154–155.

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FINANCIAL DEFINITIONS

SAS uses various key figures, including alternative performance measures (APMs), for internal analysis purposes and for external communication of the operations' results, performance and financial position. The aim of these APMs is to illustrate the performance measures tailored to operations that, in addition to the other key figures, enable various stakeholders to more accurately assess and value SAS' historical, current and future performance and position. A list of the APMs deemed of sufficient material importance to specify is available at www.sasgroup.net under Investor Relations.

Adjusted EBITDA – Operating income before tax, net financial items, income from the sale and return of aircraft and other fixed assets, income from shares in affiliated companies, and depreciation and amortization.

Adjusted EBITDA margin – Adjusted EBITDA divided by revenue.

AEA – The Association of European Airlines. An association of the major European airlines.

Affiliated company – Company where the SAS Group's holding amounts to at least 20% and at the most 50%.

AOC (Air Operator Certificate) – Permits for flight operations.

ASK, Available Seat Kilometers – The total number of seats available for passengers multiplied by the number of kilometers which they are flown.

ATK, Available tonne kilometers – The total number of tonnes of capacity available for the transportation of passengers, freight and mail multiplied by the number of kilometers which this capacity is flown.

Available seat kilometers – See ASK.

Available tonne kilometers – See ATK.

Block hours – Refers to the time from when the aircraft leaves the departure gate until it arrives at the destination gate.

CAGR – Compound annual growth rate.

Capital employed – Total capital according to the balance sheet less non-interest-bearing liabilities.

Carbon dioxide (CO₂) – A colorless gas that is formed in the combustion of all fossil fuels. The airline industry's CO₂ emissions are being reduced based on a changeover to more fuel-efficient aircraft.

CASK – See unit cost.

Code share – When one or more airlines' flight number is stated in the timetable for a flight, while only one of the airlines operates the flight.

Debt/equity ratio – Financial net debt in relation to equity.

Earnings per common share (EPS) – Net income for the period attributable to Parent Company shareholders less preference-share dividends and hybrid bond expenses in relation to the average number of common shares outstanding.

EBIT – Operating income.

EBIT margin – EBIT divided by revenue.

EBT – Income before tax.

EEA – European Economic Area.

Equity method – Shares in affiliated companies are taken up at the SAS Group's share of equity, taking acquired surplus and deficit values into account.

Equity/assets ratio – Equity in relation to total assets.

Financial net debt – Interest-bearing liabilities less interest-bearing assets excluding net pension funds.

Financial net debt/Adjusted EBITDA – Average financial net debt in relation to Adjusted EBITDA.

Financial preparedness – Cash and cash equivalents, plus unutilized credit facilities with a maturity longer than three months, in relation to fixed costs and financial net excluding exchange-rate differences on lease liabilities. In this ratio, fixed costs are defined as personnel expenses and other external expenses over the last 12 months.

FTE – Average number of employees, full-time equivalents.

IATA – International Air Transport Association. A global association of almost 300 airlines.

ICAO – International Civil Aviation Organization. The United Nations' specialized agency for international civil aviation.

Interest-coverage ratio – Operating income plus financial income in relation to financial expenses.

Interline revenue – Ticket settlement between airlines.

Items affecting comparability – Items affecting comparability are identified to facilitate comparison of SAS' underlying results in different periods. These items consist of impairment, restructuring costs, capital gains/losses, and other items affecting comparability. They arise as a consequence of specific events, and are items that both management and external assessors take note of when analyzing SAS. By reporting earnings excluding nonrecurring items, the underlying results are shown, which facilitates comparability between different periods.

LCC – Low Cost Carrier.

Load factor – RPK divided by ASK. Describes the capacity utilization of available seats.

Market capitalization – Share price multiplied by the number of shares outstanding.

NPV – Net present value. Used to calculate capitalized future costs of operating leases for aircraft, for example.

Operating leases – Based on a leasing contract in which the risks and rewards of ownership remain with the lessor and is equivalent to renting. The leasing charges are expensed on a current basis in the statement of income. As of November 1, 2019, SAS Group applies IFRS 16 – Leases. See Right-of-use assets.

PASK (unit revenue) – Passenger revenue divided by ASK (scheduled).

RASK – Total traffic revenue divided by Total ASK (scheduled + charter).

Regularity – The percentage of flights completed in relation to flights scheduled.

Return on Invested Capital (ROIC) – EBIT adjusted with theoretical taxes in relation to average shareholders' equity and financial net debt.

Return on shareholders' equity – Net income for the period attributable to shareholders in the Parent Company in relation to average equity excluding non-controlling interests.

Revenue passenger kilometers (RPK) – See RPK.

Revenue tonne kilometers (RTK) – See RTK.

Right-of-use assets (RoU) – As of November 1, 2019, SAS Group applies IFRS 16 – Leases. The previous classification of each lease as either an operating lease or a finance lease is replaced by a model whereby the lessee recognizes an asset (a right-of-use asset) and a financial liability in the balance sheet.

RPK, Revenue passenger kilometers – Number of paying passengers multiplied by flown distance (km).

RTK, Revenue tonne kilometers – The number of tonnes of paid traffic (passengers, freight and mail) multiplied by the distance this traffic is flown in kilometers.

Sale and leaseback – Sale of an asset (aircraft, building, etc.) that is then leased back.

Shareholders' equity excluding hybrid bonds per common share – Shareholders' equity attributable to Parent Company shareholders excluding hybrid bonds in relation to the total number of common shares outstanding.

Total load factor – RTK divided by ATK.

Unit cost, (CASK) – Total personnel expenses, other operating expenses, lease expenses for aircraft and depreciation adjusted for currency and items affecting comparability, less other operating revenue per ASK (scheduled and charter).

Unit revenue – See PASK.

WACC – Weighted average cost of capital includes the average cost of liabilities and equity. The sources of funds are calculated and weighted in accordance with the current market value of equity and liabilities.

Wet lease agreement – Leasing in of aircraft including crew.

Working capital – The total of non-interest-bearing current assets and non-interest-bearing financial fixed assets excluding equity in affiliated companies and other securities holdings less non-interest-bearing liabilities.

Yield – Passenger revenue divided by RPK (scheduled).

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Average number of employees

– is defined as the average number of employees expressed in full-time equivalents, excluding leave of absence, parental leave and long-term sick leave. This definition is also used in financial reporting. Sometimes the term FTE (Full-Time Equivalent) is used.

Biofuels – are solid or liquid fuels of biological origin. Liquid fuels for vehicle/ship/aircraft engines. They are considered carbon neutral to various degrees. The EU renewables directive (2009/28/EC) and biofuels directive (2003/30/EC) define the EU's mandates on biofuels and degree of carbon neutrality.

Carbon dioxide (CO₂) – is a colorless gas that is formed in the combustion of all fossil fuels.

Cargo tonne kilometer – includes all freight and mail (in metric tonnes) multiplied by the great circle distance flown for all flights performed.

CDP – is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. Read more at <http://www.cdp.net>.

CFCs – are a group of chlorofluorocarbons that may also contain hydrogen and/or bromide. A class of stable chemical compounds mostly known under the trade names Freon or Halon. Their manufacture is prohibited by the Montreal Protocol because of their depletion of the ozone layer. Aviation has an exception for use under a critical use clause due to the lack of approved alternatives. Research for alternatives is ongoing.

Charges for infrastructure – imposed by the operators of the infrastructure and which are intended to cover operating and capital costs for airlines and air traffic management.

CO₂ – Carbon dioxide (see definition).

CO₂ passenger or cargo share – is the amount of CO₂ emissions from passenger or cargo transport.

Code of Conduct – is the ethics rules and guidelines of a particular business.

CSR – Corporate Social Responsibility.

dB – Decibel, a logarithmic unit of measurement that expresses the magnitude of a physical quantity relative to a specified or implied reference level.

Environmental related charges – are charges imposed by the airport operators to motivate aircraft operators to operate aircraft with high eco-efficiency with respect to noise and other emissions such as NO_x, as well as surcharges imposed by airport operators to motivate aircraft operators to avoid take-offs and landings at night.

Environmental related investments – Investments in assets to prevent, reduce or restore environmental damage arising from operations and/or aimed at meeting upcoming, more stringent environmental requirements.

Environmentally related taxes – Taxes that, in contrast to other corporate taxation, are motivated by environmental grounds. Examples are the environmentally motivated passenger charge in the UK and the environmentally related fiscal CO₂ charges in Sweden and Norway.

External environmental related costs – are the sum of environmental charges and environmentally related charges and taxes.

Fossil fuels – are fuels consisting of organic carbon and hydrogen compounds in sediment or underground deposits – especially coal, oil and natural gas.

Global Compact – is a challenge from the former UN Secretary General Kofi Annan to business and industry to live up to ten principles of human rights, employee rights, the environment and anti-corruption, as formulated by the UN. www.unglobalcompact.org

Greenhouse effect – Carbon dioxide and other gases trap and reradiate incoming solar radiation that would otherwise be reflected back into space. Most scientists agree that human use of fossil fuels is causing global warming. Other gases that contribute to the greenhouse effect are CFCs (see definition), methane and nitrous oxide.

GRI – Global Reporting Initiative is an organization that provides companies and organizations with a global sustainability reporting framework and thereby allows comparisons between companies from a social, environmental and economic perspective. www.globalreporting.org

Halons – See CFCs.

ISO 14000 – is a series of international environmental standards developed by the International Organization for Standardization. The general guiding principles for ISO 14000 are identical to those in the quality standard ISO 9000.

Jet A-1 – is the common jet fuel specification outside North America. Jet A and Jet A-1 are very similar and throughout this Sustainability Report the term 'jet fuel' is used to describe fuel used by the aviation industry.

MRV – Monitoring, Reporting and Verification of CO₂ emissions and production in tonne-kilometers in the EU Emissions Trading Scheme.

Nitrogen oxides – (NO_x) Formed during combustion in jet engines. The high temperature and pressure in aircraft engines cause the atmospheric nitrogen and oxygen to react with each other. This mainly occurs during take-off and ascent when the engine temperature is at a maximum.

Noise – includes environmentally detrimental, undesirable sounds. The environmental impact of air traffic in the form of noise is primarily a local issue. Noise is normally described and measured in dB(A), an A-weighted sound level.

NO_x – Nitrogen oxides (see definition).

Occupational accident – is the number of injuries employees incur by accident due to a sudden, unforeseen and external incident, resulting in at least one day of absence.

PK – (used in the sustainability-related reporting) – Passenger Kilometers, includes all passengers (100 kg per passenger including luggage) excluding active crew multiplied by the great circle distance flown for all flights performed.

SAF – Sustainable Aviation Fuel is a term for fuel made for aviation, that is produced in a sustainable way and with sustainable raw material, aimed to reduce the greenhouse gas emissions. It includes biofuel, but is not limited to biofuel.

SAFUG – Sustainable Aviation Fuel Users Group. Aviation industry organization focused on accelerating the development and commercialization of sustainable aviation fuels.

Tonne kilometers – are the number of transported metric tonnes of passengers and cargo multiplied by the distance flown.

Weighted noise contour – is calculated based on the number of takeoffs per day at a given airport, with regard to the aircraft types the airline uses at that airport. The weighted noise contour defines the area in km² that is subjected to a noise footprint of 85 dB(A) or more in connection with take-off.

INVESTOR RELATIONS

SAS Investor Relations is responsible for providing relevant information to and being available for dialogue with shareholders, analysts and the media.

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ANNUAL GENERAL SHAREHOLDERS' MEETING 2024

Attending the AGM

The AGM of SAS will be held on March 18, 2024.

Parties who wish to participate in the AGM, either in person or through postal ballot, must provide notification to the company. Details of the registration procedure are published in the notice convening the AGM.

FINANCIAL CALENDAR

Monthly traffic data is generally issued on the fifth working day of every month. The detailed financial calendar is available at www.sasgroup.net under Investor Relations.

March 7, 2024	Q1 Interim report (Nov 2023–Jan 2024)
March 18, 2024	Annual General Shareholders' Meeting
May 30, 2024	Q2 Interim Report (Feb 2024–Apr 2024)
September 12, 2024	Q3 Interim Report (May 2024–Jul 2024)
December 12, 2024	Year-end report (Nov 2023–Oct 2024)
January/February 2025	SAS Annual and Sustainability Report, fiscal year 2024

For more information, please refer to www.sasgroup.net.

ANNUAL REPORT

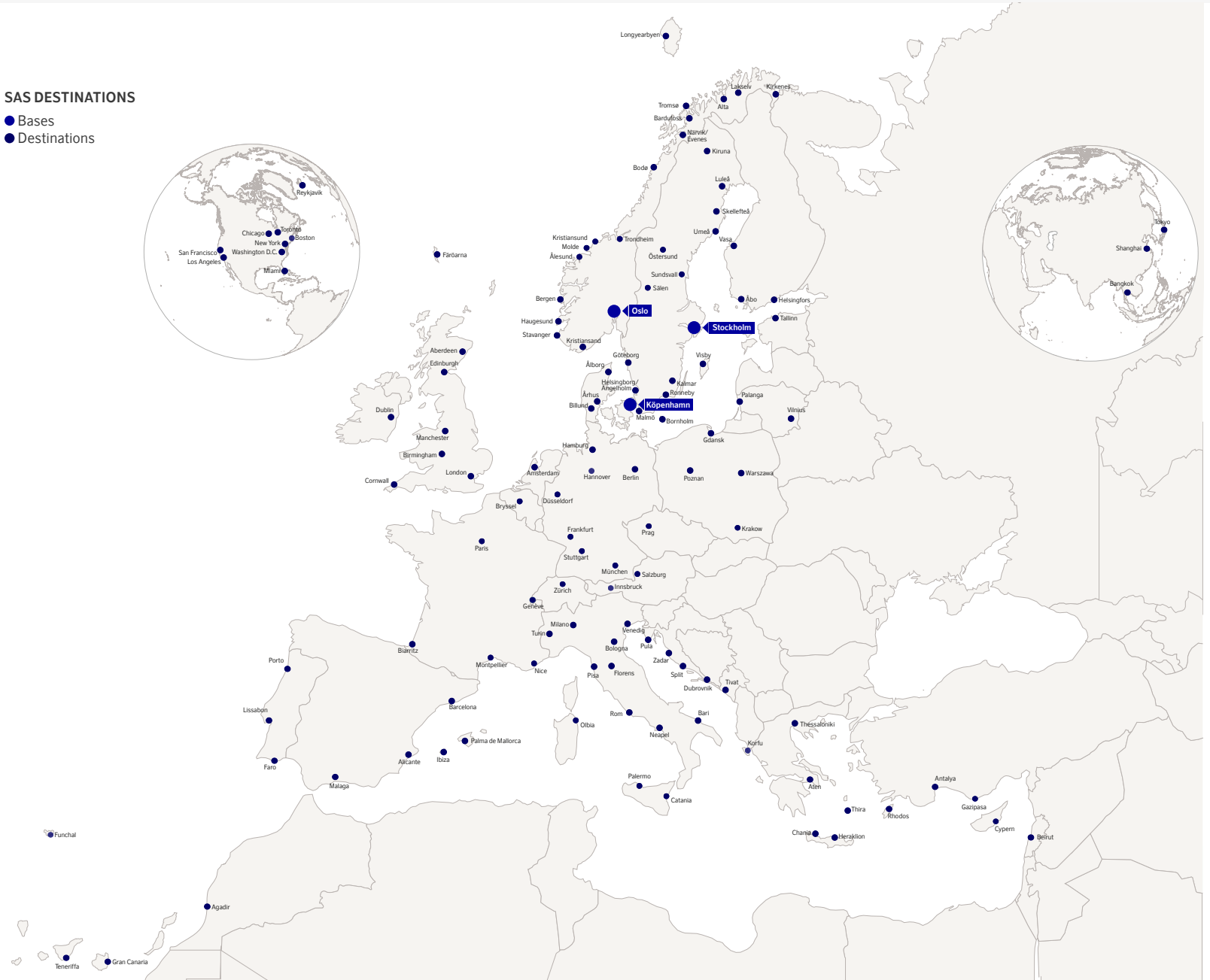
SAS' annual reports and other financial information are available in English and Swedish and can be downloaded at www.sasgroup.net.

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Company reorganization of SAS AB (publ) 556606-8499

INVENTORY OF THE COMPANY'S ASSETS AND LIABILITIES UNDER THE SWEDISH COMPANY REORGANIZATION ACT Chapter 4, Section 9

As of 10 June 2024, based on book values according to the preliminary balance sheet as of 31 March 2024.

In the event of a conflict between the English and the Swedish texts, the Swedish texts shall prevail.

The amounts below are rounded and stated in SEK.

(The Swedish Rights of Priority Act (*swe: förmånsrättslagen*) is referred to as "FRL" in the following.)

Assets	Column 1 Book value as per the date of granting the reorganization	Column 2 Book value as per the date of the plan negotiation	Column 3 Market value as per the date of granting of the reorganization and the date of the plan negotiation	Column 4 Bankruptcy value as per the date of the plan negotiation
<u>Assets owned by third parties</u>				
Various leased assets, such as vehicle				
<u>Section 4 FRL; assets subject to pledges, deposits, etc.</u>				
Shares in group companies etc. Note. Stated amount includes shares issued by the Consortium constituents as well as shares in other subsidiaries with a total book value of approx. 7 100 000 000 SEK.	7 180 000 000	7 180 000 000	14 800 000 000	0

Intra group claims Note. Intra group claims against Swedish group companies and certain intra group claims against Norwegian group companies are included in the pledge. There are some intra group liabilities, which rightfully should be set off against intra group claims. In this inventory, the intra group relationships are netted and the claims are therefore noted after such set off.	11 120 000 000	11 120 000 000	11 120 000 000	681 300 000
Deposits Note. Counter claims exists. In the event of bankruptcy, these counter claims would be set off against the liability the company has to the creditor. The deposits are therefore noted at 0 SEK in column 4.	520 000	535 000	535 000	0
Escrowed funds Note. In the event of bankruptcy the funds would most likely be claimed. Of conservative reasons the funds are therefore noted at 0 SEK in column 4.	15 800 000	15 800 000	15 800 000	0
<u>Assets not subject to security</u>				
Intra group claims, unsecured Note. See comments in this regard under section 4 in the administrator's report.	1 635 850 000	1 580 000 000	1 580 000 000	120 000 000
Bank balance	560 000	2 525 500	2 525 500	2 525 500
Other shareholdings etc. Note. Relates to shareholdings that represent minority positions in companies.	1 580 000	1 580 000	1 580 000	300 000

Tax claims	0	0	0	0
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Note. For accounting purposes, the company has receivables relating to deferred tax of SEK 720 000 000. However, this does not constitute a claim that can be realized. Since the company's other claims on the Swedish Tax Agency are extremely limited and since there are also offsettable counterclaims this post is noted at 0 SEK in the inventory.

Total assets	18 300 520 000	19 900 440 500	27 520 440 500	804 125 500
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Liabilities

Liabilities with preferential rights

Persuant to Section 4 FRL, pledge

Guarantee issued by the Company for the Consortium's obligations under the Replacement DIP Facility provided by CL-S Holdings, L.P. and CLG Co-investment Opportunities, L.P.

5 853 724 509	5 853 724 509
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Note. The Consortium has obligation under the debtor-in-possession term loan facility of nominally 500 000 000 USD provided by CL-S Holdings, L.P. and CLG Co-investment Opportunities, L.P. The Company has granted security over shares in subsidiaries and intra group claims, see above. The stated amount in this inventory includes the principal amount as well as fees and interest.

Persuant to Section 10 a FRL, auditing cost

KPMG	775 000	775 000
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Unsecured liabilities

Accounts payable	44 430 000	12 000 000
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Note. The stated amount includes account payable as well as costs incurred but not yet invoiced.

The Swedish Tax Authority	22 700 000	22 700 000
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Note. The amount relates to taxes with temporary payment respite of approx. 22 700 000 SEK, excluding fees and interest. In the event of a bankruptcy, the liabilities to the Swedish state will increase due to additional taxes and paid state wage guarantee.

Other employment related liabilities	52 000	0
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Eksportfinansiering Norge, Norwegian Term Loan	1 680 000 000	1 680 000 000
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Note. The nominal loan of the loan is 1 497 500 000 NOK. The stated amount in this inventory is in SEK and includes accrued interest.

Commercial hybrid bonds (ISIN SE0014957999)	1 905 000 000	1 905 000 000
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Note. Relates to a hybrid bonds issued under the conditions for SAS AB (publ) SEK 1 615 000 000 Unsubordinated Perpetual Floating Rate Callable Capital Securities (ISIN SE0014957999). The stated amount includes accrued interest. It is noted that the holders of the hybrid bond claims that the total amount, including interest etc, has a higher amount than what the Company assess.

Guarantees issued for subsidiaries' various aircraft lease obligation (operational leasing) and aircraft related obligations.	23 200 000 000	23 200 000 000
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Note. An amount of approx. SEK 6 500 000 000 - 7 500 000 000 of the total guaranteed commitments has been claimed in the Company in the reorganization. See comments in this regard in the administrator's report.

Subordinated liabilities

Subordinated state hybrid bonds, held by the Danish State	1 200 000 000	1 200 000 000
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Note. The liability relates to a hybrid bond under the conditions for SAS AB (publ) SEK 1 000 000 000 Subordinated Perpetual Floating Rate Callable Capital Securities (ISIN SE0014958013). The hybrid bond is held by the Danish State.

Subordinated state hybrid bonds, held by the Swedish and Danish States	5 900 000 000	5 900 000 000
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Note. The liability relates to a hybrid bond under the conditions for SAS AB (publ) SEK 5 000 000 000 Subordinated Perpetual Floating Rate Callable Capital Securities (ISIN SE0014958005). The hybrid bond is held by the Swedish and Danish States with 50 percent each.

Subordinated guarantee commitments under a Swiss bond issued by the Consortium	1 492 000 000	1 492 000 000
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Note. Relates to a subordinated guarantee commitments under the Swiss bonds issued by the Consortium under the conditions for CHF 200 000 000 Perpetual Subordinated Bonds 1986ff (ISIN CH0006125253). The outstanding amount is nominally 127 195 000 CHF.

Total liabilities	41 298 681 509	41 266 199 509
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Addition to the above liabilities etc.

As mentioned in the administrator's report and in the Company's reorganization plan, there is a potential debt to the Swedish and Danish governments for interests on state aid received on initially a formally incorrect basis. In accordance with EU law, claims relating to formally incorrectly paid state aid cannot be written down through a reorganization plan.

In the event of a bankruptcy, there will be additional liabilities such as guarantees for subsidiaries' aircraft lease obligation issued under the reorganization, additional taxes, various salary liabilities, additional guarantee obligations, liabilities relates to the parties proposed to be unaffected in the reorganization plan, bankruptcy costs, etc. The additional liabilities are estimated to a significant amount and will consequently have a negative impact on the dividend percentage.

Stockholm, 10 June 2024



Mikael Kubu

Definitions

2020 recapitalization means the recapitalization described in paragraph 4 of Appendix 5 (*The events leading to the commencement of the Chapter 11 Cases*) to the Company's application for company reorganization.

Air France-KLM means Air France-KLM S.A.

Apollo means Apollo Management Holdings, L.P., including its role and acting on behalf of one or more affiliates and/or funds or separate accounts managed by Apollo or its affiliates.

Bankruptcy Court means the United States Bankruptcy Court for the Southern District of New York or any other court having jurisdiction over the chapter 11 proceedings.

Company means SAS AB (publ) (reg. no. 556606-8499).

Castlelake means Castlelake, L.P., acting on behalf of certain of its funds or affiliates.

Chapter 11 means Chapter 11 of the U.S. Bankruptcy Code.

Chapter 11 proceedings means the Chapter 11 proceedings initiated by the CH Debtors on July 5, 2022 in the United States under the caption *In re SAS AB, et al, No. 22-10925 (MEW)*.

Chapter 11 Plan means the CH Debtors' plan of reorganization submitted as part of the Chapter 11 proceedings and confirmed by the Bankruptcy Court on March 19, 2024 (the written order was first issued on March 22, 2024).

CH Debtors means the Company and certain of its subsidiaries¹ that voluntarily filed applications under Chapter 11.

CHF means Swiss franc.

Commercial Hybrid Bonds means the hybrid bonds issued under the terms of *SAS AB (publ) SEK 1,615,000,000 Unsubordinated Perpetual Floating Rate Callable Capital Securities (ISIN SE0014957999)*.

¹ The following entities: the Consortium Owners, the Consortium, Gorm Asset Management Limited, Gorm Dark Blue Limited, Gorm Deep Blue Limited, Gorm Sky Blue Limited, Gorm Warm Red Limited, Gorm Light Blue Limited, Gorm Ocean Blue Limited, Gorm Engine Management Limited and Scandinavian Airlines of North America Inc.

Consortium means Scandinavian Airlines System Denmark-Norway-Sweden (reg. no. 902001-7720) which is owned by three companies now named SAS Danmark A/S (“**SASD**”) (incorporated and registered in Denmark), SAS Norge AS (“**SASN**”) (incorporated and registered in Norway), and SAS Sverige AB (“**SASS**”) and, together with SASD and SASN the “**Consortium Owners**”).²

CVN means the *contingent value right notes* to be issued under the *Terms and Conditions of the Contingent Value Right Notes issued by SAS GUC Entity* and constitute additional cash distribution to the Company’s creditors under this plan of reorganization.

Eksfin means Export Finance Norway (a Norwegian governmental authority).

EuroBonus means the loyalty program owned and operated by SAS EuroBonus AB (reg. no. 559224-9782).

Investment means the transaction structure agreed between the Company and the Investors, including a total investment in the reorganized Company of USD 1,200 million, allocated between USD 475 million in new unlisted shares and USD 725 million in convertible debt.

Investment Agreement means the agreement dated November 4, 2023 (as amended, restated, supplemented or otherwise modified from time to time) entered into between the Company and the Investors containing the terms and conditions of the Investment, including the full terms and conditions of the equity investment and the principal terms and conditions of the secured convertible debt) as well as the general terms and conditions of the Chapter 11 Plan, see paragraph 13 of Appendix 6 (*The Chapter 11 Cases*) to the Company’s application for company reorganization for further information on the structure of the Investment.

Investors means Castlake, Air France-KLM, Lind Invest, and the Danish State.

ISIN means International Securities Identification Number, a unique identification code for securities which applies to shares, bonds, mutual funds, commercial papers and power of attorneys.

Lind Invest means Lind Invest ApS.

NOK means Norwegian kroner.

Norwegian Term Loan means the NOK 1,497,500,000 unsecured loan agreement dated December 18, 2020 (as amended, restated, supplemented or otherwise modified prior to the date of this document) entered into by, among others, the Company, as borrower, the Consortium, as guarantor, Nordea Bank Abp, filial i Sverige, as facility agent and documentation agent. Eksfin is now the sole creditor.

² The obligations of the Consortium Owners in relation to the Consortium are governed by a certain consortium agreement dated February 8, 1951 between AB Aerotransport, now merged into SASS (formerly Svensk Interkontinental Lufttrafik AB) and dissolved, Det Danske Luftfartselskab A/S (SASD), and Det Norske Luftfartselskap A/S (SASN) (as amended and supplemented on May 7, 1956, March 26, 1962, April 1, 1974, February 15, 1985, June 1, 1987, October 1, 1987, restated on May 29, 1997 and as amended and supplemented on May 8, 2001, June 5, 2012, and May 27, 2019 (the “**Consortium Agreement**”). Under the Consortium Agreement, the Consortium Owners are jointly and severable liable for the obligations of the Consortium.

Original DIP Credit Agreement means the credit agreement for the senior super-priority debtor-in-possession term loans up to an aggregate amount of USD 700 million provided by Apollo.

Replacement DIP Facility means the senior secured debtor-in-possession term loan facility with an aggregate principal amount of USD 500 million provided by affiliates of Castlelake.

SAS Group or **SAS** means the Company and all of its directly and indirectly owned subsidiaries.

Swiss Bonds means the *CHF 200,000,000 perpetual subordinated bonds 1986ff, with an outstanding amount of CHF 127,195,000*, with ISIN CH0006125253 issued under and pursuant to the prospectus dated December 6, 1985, between the Consortium, as issuer, and Citibank (Switzerland) AG, as payment agent.

Seabury means Seabury Securities LLC.

SEB means Skandinaviska Enskilda Banken AB (publ).

SEK or **kronor** means Swedish kronor.

States means the Danish State and the Swedish State, jointly.

State Hybrid Notes means the State Hybrid Notes 1 and the State Hybrid Notes 2, jointly.

State Hybrid Notes 1 means the subordinated hybrid notes issued to the States under the terms of *SAS AB (publ) SEK 5,000,000,000 Subordinated Perpetual Floating Rate Callable Capital Securities (ISIN SE0014958005)*.

State Hybrid Notes 2 means the subordinated hybrid notes issued to the Danish State under the terms of *SAS AB (publ) SEK 1,000,000,000 Subordinated Perpetual Floating Rate Callable Capital Securities (ISIN SE0014958013)*.

UCC means the Official Committee of Unsecured Creditors, which is the creditors' committee appointed by the Office of the United States Trustee to represent the interests of all unsecured creditors as a group in the Chapter 11 proceedings.

USD means US dollars.

Styrelsens för SAS AB (publ) förslag till beslut om nyemission av förlagsaktier med avvikelse från aktieägarnas företrädesrätt

The Board of Directors of SAS AB (publ) 's proposal for a resolution on a new issue of subordinated shares with deviation from the shareholders' preferential right

Styrelsen för SAS AB (publ) ("**Bolaget**") föreslår att Bolaget, inom ramen för rekonstruktionsplanen, genomför en nyemission av förlagsaktier på följande villkor ("**Kontantemissionen**").

*The Board of Directors of SAS AB (publ) (the "**Company**") proposes that the Company, within the framework of the reorganization plan, carries out a new share issue of subordinated shares on the following terms (the "**Cash Issue**").*

1. Bolagets aktiekapital ska ökas med högst 3 886 674 998,68 kronor genom nyemission av högst 3 265 002 259 förlagsaktier.

The Company's share capital shall be increased by up to SEK 3,886,674,998.68 through the issuance of a maximum of 3,265,002,259 subordinated shares.

2. Rätt att teckna de nya förlagsaktierna ska, med avvikelse från aktieägarnas företrädesrätt, tillkomma Air France-KLM S.A., den danska staten samt Lind Invest ApS (de "**Teckningsberättigade**") enligt nedan fördelning.

*The right to subscribe for the new subordinated shares shall, with deviation from the shareholders' preferential right, be granted Air France-KLM S.A., the Kingdom of Denmark and Lind Invest ApS (the "**Eligible Subscribers**"), according to the below allocation.*

Teckningsberättigad / Eligible Subscriber	Teckningsåtagande (USD) / Subscription commitment (USD)
Air France-KLM S.A.	109 450 000 / 109,450,000
Danska staten / Kingdom of Denmark	142 025 000 / 142,025,000
Lind Invest ApS	47 500 000 / 47,500,000
Totalt / Total	298 975 000 / 298,975,000

Antalet förlagsaktier som respektive Teckningsberättigad har rätt att teckna inom ramen för Kontantemissionen kommer att fastställas baserat på den Teckningsberättigades teckningsåtagande i USD, konverterat till SEK (avrundat till två decimaler) med användning av den Europeiska centralbankens referensväxelkurs för USD/SEK en (1) bankdag före teckningsperioden i Kontantemissionen inleds, delat med teckningskursen i punkt 3 nedan (varvid antalet förlagsaktier ska avrundas nedåt till närmaste heltal).

The number of subordinated shares that each Eligible Subscriber is entitled to subscribe for in the Cash Issue will be determined based on such Eligible Subscriber's subscription commitment in USD, converted to SEK (rounded to two decimal places) using the European Central Bank's reference exchange rate for USD/SEK one (1) business day prior to the commencement of the subscription period in the Cash Issue, divided by the subscription price set out in item 3 below (whereby the number of subordinated shares shall be truncated down to the nearest integer).

Om det sammanlagda antalet aktier som de Teckningsberättigade har rätt att teckna enligt denna punkt 2 överstiger det högsta beloppet för ökning av aktiekapitalet eller det högsta antalet förlagsaktier som kan komma att emitteras enligt punkt 1 ovan ska antalet förlagsaktier som de Teckningsberättigade har rätt att teckna justeras nedåt *pro rata* så att dessa gränser inte längre överskrids.

If the aggregate number of shares that the Eligible Subscribers are entitled to subscribe for pursuant to this item 2 exceeds the maximum amount of the share capital increase or the maximum number of subordinated shares that may be issued under item 1 above, the number of subordinated shares that the Eligible Subscribers are entitled to subscribe for shall be adjusted down pro rata so that such limits are no longer exceeded.

3. Teckningskursen ska motsvara kvotvärdet för varje ny förlagsaktie om cirka 1,19040499526657 kronor. Teckningskursen grundas på en överenskommelse mellan Bolaget och de Teckningsberättigade.

The subscription price shall correspond to the quota value of each new subordinated share of approximately SEK 1.19040499526657. The subscription price is based on an agreement between the Company and the Eligible Subscribers.

4. Teckning av de nya förlagsaktierna ska ske på särskild teckningslista under den första måndagen (eller om den måndagen är en allmän helgdag, under bankdagen därpå) efter att beslut om fastställelse av rekonstruktionsplanen har vunnit laga kraft. Styrelsen äger rätt att förlänga tiden för teckning. Teckning ska dock ske senast inom sex (6) månader efter att beslut om fastställelse av rekonstruktionsplanen har fattats.

Subscription of the new subordinated shares shall be made on a separate subscription list during the first Monday (or if such Monday is a public holiday, during the following business day) after the resolution to adopt the reorganization plan has entered into legal force. The Board of Directors is entitled to extend the subscription period. Subscription shall, however, be made no later than six (6) months after the resolution to adopt the reorganization plan.

5. Tecknade aktier ska betalas kontant inom fem (5) bankdagar efter teckning. Styrelsen äger rätt att förlänga tiden för betalning. Betalning ska dock ske senast inom sex (6) månader efter att beslut om fastställelse av rekonstruktionsplanen har fattats.

Subscribed shares shall be paid in cash within five (5) business days after subscription. The Board of Directors is entitled to extend the time for payment. Payment shall, however, be made no later than six (6) months after the resolution to adopt the reorganization plan.

6. I enlighet med § 15 B i Bolagets bolagsordning berättigar de nya förlagsaktierna inte till utdelning.

In accordance with Article 15 B of the Company's articles of association, the new subordinated shares will not carry any right to dividends.

7. De nya förlagsaktierna kommer att omfattas av förbehåll enligt 20 kap. 31 § aktiebolagslagen (inlösenförbehåll).

The new subordinated shares will be subject to a provision pursuant to Chapter 20, Section 31 of the Swedish Companies Act (redemption provision).

8. Beslutet är villkorat av att beslut fattas i enlighet med Bilaga 4–9 i rekonstruktionsplanen.

The resolution is conditional upon resolutions being adopted in accordance with Appendix 4–9 of the reorganization plan.

Skälen för avvikelserna från aktieägarnas företrädesrätt är att kunna genomföra rekonstruktionen i enlighet med rekonstruktionsplanen och att därigenom kunna säkerställa ett så förmånligt utfall som möjligt för Bolagets borgenärer samtidigt som Bolagets finansiella ställning stärks. Den föreslagna Kontantemissionen är ett resultat av långvariga och komplexa förhandlingar med större aktieägare, potentiella nya investerare, borgenärer och andra intressenter, vilket bland annat innefattat en konkurrensutsatt kapitalanskaffningsprocess, och bedöms nödvändig för att kunna genomföra rekonstruktionen i enlighet med rekonstruktionsplanen.

The reasons for deviating from the shareholders' preferential right is to be able to implement the reorganization in accordance with the reorganization plan, thereby ensuring the best possible outcome for the Company's creditors while strengthening the financial position of the Company. The proposed Cash Issue is the result of lengthy and complex negotiations with major shareholders, potential new investors, creditors, and other stakeholders, including a competitive equity solicitation process, and is considered necessary to implement the reorganization in accordance with the reorganization plan.

Verkställande direktören, eller den person som verkställande direktören utser, ska ha rätt att vidta de smärre justeringar av ovanstående beslut som kan visa sig erforderliga i samband med registrering vid Bolagsverket eller Euroclear Sweden AB.

The CEO, or whomever the CEO may appoint, shall be authorized to make such minor adjustments of the above resolution that may prove necessary in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

Handlingar enligt 13 kap. 6 § aktieföretagslagen har upprättats.

Documents pursuant to Chapter 13, Section 6 of the Swedish Companies Act have been prepared.

Stockholm den 10 juni 2024 / Stockholm on June 10, 2024

SAS AB (publ)

Styrelsen / The Board of Directors

Styrelsens för SAS AB (publ) förslag till beslut om nyemission av förlagsaktier med betalning genom apportegendom

The Board of Directors of SAS AB (publ) 's proposal for a resolution on a new issue of subordinated shares with payment in kind

Styrelsen för SAS AB (publ) ("Bolaget") föreslår att Bolaget, inom ramen för rekonstruktionsplanen, genomför en nyemission av förlagsaktier på följande villkor ("DIP-emissionen").

The Board of Directors of SAS AB (publ) (the "Company") proposes that the Company, within the framework of the reorganization plan, carries out a new issue of subordinated shares on the following terms (the "DIP Issue").

1. Bolagets aktiekapital ska ökas med högst 2 288 324 999,22 kronor genom nyemission av högst 1 922 307 961 förlagsaktier.

The Company's share capital shall be increased by up to SEK 2,288,324,999.22 through the issuance of a maximum of 1,922,307,961 subordinated shares.

2. Rätt att teckna de nya förlagsaktierna ska tillkomma CL-S Holdings Lux S.à r.l. ("Castlelake"). Antalet förlagsaktier som Castlelake har rätt att teckna inom ramen för DIP-emissionen kommer att fastställas baserat på Castlelakes totala teckningsåtagande om 176 025 000 USD, konverterat till SEK (avrundat till två decimaler) med användning av den Europeiska centralbankens referensväxelkurs för USD/SEK en (1) bankdag före teckningsperioden i DIP-emissionen inleds, delat med teckningskursen som anges i punkt 3 nedan (varvid antalet förlagsaktier ska avrundas nedåt till närmaste heltal).

The right to subscribe for the new subordinated shares shall be granted to CL-S Holdings Lux S.à r.l. ("Castlelake"). The number of subordinated shares that Castlelake is entitled to subscribe for in the DIP Issue will be determined based on Castlelake's total subscription commitment of USD 176,025,000, converted to SEK (rounded to two decimal places) using the European Central Bank's reference exchange rate for USD/SEK one (1) business day prior to the commencement of the subscription period in the DIP Issue, divided by the subscription price set out in item 3 below (whereby the number of subordinated shares shall be truncated down to the nearest integer).

Om det sammanlagda antalet aktier som Castlelake har rätt att teckna enligt denna punkt 2 överstiger det högsta beloppet för ökning av aktiekapitalet eller det högsta antalet förlagsaktier som kan komma att emitteras enligt punkt 1 ovan ska antalet förlagsaktier som Castlelake har rätt att teckna justeras nedåt *pro rata* så att dessa gränser inte längre överskrids.

If the aggregate number of shares that Castlelake is entitled to subscribe for pursuant to this item 2 exceeds the maximum amount of the share capital increase or the maximum number of subordinated shares that may be issued under item 1 above, the number of subordinated shares that Castlelake is entitled to subscribe for shall be adjusted down pro rata so that such limits are no longer exceeded.

3. Teckningskursen ska motsvara kvotvärdet för varje ny förlagsaktie om cirka 1,19040499526657 kronor. Betalning ska ske genom tillskjutande av apportegendom bestående av en fordran om sammanlagt 405 985 766,13 USD (motsvarande cirka 4 270 113 629,72 kronor)¹ jämte upplupen ränta, som CL-S Holdings, L.P., i egenskap av långgivare, har mot Scandinavian Airlines System Denmark-Norway-Sweden, i egenskap av låntagare, enligt ett refinansieringsavtal avseende ett seniort säkerställt lån med superförmånsrätt (Eng. *super-priority refinancing debtor-in-possession term loan agreement*) daterat den 4 november 2023. Till den del värdet på den tillskjutna fordran överstiger det sammanlagda teckningsbelopp som Castlelake ska betala för de nya förlagsaktierna ska sådant överskjutande belopp avräknas mot Castlelakes övriga betalningsåtaganden som framgår av rekonstruktionsplanen, dvs. ingen överkurs uppkommer.

The subscription price shall correspond to the quota value of each new subordinated share of approximately SEK 1.19040499526657. Payment shall be made by contribution of assets in kind consisting of a claim in an aggregate amount of USD 405,985,766.13 (corresponding to approximately SEK 4,270,113,629.72²) plus accrued interest, which CL-S Holdings, L.P., as lender, holds against Scandinavian Airlines System Denmark-Norway-Sweden, as borrower, under a super-priority refinancing debtor-in-possession term loan agreement dated November 4, 2023. To the extent that the value of the contributed claim exceeds the aggregate subscription price that Castlelake shall pay for the new subordinated shares, such exceeding amount shall be credited against Castlelake's other payment obligations set out in the reorganization plan, i.e. no premium occurs.

4. Teckning av de nya förlagsaktierna ska ske på särskild teckningslista under den första måndagen (eller om den måndagen är en allmän helgdag, under bankdagen därpå) efter att beslut om fastställelse av rekonstruktionsplanen har vunnit laga kraft. Styrelsen äger rätt att förlänga tiden för teckning. Teckning ska dock ske senast inom sex (6) månader efter att beslut om fastställelse av rekonstruktionsplanen har fattats.

Subscription of the new subordinated shares shall be made on a separate subscription list during the first Monday (or if such Monday is a public holiday, during the following business day) after the resolution to adopt the reorganization plan has entered into legal force. The Board of Directors is entitled to extend the subscription period. Subscription shall, however, be made no later than six (6) months after the resolution to adopt the reorganization plan.

5. Betalning för de tecknade förlagsaktierna ska ske genom tillskjutande av apportegendom i samband med teckning, eller den senare tidpunkt som styrelsen beslutar. Betalning ska dock ske senast inom sex (6) månader efter att beslut om fastställelse av rekonstruktionsplanen har fattats.

Payment for the subscribed subordinated shares shall be made by contribution of assets in kind in connection with subscription, or at such later date as resolved by the Board of Directors. Payment shall, however, be made no later than six (6) months after the resolution to adopt the reorganization plan.

6. I enlighet med § 15 B i Bolagets bolagsordning berättigar de nya förlagsaktierna inte till utdelning.

¹ Uppskattat belopp baserat på Riksbankens referensväxelkurs för USD/SEK per den 3 juni 2024 (10,51789).

² Estimated amount based on the Riksbank's reference exchange rate for USD/SEK as at June 3, 2024 (10.51789).

In accordance with Article 15 B of the Company's articles of association, the new subordinated shares will not carry any right to dividends.

7. De nya förlagsaktierna kommer att omfattas av förbehåll enligt 20 kap. 31 § aktiebolagslagen (inlösenförbehåll).

The new subordinated shares will be subject to a provision pursuant to Chapter 20, Section 31 of the Swedish Companies Act (redemption provision).

8. Beslutet är villkorat av att beslut fattas i enlighet med Bilaga 3 samt Bilaga 5–9 i rekonstruktionsplanen.

The resolution is conditional upon resolutions being adopted in accordance with Appendix 3 and Appendix 5–9 of the reorganization plan.

Verkställande direktören, eller den person som verkställande direktören utser, ska ha rätt att vidta de smärre justeringar av ovanstående beslut som kan visa sig erforderliga i samband med registrering vid Bolagsverket eller Euroclear Sweden AB.

The CEO, or whomever the CEO may appoint, shall be authorized to make such minor adjustments of the above resolution that may prove necessary in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

Handlingar enligt 13 kap. 6–8 §§ aktiebolagslagen har upprättats.

Documents pursuant to Chapter 13, Sections 6–8 of the Swedish Companies Act have been prepared.

Stockholm den 10 juni 2024 / Stockholm on June 10, 2024

SAS AB (publ)

Styrelsen / The Board of Directors

Styrelsens för SAS AB (publ) förslag till beslut om nyemission av förlagsaktier med betalning genom kvittning

The Board of Directors of SAS AB (publ) 's proposal for a resolution on a new issue of subordinated shares with payment through set-off

Styrelsen för SAS AB (publ) ("**Bolaget**") föreslår att Bolaget, inom ramen för rekonstruktionsplanen, genomför en nyemission av förlagsaktier på följande villkor ("**Kvittningsemissionen**").

*The Board of Directors of SAS AB (publ) (the "**Company**") proposes that the Company, within the framework of the reorganization plan, carries out a new issue of subordinated shares on the following terms (the "**Set-off Issue**").*

1. Bolagets aktiekapital ska ökas med högst 675 999 999,86 kronor genom nyemission av högst 567 873 961 förlagsaktier.

The Company's share capital shall be increased by up to SEK 675,999,999.86 through the issuance of a maximum of 567,873,961 subordinated shares.

2. Rätt att teckna de nya förlagsaktierna ska, med avvikelse från aktieägarnas företrädesrätt, tillkomma innehavare av vissa huvud- eller garantifordringar mot Bolaget enligt Bilaga 5A (de "**Teckningsberättigade**"). Bilaga 5A kan, med anledning av rekonstruktionen, komma att justeras beroende på förhållandena vid den tidpunkt då rekonstruktionsplanen fastställs och den skuldnedskrivning som därav sker.

*The right to subscribe for the new subordinated shares shall, with deviation from the shareholders' preferential right, be granted to holders of certain principal or guarantee claims against the Company, as set out in Appendix 5A (the "**Eligible Subscribers**"). Appendix 5A may, due to the reorganization, be adjusted depending on the circumstances at the time when the reorganization plan is adopted and the resulting impairment of debt.*

Det antal nya förlagsaktier som de Teckningsberättigade ska äga rätt att teckna ska baseras på det totala värdet (uttryckt i USD) som Bolaget ska distribuera till oprioriterade borgenärer i form av nya aktier i Bolaget ("**Aktieersättningen**") enligt rekonstruktionsplanen, vilket kommer att fördelas mellan de Teckningsberättigade *pro rata* i förhållande till fordringarnas storlek, såsom fastställda per dagen då rekonstruktionsplanen fastställs. Antalet förlagsaktier som respektive Teckningsberättigad har rätt att teckna inom ramen för Kvittningsemissionen kommer att fastställas baserat på den Teckningsberättigades andel av Aktieersättningen, konverterat till SEK med användning av den Europeiska centralbankens referensväxelkurs för USD/SEK en (1) bankdag före teckningsperioden i Kvittningsemissionen inleds, delat med teckningskursen som anges i punkt 3 nedan (varvid antalet förlagsaktier ska avrundas nedåt till närmaste heltal).

*The number of new subordinated shares that the Eligible Subscribers shall be entitled to subscribe for shall be based on the total value (expressed in USD) that the Company shall distribute to general unsecured creditors in the form of new shares in the Company (the "**Equity Recovery**") pursuant to the reorganization plan, which will be allocated between the Eligible Subscribers *pro rata* in relation to the size of the claims, as determined on the date on which the reorganization plan is adopted. The number of subordinated shares that each Eligible Subscriber is entitled to subscribe for in the Set-off Issue will be determined*

based on such Eligible Subscriber's portion of the Equity Recovery, converted to SEK using the European Central Bank's reference exchange rate for USD/SEK one (1) business day prior to the commencement of the subscription period in the Set-off Issue, divided by the subscription price set out in item 3 below (whereby the number of subordinated shares shall be truncated down to the nearest integer).

Om det sammanlagda antalet aktier som de Teckningsberättigade har rätt att teckna enligt denna punkt 2 överstiger det högsta beloppet för ökning av aktiekapitalet eller det högsta antalet förlagsaktier som kan komma att emitteras enligt punkt 1 ovan ska antalet förlagsaktier som de Teckningsberättigade har rätt att teckna justeras nedåt *pro rata* så att dessa gränser inte längre överskrids.

If the aggregate number of shares that the Eligible Subscribers are entitled to subscribe for pursuant to this item 2 exceeds the maximum amount of the share capital increase or the maximum number of subordinated shares that may be issued under item 1 above, the number of subordinated shares that the Eligible Subscribers are entitled to subscribe for shall be adjusted down pro rata so that such limits are no longer exceeded.

3. Teckningskursen ska motsvara kvotvärdet för varje ny förlagsaktie om cirka 1,19040499526657 kronor. Teckningskursen grundas på det värde som tilldelats förlagsaktierna enligt rekonstruktionsplanen. Betalning ska ske genom kvittning av fordran mot Bolaget, enligt Bilaga 5A och styrelsens redogörelse, Bilaga 10C.1. Fordran, efter skuldnedskrivning enligt rekonstruktionsplanen, får användas för kvittning fullt ut.

The subscription price shall correspond to the quota value of each new subordinated share of approximately SEK 1.19040499526657. The subscription price is based on the value ascribed to the subordinated shares according to the reorganization plan. Payment shall be made by set-off of claims against the Company, according to Appendix 5A and the Board of Directors' statement, Appendix 10C.1. The entire claim amount, after write-down pursuant to the reorganization plan, may be used for set-off.

4. Teckning av de nya förlagsaktierna ska ske på särskild teckningslista under den första måndagen (eller om den måndagen är en allmän helgdag, under bankdagen därpå) efter att beslut om fastställelse av rekonstruktionsplanen har vunnit laga kraft. Styrelsen äger rätt att förlänga tiden för teckning. Teckning ska dock ske senast inom sex (6) månader efter att beslut om fastställelse av rekonstruktionsplanen har fattats.

Subscription of the new subordinated shares shall be made on a separate subscription list during the first Monday (or if such Monday is a public holiday, during the following business day) after the resolution to adopt the reorganization plan has entered into legal force. The Board of Directors is entitled to extend the subscription period. Subscription shall, however, be made no later than six (6) months after the resolution to adopt the reorganization plan.

5. Betalning för de tecknade förlagsaktierna ska ske genom kvittning av fordran i samband med teckning, eller den senare tidpunkt som styrelsen beslutar. Betalning ska dock ske senast inom sex (6) månader efter att beslut om fastställelse av rekonstruktionsplanen har fattats.

Payment for the subscribed subordinated shares shall be made by set-off of claim in connection with subscription, or at such later date as resolved by the Board of Directors. Payment shall, however, be made no later than six (6) months after the resolution to adopt the reorganization plan.

6. I enlighet med § 15 B i Bolagets bolagsordning berättigar de nya förlagsaktierna inte till utdelning.

In accordance with Article 15 B of the Company's articles of association, the new subordinated shares will not carry any right to dividends.

7. De nya förlagsaktierna kommer att omfattas av förbehåll enligt 20 kap. 31 § aktiebolagslagen (inlösenförbehåll).

The new subordinated shares will be subject to a provision pursuant to Chapter 20, Section 31 of the Swedish Companies Act (redemption provision).

8. Beslutet är villkorat av att beslut fattas i enlighet med Bilaga 3–4 samt Bilaga 6–9 i rekonstruktionsplanen.

The resolution is conditional upon resolutions being adopted in accordance with Appendix 3–4 and Appendix 6–9 of the reorganization plan.

Skälen för avvikelserna från aktieägarnas företrädesrätt är att kunna genomföra rekonstruktionen i enlighet med rekonstruktionsplanen och att därigenom kunna säkerställa ett så förmånligt utfall som möjligt för Bolagets borgenärer samtidigt som Bolagets finansiella ställning stärks. Den föreslagna Kvittningsemissionen är ett resultat av långvariga och komplexa förhandlingar med större aktieägare, potentiella nya investerare, borgenärer och andra intressenter, vilket bland annat innefattat en konkurrensutsatt kapitalanskaffningsprocess, och bedöms nödvändig för att kunna genomföra rekonstruktionen i enlighet med rekonstruktionsplanen.

The reasons for deviating from the shareholders' preferential right is to be able to implement the reorganization in accordance with the reorganization plan, thereby ensuring the best possible outcome for the Company's creditors while strengthening the financial position of the Company. The proposed Set-off Issue is the result of lengthy and complex negotiations with major shareholders, potential new investors, creditors, and other stakeholders, including a competitive equity solicitation process, and is considered necessary to implement the reorganization in accordance with the reorganization plan.

Verkställande direktören, eller den person som verkställande direktören utser, ska ha rätt att vidta de smärre justeringar av ovanstående beslut som kan visa sig erforderliga i samband med registrering vid Bolagsverket eller Euroclear Sweden AB.

The CEO, or whomever the CEO may appoint, shall be authorized to make such minor adjustments of the above resolution that may prove necessary in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

Handlingar enligt 13 kap. 6–8 §§ aktiebolagslagen har upprättats.

Documents pursuant to Chapter 13, Sections 6–8 of the Swedish Companies Act have been prepared.

Stockholm den 10 juni 2024 / Stockholm on June 10, 2024

SAS AB (publ)

Styrelsen / The Board of Directors

Bilaga 5A
*Appendix 5A***Teckningsberättigade**
Eligible Subscribers

Rätt att teckna de nya förlagsaktierna ska, med avvikelse från aktieägarnas företrädesrätt, tillkomma innehavare av vissa huvud- eller garantifordringar mot Bolaget enligt nedan. Fördelningen nedan kan, med anledning av rekonstruktionen, komma att justeras beroende på förhållandena vid den tidpunkt då rekonstruktionsplanen fastställs och den skuldnedskrivning som därav sker.

The right to subscribe for the new subordinated shares shall, with deviation from the shareholders' preferential right, be granted to holders of certain principal or guarantee claims against the Company as set out below. The allocation set out below may, due to the reorganization, be adjusted depending on the circumstances at the time when the reorganization plan is adopted and the resulting impairment of debt.

Om fordran har överlåtits till tredje part vid tidpunkten för Kvittningsemissionen ska rätten att teckna nya förlagsaktier istället tillkomma den nya fordringshavaren som därmed ska anses vara Teckningsberättigad.

If the relevant claim has been assigned to a third party at the time of the Set-off Issue, the right to subscribe for new subordinated shares shall instead be granted to such new creditor who shall be deemed an Eligible Subscriber.

Fordringshavare / Creditor	Beskrivning av fordran / <i>Description of claim</i>	Fordrans storlek ¹ (belopp i SEK) ² / <i>Claim amount</i> ³ (amount in SEK) ⁴	#
Eksfin – Eksportfinansiering Norge / Eksfin – <i>Export Finance Norway</i> , org.nr / <i>Reg. No.</i> 926718304 (Norge/ <i>Norway</i>)	Fordran under låneavtal daterat den 18 december 2020 / <i>Claim under term loan facility agreement dated December 18, 2020</i>	1 706 475 478,43 NOK (principalbelopp om 1 497 500 000 NOK jämta upplupen ränta om 208 975 478,43 NOK) / <i>NOK 1,706,475,478.43 (principal amount of NOK 1,497,500,000 plus accrued interest of NOK 208,975,478.43)</i> (1 708 728 026,06 SEK) Uttryckt i USD för beräkningen av <i>pro rata</i> - andel av Aktieersättningen / <i>Expressed in USD for the calculation of pro rata share of the Equity Recovery:</i> 169 143 079,31 USD	1.
Rolls-Royce plc, org.nr / <i>Reg. No.</i> 01003142 (Förenade Konungariket / <i>United Kingdom</i>)	Fordran enligt omförhandlat motorserviceavtal / <i>Contract restructuring claim with respect to Engine services agreement</i>	80 000 000 USD* (841 431 200 SEK)	2.
Celestial Aviation Trading 9 Limited, org.nr / <i>Reg. No.</i> 393550 (Irland / <i>Ireland</i>)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 2883 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 2883 and/or related guarantees/other operative documents</i>	50 000 USD (525 894,50 SEK)	3.

¹ Fordringar markerade med * har av den amerikanska konkursdomstolen för New Yorks södra distrikt i USA (den ”Amerikanska Domstolen”) ännu inte tagits upp som tillåtna (Eng. *allowed*) eller icke-tillåtna (Eng. *disallowed*) inom ramen för SAS Chapter 11-förfarande, men den Amerikanska Domstolen kommer att fastställa om de ska behandlas som tillåtna eller ej före teckningsperiodens början. I den mån den Amerikanska Domstolen fastställer en fordran som icke-tillåten före teckningsperiodens början (dvs. med innebörden att sådan fordringshavare inte är berättigad till ersättning inom ramen för Chapter 11-förfarandet) kommer fordringshavaren inte att vara Teckningsberättigad i Kvittningsemissionen.

² Uppskattat belopp baserat på Riksbankens referensväxelkurs för USD/SEK (10,51789) respektive NOK/SEK (1,00132) per den 3 juni 2024.

³ *Claims marked with * have not yet been allowed or disallowed by the U.S. Bankruptcy Court for the Southern District of New York (the “U.S. Court”) as part of SAS’ chapter 11 proceedings, but the U.S. Court will decide whether they are to be treated as allowed or disallowed prior to the start of the subscription period. If the U.S. Court disallows a claim prior to the start of the subscription period (i.e., to the effect that such claimant is not entitled to a recovery in the chapter 11 proceedings), the applicable creditor will not be an Eligible Subscriber in the Set-off Issue.*

⁴ *Estimated amount based on the Riksbank’s reference exchange rate for USD/SEK (10.51789) and NOK/SEK (1.00132), respectively, as at June 3, 2024.*

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Celestial Aviation Trading 9 Limited, org.nr / Reg. No. 393550 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 2911 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 2911 and/or related guarantees/other operative documents</i>	50 000 USD (525 894,50 SEK)	4.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 2958 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 2958 and/or related guarantees/other operative documents</i>	50 000 USD (525 894,50 SEK)	5.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 2990 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 2990 and/or related guarantees/other operative documents</i>	50 000 USD (525 894,50 SEK)	6.
Aircraft MSN 7791 LLC, org.nr / Reg. No. 7151536 (USA / U.S.A.)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7791 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7791 and/or related guarantees/other operative documents</i>	4 849 105 USD* (51 002 352,99 SEK)	7.
Aircastle (Ireland) Limited, org.nr / Reg. No. 513581 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7897 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7897 and/or related guarantees/other operative documents</i>	5 001 425 USD* (52 604 437,99 SEK)	8.
Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9089 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9089 and/or related guarantees/other operative documents</i>	2 516 021,39 USD* (26 463 236,22 SEK)	9.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9247 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9247 and/or related guarantees/other operative documents</i>	3 031 440,39 USD* (31 884 356,56 SEK)	10.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9451 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9451 and/or related guarantees/other operative documents</i>	2 412 091 USD* (25 370 107,81 SEK)	11.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10051 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10051 and/or related guarantees/other operative documents</i>	966 655,35 USD* (10 167 174,64 SEK)	12.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10265 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10265 and/or related guarantees/other operative documents</i>	2 247 925 USD* (23 643 427,88 SEK)	13.
Bank of America, N.A., org.nr / Charter No. 22106 (USA / U.S.A.)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9352 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9352 and/or related guarantees/other operative documents</i>	1 247 775,45 USD (13 123 964,93 SEK)	14.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9518 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9518 and/or related guarantees/other operative documents</i>	790 925,55 USD (8 318 867,93 SEK)	15.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Bank of America, N.A., org.nr / Charter No. 22106 (USA / U.S.A.)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9541 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9541 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	16.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10408 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10408 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	17.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10500 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10500 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	18.
Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9312 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9312 and/or related guarantees/other operative documents</i>	2 131 694,36 USD* (22 420 926,79 SEK)	19.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9520 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9520 and/or related guarantees/other operative documents</i>	413 615 USD* (4 350 357,07 SEK)	20.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10145 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10145 and/or related guarantees/other operative documents</i>	425 391 USD* (4 474 215,74 SEK)	21.

Fordringshavare / Creditor	Beskrivning av fordran / <i>Description of claim</i>	Fordrans storlek ¹ (belopp i SEK) ² / <i>Claim amount</i> ³ (amount in SEK) ⁴	#
Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9262 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9262 and/or related guarantees/other operative documents</i>	255 103 USD (2 683 145,29 SEK)	22.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10752 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10752 and/or related guarantees/other operative documents</i>	2 602 897 USD (27 376 984,33 SEK)	23.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10761 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10761 and/or related guarantees/other operative documents</i>	5 300 685 USD (55 752 021,75 SEK)	24.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10764 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10764 and/or related guarantees/other operative documents</i>	3 034 943 USD (31 921 196,63 SEK)	25.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10716 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10716 and/or related guarantees/other operative documents</i>	4 891 539 USD (51 448 669,13 SEK)	26.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10813 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10813 and/or related guarantees/other operative documents</i>	6 692 582 USD (70 391 841,29 SEK)	27.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 418 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 418 and/or related guarantees/other operative documents</i>	31 102 211 USD (327 129 634,05 SEK)	28.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 484 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 484 and/or related guarantees/other operative documents</i>	32 460 330 USD (341 414 180,30 SEK)	29.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9323 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9323 and/or related guarantees/other operative documents</i>	985 427,78 USD* (10 364 620,99 SEK)	30.
Jin Shan 7 Ireland Company Limited, org.nr / Reg. No. 564435 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1665 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1665 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	31.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1697 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1697 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	32.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1715 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1715 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	33.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
GY Aviation Lease 1709 CO., Limited, org.nr / Reg. No. 608177 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7591 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7591 and/or related guarantees/other operative documents</i>	5 123 279 USD (53 886 084,96 SEK)	34.
GY Aviation Lease 1710 CO., Limited, org.nr / Reg. No. 610488 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8333 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8333 and/or related guarantees/other operative documents</i>	6 106 686 USD (64 229 451,61 SEK)	35.
Sky High 127 Leasing Company Limited, org.nr / Reg. No. 698086 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7489 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7489 and/or related guarantees/other operative documents</i>	4 369 351,23 USD* (45 956 355,61 SEK)	36.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7676 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7676 and/or related guarantees/other operative documents</i>	4 308 559,93 USD* (45 316 959,40 SEK)	37.
Sky High 131 Leasing Company Limited, org.nr / Reg. No. 705301 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 499 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 499 and/or related guarantees/other operative documents</i>	23 720 610,54 USD* (249 490 772,39 SEK)	38.
Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7341 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7341 and/or related guarantees/other operative documents</i>	7 688 081 USD (80 862 390,27 SEK)	39.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7565 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7565 and/or related guarantees/other operative documents</i>	5 646 295 USD (59 387 109,72 SEK)	40.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7602 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7602 and/or related guarantees/other operative documents</i>	7 672 188 USD (80 695 229,44 SEK)	41.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7979 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7979 and/or related guarantees/other operative documents</i>	7 408 750 USD (77 924 417,54 SEK)	42.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8031 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8031 and/or related guarantees/other operative documents</i>	5 740 363 USD (60 376 506,59 SEK)	43.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8058 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8058 and/or related guarantees/other operative documents</i>	6 266 059 USD (65 905 719,30 SEK)	44.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8350 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8350 and/or related guarantees/other operative documents</i>	9 455 188 USD (99 448 627,31 SEK)	45.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1928 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1928 and/or related guarantees/other operative documents</i>	24 227 279 USD (254 819 855,52 SEK)	46.
	Andra garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7341 och/eller relaterade garantier/andra operativa dokument / <i>Second guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7341 and/or related guarantees/other operative documents</i>	7 688 081 USD* (80 862 390,27 SEK)	47.
	Andra garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7565 och/eller relaterade garantier/andra operativa dokument / <i>Second guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7565 and/or related guarantees/other operative documents</i>	5 646 295 USD* (59 387 109,72 SEK)	48.
	Andra garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8350 och/eller relaterade garantier/andra operativa dokument / <i>Second guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8350 and/or related guarantees/other operative documents</i>	9 455 188 USD* (99 448 627,31 SEK)	49.
ORIX Aviation Systems Limited, org.nr / Reg. No. 170923 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9032 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9032 and/or related guarantees/other operative documents</i>	1 635 241,08 USD* (17 199 285,80 SEK)	50.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
SMBC Aviation Capital Limited, org.nr / Reg. No. 270775 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7723, 7755, 8109, 9316 samt 10407 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 7723, 7755, 8109, 9316 and 10407, and/or related guarantees/other operative documents</i>	14 242 962,49 USD* (149 805 912,74 SEK)	51.
CALF (A2) Aviation Ireland Designated Activity Company, org.nr / Reg. No. 684803 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7352 samt 7499 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 7352 and 7499, and/or related guarantees/other operative documents</i>	8 510 106 USD (89 508 358,80 SEK)	52.

Styrelsens för SAS AB (publ) förslag till beslut om nyemission av förlagsaktier med betalning genom apportegendom

The Board of Directors of SAS AB (publ)'s proposal for a resolution on a new issue of subordinated shares with payment in kind

Styrelsen för SAS AB (publ) ("Bolaget") föreslår att Bolaget, inom ramen för rekonstruktionsplanen, genomför en nyemission av förlagsaktier på följande villkor ("Apportemissionen").

The Board of Directors of SAS AB (publ) (the "Company") proposes that the Company, within the framework of the reorganization plan, carries out a new issue of subordinated shares on the following terms (the "In-kind Issue").

1. Bolagets aktiekapital ska ökas med högst 507 389 997,11 kronor genom nyemission av högst 426 233 088 förlagsaktier.

The Company's share capital shall be increased by up to SEK 507,389,997.11 through the issuance of a maximum of 426,233,088 subordinated shares.

2. Rätt att teckna de nya förlagsaktierna ska tillkomma innehavare av vissa fordringar mot Bolagets direkt eller indirekt ägda dotterbolag enligt Bilaga 6A (de "Teckningsberättigade").

The right to subscribe for the new subordinated shares shall be granted to holders of certain claims against the Company's directly or indirectly owned subsidiaries, as set out in Appendix 6A (the "Eligible Subscribers").

Det antal nya förlagsaktier som de Teckningsberättigade ska äga rätt att teckna ska baseras på det totala värdet (uttryckt i USD) som respektive gäldenär angivna i Bilaga 6A ska distribuera till oprioriterade borgenärer i form av nya aktier i Bolaget ("Aktieersättningen") enligt den rekonstruktionsplan som har godkänts av amerikansk domstol i SAS Chapter 11-förfarande i USA ("Chapter 11-planen"), varvid Aktieersättningen från respektive gäldenär kommer att fördelas mellan Teckningsberättigade med fordringar mot sådan gäldenär *pro rata* i förhållande till fordringarnas storlek, såsom fastställda bankdagen före teckningsperioden i Apportemissionen inleds (om en fordran även berättigar till kontant utdelning enligt Chapter 11-planen ska dock den relevanta Teckningsberättigades andel av Aktieersättningen minska i motsvarande mån, dvs. så att alla Teckningsberättigade med fordringar mot samma gäldenär erhåller samma procentuella totalersättning för sådana fordringar). Antalet förlagsaktier som respektive Teckningsberättigad har rätt att teckna inom ramen för Apportemissionen kommer att fastställas baserat på den Teckningsberättigades andel av Aktieersättningen, konverterat till SEK med användning av den Europeiska centralbankens referensväxelkurs för USD/SEK en (1) bankdag före teckningsperioden i Apportemissionen inleds, delat med teckningskursen som anges i punkt 3 nedan (varvid antalet förlagsaktier ska avrundas nedåt till närmaste heltal).

The number of new subordinated shares that the Eligible Subscribers shall be entitled to subscribe for shall be based on the total value (expressed in USD) that each debtor listed in Appendix 6A shall distribute to general unsecured creditors in the form of new shares in the Company (the "Equity Recovery") pursuant to the reorganization plan confirmed by the U.S. court in SAS' chapter 11 proceedings in the United States (the "Chapter 11 Plan"),

whereby the Equity Recovery from each debtor will be allocated between Eligible Subscribers with claims against such debtor pro rata in relation to the size of the claims, as determined on the business day prior to the commencement of the subscription period in the In-kind Issue (if a claim also entitles to cash distribution pursuant to the Chapter 11 Plan, the relevant Eligible Subscriber's portion of the Equity Recovery shall, however, be reduced by a corresponding amount, i.e. such that all Eligible Subscribers with claims against the same debtor receive the same total percentage recovery on account of such claims). The number of subordinated shares that each Eligible Subscriber is entitled to subscribe for in the In-kind Issue will be determined based on such Eligible Subscriber's portion of the Equity Recovery, converted to SEK using the European Central Bank's reference exchange rate for USD/SEK one (1) business day prior to the commencement of the subscription period in the In-kind Issue, divided by the subscription price set out in item 3 below (whereby the number of subordinated shares shall be truncated down to the nearest integer).

Om det sammanlagda antalet aktier som de Teckningsberättigade har rätt att teckna enligt denna punkt 2 överstiger det högsta beloppet för ökning av aktiekapitalet eller det högsta antalet förlagsaktier som kan komma att emitteras enligt punkt 1 ovan ska antalet förlagsaktier som de Teckningsberättigade har rätt att teckna justeras nedåt *pro rata* så att dessa gränser inte längre överskrids.

If the aggregate number of shares that the Eligible Subscribers are entitled to subscribe for pursuant to this item 2 exceeds the maximum amount of the share capital increase or the maximum number of subordinated shares that may be issued under item 1 above, the number of subordinated shares that the Eligible Subscribers are entitled to subscribe for shall be adjusted down pro rata so that such limits are no longer exceeded.

3. Teckningskursen ska motsvara kvotvärdet för varje ny förlagsaktie om cirka 1,19040499526657 kronor. Betalning ska ske genom tillskjutande av apportegendom bestående av fordringar mot Bolagets direkt eller indirekt ägda dotterbolag, enligt Bilaga 6A och styrelsens redogörelse, Bilaga 10D.1. Fördelningen enligt Bilaga 6A och Bilaga 10D.1 kan komma att justeras beroende på fordringarnas storlek, såsom fastställda bankdagen före teckningsperioden i Apportemissionen inleds. Värdet på de tillskjutna fordringarna kommer i samtliga fall att överstiga kvotvärdet för de tecknade aktierna och till den del värdet på en fordran överstiger det sammanlagda teckningsbelopp som den Teckningsberättigade ska betala för de nya förlagsaktierna ska sådant överskjutande belopp efterges av fordringshavaren i enlighet med vad som framgår av Chapter 11-planen, dvs. ingen under- eller överkurs uppkommer.

The subscription price shall correspond to the quota value of each new subordinated share of approximately SEK 1.19040499526657. Payment shall be made by contribution of assets in kind consisting of claims against the Company's directly or indirectly owned subsidiaries, in accordance with Appendix 6A and the Board of Directors' statement, Appendix 10D.1. The allocation set forth in Appendix 6A and Appendix 10D.1 may be adjusted depending on the size of the claims, as determined on the business day prior to the commencement of the subscription period in the In-kind Issue. The value of the contributed claims will in any event exceed the quota value of the subscribed subordinated shares, and to the extent that the value of a claim exceeds the aggregate subscription price that the Eligible Subscriber (the creditor) shall pay for the new subordinated shares, such exceeding amount will be forgiven by the creditor in accordance with what is set out in the Chapter 11 Plan, i.e. no premium occurs.

4. Teckning av de nya förlagsaktierna ska ske på särskild teckningslista under den första måndagen (eller om den måndagen är en allmän helgdag, under bankdagen därpå) efter att beslut om fastställelse av rekonstruktionsplanen har vunnit laga kraft. Styrelsen äger rätt att förlänga tiden för teckning. Teckning ska dock ske senast

inom sex (6) månader efter att beslut om fastställelse av rekonstruktionsplanen har fattats.

Subscription of the new subordinated shares shall be made on a separate subscription list during the first Monday (or if such Monday is a public holiday, during the following business day) after the resolution to adopt the reorganization plan has entered into legal force. The Board of Directors is entitled to extend the subscription period. Subscription shall, however, be made no later than six (6) months after the resolution to adopt the reorganization plan.

5. Betalning för de tecknade förlagsaktierna ska ske genom tillskjutande av apportegendom i samband med teckning, eller den senare tidpunkt som styrelsen beslutar. Betalning ska dock ske senast inom sex (6) månader efter att beslut om fastställelse av rekonstruktionsplanen har fattats.

Payment for the subscribed subordinated shares shall be made by contribution of assets in kind in connection with subscription, or at such later date as resolved by the Board of Directors. Payment shall, however, be made no later than six (6) months after the resolution to adopt the reorganization plan.

6. I enlighet med § 15 B i Bolagets bolagsordning berättigar de nya förlagsaktierna inte till utdelning.

In accordance with Article 15 B of the Company's articles of association, the new subordinated shares will not carry any right to dividends.

7. De nya förlagsaktierna kommer att omfattas av förbehåll enligt 20 kap. 31 § aktiebolagslagen (inlösenförbehåll).

The new subordinated shares will be subject to a provision pursuant to Chapter 20, Section 31 of the Swedish Companies Act (redemption provision).

8. Beslutet är villkorat av att beslut fattas i enlighet med Bilaga 3–5 samt Bilaga 7–9 i rekonstruktionsplanen.

The resolution is conditional upon resolutions being adopted in accordance with Appendix 3–5 and Appendix 7–9 of the reorganization plan.

Verkställande direktören, eller den person som verkställande direktören utser, ska ha rätt att vidta de smärre justeringar av ovanstående beslut som kan visa sig erforderliga i samband med registrering vid Bolagsverket eller Euroclear Sweden AB.

The CEO, or whomever the CEO may appoint, shall be authorized to make such minor adjustments of the above resolution that may prove necessary in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

Handlingar enligt 13 kap. 6–8 §§ aktiebolagslagen har upprättats.

Documents pursuant to Chapter 13, Sections 6–8 of the Swedish Companies Act have been prepared.

Stockholm den 10 juni 2024 / Stockholm on June 10, 2024

SAS AB (publ)

Styrelsen / The Board of Directors

Teckningsberättigade
Eligible Subscribers

Rätt att teckna de nya förlagsaktierna ska tillkomma innehavare av vissa fordringar mot Bolagets direkt eller indirekt ägda dotterbolag enligt nedan.

The right to subscribe for the new subordinated shares shall be granted to holders of certain claims against the Company's directly or indirectly owned subsidiaries as set out below.

Om fordran har överlåtits till tredje part vid tidpunkten för Apportemissionen ska rätten att teckna nya förlagsaktier istället tillkomma den nya fordringshavaren som därmed ska anses vara Teckningsberättigad.

If the relevant claim has been assigned to a third party at the time of the In-kind Issue, the right to subscribe for new subordinated shares shall instead be granted to such new creditor who shall be deemed an Eligible Subscriber.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Danska finansdepartementet / <i>The Danish Ministry of Finance</i> , org.nr / Reg. No. 10108330 (Danmark / Denmark)	Fordran under låneavtal daterat den 8 juli 2021 / <i>Claim under term loan facility agreement dated July 8, 2021</i>	1 102 428 462,32 DKK (1 685 414 681,76 SEK) Uttryckt i USD för beräkningen av <i>pro rata</i> -andel av Aktieersättningen / <i>Expressed in USD for the calculation of pro rata share of the Equity Recovery:</i> 154 868 955,13 USD	1.
	Eksfin – Eksportfinansiering Norge / <i>Eksfin – Export Finance Norway</i> , org.nr / Reg. No. 926718304 (Norge / Norway)	Garantifordran under låneavtal daterat den 18 december 2020 / <i>Guarantee claim under term loan facility agreement dated December 18, 2020</i>	1 502 637 672,94 NOK (1 504 621 154,67 SEK) Uttryckt i USD för beräkningen av <i>pro rata</i> -andel av Aktieersättningen / <i>Expressed in USD for the calculation of pro rata share of the Equity Recovery:</i> 150 271 130,58 USD	2.

¹ Fordringar markerade med * har av den amerikanska konkursdomstolen för New Yorks södra distrikt i USA (den "Amerikanska Domstolen") ännu inte tagits upp som tillåtna (Eng. *allowed*) eller icke-tillåtna (Eng. *disallowed*) inom ramen för SAS Chapter 11-förfarande, men den Amerikanska Domstolen kommer att fastställa om de ska behandlas som tillåtna eller ej före teckningsperiodens början. I den mån den Amerikanska Domstolen fastställer en fordran som icke-tillåten före teckningsperiodens början (dvs. med innebörden att sådan fordringshavare inte är berättigad till ersättning inom ramen för Chapter 11-förfarandet) kommer fordringshavaren inte att vara Teckningsberättigad i Apportemissionen.

² Uppskattat belopp baserat på Riksbankens referensväxelkurs för USD/SEK (10,51789), DKK/SEK (1,52882) respektive NOK/SEK (1,00132) per den 3 juni 2024.

³ Claims marked with * have not yet been allowed or disallowed by the U.S. Bankruptcy Court for the Southern District of New York (the "U.S. Court") as part of SAS' chapter 11 proceedings, but the U.S. Court will decide whether they are to be treated as allowed or disallowed prior to the start of the subscription period. If the U.S. Court disallows a claim prior to the start of the subscription period (i.e., to the effect that such claimant is not entitled to a recovery in the chapter 11 proceedings), the applicable creditor will not be an Eligible Subscriber in the In-kind Issue.

⁴ Estimated amount based on the Riksbank's reference exchange rate for USD/SEK (10.51789), DKK/SEK (1.52882) and NOK/SEK (1.00132), respectively, as at June 3, 2024.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Riksgäldskontoret / <i>The Swedish National Debt Office</i> , org.nr / Reg. No. 202100-2635 (Sverige / Sweden) Teckningsberättigad för det antal förlagsaktier som fordran berättigar till är <u>GLAS Trustees Limited</u> , org.nr 08466032 (Förenta Konungariket), dvs. Riksgäldskontoret kommer att tillskjuta fordran för GLAS Trustees Limited räkning / <i>The Eligible Subscriber for the number of subordinated shares that the claim entitles to is <u>GLAS Trustees Limited</u>, Reg. No. 08466032 (United Kingdom), i.e. the Swedish National Debt Office will contribute the claim on behalf of GLAS Trustees Limited</i>	Fordran under låneavtal daterat den 16 juli 2021 / <i>Claim under term loan facility agreement dated July 16, 2021</i>	1 500 625 833,33 SEK Uttryckt i USD för beräkningen av <i>pro rata</i> -andel av Aktieersättningen / <i>Expressed in USD for the calculation of pro rata share of the Equity Recovery:</i> 146 840 894,12 USD	3.
	Datalex (Ireland) Limited, org.nr / Reg. No. 110325 (Irland / Ireland)	Skadeståndsfordran avseende hävning av ramavtal för IT-tjänster 14 SEP 2018 / <i>Damage claim for rejection of IT services frame agreement 14 SEP 2018</i>	1 775 000 USD (18 669 254,75 SEK)	4.
	Safran, org.nr / Reg. No. 562082909 (Frankrike / France)	Fordran avseende hävning av driftavtal för motorservice, nr. SN12- 038L / <i>Contract rejection claim for Engine Services Per Operation Agreement, No. SN12-038L</i>	4 000 000 USD* (42 071 560 SEK)	5.
	Rolls-Royce plc, org.nr / Reg. No. 01003142 (Förenta Konungariket / United Kingdom)	Fordran enligt omförhandlat motorserviceavtal / <i>Contract restructuring claim with respect to Engine services agreement</i>	80 000 000 USD* (841 431 200 SEK)	6.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Dansk Pilotforening (DPF), org.nr / Reg. No. 25532511 (Danmark / Denmark)	Fordran enligt ändrat och reviderat avtal (avseende omstruktureringsstöd) daterat den 15 november 2022 och godkänt genom domstolsbeslut den 8 december 2022 / <i>Claim under under amended and restated (restructuring support) agreement dated November 15, 2022 and allowed by order dated December 8, 2022</i>	25 972 894,48 USD (273 180 047,12 SEK)	7.
	Norske SAS-Flygeres Forening (NSF), org.nr / Reg. No. 975714322 (Norge / Norway)	Fordran enligt ändrat och reviderat avtal (avseende omstruktureringsstöd) daterat den 15 november 2022 och godkänt genom domstolsbeslut den 8 december 2022 / <i>Claim under under amended and restated (restructuring support) agreement dated November 15, 2022 and allowed by order dated December 8, 2022</i>	30 880 929,33 USD (324 802 217,79 SEK)	8.
	SAS Norge Pilotforening (snpf), org.nr / Reg. No. 990182329 (Norge / Norway)	Fordran enligt ändrat och reviderat avtal (avseende omstruktureringsstöd) daterat den 15 november 2022 och godkänt genom domstolsbeslut den 8 december 2022 / <i>Claim under under amended and restated (restructuring support) agreement dated November 15, 2022 and allowed by order dated December 8, 2022</i>	11 190 706,68 USD (117 702 621,88 SEK)	9.
	Svensk Pilotförening /SPF/, org.nr / Reg. No. 802002-6616 (Sverige / Sweden)	Fordran enligt ändrat och reviderat avtal (avseende omstruktureringsstöd) daterat den 15 november 2022 och godkänt genom domstolsbeslut den 8 december 2022 / <i>Claim under under amended and restated (restructuring support) agreement dated November 15, 2022 and allowed by order dated December 8, 2022</i>	28 760 890,61 USD (302 503 883,74 SEK)	10.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 418 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 418 and/or related guarantees/other operative documents</i>	31 102 211 USD (327 129 634,05 SEK)	11.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 484 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 484 and/or related guarantees/other operative documents</i>	32 460 330 USD (341 414 180,30 SEK)	12.
	Sky High 131 Leasing Company Limited, org.nr / Reg. No. 705301 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 499 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 499 and/or related guarantees/other operative documents</i>	23 720 610,54 USD* (249 490 772,39 SEK)	13.
	Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7602 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7602 and/or related guarantees/other operative documents</i>	7 672 188 USD* (80 695 229,44 SEK)	14.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1928 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1928 and/or related guarantees/other operative documents</i>	24 227 279 USD* (254 819 855,52 SEK)	15.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8350 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8350 and/or related guarantees/other operative documents</i>	9 455 188 USD* (99 448 627,31 SEK)	16.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7341 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7341 and/or related guarantees/other operative documents</i>	7 688 081 USD* (80 862 390,27 SEK)	17.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7565 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7565 and/or related guarantees/other operative documents</i>	5 646 295 USD* (59 387 109,72 SEK)	18.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Jin Shan 7 Ireland Company Limited, org.nr / Reg. No. 564435 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1665 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1665 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	19.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1697 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1697 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	20.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1715 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1715 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	21.
	SDH Wings Leasing 8 Limited, org.nr / Reg. No. 661199 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7227 samt 7290 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 7227 and 7290, and/or related guarantees/other operative documents</i>	7 183 172,20 USD (75 551 815,05 SEK)	22.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Aircraft MSN 7791 LLC, org.nr / Reg. No. 7151536 (USA / U.S.A)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7791 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7791 and/or related guarantees/other operative documents</i>	4 849 105 USD* (51 002 352,99 SEK)	23.
	Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9089 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9089 and/or related guarantees/other operative documents</i>	2 516 021,39 USD* (26 463 236,22 SEK)	24.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9247 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9247 and/or related guarantees/other operative documents</i>	3 031 440,39 USD* (31 884 356,56 SEK)	25.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9451 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9451 and/or related guarantees/other operative documents</i>	2 412 091 USD* (25 370 107,81 SEK)	26.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Scandinavian Airlines System Denmark-Norway-Sweden , org.nr / Reg. No. 902001-7720 (Sverige / Sweden)	Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10265 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10265 and/or related guarantees/other operative documents</i>	2 247 925 USD* (23 643 427,88 SEK)	27.
	IC AirLease One Limited, org.nr / Reg. No. 549170 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1848, 1675 samt 1619 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 1848, 1675 and 1619, and/or related guarantees/other operative documents</i>	2 367 974,60 USD (24 906 096,37 SEK)	28.
	Aviator Capital Aircraft Managers, LLC, org.nr / Reg. No. M13000000796 (USA / U.S.A)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 963429 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 963429 and/or related guarantees/other operative documents</i>	6 072 260,43 USD (63 867 367,25 SEK)	29.
	CAVIC 31 Designated Activity Company, org.nr / Reg. No. 621276 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1660 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1660 and/or related guarantees/other operative documents</i>	46 000 000 USD* (483 822 940 SEK)	30.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Scandinavian Airlines System Denmark-Norway-Sweden , org.nr / Reg. No. 902001-7720 (Sverige / Sweden)	JPA No. 199 Co., Ltd., Address / Address: Kasumigaseki Common Gate West Tower 34F, 3-2-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-0013 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 358 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 358 and/or related guarantees/other operative documents</i>	75 000 000 USD* (788 841 750 SEK)	31.
	FS World Leasing Co., Ltd. Address / Address: 3-3-23, Kanda-Misaki-cho, Chiyoda-ku, Tokyo 101-0061 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 391 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 391 and/or related guarantees/other operative documents</i>	30 614 769,51 USD* (322 002 778,08 SEK)	32.
	Crédit Agricole Corporate and Investment Bank, Tokyo Branch Address: 3-3-23, 1-9-2, Higashi-Shimbashi, Minato-ku, Tokyo 105-0021, Japan (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 391 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 391 and/or related guarantees/other operative documents</i>	39 388 974,39 USD* (414 288 899,85 SEK)	33.
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Aircraft MSN 7791 LLC, org.nr / Reg. No. 7151536 (USA / U.S.A)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7791 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7791 and/or related guarantees/other operative documents</i>	4 849 105 USD* (51 002 352,99 SEK)	34.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Aircastle (Ireland) Limited, org.nr / Reg. No. 513581 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7897 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7897 and/or related guarantees/other operative documents</i>	5 001 425 USD* (52 604 437,99 SEK)	35.
	GY Aviation Lease 1709 CO., Limited, org.nr / Reg. No. 608177 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7591 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7591 and/or related guarantees/other operative documents</i>	5 123 279 USD (53 886 084,96 SEK)	36.
	GY Aviation Lease 1710 CO., Limited, org.nr / Reg. No. 610488 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8333 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8333 and/or related guarantees/other operative documents</i>	6 106 686 USD (64 229 451,61 SEK)	37.
	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9262 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9262 and/or related guarantees/other operative documents</i>	255 103 USD (2 683 145,29 SEK)	38.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10752 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10752 and/or related guarantees/other operative documents</i>	2 602 897 USD (27 376 984,33 SEK)	39.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10761 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10761 and/or related guarantees/other operative documents</i>	5 300 685 USD (55 752 021,75 SEK)	40.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10764 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10764 and/or related guarantees/other operative documents</i>	3 034 943 USD (31 921 196,63 SEK)	41.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10716 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10716 and/or related guarantees/other operative documents</i>	4 891 539 USD (51 448 669,13 SEK)	42.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10813 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10813 and/or related guarantees/other operative documents</i>	6 692 582 USD (70 391 841,29 SEK)	43.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 418 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 418 and/or related guarantees/other operative documents</i>	31 102 211 USD (327 129 634,05 SEK)	44.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 484 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 484 and/or related guarantees/other operative documents</i>	32 460 330 USD (341 414 180,30 SEK)	45.
	Sky High 127 Leasing Company Limited, org.nr / Reg. No. 698086 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7489 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7489 and/or related guarantees/other operative documents</i>	4 369 351,23 USD* (45 956 355,61 SEK)	46.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Sky High 127 Leasing Company Limited, org.nr / Reg. No. 698086 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7676 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7676 and/or related guarantees/other operative documents</i>	4 308 559,93 USD* (45 316 959,40 SEK)	47.
	Sky High 131 Leasing Company Limited, org.nr / Reg. No. 705301 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 499 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 499 and/or related guarantees/other operative documents</i>	23 720 610,54 USD* (249 490 772,39 SEK)	48.
Gorm Deep Blue Limited , org.nr / Reg. No. 593239 (Irland / Ireland)	SMBC Aviation Capital Limited, org.nr / Reg. No. 270775 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7723, 7755, 8109, 9316 samt 10407 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 7723, 7755, 8109, 9316 and 10407, and/or related guarantees/other operative documents</i>	14 242 962,49 USD* (149 805 912,74 SEK)	49.
	CALF (A2) Aviation Ireland Designated Activity Company, org.nr / Reg. No. 684803 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7352 samt 7499 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number(s) 7352 and 7499, and/or related guarantees/other operative documents</i>	8 510 106 USD (89 508 358,80 SEK)	50.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Gorm Light Blue Limited , org.nr / Reg. No. 617208 (Irland / Ireland)	Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9089 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9089 and/or related guarantees/other operative documents</i>	2 516 021,39 USD* (26 463 236,22 SEK)	51.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9247 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9247 and/or related guarantees/other operative documents</i>	3 031 440,39 USD* (31 884 356,56 SEK)	52.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9451 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9451 and/or related guarantees/other operative documents</i>	2 412 091 USD* (25 370 107,81 SEK)	53.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10051 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10051 and/or related guarantees/other operative documents</i>	966 655,35 USD* (10 167 174,64 SEK)	54.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Light Blue Limited , org.nr / Reg. No. 617208 (Irland / Ireland)	Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10265 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10265 and/or related guarantees/other operative documents</i>	2 247 925 USD* (23 643 427,88 SEK)	55.
	Bank of America, N.A., org.nr / Charter No. 22106 (USA / U.S.A.)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9352 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9352 and/or related guarantees/other operative documents</i>	1 247 775,45 USD (13 123 964,93 SEK)	56.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9518 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9518 and/or related guarantees/other operative documents</i>	790 925,55 USD (8 318 867,93 SEK)	57.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9541 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9541 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	58.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Light Blue Limited , org.nr / Reg. No. 617208 (Irland / Ireland)	Bank of America, N.A., org.nr / Charter No. 22106 (USA / U.S.A.)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10408 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10408 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	59.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10500 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10500 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	60.
	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9312 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9312 and/or related guarantees/other operative documents</i>	2 131 694,36 USD* (22 420 926,79 SEK)	61.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9520 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9520 and/or related guarantees/other operative documents</i>	413 615 USD* (4 350 357,07 SEK)	62.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Light Blue Limited , org.nr / Reg. No. 617208 (Irland / Ireland)	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10145 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10145 and/or related guarantees/other operative documents</i>	425 391 USD* (4 474 215,74 SEK)	63.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9323 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9323 and/or related guarantees/other operative documents</i>	985 427,78 USD* (10 364 620,99 SEK)	64.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9173 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9173 and/or related guarantees/other operative documents</i>	8 000 000 USD* (84 143 120 SEK)	65.
	ORIX Aviation Systems Limited, org.nr / Reg. No. 170923 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9032 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9032 and/or related guarantees/other operative documents</i>	1 635 241,08 USD* (17 199 285,80 SEK)	66.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Ocean Blue Limited , org.nr / Reg. No. 627406 (Irland / Ireland)	JPA No. 199 Co., Ltd., Address / Address: Kasumigaseki Common Gate West Tower 34F, 3-2-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-0013 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 358 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 358 and/or related guarantees/other operative documents</i>	75 000 000 USD* (788 841 750 SEK)	67.
	FS World Leasing Co., Ltd. Address / Address: 3-3-23, Kanda-Misaki-cho, Chiyoda-ku, Tokyo 101-0061 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 391 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 391 and/or related guarantees/other operative documents</i>	30 614 769,51 USD* (322 002 778,08 SEK)	68.
	Crédit Agricole Corporate and Investment Bank, Tokyo Branch Address: 3-3-23, 1-9- 2, Higashi-Shimbashi, Minato-ku, Tokyo 105-0021 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 391 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 391 and/or related guarantees/other operative documents</i>	39 388 974,39 USD* (414 288 899,85 SEK)	69.
	FLIP No. 247 Co., Ltd., Address / Address: 7-2 Marunouchi 2- chome, Chiyoda-ku, Tokyo 100-7029 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 378 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 378 and/or related guarantees/other operative documents</i>	33 500 000 USD* (352 349 315 SEK)	70.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Ocean Blue Limited , org.nr / Reg. No. 627406 (Irland / Ireland)	Wilmington Trust (London) Limited, org.nr / Reg. No. 05650152 (Förenade Konungarikerna / United Kingdom)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 378 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 378 and/or related guarantees/other operative documents</i>	37 841 030,35 USD* (398 007 794,71 SEK)	71.
Gorm Sky Blue Limited , org.nr / Reg. No. 593240 (Irland / Ireland)	Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7341 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7341 and/or related guarantees/other operative documents</i>	7 688 081 USD (80 862 390,27 SEK)	72.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7565 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7565 and/or related guarantees/other operative documents</i>	5 646 295 USD (59 387 109,72 SEK)	73.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7602 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7602 and/or related guarantees/other operative documents</i>	7 672 188 USD (80 695 229,44 SEK)	74.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Sky Blue Limited , org.nr / Reg. No. 593240 (Irland / Ireland)	Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7979 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7979 and/or related guarantees/other operative documents</i>	7 408 750 USD (77 924 417,54 SEK)	75.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8031 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8031 and/or related guarantees/other operative documents</i>	5 740 363 USD (60 376 506,59 SEK)	76.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8058 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8058 and/or related guarantees/other operative documents</i>	6 266 059 USD (65 905 719,30 SEK)	77.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8350 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8350 and/or related guarantees/other operative documents</i>	9 455 188 USD (99 448 627,31 SEK)	78.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Sky Blue Limited , org.nr / Reg. No. 593240 (Irland / Ireland)	Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1928 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1928 and/or related guarantees/other operative documents</i>	24 227 279 USD (254 819 855,52 SEK)	79.

N.B. The English text is an unofficial translation. In the event of any discrepancies between the Swedish and the English versions, the Swedish version shall prevail.

Bilaga 7
Appendix 7

Styrelsens för SAS AB (publ) förslag till beslut om ändring av bolagsordningen

The Board of Directors of SAS AB (publ) 's proposal for a resolution to amend the articles of association

Styrelsen för SAS AB (publ) ("Bolaget") föreslår att Bolaget, med anledning av de beslut som föreslås att fattas inom ramen för rekonstruktionsplanen, ändrar bolagsordningens § 5 A. enligt nedan.

The Board of Directors of SAS AB (publ) (the "Company") proposes that the Company, as a consequence of the resolutions proposed to be made within the framework of the reorganization plan, amends § 5 A. of the articles of association as set out below.

Nuvarande lydelse / Current wording	Föreslagen lydelse / Proposed wording
<p>§ 5 / Article 5</p> <p><u>A. Aktiekapital och antal aktier / A. Share capital and number of shares</u></p> <p>Aktiekapitalet skall vara lägst 6.000.000.000 och högst 24.000.000.000 kronor, fördelat på lägst 4.500.000.000 och högst 18.000.000.000 aktier.</p> <p><i>The share capital shall be at least SEK 6,000,000,000 and not more than SEK 24,000,000,000, divided into at least 4,500,000,000 shares and not more than 18,000,000,000 shares.</i></p>	<p>§ 5 / Article 5</p> <p><u>A. Aktiekapital och antal aktier / A. Share capital and number of shares</u></p> <p>Aktiekapitalet skall vara lägst 4.000.000.000 och högst 16.000.000.000 kronor, fördelat på lägst 2.500.000.000 och högst 10.000.000.000 aktier.</p> <p><i>The share capital shall be at least SEK 4,000,000,000 and not more than SEK 16,000,000,000, divided into at least 2,500,000,000 shares and not more than 10,000,000,000 shares.</i></p>

Den föreslagna bolagsordningen i sin helhet framgår av [Bilaga 7A](#).

The full text of the proposed articles of association is set out in [Appendix 7A](#).

Beslutet är villkorat av att beslut fattas i enlighet med [Bilaga 3–6](#) och [Bilaga 8–9](#) i rekonstruktionsplanen.

The resolution is conditional upon resolutions being adopted in accordance with [Appendix 3–6](#) and [Appendix 8–9](#) of the reorganization plan.

Verkställande direktören, eller den person som verkställande direktören utser, ska ha rätt att vidta de smärre justeringar av ovanstående beslut som kan visa sig erforderliga i samband med registrering vid Bolagsverket eller Euroclear Sweden AB.

The CEO, or whomever the CEO may appoint, shall be authorized to make such minor adjustments of the above resolution that may prove necessary in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

Stockholm den 10 juni 2024 / Stockholm on June 10, 2024

SAS AB (publ)

Styrelsen / The Board of Directors

N.B. The English text is an unofficial translation. In the event of any discrepancies between the Swedish and the English versions, the Swedish version shall prevail.

Bilaga 7A
Appendix 7A

BOLAGSORDNING / ARTICLES OF ASSOCIATION

SAS AB (publ) (org.nr / reg. no. 556606-8499)

§ 1 / Article 1

Bolagets företagsnamn är SAS AB. Bolaget är publikt (publ).
The name of the Company is SAS AB. The Company is public (publ).

§ 2 / Article 2

Bolaget skall ha till föremål för sin verksamhet att, direkt eller indirekt, driva lufttrafik främst genom konsortiet Scandinavian Airlines System Denmark-Norway-Sweden (SAS) eller något annat bolag inom koncernen, annan transport- och reserelaterad verksamhet samt varje annan därmed förenlig verksamhet.

The objects of the Company's business shall be directly or indirectly to conduct air traffic operations chiefly through the Scandinavian Airlines System Denmark-Norway-Sweden (SAS) Consortium or any other group company, other transport and travel-related business as well as any business compatible therewith.

§ 3 / Article 3

Frågor om ändring eller upphörande av konsortialavtalet mellan SAS Danmark A/S, SAS Norge AS och SAS Sverige AB rörande SAS, i dess lydelse av den 8 maj 2001, skall behandlas av bolagsstämman i bolaget och beslut härom kräver biträde av aktieägare med två tredjedelar av såväl de avgivna rösterna som de vid bolagsstämman företrädde aktierna.

Questions of amending or terminating the Consortium Agreement between SAS Danmark A/S, SAS Norge AS and SAS Sverige AB regarding SAS, as amended on May 8, 2001, shall be dealt with by the Company's General Meeting and decisions in this regard require the consent of shareholders with two-thirds of the votes cast as well as of the shares represented at the General Meeting.

§ 4 / Article 4

Bolagets styrelse har sitt säte i Stockholm.

The Company's Board of Directors has its registered office in Stockholm.

§ 5 / Article 5

A. Aktiekapital och antal aktier

Aktiekapitalet skall vara lägst 4.000.000.000 och högst 16.000.000.000 kronor, fördelat på lägst 2.500.000.000 och högst 10.000.000.000 aktier

A. Share capital and number of shares

The share capital shall be at least SEK 4,000,000,000 and not more than SEK 16,000,000,000, divided into at least 2,500,000,000 shares and not more than 10,000,000,000 shares.

B. Aktieslag och rösträtt m.m.

Aktier skall kunna ges ut i tre slag betecknade stamaktier, förlagsaktier och aktier av serie C. Stamaktier och förlagsaktier berättigar vardera till en (1) röst. Aktier av serie C berättigar vardera till en tiondels (1/10) röst.

B. Share class and voting rights etc.

Shares may be issued in three classes, ordinary shares, subordinated shares and shares of series C. Each ordinary share and subordinated share entitles the holder to one (1) vote. Each share of series C entitles the holder to one-tenth (1/10) of a vote.

N.B. The English text is an unofficial translation. In the event of any discrepancies between the Swedish and the English versions, the Swedish version shall prevail.

Bilaga 7A
Appendix 7A

Stamaktier och förlagsaktier kan högst utges till ett antal som svarar mot 100 procent av aktiekapitalet i bolaget. Aktier av serie C kan högst utges till ett antal som svarar mot 5 procent av aktiekapitalet.

Ordinary shares and subordinated shares may be issued up to a number corresponding to 100 percent of the Company's share capital. Shares of series C may be issued up to a number corresponding to 5 percent of the share capital.

Aktier av serie C berättigar inte till vinstutdelning. Upplöses bolaget, skall aktie av serie C berättiga till lika del i bolagets tillgångar som bolagets stamaktier, dock inte med högre belopp än vad som motsvarar aktiens kvotvärde.

Shares of series C do not entitle to dividends. If the Company is dissolved, shares of series C carry an equal right to the Company's assets as ordinary shares, however not to an amount exceeding the share's quotient value.

Bolagets styrelse äger besluta om minskning av aktiekapital genom inlösen av samtliga aktier av serie C. Vid beslut om inlösen skall innehavare av aktier av serie C vara skyldig att låta lösa in sina samtliga aktier av serie C för ett belopp som motsvarar kvotvärdet. Utbetalning av inlösenbeloppet skall ske snarast.

The Board of Directors may resolve on reduction of the share capital by redemption of all shares of series C. In case of a resolution on redemption, holders of shares of series C shall be obliged to redeem all shares of series C against a redemption amount corresponding to the share's quotient value. Payment of the redemption amount shall be made as soon as possible.

Aktie av serie C, som innehas av bolaget självt skall, på begäran av styrelsen, kunna omvandlas till stamaktie. Omvandlingen skall därefter utan dröjsmål anmälas för registrering hos Bolagsverket och är verkställd när den registreras i aktiebolagsregistret samt antecknats i avstämningsregistret.

Shares of series C held by the Company itself may, upon request by the Board of Directors, be converted (reclassified) into ordinary shares. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Registration Office (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered in the Swedish Register of Companies and the reclassification been noted in the Swedish Central Securities Depository Register.

C. Företrädesrätt

Aktieägares företrädesrätt vid emission av aktier, teckningsoptioner eller konvertibler regleras i § 16.

C. Preferential rights

Shareholders' preferential rights in relation to the issue of shares, warrants or convertibles are defined in Article 16.

§ 6 / Article 6

Styrelsen skall ha sex till åtta bolagsstämموvalda ledamöter. Styrelsen skall ha den sammansättning som vid var tid kan krävas för att bolaget och dess dotterföretag skall bibehålla sina trafikrättigheter för luftfart, innefattande krav på medborgarskap och bosättningsort. Vidare skall styrelsen inom sig som helhet besitta för styrelsearbetet erforderlig representativitet, kunnande om och erfarenhet av de samhälls-, affärs- och kulturförhållanden som råder i de skandinaviska länderna. Med stöd av tillämplig lag om styrelserepresentation för privatanställda och särskilt avtal mellan bolaget och enligt nämnda lag berättigade arbetstagarorganisationer äger SAS-koncernens arbetstagargrupper i Danmark, Norge respektive Sverige rätt att, utöver ovanstående antal av bolagsstämman utsedda styrelseledamöter, vardera utse en ledamot och två suppleanter.

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The Board of Directors shall have six to eight members elected by the Annual General Meeting. The Board shall have the composition that may be required at any given time for the Company and its subsidiaries to retain their traffic rights for civil aviation, including citizenship and domicile requirements. Furthermore, the Board shall as a whole be representative of and have the knowledge of and experience in the social, business and cultural life prevailing in the Scandinavian countries necessary for their work. With the support of applicable laws regarding Board representation for private employees and special agreements between the Company and the employee organizations empowered in accordance with the aforementioned laws, the SAS Group's employee groups in Denmark, Norway and Sweden respectively each have the right to name one member and two deputies, in addition to the aforementioned number of Board members chosen by the General Meeting.

§ 7 / Article 7

Bolaget skall ha två revisorer och två suppleanter för dem eller ett eller två registrerade revisionsbolag för granskning av styrelsens och den verkställande direktörens förvaltning samt bolagets årsredovisning och bokföring.

The Company shall have two auditors and two deputy auditors or one or two registered accounting firms to examine the management of the Board of Directors and the Managing Director as well as the Company's financial statements and accounting records.

§ 8 / Article 8

Bolagets räkenskapsår skall vara 1 november – 31 oktober.

The financial year of the Company shall be 1 November-31 October.

§ 9 / Article 9

Bolagsstämma skall hållas i Stockholm, Solna eller Sigtuna.

The Company's Annual General Meeting shall be held in either Stockholm, Solna or Sigtuna.

§ 10 / Article 10

Styrelsen får inför en bolagsstämma besluta att aktieägarna skall kunna rösta per post före stämman. Poströstning skall om styrelsen så beslutar kunna ske med elektroniska medel.

Styrelsen får samla in fullmakter enligt det förfarande som anges i 7 kap. 4 § andra stycket aktiebolagslagen (2005:551). Styrelsen får besluta att den som inte är aktieägare i bolaget ska, på de villkor som styrelsen bestämmer, ha rätt att närvara eller på annat sätt följa förhandlingarna vid bolagsstämma. Språket på bolagsstämman skall vara svenska, danska eller norska samt, om styrelsen så bestämmer, även annat språk.

The Board shall be authorised to allow shareholders to vote by mail prior to a General Meeting. Mail voting may be made by electronic means if the Board so decides. The Board may collect proxies pursuant to the procedure stated in Chapter 7, section 4, paragraph 2 of the Swedish Companies Act. The Board may resolve that persons not being shareholders of the Company shall be entitled, on the conditions stipulated by the Board, to attend or in any other manner follow the discussions at a General Meeting. The languages at the General Meeting shall be Swedish, Danish or Norwegian and, if the Board so decides, other languages as well.

§ 11 / Article 11

Kallelse till bolagsstämma skall ske genom annonsering:

- i Sverige på svenska i Post- och Inrikes Tidningar samt på bolagets hemsida. Att kallelse har skett skall annonseras i Svenska Dagbladet;

Notice of a General Meeting shall be made by an announcement:

- in Sweden in Swedish in Post- och Inrikes Tidningar and on the Company's web page. That notice has been issued shall be announced in Svenska Dagbladet,

samt, om styrelsen så bestämmer:

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- i Danmark på danska i Berlingske eller annan rikstäckande dansk dagstidning,
 - i Norge på norska i Aftenposten eller annan rikstäckande norsk dagstidning.
- and if the Board so decides:*
- in Denmark in Danish in Berlingske or another national Danish daily newspaper,
 - in Norway in Norwegian in Aftenposten or another national Norwegian daily newspaper.

För att få delta i bolagsstämman skall aktieägare anmäla sig hos bolaget senast den dag som anges i kallelsen till stämman, varvid antalet biträden även skall uppges. Denna dag får inte vara söndag, annan allmän helgdag, lördag, midsommarafton, julafton eller nyårsafton och inte infalla tidigare än femte vardagen före stämman.

To be able to attend the General Meeting, shareholders must notify the Company not later than the day given in the notice of the meeting and also state the number of assistants by whom the shareholder will be accompanied. This day may not be a Sunday, any other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve nor fall any earlier than five working days before the meeting.

§ 12 / Article 12

På bolagsstämma avgörs ärenden genom öppen omröstning, om inte bolagsstämman beslutar om sluten omröstning

At the General Meeting, business is conducted by open voting, unless the General Meeting decides on a ballot vote.

§ 13 / Article 13

Vid bolagets årsstämma skall följande ärenden förekomma till behandling:

- a) val av ordförande vid stämman
- b) upprättande och godkännande av röstlängd
- c) godkännande av dagordning
- d) val av två personer som jämte ordföranden skall justera stämmoprotokollet
- e) fråga om stämman är i behörig ordning sammankallad
- f) framläggande av årsredovisningen och koncernredovisningen
- g) framläggande av revisionsberättelsen och koncernrevisionsberättelsen
- h) beslut om fastställelse av resultaträkningen och balansräkningen samt koncernresultaträkningen och koncernbalansräkningen
- i) beslut om dispositioner beträffande bolagets vinst eller förlust enligt den fastställda balansräkningen
- j) beslut om ansvarsfrihet för styrelseledamöterna och verkställande direktören
- k) bestämmande av antalet styrelseledamöter
- l) bestämmande av arvoden till styrelsen
- m) bestämmande av revisorsarvoden
- n) val av styrelse
- o) val av styrelseordförande
- p) i förekommande fall, val av revisorer och revisorssuppleanter
- q) val av valberedning. Valberedningen skall vara representativ för aktieägarsammansättningen i bolaget och ha till syfte att bidra till en lämplig och representativ styrelsesammansättning samt i övrigt skapa ett bra underlag för stämmans behandling av och beslut i de olika frågor som årsstämman för vart år bestämmer att valberedningen skall bereda.
- r) annat ärende som i behörig ordning hänskjutits till stämman.

At the Company's Annual General Meeting, the following business is to be conducted:

- a) election of a meeting Chairman
- b) drawing up and verification of the voters' roll
- c) approval of the agenda
- d) election of two persons, in addition to the Chairman, to verify the minutes

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- e) deciding the question of whether the meeting has been called in proper order*
- f) presentation of the financial statements and the consolidated financial statements*
- g) presentation of the auditors' report and the consolidated auditors' report*
- h) decision concerning approval of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet*
- i) decision on the disposal of Company's profits or loss in accordance with the approved balance sheet*
- j) decision concerning the discharge of the Directors and Managing Director from liability*
- k) determination of the number of Board members*
- l) determination of Directors' fees*
- m) determination of fees for auditors*
- n) election of the Board of Directors*
- o) election of a Chairman of the Board*
- p) if applicable, election of auditors and deputy auditors*
- q) election of a Nomination Committee. The Nomination Committee shall be representative of the Company's shareholder composition and have the purpose of bringing about a suitable representative composition of the Board of Directors and in other respects lay a proper foundation for the General Meeting's discussion and decisions on various issues that the Annual General Meeting decides that the Nomination Committee is to prepare for each year.*
- r) any other business in the power of the General Meeting in accordance with the Articles of Association.*

§ 14 / Article 14

Bolaget skall vara ett avstämningsbolag och bolagets aktier skall vara registrerade i ett avstämningsregister enligt lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument.

The Company shall be a CSD (central securities depository) registered company and the Company's shares shall be registered in a CSD register pursuant to the Central Securities Depository and Financial Instruments Accounts Act (SFS 1998:1479).

§ 15 / Article 15

Föreligger ett direkt hot mot bolagets eller dess dotterföretags trafikrättigheter för luftfart genom att bolaget eller dess dotterföretag bryter eller riskerar att bryta mot bestämmelser om ägande och kontroll i bilaterala luftfartsavtal eller i lag eller förordning rörande tillstånd för lufttrafik inom EES, skall styrelsen kunna besluta om inlösen av stamaktier i enlighet med punkt A. nedan. Om sådan inlösen inte är möjlig eller enligt styrelsens bedömning inte är tillräcklig, skall nyteckning av förlagsaktier med de rättigheter som framgår av punkt B. nedan kunna ske med stöd av utgivna teckningsoptioner, dock endast efter godkännande på bolagsstämma genom beslut som biträts av minst hälften av de på stämman avgivna rösterna.

If there is a direct threat to the Company's or its subsidiaries' air traffic rights owing to the Company or its subsidiaries violating or running the risk of violating provisions concerning ownership and control in bilateral civil aviation agreements or in laws or regulations concerning the conditions for air traffic within the EEA, the Board of Directors shall be able to decide to redeem ordinary shares in accordance with clause A. below. If such a redemption is not possible or, in the judgment of the Board, insufficient, a subscription for new subordinated shares with the rights that appear from clause B. below shall be made by virtue of warrants issued, though only after the approval at a General Meeting by a decision supported by at least half the votes cast at the meeting.

Inlösen av stamaktier i enlighet med punkt A. nedan och nyteckning av förlagsaktier med stöd av utgivna teckningsoptioner skall endast ske i sådan utsträckning att ovan nämnt hot enligt styrelsens bedömning undanröjs. Styrelsen skall därefter snarast besluta att inlösa förlagsaktier i enlighet med punkt B. nedan i sådan utsträckning som är möjlig med beaktande av att ovan nämnt hot inte skall föreligga efter sådan inlösen.

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Redemption of ordinary shares in accordance with clause A. below and the subscription for new subordinated shares supported by warrants issued shall take place only to the extent that the aforementioned threat in the judgment of the Board of Directors is eliminated. The Board shall thereafter decide as soon as possible to redeem subordinated shares in accordance with clause B. below to the extent possible that would eliminate the aforementioned threat after such redemption.

A. Inlösen

Nedsättning av aktiekapitalet, dock inte under minimikapitalet, skall äga rum genom inlösen av stamaktier enligt följande grunder. Styrelsen skall besluta att inlösa stamaktier som innehas av subjekt vilka inte har hemvist i Danmark, Norge eller Sverige och stamaktier som innehas av juridisk person med sådan hemvist, vilken inte direkt eller indirekt, kontrolleras av subjekt som har hemvist i Danmark, Norge eller Sverige. Stamaktier skall i första hand inlösas från subjekt som inte har eller inte kontrolleras av subjekt med hemvist i land inom EES.

A. Redemption

A reduction of the share capital, though not below the minimum, shall take place through the redemption of ordinary shares for the following reasons. The Board of Directors shall resolve to redeem the ordinary shares held by persons not domiciled in Denmark, Norway or Sweden and ordinary shares held by corporations so domiciled that neither directly nor indirectly are controlled by persons or corporations domiciled in Denmark, Norway or Sweden. Ordinary shares shall in the first place be redeemed from persons or corporations that are not domiciled or are not controlled by persons or corporations domiciled in countries within the EEA.

Aktieägare vars stamaktier är registrerade hos Værdpapircentralen/Euronext Securities i Danmark skall med sikte på att möjliggöra bestämmande av hemvist enligt denna § 15 låta registrera namn, adress och aktieinnehav i särskild förteckning förd av VP Securities A/S, CVR-nr 21599336 (Euronext Investor Services). Sådan förteckning skall föras i enlighet med vid var tid gällande bestämmelser avseende förande av aktiebok i dansk aktiebolagslag. Vid inlösen skall stamaktier, som enligt utdrag från den av Euroclear Sweden AB i Sverige förda aktieboken/förvaltarförteckningen, från den av Verdipapirsentralen (VPS) i Norge förda aktionärförteckningen och från den av Euronext Investor Services förda förteckningen i Danmark enligt ovan (gemensamt benämnda Registerutdrag), förvärvades senast inlösas först. För det fall förvärvstidpunkt ej kan fastställas, skall denna anses vara dag för beslut om inlösen och inlösen skall ske i förhållande till berörd aktieägares innehav av stamaktier. Om inte erforderligt antal stamaktier kan inlösas från subjekt som inte har, eller inte kontrolleras av subjekt med, hemvist i land inom EES, skall inlösen ske från övriga subjekt som saknar hemvist i Danmark, Norge eller Sverige. Härvid skall stamaktier som enligt Registerutdraget förvärvades senast inlösas först. För det fall förvärvstidpunkt ej kan fastställas, skall denna anses vara dag för beslut om inlösen och inlösen skall ske i förhållande till berörd aktieägares innehav av stamaktier. Det åligger envar aktieägare att tillse att hemvist vid varje tidpunkt framgår av Registerutdraget eller att på annat sätt på anmaning från bolaget styrka sin hemvist. Härutöver åligger det envar aktieägare som är en juridisk person att på anmaning av bolaget styrka vem som, direkt eller indirekt, kontrollerar sådan juridisk person. Aktieägare vars hemvist inte kan fastställas från Registerutdrag samt aktieägare som inte på anmaning av bolaget styrker direkt eller indirekt kontroll anses vid inlösen ha hemvist utanför EES.

To enable the Company to determine domicile in accordance with this Article 15, shareholders whose ordinary shares are registered in the Danish Securities Centre/Euronext Securities shall register their name, address and shareholding in a special register maintained by VP Securities A/S, CVR no. 21599336 (Euronext Investor Services). Such a register shall be maintained in accordance with the provisions valid at any given time of the Danish Companies Act concerning the keeping of share register. In the event of redemption, ordinary shares that according to transcripts of the share register/nominee register kept by Euroclear Sweden AB in Sweden, of the share register kept by the Norwegian Central

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Securities Depository (VPS) and of the register kept by Euronext Investor Services in Denmark as specified above (jointly called the Register Transcript), that were acquired last be redeemed first. For cases in which the date of acquisition cannot be determined, this date shall be regarded as the date of the decision to redeem, and the ordinary shares shall be redeemed in proportion to the affected shareholders' holdings of ordinary shares. If the required number of ordinary shares cannot be redeemed from persons or corporations not domiciled or not controlled by persons or corporations domiciled in countries within the EEA, ordinary shares shall be redeemed from other persons or corporations not domiciled in Denmark, Norway or Sweden. In this instance, ordinary shares acquired last according to the Register Transcript shall be redeemed first. For cases in which the date of acquisition cannot be determined, this date shall be regarded as the date of the decision to redeem ordinary shares, and the ordinary shares shall be redeemed in proportion to the affected shareholders' holdings of ordinary shares. It is incumbent upon each shareholder to see to it that his domicile appears on the Register Transcript at all times or otherwise to prove his domicile when so requested by the Company. It is also incumbent upon each shareholder that is a corporation, when so requested by the Company, to prove who, directly or indirectly, controls the said corporation. Shareholders whose domicile cannot be determined from the Register Transcript as well as shareholders who when so requested by the Company do not prove direct or indirect control are in the event of a redemption considered to be domiciled outside the EEA.

Aktieägare, vars stamaktier efter beslut enligt denna bestämmelse kan komma att inlösas, skall skriftligen underrättas av bolaget med angivande av det antal stamaktier som kan komma att inlösas från sådan aktieägare (Antalet Inlösenbara Stamaktier). Aktieägare har möjlighet att inom tio bankdagar efter underrättelse inför bolaget styrka sådan hemvist, och i förekommande fall sådan direkt eller indirekt kontroll av juridisk person, som kan medföra att sådan aktieägare inte omfattas av inlösen. Om aktieägare har reducerat sitt innehav med Antalet Inlösenbara Stamaktier enligt Registerutdrag, som kan erhållas närmast efter fyrtionde bankdagen efter det att underrättelsen skickades ut, inlöses inga stamaktier från aktieägaren. Om denne däremot inte har reducerat sitt innehav med Antalet Inlösenbara Stamaktier enligt sådant Registerutdrag, kan detta antal stamaktier omedelbart inlösas, eller det lägre antal stamaktier som erfordras för att innehavet skall vara reducerat med Antalet Inlösenbara Stamaktier.

Shareholders, whose ordinary shares may be redeemed in accordance with this provision, shall be notified by the Company in writing stating the number of ordinary shares that may be redeemed from said shareholders (the Number of Redeemable Ordinary Shares). Shareholders are able within ten business days after notification to prove their domicile to the Company, and if applicable, the direct or indirect control of a corporation, that may result in said shareholders not being covered by the redemption. If a shareholder has reduced his holdings by the Number of Redeemable Ordinary Shares according to the Register Transcript that can be obtained immediately after the fortieth business day after the notification has been sent out, no ordinary shares of this shareholder will be redeemed. However, if this shareholder has not reduced his holdings by the Number of Redeemable Ordinary Shares according to such a Register Transcript, this number of ordinary shares can be redeemed immediately, or the number of ordinary shares required for the holding to be reduced by the Number of Redeemable Ordinary Shares, if lower.

Inlösen sker utan återbetalning till aktieägaren. Nedsättningsbeloppet skall överföras till reservfonden.

Shares will be redeemed without any refund to the shareholder. The reduction amount shall be transferred to statutory reserves.

B. Förlagsaktier

Bolaget skall utöver stamaktier och aktier av serie C även kunna utge förlagsaktier. Förlagsaktier skall kunna inlösas. Om inte samtliga utestående förlagsaktier inlöses, skall inlösen ske från förlagsaktieägarna i förhållande till det antal förlagsaktier de förut äger och i

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den mån detta inte kan ske, genom lottning. Vid inlösen skall återbetalning ske med ett belopp som motsvarar förlagsaktiens kvotvärde uppräknat från första dagen för registrering av förlagsaktie till och med dagen för utbetalning av inlösenbeloppet med en räntefaktor motsvarande STIBOR 90 dagar med tillägg av två procentenheter.

B. Subordinated shares

In addition to ordinary shares and shares of series C, the Company shall be able to issue subordinated shares. Subordinated shares shall be redeemable. If not all outstanding subordinated shares are redeemed, subordinated shares shall be redeemed from their holders in proportion to the number of subordinated shares they already own and to the extent this cannot take place by drawing lots. In the event of redemption, redeemed subordinated shares shall be refunded with an amount corresponding to the subordinated share's quota value plus interest calculated from the first day the subordinated shares were registered up until the date the amount of redemption was paid, with an interest rate factor corresponding to two percentage points over the 90-day STIBOR rate.

Förlagsaktie berättigar inte till utdelning. Upplöses bolaget, skall förlagsaktie berättiga till lika del i bolagets tillgångar som stamaktier, dock inte med högre belopp än vad som motsvarar förlagsakties kvotvärde uppräknat från första dagen för registrering av förlagsaktie till och med dagen för utskiftning med en räntefaktor motsvarande STIBOR 90 dagar med tillägg av två procentenheter.

A subordinated share does not entitle a holder to dividends. If the Company is dissolved, a subordinated share entitles the holder to a share of the Company's assets equal to that of an ordinary share, however not exceeding an amount corresponding to the subordinated share's quota value plus interest calculated from the first day the subordinated share was registered up until the day of the distribution, with an interest rate factor corresponding to two percentage points over the 90-day STIBOR rate.

§ 16 / Article 16

Beslutar bolaget att genom kontantemission eller kvittningsemission ge ut nya stamaktier, aktier av serie C och förlagsaktier, skall ägare av stamaktier, aktier av serie C och förlagsaktier äga företrädesrätt att teckna nya aktier av samma aktieslag i förhållande till det antal aktier innehavaren förut äger (primär företrädesrätt). Aktier som inte tecknats med primär företrädesrätt skall erbjudas samtliga aktieägare till teckning (subsidiär företrädesrätt). Om inte sålunda erbjudna aktier räcker för den teckning som sker med subsidiär företrädesrätt, skall aktierna fördelas mellan tecknarna i förhållande till det antal aktier de förut äger, oavsett om detta är stamaktier, aktier av serie C eller förlagsaktier, och i den mån detta inte kan ske, genom lottning.

If the Company issues new ordinary shares, shares of series C and subordinated shares in a cash issue or an issue to set off claims, the holder of ordinary shares, shares of series C and subordinated shares shall have the preferential right to subscribe for new shares in the same class in proportion to the number of shares the holder already owns (primary preferential right). Shares not subscribed for through a primary preferential right shall be offered to all shareholders for subscription (subsidiary preferential right). If the shares so offered are insufficient to cover the subscription taking place through a subsidiary preferential right, the shares shall be distributed among the shareholders in proportion to the number of shares they already own, irrespective of being ordinary shares, shares of series C or subordinated shares, and if this cannot be done, by drawing lots.

Beslutar bolaget att genom kontantemission eller kvittningsemission ge ut endast stamaktier, endast aktier av serie C eller endast förlagsaktier, skall endast ägare till aktier av detta aktieslag äga företrädesrätt att teckna aktier i förhållande till det antal aktier av samma slag innehavaren förut äger (primär företrädesrätt). Aktier som inte tecknats med primär företrädesrätt skall erbjudas samtliga aktieägare till teckning (subsidiär företrädesrätt). Om inte sålunda erbjudna aktier räcker för den teckning som sker med subsidiär företrädesrätt, skall aktierna fördelas

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mellan tecknarna i förhållande till det antal aktier de förut äger, oavsett om detta är stamaktier, aktier av serie C eller förlagsaktier, och i den mån detta inte kan ske, genom lottning.

If the Company decides, through a cash issue or an issue setting off claims, to issue only ordinary shares, only shares of series C or only subordinated shares, only the owners of the shares in that class have the preferential right to subscribe to shares in proportion to the number of shares the owners already own of the same class issued (primary preferential right). Shares not subscribed for through a primary preferential right shall be offered to all shareholders for subscription (subsidiary preferential right). If the shares so offered are insufficient to cover the subscription taking place through a subsidiary preferential right, the shares shall be distributed among the subscribers in proportion to the number of shares they already own, irrespective of being ordinary shares, shares of series C or subordinated shares, and if this cannot be done, by drawing lots.

Beslutar bolaget att genom kontantemission eller kvittningsemission ge ut teckningsoptioner eller konvertibler avseende antingen endera stamaktier, aktier av serie C eller förlagsaktier eller aktier av samtliga slag, har aktieägarna företrädesrätt att teckna teckningsoptioner, som om emissionen hade gällt de aktier av endera eller samtliga slag som kan komma att nytecknas på grund av optionsrätterna, respektive företrädesrätt att teckna konvertibler, som om emissionen hade gällt de aktier av endera eller samtliga slag som konvertiblerna medför rätt att erhålla i utbyte.

If the Company decides to issue warrants or convertibles pertaining to either ordinary shares, shares of series C or subordinated shares or shares of all classes through a cash issue or an issue to set off claims, shareholders have preferential rights to subscribe for warrants as if the issue applied to the shares of either or all classes that could be subscribed for as a result of options or preferential rights to subscribe for convertibles, as if the issue had applied to the shares of either or all classes for which the convertibles carry the right of receipt in exchange.

Vad som ovan sagts skall inte innebära någon inskränkning i möjligheten att fatta beslut om kontant- eller kvittningsemission med avvikelser från aktieägarnas företrädesrätt.

What is stated above shall not imply any limitation in respect of the Company's ability to decide on cash issues or issues setting off claims that deviate from the shareholders' preferential rights.

Ökning av aktiekapitalet genom fondemission med utgivande av aktier får endast ske genom utgivande av stamaktier. Därvid gäller att endast stamaktieägarna har företrädesrätt till de nya stamaktierna fördelat efter det antal stamaktier de förut äger. Vad som nu sagts skall inte innebära någon inskränkning i möjligheten att genom fondemission, efter erforderlig ändring av bolagsordningen, ge ut aktier av nytt slag.

An increase of the share capital through a bonus issue with issuance of new shares may only be made by issuing ordinary shares. Accordingly, only holders of ordinary shares have preferential rights to subscribe for such issued ordinary shares in proportion to the number of ordinary shares already held. What is stated above shall not imply any limitation in respect of the Company's ability to issue shares of a new class through a bonus issue following the appropriate changes to the Articles of Association.

* * *

Styrelsens för SAS AB (publ) förslag till beslut om minskning av aktiekapitalet genom indragning av samtliga utestående stamaktier

The Board of Directors of SAS AB (publ) 's proposal for resolution on reduction of the share capital by redemption of all outstanding common shares

Styrelsen för SAS AB (publ) ("Bolaget") föreslår att Bolaget, inom ramen för rekonstruktionsplanen, genomför en minskning av aktiekapitalet genom indragning av samtliga utestående stamaktier på följande villkor.

The Board of Directors of SAS AB (publ) (the "Company") proposes that the Company, within the framework of the reorganization plan, carries out a reduction of the share capital by redemption of all outstanding common shares on the following terms.

1. Bolagets aktiekapital ska minskas med 8 649 529 469,00 kronor genom indragning av samtliga 7 266 039 292 utestående stamaktier.

The Company's share capital shall be reduced by SEK 8,649,529,469.00 by redemption of all 7,266,039,292 outstanding common shares.

2. Ändamålet med minskningen är avsättning till fritt eget kapital.

The purpose of the reduction is allocation to unrestricted equity.

3. Beslutet förutsätter ändring av bolagsordningen och är villkorat av att beslut fattas i enlighet med Bilaga 3–7 och Bilaga 9 i rekonstruktionsplanen.

The resolution requires an amendment to the articles of association and is conditional upon resolutions being adopted in accordance with Appendix 3–7 and Appendix 9 of the reorganization plan.

Verkställande direktören, eller den person som verkställande direktören utser, ska ha rätt att vidta de smärre justeringar av ovanstående beslut som kan visa sig erforderliga i samband med registrering vid Bolagsverket eller Euroclear Sweden AB.

The CEO, or whomever the CEO may appoint, shall be authorized to make such minor adjustments of the above resolution that may prove necessary in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

Redogörelse enligt 20 kap. 13 § aktiebolagslagen har upprättats, Bilaga 10E.1.

Statement pursuant to Chapter 20, Section 13 of the Swedish Companies Act has been prepared, Appendix 10E.1.

Stockholm den 10 juni 2024 / Stockholm on June 10, 2024

SAS AB (publ)

Styrelsen / The Board of Directors

Styrelsens för SAS AB (publ) förslag till beslut om ökning av aktiekapitalet genom fondemission utan utgivande av nya aktier

The Board of Directors of SAS AB (publ) 's proposal for resolution on increase of the share capital by way of a bonus issue without issuing new shares

Styrelsen för SAS AB (publ) ("**Bolaget**") föreslår att Bolaget, inom ramen för rekonstruktionsplanen, genomför en ökning av aktiekapitalet genom fondemission utan utgivande av nya aktier på följande villkor.

*The Board of Directors of SAS AB (publ) (the "**Company**") proposes that the Company, within the framework of the reorganization plan, carries out an increase of the share capital by way of a bonus issue without issuing new shares, on the following terms.*

1. Bolagets aktiekapital ska ökas med 4 500 000 000,00 kronor.

The Company's share capital shall be increased by SEK 4,500,000,000.00.

2. Inga nya aktier ska ges ut i samband med ökningen av aktiekapitalet.

No new shares shall be issued in connection with the increase in the share capital.

3. Det belopp som aktiekapitalet ska ökas med ska tillföras aktiekapitalet från Bolagets fria egna kapital.

The amount by which the share capital is to be increased shall be added to the share capital from the Company's non-restricted equity.

4. Beslutet är villkorat av att beslut fattas i enlighet med Bilaga 3–8 i rekonstruktionsplanen.

The resolution is conditional upon resolutions being adopted in accordance with Appendix 3–8 of the reorganization plan.

Verkställande direktören, eller den person som verkställande direktören utser, ska ha rätt att vidta de smärre justeringar av ovanstående beslut som kan visa sig erforderliga i samband med registrering vid Bolagsverket eller Euroclear Sweden AB.

The CEO, or whomever the CEO may appoint, shall be authorized to make such minor adjustments of the above resolution that may prove necessary in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

Handlingar enligt 12 kap. 7 § aktiebolagslagen har upprättats.

Documents pursuant to Chapter 12, Section 7 of the Swedish Companies Act have been prepared.

Stockholm den 10 juni 2024 / Stockholm on June 10, 2024

SAS AB (publ)

Styrelsen / The Board of Directors

N.B. The English text is an unofficial translation. In the event of any discrepancies between the Swedish and the English versions, the Swedish version shall prevail.

Bilaga 10A.1
Appendix 10A.1

Styrelsens redogörelse enligt 12 kap. 7 § och 13 kap. 6 § aktiebolagslagen

Statement by the Board of Directors in accordance with Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act

Styrelsen för SAS AB (publ) ("**Bolaget**") avser att, inom ramen för rekonstruktionsplanen, föreslå att Bolaget genomför en nyemission av förlagsaktier med avvikelse från aktieägarnas företrädesrätt samt en ökning av aktiekapitalet genom fondemission utan utgivande av nya aktier.

*The Board of Directors of SAS AB (publ) (the "**Company**") intends to, within the framework of the reorganization plan, propose that the Company carries out a new share issue of subordinated shares with deviation from the shareholders' preferential right, and an increase of the share capital by way of a bonus issue without issuing new shares.*

Efter det att årsredovisningen för räkenskapsåret 2022/2023 lämnades har inga händelser av väsentlig betydelse för Bolagets ställning inträffat utöver de som framgår av Bolagets delårsrapporter för perioderna november 2023–januari 2024 respektive februari–april 2024 och av pressmeddelanden som har offentliggjorts av Bolaget sedan dagen för publicering av årsredovisningen, Bilaga A.

Subsequent to the presentation of the annual report for the fiscal year 2022/2023, no events of material significance for the Company's financial position have occurred other than those that are evident from the Company's interim reports for the periods November 2023–January 2024 and February–April 2024, respectively, and by press releases announced by the Company since the date of the publication of the annual report, Appendix A.

Stockholm den 10 juni 2024 / *Stockholm on June 10, 2024*

SAS AB (publ)

Styrelsen / *The Board of Directors*

Delårsrapport och pressmeddelanden*Interim reports and press releases*

Datum / Date	Beskrivning / Description
7 februari 2024 / February 7, 2024	SAS trafiktal – januari 2024 / SAS traffic figures – January 2024
7 mars 2024 / March 7, 2024	Kvartalsrapport Q1 2024 (november 2023–januari 2024) / Interim report Q1 2024 (November 2023–January 2024)
7 mars 2024 / March 7, 2024	SAS trafiktal – februari 2024 / SAS traffic figures – February 2024
19 mars 2024 / March 19, 2024	SAS erhåller domstolsgodkännande för chapter 11-plan / SAS receives court approval of chapter 11 plan
26 mars 2024 / March 26, 2024	SAS ger in månatliga finansiella rapporter till amerikansk domstol och offentliggör viss finansiell information för koncernen / SAS files monthly operating reports with U.S. court and announces certain financial information for the group
27 mars 2024 / March 27, 2024	SAS AB ansöker om företagsrekonstruktion i sverige – verksamheten fortsätter som vanligt / SAS AB applies for company reorganization in Sweden – operations continue as normal
8 april 2024 / April 8, 2024	SAS trafiktal – mars 2024 / SAS traffic figures – March 2024
26 april 2024 / April 26, 2024	SAS ger in månatliga finansiella rapporter till amerikansk domstol och offentliggör viss finansiell information för koncernen / SAS files monthly operating reports with U.S. court and announces certain financial information for the group
8 maj 2024 / May 8, 2024	SAS trafiktal – april 2024 / SAS traffic figures – April 2024
30 maj 2024 / May 30, 2024	Kvartalsrapport Q2 2024 (februari–april 2024) / Interim report Q2 2024 (February–April 2024)
10 juni 2024 / June 10, 2024	SAS trafiktal – maj 2024 / SAS traffic figures – May 2024

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Auditor's statement in accordance with Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act (2005:551) as to the Board of Directors' report for events of material significance for the period 2024-02-06 – 2024-06-10

To the Board of Directors of SAS AB, Corp. ID no 556606-8499

We have reviewed the Board of Directors' report dated June 10, 2024.

Responsibility of the Board of Directors for the report

The Board of Directors is responsible for the preparation of the report in accordance with the Swedish Companies Act and for such internal control as the Board of Directors determines necessary to enable the preparation of the report which is free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

Our responsibility is to express an opinion on the Board of Directors' report based on our review. We have conducted our review in accordance with FAR's recommendation RevR 9 *The auditor's other statements pursuant to the Swedish Companies Act and the Swedish Companies Ordinance*. This recommendation requires that we plan and perform the review to obtain limited assurance about whether the Board of Directors' report is free from material misstatement. The audit firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a quality management system including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of SAS AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The review includes obtaining, through various procedures, evidence about the financial and other information in the Board of Directors' report. The auditor selects the procedures to be performed, including an assessment of the risks for material misstatement in the report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Board of Directors' preparation of the report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The review is limited to a review of the report and supporting documentation and inquiries of the company's personnel. Our assurance is therefore based on limited assurance compared to an audit. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the Board of Directors' report does not fairly reflect significant events for the company for the period 2024-02-06 - 2024-06-10.

Other matters

The sole purpose of this statement is to fulfill the requirement set out in Chapter 12, Section 7 and Chapter 13, Section 6 of the Swedish Companies Act and may not be used for any other purpose.

Stockholm, June 10, 2024

KPMG AB

Tomas Gerhardsson
Authorized public accountant

Styrelsens redogörelse enligt 13 kap. 7 § aktiebolagslagen

Statement by the Board of Directors in accordance with Chapter 13, Section 7 of the Swedish Companies Act

Styrelsen för SAS AB (publ) ("**Bolaget**") avser att, inom ramen för rekonstruktionsplanen, föreslå att Bolaget genomför en apportemission ("**DIP-emissionen**"). Styrelsen avger i anledning därav följande redogörelse enligt 13 kap. 7 § aktiebolagslagen.

*The Board of Directors of SAS AB (publ) (the "**Company**") intends to, within the framework of the reorganization plan, propose that the Company carries out an in-kind issue (the "**DIP Issue**"). Due to this, the Board of Directors issues the following statement pursuant to Chapter 13, Section 7 of the Swedish Companies Act.*

Antalet förlagsaktier som ska emitteras uppgår till högst 1 922 307 961. Rätt att teckna de nya förlagsaktierna ska tillkomma CL-S Holdings Lux S.à r.l., org.nr B281987 (Luxemburg) ("**Castlelake**"). Antalet förlagsaktier som Castlelake har rätt att teckna inom ramen för DIP-emissionen kommer att fastställas baserat på Castlelakes totala teckningsåtagande om 176 025 000 USD, konverterat till SEK (avrundat till två decimaler) med användning av den Europeiska centralbankens referensväxelkurs för USD/SEK en (1) bankdag före teckningsperioden i DIP-emissionen inleds, delat med teckningskursen motsvarande kvotvärdet om cirka 1,19040499526657 kronor (varvid antalet förlagsaktier ska avrundas nedåt till närmaste heltal). Betalning ska ske genom tillskjutande av apportegendom bestående av en fordran om sammanlagt 405 985 766,13 USD (motsvarande cirka 4 270 113 629,72 kronor)¹ jämte upplupen ränta, som CL-S Holdings, L.P., org. nr 124567 (Caymanöarna), i egenskap av långivare, har mot Scandinavian Airlines System Denmark-Norway-Sweden, org.nr 902001-7720 (Sverige), i egenskap av låntagare, enligt ett refinansieringsavtal avseende ett seniort säkerställt lån med superförmånsrätt (Eng. *super-priority refinancing debtor-in-possession term loan agreement*) daterat den 4 november 2023. Till den del värdet på den tillskjutna fordran överstiger det sammanlagda teckningsbelopp som Castlelake ska betala för de nya förlagsaktierna ska sådant överskjutande belopp avräknas mot Castlelakes övriga betalningsåtaganden som framgår av rekonstruktionsplanen, dvs. ingen överkurs uppkommer.

*The number of shares to be issued amount to a maximum of 1,922,307,961. The right to subscribe for the new subordinated shares shall be granted to CL-S Holdings Lux S.à r.l., Reg. No. B281987 (Luxembourg) ("**Castlelake**"). The number of subordinated shares that Castlelake is entitled to subscribe for in the DIP Issue will be determined based on Castlelake's total subscription commitment of USD 176,025,000 converted to SEK (rounded to two decimal places) using the European Central Bank's reference exchange rate for USD/SEK one (1) business day prior to the commencement of the subscription period in the DIP Issue, divided by the subscription price corresponding to the quota value of approximately SEK 1.19040499526657 (whereby the number of subordinated shares shall be truncated down to the nearest integer). Payment shall be made by contribution of assets in kind consisting of a claim in an aggregate amount of USD 405,985,766.13 (corresponding to approximately SEK 4,270,113,629.72²) plus accrued interest, which CL-S Holdings, L.P., Reg. No. 124567 (Cayman Islands), as lender, holds against Scandinavian Airlines System Denmark-Norway-Sweden, Reg. No. 902001-7720 (Sweden), as borrower, under a super-priority refinancing debtor-in-possession term loan agreement dated November 4, 2023. To the extent that the value of the contributed claim exceeds the aggregate subscription price that Castlelake shall pay for the new subordinated shares, such exceeding amount shall be credited against Castlelake's other payment obligations set out in the reorganization plan, i.e. no premium occurs.*

¹ Uppskattat belopp baserat på Riksbankens referensväxelkurs för USD/SEK per den 3 juni 2024 (10,51789).

² Estimated amount based on the Riksbank's reference exchange rate for USD/SEK as at June 3, 2024 (10.51789).

Bolaget har, i egenskap av indirekt ägare till Scandinavian Airlines System Denmark-Norway-Sweden, ingående kännedom om gäldenärens finansiella resultat och ställning samt den fordran som avses förvärvas i DIP-emissionen. På grundval av den kännedom styrelsen har om fordran är det styrelsens bedömning att värdet på apportegendomen (motsvarande fordrans marknadsvärde) som kan komma att tillföras Bolaget uppgår till fordrans principalbelopp jämte upplupen ränta vid tidpunkten för tillskjutandet och motsvarar minst värdet av det vederlag som ska utges. Styrelsen beräknar att apportegendomen kommer att upptas till ett värde motsvarande 5 435 446 853,07 kronor i Bolagets balansräkning.³

The Company has, in its capacity as indirect owner of Scandinavian Airlines System Denmark-Norway-Sweden, extensive knowledge of the debtor's financial results and positions as well as the claim intended to be acquired in the DIP Issue. Based on the knowledge that the Board of Directors possesses about the claim, it is the Board of Directors' opinion that the value of the assets (corresponding to the market value of the claim) that may be contributed to the Company amounts to the principal amount of the claim plus interest accrued at the time of the contribution, and is not less than the value of the consideration which is to be paid. The Board of Directors estimates that the contributed assets will be recognised at a value corresponding to SEK 5,435,446,853.07 in the Company's balance sheet.⁴

Handlingar enligt 2 kap. 9 § aktiebolagslagen hålls tillgängliga på Bolagets adress.

Documents referred to in Chapter 2, section 9 of the Swedish Companies Act are available at the Company's address.

Stockholm den 10 juni 2024 / *Stockholm on June 10, 2024*

SAS AB (publ)

Styrelsen / *The Board of Directors*

³ Uppskattat belopp baserat på en växelkurs för USD/SEK om 13.00 samt antagandet att ränta löper fram till den 5 augusti 2024. Baserat på Riksbankens referensväxelkurs för USD/SEK per den 3 juni 2024 (10,51789) skulle det uppskattade beloppet uppgå till 4 397 648 623,19 kronor.

⁴ *Estimated amount based on a USD/SEK exchange rate of 13.00 and the assumption that interest accrues until August 5, 2024. Based on the Riksbank's reference exchange rate for USD/SEK as at June 3, 2024 (10.51789), the estimated amount would amount to SEK 4,397,648,623.19.*

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Translation from the Swedish original

Auditor's statement in accordance with Chapter 13, Section 8 of the Swedish Companies Act (2005:551) on the Board of Director's report on contribution in kind

To the Board of Directors of SAS AB, Corp. ID no 556606-8499

We have reviewed the Board of Directors' report on contribution in kind dated June 10, 2024.

Responsibility of the Board of Directors for the report

The Board of Directors is responsible for the preparation of the report in accordance with the Swedish Companies Act and for such internal control as the Board of Directors determine necessary to enable the preparation of the report which is free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

Our responsibility is to express an opinion on the contribution in kind based on our review. We have conducted our review in accordance with FAR's recommendation RevR 9 *The auditor's other statements pursuant to the Swedish Companies Act and the Swedish Companies Ordinance*. This recommendation requires that we plan and perform the review to obtain reasonable assurance about whether the Board of Directors' report is free from material misstatement. The audit firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a quality management system including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of SAS AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The review includes obtaining, through various procedures, evidence about the financial and other information in the Board of Directors' report. The auditor selects the procedures to be performed, including an assessment of the risks for material misstatement in the report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Board of Directors' preparation of the report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The review also includes an evaluation of the appropriateness of the valuation methodology used and the reasonableness of the assumptions made by the Board of Directors. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

We consider, taking into account the circumstances described under 'Other matters' below, that:

- the contribution in kind is or can be assumed to be beneficial to the company's operations, and
- the contribution in kind described in the Board of Directors' report is not recognized at a higher value than its fair value to the company.

Other matters

As stated in the Board of Directors' report, the contribution in kind consists of a claim totalling USD 405,985,766.13 (equivalent to approximately SEK 4,270,113,629.72) plus accrued interest, which CL-S Holdings, L.P., reg. no. 124567 (Cayman Islands), as lender, has against Scandinavian Airlines System Denmark-Norway-Sweden, reg. no. 902001-7720 (Sweden), as borrower, under a super-priority refinancing debtor-in-possession term loan agreement dated November 4, 2023. As also stated in the report, the Board of Directors has determined the value of the contribution in kind to be the principal amount of the receivable plus accrued interest at the time of the contribution. As stated in the Board of Directors' report, the final value at which the contribution in kind will be recognized is dependent on future conditions, whereby the value may change. Accordingly, the assumptions underlying our statements above may have changed at the time of the transaction.

The sole purpose of this statement is to fulfill the requirement set out in Chapter 13, Section 8 of the Swedish Companies Act and may not be used for any other purpose.

Stockholm, June 10, 2024

KPMG AB

Tomas Gerhardsson
Authorized public accountant

N.B. The English text is an unofficial translation. In the event of any discrepancies between the Swedish and the English versions, the Swedish version shall prevail.

Bilaga 10C.1
Appendix 10C.1

Styrelsens redogörelse enligt 13 kap. 7 § aktiebolagslagen

Statement by the Board of Directors in accordance with Chapter 13, Section 7 of the Swedish Companies Act

Styrelsen för SAS AB (publ) ("**Bolaget**") avser att, inom ramen för rekonstruktionsplanen, föreslå att Bolaget genomför en kvittningsemission till innehavare av vissa huvud- eller garantifordringar mot Bolaget ("**Kvittningsemissionen**"). Styrelsen avger i anledning därav följande redogörelse enligt 13 kap. 7 § aktiebolagslagen.

*The Board of Directors of SAS AB (publ) (the "**Company**") intends to, within the framework of the reorganization plan, propose that the Company carries out a set-off issue to holders of certain principal or guarantee claims against the Company (the "**Set-off Issue**"). Due to this, the Board of Directors issues the following statement under Chapter 13, Section 7 of the Swedish Companies Act.*

Antalet förlagsaktier som ska emitteras uppgår till högst 567 873 961. Rätt att teckna de nya förlagsaktierna ska tillkomma innehavare av vissa huvud- eller garantifordringar mot Bolaget (de "**Teckningsberättigade**") och betalning ska ske genom kvittning enligt nedan. Fördelningen nedan kan, med anledning av rekonstruktionen, komma att justeras beroende på förhållandena vid den tidpunkt då rekonstruktionsplanen fastställs och den skuldnedskrivning som därav sker. Fordran, efter skuldnedskrivning enligt rekonstruktionsplanen, får användas för kvittning fullt ut.

*The maximum number of subordinated shares to be issued is 567,873,961. The right to subscribe for the new subordinated shares shall be granted to holders of certain principal or guarantee claims against the Company (the "**Eligible Subscribers**") and payment shall be made by way of set-off as set out below. The allocation set out below may, due to the reorganization, be adjusted depending on the circumstances at the time when the reorganization plan is adopted and the resulting impairment of debt. The entire claim amount, after write-down pursuant to the reorganization plan, may be used for set-off.*

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Eksfin – Eksportfinansiering Norge / Eksfin – Export Finance Norway, org.nr / Reg. No. 926718304 (Norge/ Norway)	Fordran under låneavtal daterat den 18 december 2020 / Claim under term loan facility agreement dated December 18, 2020	1 706 475 478,43 NOK (principalbelopp om 1 497 500 000 NOK jämta upplupen ränta om 208 975 478,43 NOK) / NOK 1,706,475,478.43 (principal amount of NOK 1,479,500,000 plus accrued interest of NOK 208,975,478.43) (1 708 728 026,06 SEK) Uttryckt i USD för beräkningen av <i>pro rata</i> - andel av Aktieersättningen / Expressed in USD for the calculation of <i>pro rata</i> share of the Equity Recovery: 169 143 079,31 USD	1.
Rolls-Royce plc, org.nr / Reg. No. 01003142 (Förenata Konungariket / United Kingdom)	Fordran enligt omförhandlat motorserviceavtal / Contract restructuring claim with respect to Engine services agreement	80 000 000 USD* (841 431 200 SEK)	2.
Celestial Aviation Trading 9 Limited, org.nr / Reg. No. 393550 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 2883 och/eller relaterade garantier/andra operativa dokument / Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 2883 and/or related guarantees/other operative documents	50 000 USD (525 894,50 SEK)	3.

¹ Fordringar markerade med * har av den amerikanska konkursdomstolen för New Yorks södra distrikt i USA (den ”Amerikanska Domstolen”) ännu inte tagits upp som tillåtna (Eng. *allowed*) eller icke-tillåtna (Eng. *disallowed*) inom ramen för SAS Chapter 11-förfarande, men den Amerikanska Domstolen kommer att fastställa om de ska behandlas som tillåtna eller ej före teckningsperiodens början. I den mån den Amerikanska Domstolen fastställer en fordran som icke-tillåten före teckningsperiodens början (dvs. med innebörden att sådan fordringshavare inte är berättigad till ersättning inom ramen för Chapter 11-förfarandet) kommer fordringshavaren inte att vara Teckningsberättigad i Kvittningsemissionen.

² Uppskattat belopp baserat på Riksbankens referensväxelkurs för USD/SEK (10,51789) respektive NOK/SEK (1,00132) per den 3 juni 2024.

³ Claims marked with * have not yet been allowed or disallowed by the U.S. Bankruptcy Court for the Southern District of New York (the “U.S. Court”) as part of SAS’ chapter 11 proceedings, but the U.S. Court will decide whether they are to be treated as allowed or disallowed prior to the start of the subscription period. If the U.S. Court disallows a claim prior to the start of the subscription period (i.e., to the effect that such claimant is not entitled to a recovery in the chapter 11 proceedings), the applicable creditor will not be an Eligible Subscriber in the Set-off Issue.

⁴ Estimated amount based on the Riksbank’s reference exchange rate for USD/SEK (10.51789) and NOK/SEK (1.00132), respectively, as at June 3, 2024.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Celestial Aviation Trading 9 Limited, org.nr / Reg. No. 393550 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 2911 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 2911 and/or related guarantees/other operative documents</i>	50 000 USD (525 894,50 SEK)	4.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 2958 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 2958 and/or related guarantees/other operative documents</i>	50 000 USD (525 894,50 SEK)	5.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 2990 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 2990 and/or related guarantees/other operative documents</i>	50 000 USD (525 894,50 SEK)	6.
Aircraft MSN 7791 LLC, org.nr / Reg. No. 7151536 (USA / U.S.A.)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7791 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7791 and/or related guarantees/other operative documents</i>	4 849 105 USD* (51 002 352,99 SEK)	7.
Aircastle (Ireland) Limited, org.nr / Reg. No. 513581 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7897 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7897 and/or related guarantees/other operative documents</i>	5 001 425 USD* (52 604 437,99 SEK)	8.
Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9089 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9089 and/or related guarantees/other operative documents</i>	2 516 021,39 USD* (26 463 236,22 SEK)	9.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9247 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9247 and/or related guarantees/other operative documents</i>	3 031 440,39 USD* (31 884 356,56 SEK)	10.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9451 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9451 and/or related guarantees/other operative documents</i>	2 412 091 USD* (25 370 107,81 SEK)	11.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10051 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10051 and/or related guarantees/other operative documents</i>	966 655,35 USD* (10 167 174,64 SEK)	12.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10265 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10265 and/or related guarantees/other operative documents</i>	2 247 925 USD* (23 643 427,88 SEK)	13.
Bank of America, N.A., org.nr / Charter No. 22106 (USA / U.S.A.)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9352 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9352 and/or related guarantees/other operative documents</i>	1 247 775,45 USD (13 123 964,93 SEK)	14.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9518 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9518 and/or related guarantees/other operative documents</i>	790 925,55 USD (8 318 867,93 SEK)	15.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Bank of America, N.A., org.nr / Charter No. 22106 (USA / U.S.A.)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9541 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9541 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	16.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10408 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10408 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	17.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10500 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10500 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	18.
Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9312 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9312 and/or related guarantees/other operative documents</i>	2 131 694,36 USD* (22 420 926,79 SEK)	19.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9520 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9520 and/or related guarantees/other operative documents</i>	413 615 USD* (4 350 357,07 SEK)	20.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10145 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10145 and/or related guarantees/other operative documents</i>	425 391 USD* (4 474 215,74 SEK)	21.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9262 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9262 and/or related guarantees/other operative documents</i>	255 103 USD (2 683 145,29 SEK)	22.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10752 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10752 and/or related guarantees/other operative documents</i>	2 602 897 USD (27 376 984,33 SEK)	23.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10761 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10761 and/or related guarantees/other operative documents</i>	5 300 685 USD (55 752 021,75 SEK)	24.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10764 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10764 and/or related guarantees/other operative documents</i>	3 034 943 USD (31 921 196,63 SEK)	25.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10716 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10716 and/or related guarantees/other operative documents</i>	4 891 539 USD (51 448 669,13 SEK)	26.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10813 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10813 and/or related guarantees/other operative documents</i>	6 692 582 USD (70 391 841,29 SEK)	27.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 418 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 418 and/or related guarantees/other operative documents</i>	31 102 211 USD (327 129 634,05 SEK)	28.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 484 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 484 and/or related guarantees/other operative documents</i>	32 460 330 USD (341 414 180,30 SEK)	29.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9323 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9323 and/or related guarantees/other operative documents</i>	985 427,78 USD* (10 364 620,99 SEK)	30.
Jin Shan 7 Ireland Company Limited, org.nr / Reg. No. 564435 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1665 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1665 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	31.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1697 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1697 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	32.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1715 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1715 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	33.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
GY Aviation Lease 1709 CO., Limited, org.nr / Reg. No. 608177 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7591 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7591 and/or related guarantees/other operative documents</i>	5 123 279 USD (53 886 084,96 SEK)	34.
GY Aviation Lease 1710 CO., Limited, org.nr / Reg. No. 610488 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8333 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8333 and/or related guarantees/other operative documents</i>	6 106 686 USD (64 229 451,61 SEK)	35.
Sky High 127 Leasing Company Limited, org.nr / Reg. No. 698086 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7489 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7489 and/or related guarantees/other operative documents</i>	4 369 351,23 USD* (45 956 355,61 SEK)	36.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7676 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7676 and/or related guarantees/other operative documents</i>	4 308 559,93 USD* (45 316 959,40 SEK)	37.
Sky High 131 Leasing Company Limited, org.nr / Reg. No. 705301 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 499 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 499 and/or related guarantees/other operative documents</i>	23 720 610,54 USD* (249 490 772,39 SEK)	38.
Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7341 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7341 and/or related guarantees/other operative documents</i>	7 688 081 USD (80 862 390,27 SEK)	39.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7565 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7565 and/or related guarantees/other operative documents</i>	5 646 295 USD (59 387 109,72 SEK)	40.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7602 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7602 and/or related guarantees/other operative documents</i>	7 672 188 USD (80 695 229,44 SEK)	41.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7979 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7979 and/or related guarantees/other operative documents</i>	7 408 750 USD (77 924 417,54 SEK)	42.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8031 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8031 and/or related guarantees/other operative documents</i>	5 740 363 USD (60 376 506,59 SEK)	43.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8058 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8058 and/or related guarantees/other operative documents</i>	6 266 059 USD (65 905 719,30 SEK)	44.
	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8350 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8350 and/or related guarantees/other operative documents</i>	9 455 188 USD (99 448 627,31 SEK)	45.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1928 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1928 and/or related guarantees/other operative documents</i>	24 227 279 USD (254 819 855,52 SEK)	46.
	Andra garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7341 och/eller relaterade garantier/andra operativa dokument / <i>Second guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7341 and/or related guarantees/other operative documents</i>	7 688 081 USD* (80 862 390,27 SEK)	47.
	Andra garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7565 och/eller relaterade garantier/andra operativa dokument / <i>Second guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7565 and/or related guarantees/other operative documents</i>	5 646 295 USD* (59 387 109,72 SEK)	48.
	Andra garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8350 och/eller relaterade garantier/andra operativa dokument / <i>Second guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8350 and/or related guarantees/other operative documents</i>	9 455 188 USD* (99 448 627,31 SEK)	49.
ORIX Aviation Systems Limited, org.nr / Reg. No. 170923 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9032 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9032 and/or related guarantees/other operative documents</i>	1 635 241,08 USD* (17 199 285,80 SEK)	50.

Fordringshavare / Creditor	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
SMBC Aviation Capital Limited, org.nr / Reg. No. 270775 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7723, 7755, 8109, 9316 samt 10407 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 7723, 7755, 8109, 9316 and 10407, and/or related guarantees/other operative documents</i>	14 242 962,49 USD* (149 805 912,74 SEK)	51.
CALF (A2) Aviation Ireland Designated Activity Company, org.nr / Reg. No. 684803 (Irland / Ireland)	Garantifordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7352 samt 7499 och/eller relaterade garantier/andra operativa dokument / <i>Guarantee claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 7352 and 7499, and/or related guarantees/other operative documents</i>	8 510 106 USD (89 508 358,80 SEK)	52.

Det antal nya förlagsaktier som de Teckningsberättigade ska äga rätt att teckna ska baseras på det totala värdet (uttryckt i USD) som Bolaget ska distribuera till oprioriterade borgenärer i form av nya aktier i Bolaget ("Aktieersättningen") enligt rekonstruktionsplanen, vilket kommer att fördelas mellan de Teckningsberättigade *pro rata* i förhållande till fordringarnas storlek, såsom fastställda per dagen då rekonstruktionsplanen fastställs. Antalet förlagsaktier som respektive Teckningsberättigad har rätt att teckna inom ramen för Kvittningsemissionen kommer att fastställas baserat på den Teckningsberättigades andel av Aktieersättningen, konverterat till SEK med användning av den Europeiska centralbankens referensväxelkurs för USD/SEK en (1) bankdag före teckningsperioden i Kvittningsemissionen inleds, delat med teckningskursen om cirka 1,19040499526657 kronor (varvid antalet förlagsaktier ska avrundas nedåt till närmaste heltal).

The number of new subordinated shares that the Eligible Subscribers shall be entitled to subscribe for shall be based on the total value (expressed in USD) that the Company shall distribute to general unsecured creditors in the form of new shares in the Company (the "Equity Recovery") pursuant to the reorganization plan, which will be allocated between the Eligible Subscribers pro rata in relation to the size of the claims, as determined on the date on which the reorganization plan is adopted. The number of subordinated shares that each Eligible Subscriber is entitled to subscribe for in the Set-off Issue will be determined based on such Eligible Subscriber's portion of the Equity Recovery, converted to SEK using the European Central Bank's reference exchange rate for USD/SEK one (1) business day prior to the commencement of the subscription period in the Set-off Issue, divided by the subscription price of approximately SEK 1.19040499526657 (whereby the number of subordinated shares shall be truncated down to the nearest integer).

Om fordran har överlåtits till tredje part vid tidpunkten för Kvittningsemissionen ska rätten att teckna nya förlagsaktier istället tillkomma den nya fordringshavaren som därmed ska anses vara Teckningsberättigad.

If the relevant claim has been assigned to a third party at the time of the Set-off Issue, the right to subscribe for new subordinated shares shall instead be granted to such new creditor who shall be deemed an Eligible Subscriber.

Stockholm den 10 juni 2024 / *Stockholm on June 10, 2024*

SAS AB (publ)

Styrelsen / *The Board of Directors*

[Signatursida exkluderad / *Signature page excluded*]



Translation from the Swedish original

Auditor's statement in accordance with Chapter 13, Section 8 of the Swedish Companies Act (2005:551) on the Board's report on offsetting

To the Board of Directors of SAS AB, Corp. ID no 556606-8499

We have reviewed the Board of Directors' report on offsetting dated June 10, 2024.

Responsibility of the Board of Directors for the report

The Board of Directors is responsible for the preparation of the report in accordance with the Swedish Companies Act and for such internal control as the Board of Directors determine necessary to enable the preparation of the report which is free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

Our responsibility is to express an opinion on the offsetting based on our review. We have conducted our review in accordance with FAR's recommendation RevR 9 *The auditor's other statements pursuant to the Swedish Companies Act and the Swedish Companies Ordinance*. This recommendation requires that we plan and perform the review to obtain reasonable assurance about whether the Board of Directors' report is free from material misstatement. The audit firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a quality management system including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of SAS AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The review includes obtaining, through various procedures, evidence about the financial and other information in the Board of Directors' report. The auditor selects the procedures to be performed, including an assessment of the risks for material misstatement in the report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Board of Directors' preparation of the report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The review also includes evaluating the appropriateness and reasonableness of the Board of Directors' assumptions. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

We consider that the Board of Director's report has been prepared in accordance with Chapter 13, Section 7 of the Swedish Companies Act and the right of set-off relates to valid counterclaims, subject - as stated in the Board of Directors' report - to the U.S. Bankruptcy Court for the Southern District of New York in the United States not having determined a claim to be disallowed under SAS' Chapter 11 proceedings in the United States prior to the commencement of the subscription period (in which case the creditor shall not be entitled to subscribe for shares in the set-off issue).

Other matters

As stated in the Board of Director's report, the amount of the counterclaims that may be used for set-off is dependent on future circumstances, whereby the amounts of the claims may change. The sole purpose of this statement is to fulfil the requirement set out in Chapter 13, Section 8 of the Swedish Companies Act and may not be used for any other purpose.

Stockholm, June 10, 2024

KPMG AB

Tomas Gerhardsson
Authorized public accountant

N.B. The English text is an unofficial translation. In the event of any discrepancies between the Swedish and the English versions, the Swedish version shall prevail.

Bilaga 10D.1
Appendix 10D.1

Styrelsens redogörelse enligt 13 kap. 7 § aktiebolagslagen

Statement by the Board of Directors in accordance with Chapter 13, Section 7 of the Swedish Companies Act

Styrelsen för SAS AB (publ) ("**Bolaget**") avser att, inom ramen för rekonstruktionsplanen, föreslå att Bolaget genomför en apportemission till innehavare av vissa fordringar mot Bolagets direkt eller indirekt ägda dotterbolag ("**Apportemissionen**"). Styrelsen avger i anledning därav följande redogörelse enligt 13 kap. 7 § aktiebolagslagen.

*The Board of Directors of SAS AB (publ) (the "**Company**") intends to, within the framework of the reorganization plan, propose that the Company carries out an in-kind issue to holders of certain claims against the Company's directly or indirectly owned subsidiaries (the "**In-kind Issue**"). Due to this, the Board of Directors issues the following statement pursuant to Chapter 13, Section 7 of the Swedish Companies Act.*

Antalet förlagsaktier som ska emitteras uppgår till högst 426 233 088. Rätt att teckna de nya förlagsaktierna ska tillkomma innehavare av vissa fordringar mot Bolagets direkt eller indirekt ägda dotterbolag (de "**Teckningsberättigade**") och betalning ska ske genom tillskjutande av apportegendom enligt nedan. Fördelningen nedan kan komma att justeras beroende på fordringarnas storlek, såsom fastställda bankdagen före teckningsperioden i Apportemissionen inleds. Värdet på de tillskjutna fordringarna kommer i samtliga fall att överstiga kvotvärdet för de tecknade förlagsaktierna och till den del värdet på en fordran överstiger det sammanlagda teckningsbelopp som den Teckningsberättigade ska betala för de nya förlagsaktierna ska sådant överskjutande belopp efterges av fordringshavaren i enlighet med vad som framgår av Chapter 11-planen (såsom definierad nedan), dvs. ingen under- eller överkurs uppkommer.

*The maximum number of subordinated shares to be issued is 426,233,088. The right to subscribe for the new subordinated shares shall be granted to holders of certain claims against the Company's directly or indirectly owned subsidiaries (the "**Eligible Subscribers**") and payment shall be made by contribution of assets in kind as set out below. The allocation set out below may be adjusted depending on the size of the claims, as determined on the business day prior to the commencement of the subscription period in the In-kind Issue. The value of the contributed claims will in any event exceed the quota value of the subscribed subordinated shares, and to the extent that the value of a claim exceeds the aggregate subscription price that the Eligible Subscriber shall pay for the new subordinated shares, such exceeding amount will be forgiven by the creditor in accordance with what is set out in the Chapter 11 Plan, i.e. no discount or premium occurs.*

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden, org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Danska finansdepartementet / The Danish Ministry of Finance, org.nr / Reg. No. 10108330 (Danmark / Denmark)	Fordran under låneavtal daterat den 8 juli 2021 / Claim under term loan facility agreement dated July 8, 2021	1 102 428 462,32 DKK (1 685 414 681,76 SEK) Uttryckt i USD för beräkningen av <i>pro</i> <i>rata</i> -andel av Aktieersättningen / Expressed in USD for the calculation of <i>pro rata</i> share of the Equity Recovery: 154 868 955,13 USD	1.
	Eksfin – Eksportfinansiering Norge / Eksfin – Export Finance Norway, org.nr / Reg. No. 926718304 (Norge / Norway)	Garantifordran under låneavtal daterat den 18 december 2020 / Guarantee claim under term loan facility agreement dated December 18, 2020	1 502 637 672,94 NOK (1 504 621 154,67 SEK) Uttryckt i USD för beräkningen av <i>pro</i> <i>rata</i> -andel av Aktieersättningen / Expressed in USD for the calculation of <i>pro rata</i> share of the Equity Recovery: 150 271 130,58 USD	2.

¹ Fordringar markerade med * har av den amerikanska konkursdomstolen för New Yorks södra distrikt i USA (den "Amerikanska Domstolen") ännu inte tagits upp som tillåtna (Eng. *allowed*) eller icke-tillåtna (Eng. *disallowed*) inom ramen för SAS Chapter 11-förfarande, men den Amerikanska Domstolen kommer att fastställa om de ska behandlas som tillåtna eller ej före teckningsperiodens början. I den mån den Amerikanska Domstolen fastställer en fordran som icke-tillåten före teckningsperiodens början (dvs. med innebörden att sådan fordringshavare inte är berättigad till ersättning inom ramen för Chapter 11-förfarandet) kommer fordringshavaren inte att vara Teckningsberättigad i Apportemissionen.

² Uppskattat belopp baserat på Riksbankens referensväxelkurs för USD/SEK (10,51789), DKK/SEK (1,52882) respektive NOK/SEK (1,00132) per den 3 juni 2024.

³ Claims marked with * have not yet been allowed or disallowed by the U.S. Bankruptcy Court for the Southern District of New York (the "U.S. Court") as part of SAS' chapter 11 proceedings, but the U.S. Court will decide whether they are to be treated as allowed or disallowed prior to the start of the subscription period. If the U.S. Court disallows a claim prior to the start of the subscription period (i.e., to the effect that such claimant is not entitled to a recovery in the chapter 11 proceedings), the applicable creditor will not be an Eligible Subscriber in the In-kind Issue.

⁴ Estimated amount based on the Riksbank's reference exchange rate for USD/SEK (10.51789), DKK/SEK (1.52882) and NOK/SEK (1.00132), respectively, as at June 3, 2024.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Riksgäldskontoret / <i>The Swedish National Debt Office</i> , org.nr / Reg. No. 202100-2635 (Sverige / Sweden) Teckningsberättigad för det antal förlagsaktier som fordran berättigar till är <u>GLAS Trustees Limited</u> , org.nr 08466032 (Förenta Konungariket), dvs. Riksgäldskontoret kommer att tillskjuta fordran för GLAS Trustees Limited räkning / <i>The Eligible Subscriber for the number of subordinated shares that the claim entitles to is <u>GLAS Trustees Limited</u>, Reg. No. 08466032 (United Kingdom), i.e. the Swedish National Debt Office will contribute the claim on behalf of GLAS Trustees Limited</i>	Fordran under låneavtal daterat den 16 juli 2021 / <i>Claim under term loan facility agreement dated July 16, 2021</i>	1 500 625 833,33 SEK Uttryckt i USD för beräkningen av <i>pro rata</i> -andel av Aktieersättningen / <i>Expressed in USD for the calculation of pro rata share of the Equity Recovery:</i> 146 840 894,12 USD	3.
	Datalex (Ireland) Limited, org.nr / Reg. No. 110325 (Irland / Ireland)	Skadeståndsfordran avseende hävning av ramavtal för IT-tjänster 14 SEP 2018 / <i>Damage claim for rejection of IT services frame agreement 14 SEP 2018</i>	1 775 000 USD (18 669 254,75 SEK)	4.
	Safran, org.nr / Reg. No. 562082909 (Frankrike / France)	Fordran avseende hävning av driftavtal för motorservice, nr. SN12- 038L / <i>Contract rejection claim for Engine Services Per Operation Agreement, No. SN12-038L</i>	4 000 000 USD* (42 071 560 SEK)	5.
	Rolls-Royce plc, org.nr / Reg. No. 01003142 (Förenta Konungariket / United Kingdom)	Fordran enligt omförhandlat motorserviceavtal / <i>Contract restructuring claim with respect to Engine services agreement</i>	80 000 000 USD* (841 431 200 SEK)	6.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Scandinavian Airlines System Denmark-Norway-Sweden , org.nr / Reg. No. 902001-7720 (Sverige / Sweden)	Dansk Pilotforening (DPF), org.nr / Reg. No. 25532511 (Danmark / Denmark)	Fordran enligt ändrat och reviderat avtal (avseende omstruktureringsstöd) daterat den 15 november 2022 och godkänt genom domstolsbeslut den 8 december 2022 / <i>Claim under under amended and restated (restructuring support) agreement dated November 15, 2022 and allowed by order dated December 8, 2022</i>	25 972 894,48 USD (273 180 047,12 SEK)	7.
	Norske SAS-Flygeres Forening (NSF), org.nr / Reg. No. 975714322 (Norge / Norway)	Fordran enligt ändrat och reviderat avtal (avseende omstruktureringsstöd) daterat den 15 november 2022 och godkänt genom domstolsbeslut den 8 december 2022 / <i>Claim under under amended and restated (restructuring support) agreement dated November 15, 2022 and allowed by order dated December 8, 2022</i>	30 880 929,33 USD (324 802 217,79 SEK)	8.
	SAS Norge Pilotforening (snpf), org.nr / Reg. No. 990182329 (Norge / Norway)	Fordran enligt ändrat och reviderat avtal (avseende omstruktureringsstöd) daterat den 15 november 2022 och godkänt genom domstolsbeslut den 8 december 2022 / <i>Claim under under amended and restated (restructuring support) agreement dated November 15, 2022 and allowed by order dated December 8, 2022</i>	11 190 706,68 USD (117 702 621,88 SEK)	9.
	Svensk Pilotförening /SPF/, org.nr / Reg. No. 802002-6616 (Sverige / Sweden)	Fordran enligt ändrat och reviderat avtal (avseende omstruktureringsstöd) daterat den 15 november 2022 och godkänt genom domstolsbeslut den 8 december 2022 / <i>Claim under under amended and restated (restructuring support) agreement dated November 15, 2022 and allowed by order dated December 8, 2022</i>	28 760 890,61 USD (302 503 883,74 SEK)	10.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Scandinavian Airlines System Denmark-Norway-Sweden , org.nr / Reg. No. 902001-7720 (Sverige / Sweden)	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 418 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 418 and/or related guarantees/other operative documents</i>	31 102 211 USD (327 129 634,05 SEK)	11.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 484 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 484 and/or related guarantees/other operative documents</i>	32 460 330 USD (341 414 180,30 SEK)	12.
	Sky High 131 Leasing Company Limited, org.nr / Reg. No. 705301 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 499 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 499 and/or related guarantees/other operative documents</i>	23 720 610,54 USD* (249 490 772,39 SEK)	13.
	Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7602 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7602 and/or related guarantees/other operative documents</i>	7 672 188 USD* (80 695 229,44 SEK)	14.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1928 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1928 and/or related guarantees/other operative documents</i>	24 227 279 USD* (254 819 855,52 SEK)	15.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8350 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8350 and/or related guarantees/other operative documents</i>	9 455 188 USD* (99 448 627,31 SEK)	16.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7341 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7341 and/or related guarantees/other operative documents</i>	7 688 081 USD* (80 862 390,27 SEK)	17.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7565 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7565 and/or related guarantees/other operative documents</i>	5 646 295 USD* (59 387 109,72 SEK)	18.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Scandinavian Airlines System Denmark-Norway-Sweden , org.nr / Reg. No. 902001-7720 (Sverige / Sweden)	Jin Shan 7 Ireland Company Limited, org.nr / Reg. No. 564435 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1665 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1665 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	19.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1697 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1697 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	20.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1715 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1715 and/or related guarantees/other operative documents</i>	33 081 728 USD* (347 949 976,11 SEK)	21.
	SDH Wings Leasing 8 Limited, org.nr / Reg. No. 661199 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7227 samt 7290 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 7227 and 7290, and/or related guarantees/other operative documents</i>	7 183 172,20 USD (75 551 815,05 SEK)	22.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Scandinavian Airlines System Denmark-Norway-Sweden , org.nr / Reg. No. 902001-7720 (Sverige / Sweden)	Aircraft MSN 7791 LLC, org.nr / Reg. No. 7151536 (USA / U.S.A)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7791 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7791 and/or related guarantees/other operative documents</i>	4 849 105 USD* (51 002 352,99 SEK)	23.
	Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9089 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9089 and/or related guarantees/other operative documents</i>	2 516 021,39 USD* (26 463 236,22 SEK)	24.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9247 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9247 and/or related guarantees/other operative documents</i>	3 031 440,39 USD* (31 884 356,56 SEK)	25.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9451 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9451 and/or related guarantees/other operative documents</i>	2 412 091 USD* (25 370 107,81 SEK)	26.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Scandinavian Airlines System Denmark-Norway- Sweden , org.nr / Reg. No. 902001- 7720 (Sverige / Sweden)	Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10265 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10265 and/or related guarantees/other operative documents</i>	2 247 925 USD* (23 643 427,88 SEK)	27.
	IC AirLease One Limited, org.nr / Reg. No. 549170 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1848, 1675 samt 1619 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 1848, 1675 and 1619, and/or related guarantees/other operative documents</i>	2 367 974,60 USD (24 906 096,37 SEK)	28.
	Aviator Capital Aircraft Managers, LLC, org.nr / Reg. No. M13000000796 (USA / U.S.A)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 963429 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 963429 and/or related guarantees/other operative documents</i>	6 072 260,43 USD (63 867 367,25 SEK)	29.
	CAVIC 31 Designated Activity Company, org.nr / Reg. No. 621276 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1660 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 1660 and/or related guarantees/other operative documents</i>	46 000 000 USD* (483 822 940 SEK)	30.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Scandinavian Airlines System Denmark-Norway-Sweden , org.nr / Reg. No. 902001-7720 (Sverige / Sweden)	JPA No. 199 Co., Ltd., Address / Address: Kasumigaseki Common Gate West Tower 34F, 3-2-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-0013 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 358 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 358 and/or related guarantees/other operative documents</i>	75 000 000 USD* (788 841 750 SEK)	31.
	FS World Leasing Co., Ltd. Address / Address: 3-3-23, Kanda-Misaki-cho, Chiyoda-ku, Tokyo 101-0061 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 391 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 391 and/or related guarantees/other operative documents</i>	30 614 769,51 USD* (322 002 778,08 SEK)	32.
	Crédit Agricole Corporate and Investment Bank, Tokyo Branch Address: 3-3-23, 1-9-2, Higashi-Shimbashi, Minato-ku, Tokyo 105-0021, Japan (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 391 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 391 and/or related guarantees/other operative documents</i>	39 388 974,39 USD* (414 288 899,85 SEK)	33.
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Aircraft MSN 7791 LLC, org.nr / Reg. No. 7151536 (USA / U.S.A)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7791 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7791 and/or related guarantees/other operative documents</i>	4 849 105 USD* (51 002 352,99 SEK)	34.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Aircastle (Ireland) Limited, org.nr / Reg. No. 513581 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7897 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7897 and/or related guarantees/other operative documents</i>	5 001 425 USD* (52 604 437,99 SEK)	35.
	GY Aviation Lease 1709 CO., Limited, org.nr / Reg. No. 608177 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7591 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7591 and/or related guarantees/other operative documents</i>	5 123 279 USD (53 886 084,96 SEK)	36.
	GY Aviation Lease 1710 CO., Limited, org.nr / Reg. No. 610488 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8333 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8333 and/or related guarantees/other operative documents</i>	6 106 686 USD (64 229 451,61 SEK)	37.
	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9262 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9262 and/or related guarantees/other operative documents</i>	255 103 USD (2 683 145,29 SEK)	38.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10752 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10752 and/or related guarantees/other operative documents</i>	2 602 897 USD (27 376 984,33 SEK)	39.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10761 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10761 and/or related guarantees/other operative documents</i>	5 300 685 USD (55 752 021,75 SEK)	40.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10764 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10764 and/or related guarantees/other operative documents</i>	3 034 943 USD (31 921 196,63 SEK)	41.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10716 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10716 and/or related guarantees/other operative documents</i>	4 891 539 USD (51 448 669,13 SEK)	42.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10813 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10813 and/or related guarantees/other operative documents</i>	6 692 582 USD (70 391 841,29 SEK)	43.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 418 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 418 and/or related guarantees/other operative documents</i>	31 102 211 USD (327 129 634,05 SEK)	44.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 484 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 484 and/or related guarantees/other operative documents</i>	32 460 330 USD (341 414 180,30 SEK)	45.
	Sky High 127 Leasing Company Limited, org.nr / Reg. No. 698086 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7489 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7489 and/or related guarantees/other operative documents</i>	4 369 351,23 USD* (45 956 355,61 SEK)	46.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Dark Blue Limited , org.nr / Reg. No. 593238 (Irland / Ireland)	Sky High 127 Leasing Company Limited, org.nr / Reg. No. 698086 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7676 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7676 and/or related guarantees/other operative documents</i>	4 308 559,93 USD* (45 316 959,40 SEK)	47.
	Sky High 131 Leasing Company Limited, org.nr / Reg. No. 705301 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 499 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 499 and/or related guarantees/other operative documents</i>	23 720 610,54 USD* (249 490 772,39 SEK)	48.
Gorm Deep Blue Limited , org.nr / Reg. No. 593239 (Irland / Ireland)	SMBC Aviation Capital Limited, org.nr / Reg. No. 270775 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7723, 7755, 8109, 9316 samt 10407 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial numbers 7723, 7755, 8109, 9316 and 10407, and/or related guarantees/other operative documents</i>	14 242 962,49 USD* (149 805 912,74 SEK)	49.
	CALF (A2) Aviation Ireland Designated Activity Company, org.nr / Reg. No. 684803 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7352 samt 7499 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number(s) 7352 and 7499, and/or related guarantees/other operative documents</i>	8 510 106 USD (89 508 358,80 SEK)	50.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Gorm Light Blue Limited , org.nr / Reg. No. 617208 (Irland / Ireland)	Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9089 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9089 and/or related guarantees/other operative documents</i>	2 516 021,39 USD* (26 463 236,22 SEK)	51.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9247 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9247 and/or related guarantees/other operative documents</i>	3 031 440,39 USD* (31 884 356,56 SEK)	52.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9451 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9451 and/or related guarantees/other operative documents</i>	2 412 091 USD* (25 370 107,81 SEK)	53.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10051 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10051 and/or related guarantees/other operative documents</i>	966 655,35 USD* (10 167 174,64 SEK)	54.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Light Blue Limited , org.nr / Reg. No. 617208 (Irland / Ireland)	Alafco Aviation Lease and Finance Company K.S.C.P., org.nr / Reg. No. 80745 (Kuwait / Kuwait)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10265 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10265 and/or related guarantees/other operative documents</i>	2 247 925 USD* (23 643 427,88 SEK)	55.
	Bank of America, N.A., org.nr / Charter No. 22106 (USA / U.S.A.)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9352 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9352 and/or related guarantees/other operative documents</i>	1 247 775,45 USD (13 123 964,93 SEK)	56.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9518 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9518 and/or related guarantees/other operative documents</i>	790 925,55 USD (8 318 867,93 SEK)	57.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9541 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9541 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	58.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Light Blue Limited , org.nr / Reg. No. 617208 (Irland / Ireland)	Bank of America, N.A., org.nr / Charter No. 22106 (USA / U.S.A.)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10408 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10408 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	59.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10500 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10500 and/or related guarantees/other operative documents</i>	50 521,45 USD (531 379,05 SEK)	60.
	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9312 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9312 and/or related guarantees/other operative documents</i>	2 131 694,36 USD* (22 420 926,79 SEK)	61.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9520 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9520 and/or related guarantees/other operative documents</i>	413 615 USD* (4 350 357,07 SEK)	62.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek ¹ (belopp i SEK) ² / Claim amount ³ (amount in SEK) ⁴	#
Gorm Light Blue Limited , org.nr / Reg. No. 617208 (Irland / Ireland)	Wilmington Trust SP Services (Dublin) Limited, org.nr / Reg. No. 318390 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 10145 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 10145 and/or related guarantees/other operative documents</i>	425 391 USD* (4 474 215,74 SEK)	63.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9323 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9323 and/or related guarantees/other operative documents</i>	985 427,78 USD* (10 364 620,99 SEK)	64.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9173 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9173 and/or related guarantees/other operative documents</i>	8 000 000 USD* (84 143 120 SEK)	65.
	ORIX Aviation Systems Limited, org.nr / Reg. No. 170923 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 9032 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 9032 and/or related guarantees/other operative documents</i>	1 635 241,08 USD* (17 199 285,80 SEK)	66.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Ocean Blue Limited , org.nr / Reg. No. 627406 (Irland / Ireland)	JPA No. 199 Co., Ltd., Adress / Address: Kasumigaseki Common Gate West Tower 34F, 3-2-1 Kasumigaseki, Chiyoda-ku, Tokyo 100-0013 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 358 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 358 and/or related guarantees/other operative documents</i>	75 000 000 USD* (788 841 750 SEK)	67.
	FS World Leasing Co., Ltd. Adress / Address: 3-3-23, Kanda-Misaki-cho, Chiyoda-ku, Tokyo 101-0061 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 391 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 391 and/or related guarantees/other operative documents</i>	30 614 769,51 USD* (322 002 778,08 SEK)	68.
	Crédit Agricole Corporate and Investment Bank, Tokyo Branch Adress: 3-3-23, 1-9-2, Higashi-Shimbashi, Minato-ku, Tokyo 105-0021 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 391 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 391 and/or related guarantees/other operative documents</i>	39 388 974,39 USD* (414 288 899,85 SEK)	69.
	FLIP No. 247 Co., Ltd., Adress / Address: 7-2 Marunouchi 2-chome, Chiyoda-ku, Tokyo 100-7029 (Japan / Japan)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 378 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 378 and/or related guarantees/other operative documents</i>	33 500 000 USD* (352 349 315 SEK)	70.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Ocean Blue Limited , org.nr / Reg. No. 627406 (Irland / Ireland)	Wilmington Trust (London) Limited, org.nr / Reg. No. 05650152 (Förenta Konungariket / United Kingdom)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 378 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 378 and/or related guarantees/other operative documents</i>	37 841 030,35 USD* (398 007 794,71 SEK)	71.
Gorm Sky Blue Limited , org.nr / Reg. No. 593240 (Irland / Ireland)	Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7341 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7341 and/or related guarantees/other operative documents</i>	7 688 081 USD (80 862 390,27 SEK)	72.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7565 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7565 and/or related guarantees/other operative documents</i>	5 646 295 USD (59 387 109,72 SEK)	73.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7602 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7602 and/or related guarantees/other operative documents</i>	7 672 188 USD (80 695 229,44 SEK)	74.

Gäldenär / Debtor	Fordringshavare / Claim holder	Beskrivning av fordran / Description of claim	Fordrans storlek¹ (belopp i SEK)² / Claim amount³ (amount in SEK)⁴	#
Gorm Sky Blue Limited , org.nr / Reg. No. 593240 (Irland / Ireland)	Jackson Square Aviation Ireland Limited, org.nr / Reg. No. 461635 (Irland / Ireland)	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 7979 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 7979 and/or related guarantees/other operative documents</i>	7 408 750 USD (77 924 417,54 SEK)	75.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8031 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8031 and/or related guarantees/other operative documents</i>	5 740 363 USD (60 376 506,59 SEK)	76.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8058 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8058 and/or related guarantees/other operative documents</i>	6 266 059 USD (65 905 719,30 SEK)	77.
		Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 8350 och/eller relaterade garantier/andra operativa dokument / <i>Claim under operating lease agreement in respect of aircraft/equipment bearing serial number 8350 and/or related guarantees/other operative documents</i>	9 455 188 USD (99 448 627,31 SEK)	78.

Gäldenär / <i>Debtor</i>	Fordringshavare / <i>Claim holder</i>	Beskrivning av fordran / <i>Description of claim</i>	Fordrans storlek ¹ (belopp i SEK) ² / <i>Claim amount³ (amount in SEK)⁴</i>	#
Gorm Sky Blue Limited , org.nr / <i>Reg. No. 593240</i> (Irland / <i>Ireland</i>)	Jackson Square Aviation Ireland Limited, org.nr / <i>Reg.</i> <i>No. 461635 (Irland /</i> <i>Ireland)</i>	Fordran avseende operationellt leasingavtal för flygplan/utrustning med serienummer 1928 och/eller relaterade garantier/andra operativa dokument / <i>Claim</i> <i>under operating lease</i> <i>agreement in respect of</i> <i>aircraft/equipment bearing</i> <i>serial number 1928 and/or</i> <i>related guarantees/other</i> <i>operative documents</i>	24 227 279 USD (254 819 855,52 SEK)	79.

Det antal nya förlagsaktier som de Teckningsberättigade ska äga rätt att teckna ska baseras på det totala värdet (uttryckt i USD) som respektive gäldenär angivna ovan ska distribuera till oprioriterade borgenärer i form av nya aktier i Bolaget ("Aktieersättningen") enligt den rekonstruktionsplan som har godkänts av amerikansk domstol i SAS chapter 11-förfarande i USA ("Chapter 11-planen"), varvid Aktieersättningen från respektive gäldenär kommer att fördelas mellan Teckningsberättigade med fordringar mot sådan gäldenär *pro rata* i förhållande till fordringarnas storlek, såsom fastställda bankdagen före teckningsperioden i Apportemissionen inleds (om en fordran även berättigar till kontant utdelning enligt Chapter 11-planen ska dock den relevanta Teckningsberättigades andel av Aktieersättningen minska i motsvarande mån, dvs. så att alla Teckningsberättigade med fordringar mot samma gäldenär erhåller samma procentuella totalersättning för sådana fordringar). Antalet förlagsaktier som respektive Teckningsberättigad har rätt att teckna inom ramen för Apportemissionen kommer att fastställas baserat på den Teckningsberättigades andel av Aktieersättningen, konverterat till SEK med användning av den Europeiska centralbankens referensväxelkurs för USD/SEK en (1) bankdag före teckningsperioden i Apportemissionen inleds, delat med teckningskursen motsvarande kvotvärdet om cirka 1,19040499526657 kronor (varvid antalet förlagsaktier ska avrundas nedåt till närmaste heltal).

The number of new subordinated shares that the Eligible Subscribers shall be entitled to subscribe for shall be based on the total value (expressed in USD) that each debtor listed above shall distribute to general unsecured creditors in the form of new shares in the Company (the "Equity Recovery") pursuant to the reorganization plan confirmed by the U.S. court in SAS' chapter 11 proceedings in the United States (the "Chapter 11 Plan"), whereby the Equity Recovery from each debtor will be allocated between Eligible Subscribers with claims against such debtor pro rata in relation to the size of the claims, as determined on the business day prior to the commencement of the subscription period in the In-kind Issue (if a claim also entitles to cash distribution pursuant to the Chapter 11 Plan, the relevant Eligible Subscriber's portion of the Equity Recovery shall, however, be reduced by a corresponding amount, i.e. such that all Eligible Subscribers with claims against the same debtor receive the same total percentage recovery on account of such claims). The number of subordinated shares that each Eligible Subscriber is entitled to subscribe for in the In-kind Issue will be determined based on such Eligible Subscriber's portion of the Equity Recovery, converted to SEK using the European Central Bank's reference exchange rate for USD/SEK one (1) business day prior to the commencement of the subscription period in the In-kind Issue, divided by the subscription price corresponding to the quota value of approximately SEK 1.19040499526657 (whereby the number of subordinated shares shall be truncated down to the nearest integer).

Om fordran har överlåtit till tredje part vid tidpunkten för Apportemissionen ska rätten att teckna nya förlagsaktier istället tillkomma den nya fordringshavaren som därmed ska anses vara Teckningsberättigad.

If the relevant claim has been assigned to a third party at the time of the In-kind Issue the right to subscribe for new subordinated shares shall instead be granted to such new creditor who shall be deemed an Eligible Subscriber.

Bolaget har, i egenskap av direkt eller indirekt ägare till ovanstående gäldenärer, ingående kännedom om gäldenärernas finansiella resultat och ställning samt de fordringar som avses förvärvas i Apportemissionen. På grundval av den kännedom styrelsen har om fordringarna är det styrelsens bedömning att värdet på apportegendomen (motsvarande fordringarnas marknadsvärde) som kan komma att tillföras Bolaget uppgår till fordringarnas nominella belopp efter nedskrivning enligt Chapter 11-planen och motsvarar minst värdet av det vederlag som ska utges. Styrelsen beräknar att apportegendomen kommer att upptas till ett sammanlagt värde motsvarande 507 389 997,11 kronor i Bolagets balansräkning.⁵

The Company has, in its capacity as direct or indirect owner of the abovementioned debtors, extensive knowledge of the debtors' financial results and positions as well as the claims intended to be acquired in the In-kind Issue. Based on the knowledge that the Board of Directors possesses about the claims, it is the Board of Directors' opinion that the value of the assets (corresponding to the market value of the claims) that may be contributed to the Company amounts to the nominal amount of the claims after write-down pursuant to the Chapter 11 Plan, and is not less than the value of the consideration which is to be paid. The Board of Directors estimates that the contributed assets will be recognised at a total value corresponding to SEK 507,389,997.11 in the Company's balance sheet.⁶

Handlingar enligt 2 kap. 9 § aktiebolagslagen hålls tillgängliga på Bolagets adress.

Documents referred to in Chapter 2, section 9 of the Swedish Companies Act are available at the Company's address.

Stockholm den 10 juni 2024 / Stockholm on June 10, 2024

SAS AB (publ)

Styrelsen / The Board of Directors

⁵ Uppskattat belopp baserat på en växelkurs för USD/SEK om 13.00 samt antagandet att Apportemissionen fulltecknas. Baserat på Riksbankens referensväxelkurs för USD/SEK per den 3 juni 2024 (10,51789) skulle det uppskattade beloppet uppgå till 278 724 081,39 kronor.

⁶ Estimated amount based on an USD/SEK exchange rate of 13.00 and assuming that the In-kind Issue is fully-subscribed. Based on the Riksbank's reference exchange rate for USD/SEK as at June 3, 2024 (10.51789), the estimated amount would amount to SEK 278,724,081.39.

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Auditor's statement in accordance with Chapter 13, Section 8 of the Swedish Companies Act (2005:551) on the Board of Director's report on contribution in kind

To the Board of Directors of SAS AB, Corp. ID no 556606-8499

We have reviewed the Board of Directors' report on contribution in kind dated June 10, 2024.

Responsibility of the Board of Directors for the report

The Board of Directors is responsible for the preparation of the report in accordance with the Swedish Companies Act and for such internal control as the Board of Directors determine necessary to enable the preparation of the report which is free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

Our responsibility is to express an opinion on the contribution in kind based on our review. We have conducted our review in accordance with FAR's recommendation RevR 9 *The auditor's other statements pursuant to the Swedish Companies Act and the Swedish Companies Ordinance*. This recommendation requires that we plan and perform the review to obtain reasonable assurance about whether the Board of Directors' report is free from material misstatement. The audit firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a quality management system including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of SAS AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The review includes obtaining, through various procedures, evidence about the financial and other information in the Board of Directors' report. The auditor selects the procedures to be performed, including an assessment of the risks for material misstatement in the report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Board of Directors' preparation of the report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The review also includes an evaluation of the appropriateness of the valuation methodology used and the reasonableness of the assumptions made by the Board of Directors. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

We consider, taking into account the circumstances described under 'Other matters' below, that:

- the contribution in kind is or can be assumed to be beneficial to the company's operations, and
- the contribution in kind described in the Board of Directors' report is not recognized at a higher value than its fair value to the company.

Other matters

As stated in the Board of Directors' report, the contribution in kind consists of several claims against directly and indirectly owned subsidiaries within the group. As also stated in the report, the Board of Directors has determined the value of the contribution in kind at the nominal amount of the claims after write-down under the Chapter 11 plan. As stated in the Board of Directors' report, the final value at which the contribution in-kind will be recognized is dependent on future circumstances, in which case the value may change. As further described in the Board of Directors' report, any creditor whose claims have been determined to be disallowed by the U.S. Bankruptcy Court for the Southern District of New York in the United States under SAS' Chapter 11 proceedings in the United States (i.e., with the effect that such creditor is not entitled to compensation under the Chapter 11 proceedings) prior to the beginning of the subscription period will not be entitled to subscribe for shares in the contribution in kind issue. As a result, the basis for our statements above may have changed at the time of the transaction.

The sole purpose of this statement is to fulfill the requirement set out in Chapter 13, Section 8 of the Swedish Companies Act and may not be used for any other purpose.

Stockholm, June 10, 2024

KPMG AB

Tomas Gerhardsson
Authorized public accountant

N.B. The English text is an unofficial translation. In the event of any discrepancies between the Swedish and the English versions, the Swedish version shall prevail.

Bilaga 10E.1
Appendix 10E.1

Styrelsens redogörelse enligt 20 kap. 13 § aktiebolagslagen

Statement by the Board of Directors in accordance with Chapter 20, Section 13 of the Swedish Companies Act

Styrelsen för SAS AB (publ) ("**Bolaget**") avser att, inom ramen för rekonstruktionsplanen, föreslå att Bolaget genomför en minskning av aktiekapitalet genom indragning av samtliga utestående stamaktier. Styrelsen avger i anledning därav följande redogörelse enligt 20 kap. 13 § aktiebolagslagen.

*The Board of Directors of SAS AB (publ) (the "**Company**") intends to, within the framework of the reorganization plan, propose that the Company carries out a reduction of the share capital by redemption of all outstanding common shares. Due to this, the Board of Directors issues the following statement pursuant to Chapter 20, Section 13 of the Swedish Companies Act.*

Beslutet att minska aktiekapitalet i enlighet med styrelsens förslag (till vilken denna redogörelse utgör en bilaga) kan genomföras utan tillstånd av Bolagsverket eller allmän domstol, eftersom Bolaget samtidigt genomför en fondemission i enlighet med Bilaga 9 och nyemissioner av förlagsaktier i enlighet med Bilaga 3–6 i rekonstruktionsplanen, vilka tillsammans medför att varken Bolagets bundna egna kapital eller aktiekapital minskar. Effekterna av minskningen av aktiekapitalet, fondemissionen och nyemissionerna på Bolagets bundna egna kapital och aktiekapital framgår, såvitt avser minskningen av aktiekapitalet, av vad som anförs i styrelsens förslag till beslut och, såvitt avser fondemissionen, av vad som anges i Bilaga 9 samt, såvitt avser nyemissionerna, av vad som framgår av Bilaga 3–6 i rekonstruktionsplanen.

The resolution to reduce the share capital in accordance the Board of Directors proposal (to which this statement is an appendix) may be implemented without the authorization of the Swedish Companies Registration Office or a court of general jurisdiction, since the Company at the same carries out a bonus issue in accordance with Appendix 9 and new issues of subordinated shares pursuant to Appendix 3–6 of the reorganization plan, as measures to entail that neither the Company's restricted equity nor share capital is reduced. The effects of the reduction of the share capital, the bonus issue and the new issues on the Company's restricted equity and the share capital appears, in so far as concerns the reduction of the share capital, from what is stated in the Board of Directors proposal for resolution, and, in so far as concerns the bonus issue, from what is stated in Appendix 9 and, in so far as concerns the new issues, from what is stated in Appendix 3–6 of the reorganization plan.

Stockholm den 10 juni 2024 / Stockholm on June 10, 2024

SAS AB (publ)

Styrelsen / The Board of Directors

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Translation from the Swedish original

Auditor's statement in accordance with Chapter 20, Section 14 of the Swedish Companies Act (2005:551), as to the Board of Directors' report in accordance with Chapter 20, Section 13, paragraph 4 of the Swedish Companies Act

To the Board of Directors of SAS AB, Corp. ID no 556606-8499

We have reviewed the Board of Directors' report dated June 10, 2024.

Responsibility of the Board of Directors for the report

The Board of Directors is responsible for the preparation of the report in accordance with the Swedish Companies Act and for such internal control as the Board of Directors determines necessary to enable the preparation of the report which is free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

Our responsibility is to express an opinion on the appropriateness of the actions set out in the Board of Directors' report based on our review. We have conducted our review in accordance with FAR's recommendation RevR 9 *The auditor's other statements pursuant to the Swedish Companies Act and the Swedish Companies Ordinance*. This recommendation requires that we plan and perform the review to obtain reasonable assurance about whether the Board of Directors' report is free from material misstatement. The audit firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a quality management system including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of SAS AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The review includes obtaining, through various procedures, evidence about the financial and other information in the Board of Directors' report. The auditor selects the procedures to be performed, including an assessment of the risks for material misstatement in the report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Board of Directors' preparation of the report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The review also includes evaluating the appropriateness and reasonableness of the Board of Directors' assumptions. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

We consider that the measures taken, which do not reduce either the company's restricted equity or its share capital, are appropriate and that the assessments made of the effects of these measures are correct.

Other matters

The sole purpose of this statement is to fulfill the requirement set out in Chapter 20, Section 14 of the Swedish Companies Act and may not be used for any other purpose.

Stockholm, June 10, 2024

KPMG AB

Tomas Gerhardsson
Authorized public accountant

Dated [•] 2024

Recipient Shareholders' Agreement¹

by and among

CL-S Holdings Lux S.à r.l.,

Air France-KLM S.A.,

Lind Invest ApS,

the Danish State

(as Investor Shareholders)

and

the Recipients

(as defined herein)

¹ **Note to draft:** As a condition precedent to receiving New Shares on the Effective Date (as defined in the Chapter 11 Plan), the Recipients are required to execute a signature page to and enter into this Agreement. Any Recipients who do not deliver an executed signature page counterpart as of the Effective Date will be deemed a "Disqualified Person". The Debtors (as defined in the Chapter 11 Plan) may deliver the New Shares that would otherwise be distributable to such Disqualified Persons under the Chapter 11 Plan to a third-party service provider, in its capacity as holding period trustee (the "Trustee"), to be held in trust for the benefit of such Disqualified Persons. In such event, the Company would enter into, on terms customary for similar arrangements, a Holding Period Trust Deed with the Trustee (in form and substance acceptable to the Debtors and the Investors). Among other things, such agreement would provide that: (a) any New Shares delivered to the Trustee will be held by the Trustee for a holding period (to be agreed between the Debtors and the Investors), at the end of which, any remaining New Shares held by the Trustee will be sold as promptly as practicable, on arm's length terms, [and on the highest or best possible terms]* pursuant to the terms of this Agreement; (b) the proceeds from the sale of such New Shares (net of reasonable costs and expenses actually incurred in connection with such sale(s)) will be distributed to the respective Disqualified Persons; and (c) (i) from and after the end of the holding period each Disqualified Person will have no entitlement to the New Shares previously held on its behalf by the Trustee, and (ii) at the end of the term of the Holding Period Trust Deed, any remaining, unclaimed cash proceeds from the sale of any New Shares then held by the Trustee shall be transferred by way of gift to the Company. *Open point, to be resolved with Trustee.

This Recipient Shareholders' Agreement (this “**Agreement**”) is entered into on [●]

By and among:

- (1) **CL-S Holdings Lux S.à r.l.**, a private limited liability company incorporated under the laws of Luxembourg (“**Castlelake**”);
- (2) **Air France-KLM S.A.**, a *société anonyme* organized under the laws of France, with company registration number 552 043 002 (“**AFKLM**”);
- (3) **Lind Invest ApS**, a private limited liability company incorporated under the laws of Denmark, with Danish business registration number (CVR) No. 26559243 (“**Lind**”);
- (4) **The Kingdom of Denmark**, represented by the Ministry of Finance, including any political subdivision thereof, including any ministry, agency, authority and national bank (the “**Danish State**”); and
- (5) **the Persons listed in Schedule 1** (each a “**Recipient**” and collectively the “**Recipients**”).

Castlelake, AFKLM, Lind and the Danish State are herein collectively referred to as the “**Investor Shareholders**”. The Investor Shareholders and the Recipients are herein each referred to as a “**Party**”, and collectively the “**Parties**”.

Background:

- (A) This Agreement constitutes the “Recipient Shareholders' Agreement” as referred to in the Second Amended Joint Chapter 11 Plan of Reorganisation pursuant to the US Bankruptcy Code, dated February 7, 2024, in respect of SAS AB, a public limited company incorporated in Sweden, with registered number 556606-8499 (the “**Company**”), and its subsidiary debtors (the “**Chapter 11 Plan**”), pursuant to which, among other things, the Company's and its subsidiary debtors' existing debt and other obligations are restructured (the “**Restructuring**”).
- (B) As part of the Restructuring, the Recipients (constituting holders of certain Allowed General Unsecured Claims (as defined in the Chapter 11 Plan)) will receive new shares in the Company (“**New Shares**”). As a condition precedent to receiving such New Shares, the Recipients are required to enter into this Agreement.
- (C) Concurrently with and subject to the Closing, this Agreement shall become automatically effective with legal and binding effect.
- (D) This Agreement governs the relationship between the Investor Shareholders, on the one hand, and the Recipients, on the other, as shareholders in the Company following the Closing and certain aspects relating to the management and the affairs of the Company.

1. Definitions

Capitalized terms used herein shall have the meanings ascribed to such terms in Schedule 2.

2. Company Objectives

- 2.1 Subject in each case to any Applicable Regulatory Approval, the Recipients hereby acknowledge and agree that the Company shall conduct its business in accordance with the objectives set forth in Schedule 3 (the “**Objectives**”) in all respects. In the event the Company fails to comply with any Objective, each Recipient shall, in each case subject to any Applicable Regulatory Approval, take all Necessary Actions as promptly as practicable to cause the Company to comply with such Objective.

- 2.2 Notwithstanding anything set out in this Agreement to the contrary, without the prior written consent of each of the Investor Shareholders, whether adopted or approved at a General Meeting or otherwise, no Recipients shall exercise their voting rights and/or make or support any resolutions that could reasonably be expected to result in a deviation from the Objectives (in each case subject to any Applicable Regulatory Approval).

3. Undertaking to Support certain Proposals of the Board

- 3.1 Subject in each case to any Applicable Regulatory Approval, the Recipients undertake to exercise their voting rights at General Meetings to support any proposal by the Board in relation to the following matters, other than if such proposal would (1) be materially adverse to the Recipients (as a group) vis-à-vis the Investor Shareholders (as a group), or (2) would be in breach of Chapter 7, Section 47 of the Swedish Companies Act:

- (a) any proposal to change the Articles;
- (b) any proposal (1) to implement an incentive program for the Company (and/or the Group), or to amend, update or extend such incentive program, and/or (2) transfer securities in the Company (or any subsidiary of the Company) in the context of a management buyout or similar transaction, including but not limited to, in each case, any issue and/or transfer of securities that is subject to the rules in Chapter 16 of the Swedish Companies Act;
- (c) for as long as the Company is a “public company” (as defined in the Swedish Companies Act), any proposal regarding a merger and/or a demerger between the Company and a private company (as defined in the Swedish Companies Act); and
- (d) any proposal to convert the Company from being a public company to a private company (as such terms are defined in the Swedish Companies Act).

- 3.2 Notwithstanding anything to the contrary in this Agreement, the Recipients undertake to, immediately in connection with the issuance of the New Shares, exercise their voting rights at a General Meeting to adopt the Articles attached hereto as Schedule 4, and hereby explicitly waive the notice requirements set out in the Swedish Companies Act and the Company’s existing articles of association in relation to such General Meeting, and undertake to (if requested by the Investor Shareholders) sign the minutes from such General Meeting to memorialize the foregoing.

4. Undertaking not to Support or Initiate certain Actions

- 4.1 Subject in each case to any Applicable Regulatory Approval, the Recipients undertake not to exercise their voting rights at General Meetings to support any resolution that would entail any of the following:

- (a) that any ordinary or deputy director of the Board or the CEO is denied discharge from liability for the previous financial year at any annual General Meeting (other than if the auditor of the Company has recommended against discharge);
- (b) that the Company is required to redeem any Share or other security of the Company held by any Recipient (other than if redemption has been proposed by the Board); and
- (c) that the Company is required to pay a dividend (other than if the proposal to pay a dividend has been proposed by the Board).

- 4.2 Subject in each case to any Applicable Regulatory Approval, the Recipients further undertake not to support any proposal to convene an extraordinary General Meeting (other than if the

proposal has been recommended by the Board) or to appoint a so-called special examiner (Sw. *särskild granskare*).

5. Issuances in Connection with Convertible Notes

Upon exercise by any holder of Convertible Notes of its conversion rights in accordance with the Indenture, the Recipients shall take all Necessary Action to authorize at a General Meeting or cause the Board to (as the case may be) (i) issue Shares to such holder of Convertible Notes in the amount required pursuant to the Indenture, and (ii) approve any ancillary resolutions required in respect of changes to the share capital or the Articles in connection with the exercise of such conversion rights.

6. Restrictions on Transfer of Shares

- 6.1 No Recipient shall be entitled to effect any Transfer save for a Transfer in accordance with the provisions of this Agreement.
- 6.2 The provisions of Clause 7 (*Eligible Shareholder*) apply to any proposed Transfer by a Recipient, and Clause 8 (*Adherence Undertaking*) apply to any proposed Direct Transfer by a Recipient (including, in each case, in connection with a Permitted Transfer). Further, subject to Clause 9 (*Permitted Transfers*), the provisions of Clause 10 (*Right of First Offer*) and Clause 11 (*Drag-Along Right*) shall always apply when a Recipient proposes to Transfer any Shares.
- 6.3 For the avoidance of doubt, the restrictions on Transfer of Shares in Clauses 6 through 10 in this Agreement shall not apply to any Transfer of Shares by an Investor Shareholder.
- 6.4 Notwithstanding anything to the contrary in this Agreement, if a Recipient is to hold Shares through a nominee (Sw. *förvaltare*), the Recipient must first inform the Company about this in writing, including quantity of Shares being held and the name and contact details (including email and phone number) of the nominee (and all such details of all sub-nominees that hold the Shares on behalf of the Recipient and/or the nominee). The relevant Recipient shall immediately inform the Company in writing about any change in such details relating to the Shares being held and/or of the nominee (and/or the sub-nominees that hold the Shares on behalf of the Recipient and/or the nominee).

7. Eligible Shareholder

No Recipient shall be entitled to effect any Transfer (including, for the avoidance of doubt, any Permitted Transfer) unless, in each case, such proposed transferee (and any other Person who has Control of such proposed transferee) has been determined to be an Eligible Shareholder, whereby:

- (a) the Recipient shall inform (in writing) the Investor Shareholders of the identity of such transferee (and any other Person who has Control of such proposed transferee) and such Recipient's basis for determining that such transferee (and any other Person who has Control of such proposed transferee) is an Eligible Shareholder; and
- (b) the Investor Shareholders (other than the Danish State unless specifically requested so by the Danish State) having confirmed (in writing) to such Recipient (not later than within 20 Business Days following receipt of the information from the Recipient) that they concur with the Recipient's determination that such transferee (and any other Person who has Control of such proposed transferee) is an Eligible Shareholder, whereby absent (1) such confirmation from the Investor Shareholders and (2) a rejection from any Investor Shareholder disputing such determination by the

Recipient, the proposed transferee (and any other Person who has Control of such proposed transferee) will be deemed as being an Eligible Shareholder.

8. Adherence Undertaking

No Recipient shall be entitled to effect any Direct Transfer (including, for the avoidance of doubt, any Permitted Transfer) unless, in each case, such proposed transferee has executed an adherence undertaking to this Agreement (and provided a copy thereof to each Investor Shareholder), in the form attached hereto as Schedule 5, in which such transferee agrees to be bound by the terms of this Agreement as if such transferee was an original party hereto (an “**Adherence Undertaking**”), and, upon consummation of such Transfer and execution of such Adherence Undertaking, such transferee shall be considered a Recipient for all purposes of this Agreement.

9. Permitted Transfers

Notwithstanding the provisions of Clause 10 (*Right of First Offer*):

- (a) a Recipient may Transfer all or a portion of its Shares to an Affiliate (provided that if such Affiliate ceases to be an Affiliate of such Recipient, such Affiliate promptly Transfers such Shares to such Recipient or an Affiliate of such Recipient) (a “**Permitted Transfer**”);
- (b) a Recipient may effect any Transfer following an IPO; and
- (c) a Transfer shall not be deemed to occur where a transfer of shares between third parties of any publicly traded equity securities of a Recipient (or of a Person who has Control of a Recipient) takes place.

10. Right of First Offer

- 10.1 Prior to a Transfer by any Recipient (in any case, the “**Selling Recipient**”), to any Person of all or a portion of its Shares (the “**Offered Securities**”), the Selling Recipient, shall first deliver to each Investor Shareholder (each, a “**Non-Selling Shareholder**”) written notice (the “**ROFO Notice**”) of its bona fide intention to sell the Offered Securities, which ROFO Notice shall disclose the number of Offered Securities to be Transferred, the purchase price of each share that the Selling Recipient would accept in respect of such Offered Securities, and all other material terms and conditions of the proposed Transfer.
- 10.2 Each Non-Selling Shareholder may elect to purchase its pro rata portion of the Offered Securities upon the same price per share and other material terms and conditions as those set forth in the ROFO Notice by delivering a written notice (an “**Acceptance Notice**”) of such election to the Selling Recipient and the Company within thirty (30) days after the ROFO Notice has been delivered (the “**Exercise Period**”). If any Non-Selling Shareholder delivers an Acceptance Notice to the Selling Recipient and the Company within the Exercise Period, such Acceptance Notice shall constitute an irrevocable binding obligation of the Non-Selling Shareholder(s) to purchase the Offered Securities covered by such Acceptance Notice on the same price per share and other material terms and conditions as set forth in the ROFO Notice (or as otherwise mutually agreed by the parties thereto). Each Non-Selling Shareholder may apply in its Acceptance Notice to acquire Offered Securities in excess of its pro rata portion of the Offered Securities. If any Non-Selling Shareholder has applied to acquire less than its pro rata portion of the Offered Securities, or failed to deliver an Acceptance Notice within the Exercise Period, the excess shall be offered on a pro rata basis (as nearly as may be) to each Non-Selling Shareholder which has applied to acquire Offered Securities in excess of its pro

rata portion, in proportion to the number of Shares held by all Non-Selling Shareholders which have so applied (the “**Residual Allocation**”).

- 10.3 Upon the delivery by a Non-Selling Shareholder of an Acceptance Notice, such Non-Selling Shareholder and the Selling Recipient shall be required to enter into a definitive agreement to purchase the Offered Securities covered by such Acceptance Notice within thirty (30) days (subject to obtaining any Requisite Consents and the terms of Clause 17.3) following the expiration of the Exercise Period on the same price per share and other material terms and conditions as set forth in the ROFO Notice (or as otherwise mutually agreed by the parties thereto). In addition, each Recipient shall take all other Necessary Action to consummate such purchase and sale, including entering into such additional agreements as may be necessary or appropriate.
- 10.4 If any Non-Selling Shareholder fails to deliver an Acceptance Notice to the Selling Recipient during the Exercise Period with respect to any Offered Securities, and such Offered Securities are not subsequently allocated in connection with the Residual Allocation, then: (a) the Investor Shareholders and the Selling Recipient shall take all Necessary Action to cause the Company to, within 7 days of the later of (x) the end of the Exercise Period and (y) the conclusion of the Residual Allocation process (if any), provide the Selling Recipient and the Investor Shareholders with a then-current list of Competitors, which shall be used to determine if a Third Party Purchaser (as defined below) is an Eligible Shareholder (with respect to clauses (iii) and (iv) of the definition of Eligible Shareholder herein) pursuant to Clause 7; (b) subject to Clause 10.9 below, the Investor Shareholders and the Selling Recipient shall take all Necessary Action to cause the Company to provide the Selling Recipient with the price term appearing in any ROFO Notices received by the Company within the previous 12 months; provided however that, for the avoidance of doubt, such information shall not include any information regarding transactions that occur pursuant to that certain Put and Call Option Agreement, dated as of [●] [●], 2024, by and among AFKLM, Castlake and Lind); and (c) the Selling Recipient shall, subject to the Third Party Purchaser having been confirmed as an Eligible Shareholder pursuant to Clause 7, be free to Transfer all of such Offered Securities to such third party (a “**Third Party Purchaser**”); provided that the Transfer of such Offered Securities must be effected at a price equal to or higher than the price contained in the ROFO Notice delivered to the Non-Selling Shareholders and on terms and conditions that are no less favorable, in the aggregate, to the Selling Recipient, than the terms and conditions set forth in the ROFO Notice (excepting the inclusion of customary representations and warranties given to the Third Party Purchaser that would not customarily be given to an existing Investor Shareholder), and the Selling Recipient must consummate such Transfer within one hundred eighty (180) days (the “**ROFO Outside Date**”) following the expiration of the Exercise Period; provided, however, that, if on the ROFO Outside Date, the Transfer shall not have been consummated because of a failure to obtain a required regulatory approval in respect of such Transfer (but all other conditions to consummating such Transfer shall have been satisfied or waived (or are capable of being satisfied on such date)), then the ROFO Outside Date shall be automatically extended on one occasion only by an additional ninety (90) days. If the Transfer of such Offered Securities to a Third Party Purchaser shall have not been consummated on or prior to the ROFO Outside Date, such Offered Securities shall again become subject to all restrictions of this Clause 10 and the Selling Recipient shall be required to again deliver a ROFO Notice in respect of such Offered Securities in accordance with this Clause 10.
- 10.5 Notwithstanding anything herein to the contrary, the following Transfers shall not be subject to the rights set forth in this Clause 10:
- (a) any Permitted Transfer;
 - (b) any Transfer of Shares pursuant to the rights set forth in Clause 11 or, subject to prior compliance with this Clause 10, Clause 12; and

- (c) any Transfer of Shares of the Company which is made following an IPO.
- 10.6 Notwithstanding anything herein to the contrary, (a) if any Transfer of Offered Securities to a Third Party Purchaser in accordance with this Clause 10 would result in such Third Party Purchaser owning 5% or more of the Shares, such Third Party Purchaser shall, within 5 Business Days of such Transfer, deliver to the Company and each Investor Shareholder a written notice containing all information that would be required to be disclosed under a beneficial ownership report pursuant to Section 13(d) of the Exchange Act if such a report were required to be delivered by such Third Party Purchaser with respect to such Transfer, and (b) no Third Party Purchaser shall be Transferred Offered Securities under this Clause 10 which would result in such Third Party Purchaser, directly or indirectly through its Affiliates or otherwise, whether individually or as a member of a “group” (as defined in Section 13(d)(3) of the Exchange Act) owning more than 9.9% of the Shares, without the prior written approval of the Board.
- 10.7 For purposes of this Clause 10, “pro rata portion” means, with respect to any Non-Selling Shareholder, the fraction, expressed as a percentage whose numerator is the total number of Shares then held by such Non-Selling Shareholder and whose denominator is the total number of issued and outstanding Shares held by all Non-Selling Shareholders.
- 10.8 The sale and purchase of Shares pursuant to this Clause 10 shall take place in accordance with Clause 17 (*Completion of Share Transfers*).
- 10.9 The Selling Recipient(s) acknowledge that (a) the information provided to the Selling Recipient(s) under Clause 10.4(b) will be provided to the Selling Recipient(s) for informational purposes only, (b) the Investor Shareholders may now possess and may hereafter possess certain non-public information concerning the Company and its Affiliates and/or the Offered Securities that may or may not be independently known to the Selling Recipient, including, but not limited to, information regarding financial forecasts, future capital expenditures and business strategy (the “**Investors’ Non-Public Information**”), which may constitute material information with respect to the Company and its Affiliates, (c) the Investor Shareholders have not disclosed, and do not intend and have no obligation under Clause 10.4(b) or otherwise to disclose to the Selling Recipient(s) the Investors’ Non-Public Information, (d) the Investor Shareholders have no duty to disclose further information or update any information that they may have provided to the Selling Recipient(s) under Clause 10.4(b), and (e) the Investor Shareholders are relying on this Clause 10.9 in their decision to enter into this Agreement.

11. Drag-Along Right

- 11.1 In the event that Parties holding greater than 50% of the outstanding Shares desire to Transfer, in any single transaction or series of related transactions, all of the Shares owned by such Parties, or to otherwise effect a sale of such Shares, whether through merger, consolidation, share exchange, business combination or otherwise (in such context, the “**Drag Along Sellers**”) to any third party (in such context, a “**Drag Along Purchaser**”), then such Drag Along Sellers shall, in each case subject to any Applicable Regulatory Approval, have the right (a “**Drag Along Right**”) to require all Recipients holding Shares (such Recipients subject to the Drag Along Sale, the “**Dragged Shareholders**”) to Transfer all of their respective Shares (the “**Drag Shares**”) to the Drag Along Purchaser in accordance with the procedures set forth in this Clause 11 (such Transfer that complies with the requirements of this Clause 11, a “**Drag Along Sale**”) at the price per Share (which shall be payable in cash or Listed Securities (but which may include deferred or contingent consideration in the form of cash or Listed Securities)) and otherwise on the same material terms and conditions as the Transfer of Shares by the Drag Along Sellers to the Drag Along Purchaser.

- 11.2 The Drag Along Sellers may exercise their Drag Along Right pursuant to this Clause 11 by providing written notice of their election to do so to each Dragged Shareholder (a “**Drag Along Notice**”), which notice shall identify the Drag Along Purchaser and specify the proposed price per Share and all other material terms and conditions of the Drag Along Sale, including the anticipated closing date of the Drag Along Sale.
- 11.3 No Recipient shall Transfer or agree to or consummate a Transfer of any Shares to any Person other than the Drag Along Purchaser during the period between the date it receives a Drag Along Notice and the conclusion or termination of such Drag Along Sale, including where a ROFO Notice has been delivered under Clause 10.1 or any sale pursuant to Clause 10 is pending. If the Drag Along Sale shall not have been consummated, all the restrictions on Transfer contained in this Agreement or otherwise applicable at such time with respect to the Shares owned by the Parties shall again be in effect.
- 11.4 In the event that the Drag Along Sellers exercise their Drag Along Right pursuant to this Clause 11, the Dragged Shareholders shall take all Necessary Action to consummate the Drag Along Sale, including making such representations, warranties and covenants and entering into such definitive agreements as are customary for transactions of the nature of the proposed Transfer; provided that (1) any indemnification obligation of a Dragged Shareholder in connection with such Transfer shall be pro rata (based on their relative proceeds), several, and not joint and several, (2) each Dragged Shareholder shall not be required to make any representations or warranties other than with respect to such Dragged Shareholder’s existence, good standing, due authorization, ownership of, and ability to Transfer, such Dragged Shareholder’s Shares, the absence of any adverse claim with respect to such Shares and the non-contravention of other agreements to which it is a party resulting from such Transfer and (3) no Dragged Shareholder shall be required to agree to any non-compete, non-solicit, non-disparagement, non-investment, lock-up or similar restrictive covenant.
- 11.5 The Parties shall cooperate with, and provide reasonable assistance to, the Drag Along Sellers in connection with obtaining or making any necessary consents, approvals, filings and notices from Governmental Bodies to consummate a Drag Along Sale. Further, the Parties shall – without prejudice to the Investor Shareholders’ rights under this Agreement – take all Necessary Action to (1) vote in favor of the transaction or transactions with the Drag Along Purchaser and (2) take all actions to waive any dissenters, appraisal or other similar rights with respect thereto, in each case, as applicable.
- 11.6 Completion of the sale and purchase of Drag Shares to the Drag Along Purchaser under this Clause 11 shall be conditional on completion of the Drag Along Sale and shall take place at the same time as the Drag Along Sale and in accordance with Clause 17 (*Completion of Share Transfers*).

12. Tag-Along Right

- 12.1 In the event that one or more Investor Shareholders (the “**Tag Along Seller(s)**”) desires to sell, in any single transaction or series of related transactions, any of its Shares, as applicable, to a Third Party Purchaser which would result in the Third Party Purchaser owning 15% of the Shares, and the Tag Along Seller(s) cannot or has not elected to exercise any Drag Along Right it may have with respect to such sale pursuant to Clause 11 (*Drag-Along Right*), each Recipient shall (subject to the prior compliance with Clause 10 (*Right of First Offer*)), have the right (a “**Tag Along Right**”) to participate in such sale and require that a pro rata portion of the Shares held by such Recipient be transferred to such Third Party Purchaser in accordance with the procedures set forth in this Clause 12 (such Transfer, a “**Tag Along Sale**”) at the price per Share and otherwise on the same material terms and conditions as the sale of such Shares by the Tag Along Seller(s) to such Third Party Purchaser.

- 12.2 Prior to any sale in connection with which a Recipient has a Tag Along Right pursuant to Clause 12.1 and after satisfying its obligations pursuant to Clause 10, the Tag Along Seller(s) shall deliver to such Recipients a written notice (a “**Tag Along Offer Notice**”) of the proposed sale, which notice shall identify the Third Party Purchaser and the aggregate number of Shares the Third Party Purchaser has offered to purchase (including whether the Third Party Purchaser will purchase all Shares proffered), the proposed price per Share and all other material terms and conditions of the proposed sale.
- 12.3 A Recipient may exercise its Tag Along Right by delivering a written notice (a “**Tag Along Election Notice**”) of its election to do so within thirty (30) days following its receipt of a Tag Along Offer Notice (the “**Tag Along Offer Period**”). The Tag Along Election Notice shall specify the number of Shares such Recipient desires to sell. If the Third Party Purchaser will purchase all Shares proffered, such amount may be up to (or less than) the number of Shares held by such Recipient. If the Third Party Purchaser will not purchase all Shares proffered, then such Recipient shall be entitled to sell its pro rata portion of the total number of Shares to be sold. In the event that a Recipient elects to sell less than the maximum number of Shares it has a right to sell pursuant to this Clause 12, the Tag Along Seller(s) may sell such additional number of Shares to the Third Party Purchaser as are equal to such difference. For purposes of this Clause 12, “pro rata portion” means, with respect to any Recipient, the fraction, expressed as a percentage whose numerator is the total number of Shares then held by such Recipient and whose denominator is the total number of issued and outstanding Shares held by the Parties participating in such Tag Along Sale (including the Tag Along Seller(s)).
- 12.4 If a Recipient fails to deliver a Tag Along Election Notice within the Tag Along Offer Period, such Recipient shall be deemed to have waived its Tag Along Right with respect to such sale, and the Tag Along Seller(s) may make the proposed sale without any further obligation to such Recipient; provided that (1) such sale if consummated must be effected at a price per Share that is no greater than the price per Share set forth in the Tag Along Offer Notice and otherwise on material terms and conditions that are no more favorable, in the aggregate, to the Tag Along Seller(s) than the material terms and conditions set forth in the Tag Along Offer Notice and (2) the Tag Along Seller(s) must consummate such sale within one hundred eighty (180) days (the “**Tag Along Outside Date**”) following the expiration of the Exercise Period; provided, however, that, if on the Tag Along Outside Date, the sale shall not have been consummated because of a failure to obtain a required regulatory approval in respect of such sale (but all other conditions to consummating such sale shall have been satisfied or waived (or are capable of being satisfied on such date)), then the Tag Along Outside Date shall be automatically extended on one occasion only by an additional one hundred eighty (180) days. If such sale shall not have been consummated on or prior to the Tag Along Outside Date, all the restrictions on sale contained in this Agreement or otherwise applicable at such time with respect to the Shares held by the Investor Shareholders shall again be in effect and the Tag Along Seller(s) shall be required to again deliver a Tag Along Offer Notice and the Tag Along Seller(s) and the Investor Shareholders shall comply with the provisions of this Clause 12.
- 12.5 The Parties shall cooperate with, and provide reasonable assistance to, the Tag Along Seller(s) and each Recipient participating in the Tag Along Sale in connection with obtaining or making any necessary consents, approvals, filings and notices from Governmental Bodies to consummate a sale contemplated by this Clause 12.
- 12.6 In the event that a Recipient exercises its Tag Along Right pursuant to this Clause 12 such Recipient shall take all Necessary Action to consummate the Tag Along Sale, including making such representations, warranties and covenants and entering into such definitive agreements as are customary for transactions of the nature of the proposed sale; provided that no Recipient shall be required to agree to any non-competition, non-solicitation or any other restrictive covenant in connection with such Tag Along Sale.

12.7 Notwithstanding anything herein to the contrary, the following transfers shall not be subject to the rights set forth in this Clause 12:

- (a) any Permitted Transfer;
- (b) any Transfer of Shares between the Investor Shareholders;
- (c) any Transfer of Shares of the Company which is made following an IPO.

13. IPO

13.1 At any time following the date that is five (5) years following the Closing, so long as there is no acquisition for Shares pending which, once consummated, would result in such acquiror and its Affiliates owning a majority of the outstanding Shares, each Major Shareholder shall have the right to serve a notice in writing (an “**IPO Notice**”) on the Company and the Recipients to request an IPO. On service of an IPO Notice under this Clause 13.1, the Company shall do, and each of the Recipients shall do all such things as may be necessary and desirable to effect an IPO, including the exercise by each of the Recipients of their voting rights as Shareholders in such a way as to facilitate an IPO.

13.2 In connection with an IPO, each Recipient agrees to take such other action as shall be required by all applicable laws or regulation (including any requirements of a relevant exchange (or any government or regulatory authority having jurisdiction over such exchange) on which the Shares will be listed), or as shall be advised by the underwriters or financial advisers to the Company or the Investor Shareholders in relation to the IPO as being necessary or desirable to maximise its success, save that the Recipients shall not be required to dispose of any Shares.

13.3 No Recipient shall be required to:

- (a) commit to any lockup period; or
- (b) make any representations or warranties or give any indemnities on an IPO other than:
 - (i) regarding such Recipient itself;
 - (ii) regarding title to Shares held by it and its capacity to sell;
 - (iii) other representations or warranties required by law; and
 - (iv) indemnifying the Company or any underwriter solely in respect of information specifically provided by such Recipient for inclusion in any listing prospectus.

14. Power of Attorney

14.1 Each Recipient shall, subject in each case to any Applicable Regulatory Approval, annually and at the request of the Investor Shareholders grant a power of attorney in favour of the Chair of the Board, in the form attached hereto as Schedule 6 (the “**Power of Attorney**”). Under such Power of Attorney, the Chair shall only have the right to take necessary actions on the Recipient’s behalf to implement or give effect to the rights and obligations of the Recipient under this Agreement (but not anything in addition to that). The rights of the Chair under the Power of Attorney shall include, but not be limited to, voting at General Meetings (in relation to the matters that are regulated in this Agreement), including signing written shareholder resolutions and signing transfer documents or other documents as are relevant for the purposes of Clauses 10 (*Right of First Offer*), 11 (*Drag-Along Right*), 12 (*IPO*), 15 (*Pledge*), 16 (*Material Breach Event*) and 17 (*Completion of Share Transfers*).

- 14.2 For the avoidance of doubt, and notwithstanding anything to the contrary in this Agreement, each Recipient shall have the right to attend each General Meeting at which the Board shall be appointed, reappointed, replaced, or which shall resolve on any amendment to the Board's function and/or authority, and shall be free to vote as such Recipient chooses in relation to said matters. Further, each Recipient shall have the right to attend each General Meeting that shall resolve on a matter that is not regulated in this Agreement, and shall be free to vote as such Recipient chooses in relation to such matters.
- 14.3 For the avoidance of doubt, the scope of the Power of Attorney shall not exceed the scope of this Agreement and shall exclude any matter related to the appointment, reappointment and/or replacement of the members of the Board as well as any matter related to the Board's function and/or authority.

15. Pledge

- 15.1 Subject in each case to any Applicable Regulatory Approval, each Recipient hereby irrevocably and unconditionally pledges to the Investor Shareholders on a pro-rata basis as security for the proper fulfilment of the Recipient's obligations under this Agreement all current and future Shares held by Recipient from time to time (the "**Security**").
- 15.2 Immediately upon execution of this Agreement, the Recipient shall notify the Company of the Security and shall procure that the Company makes a note of the Security in its share register (including, at such later stage, with respect to any Shares subsequently acquired by the Recipient). The Investor Shareholders shall be obliged to release the Security only upon such transfer of Shares as permitted pursuant to the terms of this Agreement.
- 15.3 The provisions of Chapter 10, Section 2 of the Swedish Commercial Code (Sw. *Handelsbalken*) shall not apply to this Agreement or to any enforcement of the Security. The Security shall become immediately enforceable if the Recipient commits a material breach of this Agreement which, if capable of remedy, has not been remedied to the reasonable satisfaction of the Investor Shareholders within 20 Business Days of them requiring such remedy, provided that the Investor Shareholders shall give 5 Business Days written notice of enforcement to the Recipient. At any time after the Security has become enforceable, the Investor Shareholders may in their sole discretion enforce all or any part of the Security and exercise any of the rights conferred on them by this Agreement and/or by law to realize the Security or any part thereof by any sale as permitted pursuant to applicable law.
- 15.4 Other than as set out in this Clause 15, a Recipient shall be prohibited from pledging its Shares (or in any other manner creating or allowing any Encumbrance in respect of its Shares) without the prior written consent of each Investor Shareholder.
- 15.5 The Recipients undertakes not to request the Company to issue any share certificates with respect to the Recipient's Shares.

16. Material Breach Event

- 16.1 The Recipients agree that the provisions of this Clause 16 shall apply when a Material Breach Event occurs. It is a "**Material Breach Event**" in relation to a Recipient if it commits a material breach of this Agreement which, if capable of remedy, has not been remedied to the reasonable satisfaction of the Investor Shareholders within 20 Business Days of them requiring such remedy.
- 16.2 If a Material Breach Event occurs in relation to a Recipient (the "**Defaulting Shareholder**") that Recipient shall give notice of such event (a "**Notice of Material Breach Event**") to the Investor Shareholders as soon as possible. If the Defaulting Shareholder fails to serve a Notice of Material Breach Event on the Investor Shareholders, it shall be deemed to have

done so on the date on which the Investor Shareholders served notice on the Recipient in respect of the Material Breach Event.

- 16.3 After service, or deemed service, of a Notice of Material Breach Event, the Investor Shareholders shall be entitled to purchase the Shares held by the Defaulting Shareholder (the “**Sale Shares**”) at Market Value, whereby, each Investor Shareholders shall have a right to purchase such number of Shares of the Defaulting Shareholder as corresponds to the proportion which the number of Shares held by the Defaulting Shareholder bears to the total number of Shares held by all of the Investor Shareholders as at the close of business on the immediately preceding Business Day (the “**Relevant Sale Shares**”).
- 16.4 After service, or deemed service, of a Notice of Material Breach Event, the Investor Shareholders shall as soon as possible instruct the Board to determine the market value of the Sale Shares (as of the date of service, or deemed service, of a Notice of Material Breach Event) in good faith, taking into account relevant market valuations, events and transactions at the relevant time that, in the Board’s reasonable opinion, has an impact on the value of the Company (the “**Market Value**”). Following the Board’s determination of the Market Value the Board shall deliver its determination of the Market Value to the Investor Shareholders and the Defaulting Shareholder. If the Defaulting Shareholders or any of the Investor Shareholders gives notice, within 10 Business Days following receipt of the Board’s determination of the Market Value, to the Investor Shareholders that it disagrees with the Board’s determination of the Market Value, the Investor Shareholders shall instruct the Board to appoint a Valuation Expert. The Valuation Expert shall be instructed by the Board to deliver its determination of the Market Value as soon as practicable, and in any event within 30 Business Days following its appointment. The Board shall inform the Investor Shareholders and the Defaulting Shareholder of the Valuation Expert’s determination of the Market Value, which shall (absent manifest error) for all purposes be deemed as the Market Value of the Sale Shares and may not be subject to review or appeal by any court or arbitral tribunal or other legal action.
- 16.5 Within 20 Business Days after the determination of the Market Value pursuant to Clause 16.4, each Investor Shareholder shall be entitled to serve a notice in writing on the Defaulting Shareholder (a “**Notice to Buy**”) to confirm whether it wishes to acquire some or all of the Relevant Sale Shares, and any additional Sale Shares (“**Further Shares**”) in excess of its Relevant Sale Shares, and if so how many. An Investor Shareholder which fails to give a Notice to Buy shall be deemed not to have exercised its right to acquire Relevant Sale Shares.
- 16.6 If any Investor Shareholder has applied for none or some only of its Relevant Sale Shares, those Shares or the surplus (as the case may be) shall be allocated among any Investor Shareholders who have applied for Further Shares in their Respective Proportions, up to a maximum allocation of the number of Further Shares for which they applied. Any unallocated or surplus Sale Shares shall continue to be allocated in this way until either applications have been received for all of the Sale Shares or no Investor Shareholder wishes to apply for any further Sale Shares.
- 16.7 A Notice to Buy shall fix a date and time for completion of the purchase of the Sale Shares which (subject to obtaining any Requisite Consents and the terms of Clause 17.3) shall be within 20 Business Days of the service of the Notice to Buy and shall take place in accordance with Clause 17 (*Completion of Share Transfers*).
- 16.8 Nothing in this Clause 16 shall affect any rights, remedies or claims which an Investor Shareholder may have against a Defaulting Shareholder, including to claim damages, or other compensation or, where appropriate, to seek the remedy of injunction, specific performance or similar court order to enforce the obligations of the Defaulting Shareholder.

17. Completion of Share Transfers

- 17.1 The Parties agree that this Clause 17 shall apply to any transfer of Shares which is required in order to implement the terms of this Agreement (a “**Shareholder Transfer**”).
- 17.2 On any Shareholder Transfer the Party selling Shares (the “**Seller**”) shall transfer the relevant Shares to the Person acquiring the Shares (the “**Purchaser**”) with Full Title, free from all Encumbrances and together with all rights attaching to them.
- 17.3 If a sale and purchase of Shares under this Agreement is subject to a requirement to obtain prior Requisite Consents, then the date for completion shall be extended until the expiry of 10 Business Days after all such Requisite Consents have been obtained.
- 17.4 At completion of a Shareholder Transfer the Seller shall deliver to the Purchaser all necessary documents, duly executed, to enable the relevant Shares to pass fully and effectively into the name of the Purchaser or such other Person as the Purchaser may nominate.
- 17.5 At completion of a Shareholder Transfer, the Purchaser shall pay the consideration in respect of the relevant Shares to the Seller by electronic transfer in immediately available cleared funds to an account nominated by the Seller.
- 17.6 The Seller shall do all such other acts and/or execute all such other documents in a form satisfactory to the Purchaser as the Purchaser may reasonably require to give effect to the transfer of Shares to it.
- 17.7 If the Seller fails to complete the Shareholder Transfer as required under this Clause 17, the terms of Clause 14 (*Power of Attorney*) shall apply and the Company may at its election receive the purchase price for the Shareholder Transfer on trust for the Seller, and give a good receipt which shall fully discharge the Purchaser.

18. Conflict with Articles

The Parties agree that this Agreement shall prevail as between the Parties in the event of a conflict between any provision of this Agreement and a provision of the Articles, and the Parties shall waive all rights under any share transfer restrictions in the Articles where a transfer of Shares in the Company occurs in accordance with the terms of this Agreement or is otherwise undertaken by an Investor Shareholder.

19. Information Rights

- 19.1 The Company shall make available to each Recipient the following financial information:
- (a) audited accounts of the Company in respect of each financial year promptly following their adoption at the annual general meeting; and
 - (b) regular management accounts of the Company in such format as the Board may determine from time to time to be supplied within a reasonable time following the end of the period to which they relate (provided that the Company shall be authorized to limit this right if deemed necessary by the Board).

20. Confidentiality

- 20.1 Except as provided in Clause 20.2, each Recipient shall treat as confidential:
- (a) the provisions and existence of this Agreement;

- (b) all information which it may have or acquire (whether before or after the date of this Agreement) in relation to customers, suppliers, business, assets or affairs of the Company (or any Group Company);
 - (c) all information supplied to it under Clause 19 (*Information Rights*); and
 - (d) any arbitral proceedings conducted with reference to Clause 25.8, including any decision or award that is made or declared during such proceedings.
- 20.2 A Recipient may disclose information which would otherwise be confidential if and to the extent that it:
- (a) is disclosed to Representatives of that Recipient or of its Affiliates, provided that such Persons are required to treat that information as confidential and, that the disclosing Recipient is responsible for any breach of this Clause 20 by the recipient of the information;
 - (b) is required by law or any securities exchange or regulatory or governmental body, provided that prior notice in writing of any information to be disclosed pursuant to this Clause 20.2(b) shall be given to the Investor Shareholders and their reasonable comments taken into account;
 - (c) was already in the lawful possession of that Party or its Representatives without any obligation of confidentiality (as evidenced by written records); or
 - (d) is in the public domain at the date of this Agreement or comes into the public domain other than as a result of a breach by a Recipient of this Clause 18.
 - (e) Notwithstanding what is set out in Clause 20.1, a Shareholder is permitted to negotiate and agree with a third party about the divestment of its Shares in accordance with the provisions of this Agreement and, provided that such third party is bound by a confidentiality undertaking with respect to any information about the Company and its business which is not less burdensome to such third party than the Recipient's confidentiality obligations under this Agreement are to such Recipient, be permitted to disclose to such third party, necessary information regarding the Company and its business.

21. Representation and Warranties

- 21.1 Each Recipient represents and warrants to the other Shareholders that:
- (a) it is a company duly incorporated and validly existing under its place of incorporation (or a governmental entity, as applicable);
 - (b) it has the necessary power and authority to enter into and perform this Agreement;
 - (c) the execution, delivery and performance by it of this Agreement will not result in a material breach of: (i) any provision of its articles of association or equivalent constitutional documents; or (ii) so far as it is aware, any order, judgment or decree of any court or governmental or regulatory authority by which it is bound;
 - (d) it is not and will not (unless otherwise set out in this Agreement) be required to give any notice to or make any filing with or obtain any permit, consent, waiver or other authorisation from any governmental or regulatory authority in connection with the execution, delivery and performance of this Agreement; and
 - (e) it is an Eligible Shareholder, provided, however, that the Danish State hereby confirms that each Recipient receiving Shares effective as of and upon Closing, is

deemed by the Danish State to satisfy item (v) in the definition of “Eligible Shareholder” in this Agreement.

- 21.2 Each Investor Shareholder represents and warrants to the other Shareholders that clauses “(i)” through “(vii)” in the definition of “Eligible Shareholder” hereunder are no more materially restrictive than the corresponding restrictions set forth in the Shareholders’ Agreement, except that: (a) with respect to clause “(iii)” in the definition of “Eligible Shareholder” hereunder, the corresponding restriction set forth in the Shareholders Agreement captures Competitors of the Company only, and not also Competitors of AFKLM; and (b) clause “(vii)” in the definition of “Eligible Shareholder” hereunder is not set forth in the Shareholders’ Agreement.

22. Amendments

- 22.1 With the exception of what is set out in this Agreement regarding each Recipient’s right to attend each General Meeting at which the Board shall be appointed, reappointed and/or replaced, or which shall resolve on any amendment to the Board’s function and/or authority, this Agreement may be amended, supplemented or changed, and any provision thereof may be waived, if deemed required by the Investor Shareholders, only by written instrument signed by:
- (a) each Investor Shareholder; and
 - (b) only to the extent such amendment, supplement, change or waiver would either (1) disproportionately and adversely affect the Recipients’ rights, benefits or obligations (as a group) in their capacity as shareholders as compared to the rights, benefits or obligations of the Investor Shareholders in their capacity as shareholders, taking into account the rights and obligations of the Investor Shareholders (as a group) at the time of such amendment, supplement, change or waiver, or (2) disproportionately and adversely affect a Recipient’s rights, benefits or obligations in any material respect as compared to the other Recipients, such affected Party(ies).
- 22.2 The Investor Shareholders will serve notice on all Recipients of the revised form of this Agreement following any amendment, supplement, change or waiver made in accordance with Clause 22.1.
- 22.3 Notwithstanding what is otherwise set out in this Agreement, the Investor Shareholders shall, if deemed required by the Investor Shareholders in their sole discretion for the purpose of (a) obtaining any Applicable Regulatory Approval, (b) complying with applicable laws or other regulations, including any such Applicable Regulatory Approval, or (c) the consummation of the Restructuring, have the right to, by written instrument only, unilaterally waive any provisions in this Agreement in respect of any Recipient, collectively or individually, in which case the Investor Shareholders will serve notice on such Recipient(s) of such waiver made pursuant to this Clause 22.3.

23. Applicability of certain Provisions

To the extent permissible under applicable law, Recipients which are sovereign states shall not be bound by Clause 2 (*Company Objectives*), Clause 3 (*Undertaking to Support certain Proposals of the Board*), Clause 4 (*Undertaking not to Support or Initiate certain Actions*), Clause 11 (*Drag-Along Right*), Clause 13 (*IPO*), Clause 14 (*Power of Attorney*), Clause 15 (*Pledge*), Clause 21 (*Representation and Warranties*), or by any amendment made pursuant to Clause 22.1 (*Amendments*) (unless a Recipient serves a notice on the Investor Shareholders that it wishes to be bound).

24. Term and Termination

24.1 This Agreement shall commence on the date of this Agreement and shall, subject to Clause 24.2, continue in full force and effect until the 25th anniversary of the date of this Agreement. Thereafter, it shall continue for an indefinite period until terminated by any of the Parties with 6 months' written notice, provided if a Recipient terminates this Agreement, such termination will be deemed a termination only in respect of that Recipient and this Agreement shall continue in respect of all other Parties. If a Recipient so terminates this Agreement, such termination shall be deemed to constitute a "Material Breach Event" (and the Material Breach Event shall be deemed to have occurred on the date of the notice), and the procedures of Clause 16 (*Material Breach Event*) shall apply.

24.2 Notwithstanding Clause 24.1, this Agreement shall automatically terminate upon:

- (a) in respect of a Recipient only, it ceases to hold any Shares;
- (b) a resolution is passed by shareholders or creditors, or an order made by a court or other competent body or person instituting a process which will lead to the Company being wound up and its assets being distributed among the Company's creditors, shareholders and other contributors; or
- (c) an IPO has been completed.

24.3 On termination of this Agreement the rights and obligations of the Parties under this Agreement shall cease save in respect of accrued rights and obligations and rights and obligations which by their nature extend beyond the termination of this Agreement (including Clause 20 (*Confidentiality*)).

25. Other Provisions

25.1 Assignment

The Recipients may not assign, transfer or otherwise dispose of all or any part of its rights and benefits under this Agreement (including any cause of action arising in connection with any of them) or of any right or interest in any of them (otherwise than pursuant to a transfer of Shares in accordance with the terms of this Agreement).

25.2 Entire Agreement

This Agreement constitutes the whole agreement between the Parties relating to its subject matter and supersedes any previous arrangements or agreements between them relating to its subject matter. For the avoidance of doubt, as regards the Investor Shareholders' rights and obligations vis-à-vis each other, this Agreement does not prejudice the Shareholders' Agreement including relating to the shares the Danish State will potentially receive in their capacity as creditor, and the Danish State shall for the avoidance of doubt not be deemed a Recipient hereunder.

25.3 Remedies and Waivers

No waiver of any right under this Agreement shall be effective unless in writing. Unless expressly stated otherwise a waiver shall be effective only in the circumstances for which it is given. No delay or omission by any Party in exercising any right or remedy provided by law or under this Agreement shall constitute a waiver of such right or remedy.

25.4 Costs and Expenses

Except as provided otherwise, each Party shall pay its own costs and expenses (including taxation) in connection with the negotiation, preparation and performance of this Agreement.

25.5 Notices

Any notice or other communication to be given under or in connection with this Agreement (“**Notice**”) shall be in the English language.

A Notice shall be deemed given:

- (a) when received, if delivered personally by hand;
- (b) when received, if sent by courier, certified mail, registered mail; or
- (c) if sent by e-mail, when sent (provided that the sending Party does not contemporaneously receive an automatic generated message from the recipient’s e-mail server that such e-mail could not be delivered to such recipient).

The addresses for service of Notice in respect of the Investor Shareholders are:

Castlelake:

Name: Castlelake, L.P.
Address: 250 Nicollet Mall, Suite 900
Minneapolis, MN 55401
For the attention of: Legal
Email: notices@castlelake.com

always with a copy to (which shall not constitute Notice):

Skadden, Arps, Slate, Meagher & Flom, LLP
One Manhattan West
New York, New York 10001

Attention: Alejandro Gonzalez Lazzeri
James J. Mazza, Jr.
Richard Oliver
Email: Alejandro.Gonzalez.Lazzeri@skadden.com
James.Mazza@skadden.com
Richard.Oliver@skadden.com

AFKLM:

Name: Air France-KLM S.A.
Address: 7 rue du Cirque
75008 Paris
For the attention of: Pieter Bootsma and Jos Veenstra
Email: pieter.bootsma@airfranceklm.com;
jos.veenstra@airfranceklm.com

always with a copy to (which shall not constitute Notice):

White & Case LLP
19, Place Vendôme
75001 Paris France
Attention: Hugues Mathez
Michael Shepherd
Luke Laumann
Jeff Gilson

Email: hmathez@whitecase.com
mshepherd@whitecase.com
luke.laumann@whitecase.com
jeff.gilson@whitecase.com

Lind:

Name: Lind Invest ApS
Address: Værkmestergade 25, 14.
DK-8000 Aarhus C
Denmark
For the attention of: Henrik Lind
Jonas Højhus Jeppesen

Email: lind@lind-invest.dk
jhj@lind-invest.dk

always with a copy to (which shall not constitute Notice):

Bech-Bruun Law Firm P/S
Gdanskgade 18
DK-2150 Nordhavn
Denmark
Attention: Simon Milthers
Theis Kristensen
Emil Steenberg
Email: smi@bechbruun.com
tkr@bechbruun.com
eds@bechbruun.com

and

Latham & Watkins LLP
1271 Avenue of the Americas

New York, NY 10020
Attention: George Davis
David Hammerman
John Greer
Email: George.Davis@lw.com
David.Hammerman@lw.com
John.Greer@lw.com

The Danish State:

Name: Finansministeriet
Address: Christiansborg Slotsplads 1
DK-1218 Copenhagen
Denmark
For the attention of: Adrian Lübbert
Anders Rendebo Jepsen
Email: adblb@fm.dk
anrje@fm.dk

always with a copy to (which shall not constitute Notice):

Plesner Advokatpartnerselskab
Amerika Plads 37
DK-2100 Copenhagen
Attention: Thomas Holst Laursen
Hans Hedegaard
Mikkel Rostock Jensen
Email: thl@plesner.com
hhe@plesner.com
mj@plesner.com

and

Freshfields Bruckhaus Deringer LLP
601 Lexington Avenue
New York, NY 10022
United States
Attention: Madlyn Primoff
Email: madlyn.primoff@freshfields.com

The addresses for service of Notice in respect of the Recipients are set out in Schedule 1.

An Investor Shareholder shall notify the other Parties of any change to its details in Clause 25.5 in accordance with the provisions of this Clause 25.5, and a Recipient shall notify the other Parties of any change to its details in Schedule 1 in accordance with the provisions of this Clause 25.5, provided that such notification shall only be effective on the later of the date specified in the notification and 5 Business Days after deemed receipt.

25.6 No Partnership or Agency

This Agreement shall not be deemed to be a partnership agreement and the Swedish Partnership and Non-registered Partnership Act (Sw. *lag (1980:1102) om handelsbolag och enkla bolag*) (the “**Partnership Act**”) shall not apply to this Agreement. Notwithstanding the foregoing, if this Agreement is nevertheless considered to constitute such non-trading partnership under applicable law, the Parties agree that, if there are grounds for liquidation of such partnership under the Partnership Act, the Party to which such liquidation grounds apply shall be obliged to withdraw from such partnership and the pre-emption provision of the Articles shall apply, *mutatis mutandis*, to such Party’s share of such partnership. In the event that the ground for liquidation is bankruptcy, the Party subject to bankruptcy shall, in the event that its bankruptcy estate resists such withdrawal, be expelled from the partnership at the request of any of the Parties not subject to bankruptcy.

25.7 Counterparts

This Agreement may be executed in counterparts and shall be effective when each Party has executed and delivered a counterpart. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute one and the same instrument.

25.8 **Governing Law and Jurisdiction**

This Agreement shall be governed by and construed in accordance with the laws of Sweden. Any dispute, controversy or claim arising out of or in connection with this Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall consist of three arbitrators, all of whom shall be appointed by the Institute. The place of arbitration shall be Stockholm, Sweden. The language to be used in the arbitral proceedings shall be English.

Signature page[s] follows

The Investor Shareholders:

CL-S Holdings Lux S.à r.l.

[●] (by power of attorney)

Air France-KLM S.A.

[●] (by power of attorney)

Lind Invest ApS

[●] (by power of attorney)

[Danish State]

[●] (by power of attorney)

The Recipients:

[•]

[•], [acting on his/her own behalf and] by
power-of attorney on behalf of the
Recipient

Schedule 1

Recipients

Name of Recipient	Type of company	Id No / Reg. No	Address	Jurisdiction of incorporation	The addresses for service of Notice in respect of the Recipients are:
					Name: [●] Id No / Reg. No: [●] Address: [●] Jurisdiction of incorporation: [●] For the attention of: [●] Email: Always with a copy to: [●]
					Name: [●] Id No / Reg. No: [●] Address: [●] Jurisdiction of incorporation: [●] For the attention of: [●] Email: Always with a copy to: [●]

Schedule 2

Definitions

“**Acceptance Notice**” has the meaning given in Clause 10.2;

“**Activist Investor**” means as of any date of determination, a Person that has, directly or indirectly through its Affiliates, whether individually or as a member of a “group” (as defined in Section 13(d)(3) of the Exchange Act), within the three-year period immediately preceding such date of determination, (i) called or publicly sought to call a meeting of the stockholders or other equityholders of any Person not publicly approved (at the time of the first such action) by the board of directors or similar governing body of such Person, (ii) publicly initiated any proposal for action by stockholders or other equityholders of any Person initially publicly opposed by the board of directors or similar governing body of such Person, (iii) publicly sought election to, or to place a director or representative on, the board of directors or similar governing body of a Person, or publicly sought the removal of a director or other representative from such board of directors or similar governing body, in each case which election or removal was not recommended or approved publicly (at the time such election or removal is first sought) by the board of directors or similar governing body of such Person (iv) made, engaged in or been a participant in any “solicitation” of “proxies”, as such terms are used in the proxy rules of the SEC promulgated under Section 14 of the Exchange Act, with respect to the matters set forth in clauses (i) through (iii), or (v) publicly disclosed any intention, plan or arrangement to do any of the foregoing. Notwithstanding the foregoing, the Investor Shareholders may determine by unanimous written consent that a proposed Transferee is not an “Activist Investor” for the purposes of approving a particular Transfer; provided that such a determination will be binding in respect of the relevant Transfer only, and shall not be an ongoing determination nor binding in respect of any future Transfers that may involve the same such Transferee;

“**Adherence Undertaking**” has the meaning given in Clause 8 (*Adherence Undertaking*);

“**Affiliate**” means, from time to time, with respect to a Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such first-mentioned Person;

“**Agreement**” has the meaning given in the Preamble;

“**Applicable Regulatory Approval**” means, in relation to a certain Recipient, any mandatory anti-trust approval, foreign direct investment approval, governmental approval and/or government policy applicable to the exercise of ownership rights by a governmental entity;

“**Articles**” means the articles of association of the Company (as amended from time to time);

“**Board**” as the board of directors of the Company;

“**Business Day**” means a day (other than a Saturday or Sunday or public holiday) when commercial banks are open for ordinary banking business in Sweden;

“**CEO**” means the chief executive officer of the Company;

“**Chair**” means the chairperson of the Board;

“**Chapter 11 Plan**” has the meaning given in Background (A);

“**Closing**” means the consummation of the transactions contemplated by that certain Investment Agreement, dated as of November 4, 2023 (as amended from time to time) by and among the Company, Castlelake, AFKLM, Lind and the Danish State;

“**Company**” has the meaning given in Background (A);

“**Competitor**” means each of the Persons set forth in Schedule 7 together with any Person that, following the date hereof, announces or otherwise discloses its intention to compete with the business of the Company (other than AFKLM and its Affiliates) or AFKLM in any Relevant Geography; provided, that the Norwegian Ministry of Trade, Industry and Fisheries shall not be deemed a Competitor or an Affiliate of a Competitor solely because of any convertible debt it may hold in Norwegian Air Shuttle ASA as of the date of this Agreement or any equity issued to the Norwegian Ministry of Trade, Industry and Fisheries upon the conversion of such debt in accordance with the terms of such convertible debt instrument(s);

“**Control**” means, in relation to a Person:

- (a) holding or controlling, directly or indirectly, a majority of the voting rights exercisable at shareholder meetings (or the equivalent) of that Person; or
- (b) having, directly or indirectly, the right to appoint or remove directors holding a majority of the voting rights exercisable at meetings of the board of directors (or the equivalent) of that Person; or
- (c) having directly or indirectly the ability to direct or procure the direction of the management and policies of that Person, whether through the ownership of shares, by contract or otherwise; or
- (d) having the ability, directly or indirectly, whether alone or together with another to ensure that the affairs of that Person are conducted in accordance with his or its wishes, and

the terms “**Controlling**” and “**Controlled**” shall be construed accordingly;

“**Convertible Notes**” means the senior secured convertible notes of the Company issued pursuant to the Indenture;

“**Defaulting Shareholder**” has the meaning given in Clause 16.2;

“**Direct Transfer**” means, in relation to a Share, a direct sale or transfer of that Share;

“**Drag Along Notice**” has the meaning given in Clause 11.2;

“**Drag Along Purchaser**” has the meaning given in Clause 11.1;

“**Drag Along Sale**” has the meaning given in Clause 11.1;

“**Drag Along Sellers**” has the meaning given in Clause 11.1;

“**Dragged Shareholders**” has the meaning given in Clause 11.1;

“**Drag Shares**” has the meaning given in Clause 11.1;

“**Eligible Shareholder**” means a Person who:

- (i) has a principal place of business and is headquartered (which shall be deemed to include, in the case of any Person who is an investment fund, special purpose investment vehicle or similar entity, the principal place of the principal place of business and headquarters of its primary investment advisor so long such principal place of business or headquarters was not established in any of the jurisdictions in this clause (i) for the purpose of circumventing the restrictions in this clause (i)) in the European Economic Area (EEA), United Kingdom, Switzerland, the United States, Canada, Singapore, Australia, New Zealand or Japan;

- (ii) is not a Sanctioned Person;
- (iii) is not a Competitor or an Affiliate of a Competitor;
- (iv) does not beneficially own directly or indirectly through its Affiliates or otherwise, whether individually or as a member of a “group” (as defined in Section 13(d)(3) of the Exchange Act) more than 5% of the Equity Securities of a Competitor, provided that a Person may beneficially own directly or indirectly through its Affiliates or otherwise, whether individually or as a member of a “group” (as defined in Section 13(d)(3) of the Exchange Act) above 5% but not more than 9.9% of the Equity Securities of a Competitor so long as in respect of such holding, such Person has filed a beneficial ownership report pursuant to Section 13(g) of the Exchange Act and has not filed nor is required to file a beneficial ownership report pursuant to Section 13(d) of the Exchange Act;
- (v) if such Person is a proposed transferee of Shares and following such transfer will (with its Affiliates) own more than 5% of the Shares, for so long as the Danish State is a Major Shareholder, the Danish State has not reasonably determined, following a reasonable period of consultation (but in any event no longer than 10 business days), that such Person would not be in the Company’s best interests to admit as a shareholder in accordance with the following factors: (1) such Person’s adherence to a shareholder stewardship or similar code; (2) such Person’s applicable environment, social and governance (ESG) policies; (3) such Person’s compliance with applicable laws (including anti-money laundering laws and Sanctions and Trade Controls Laws); (4) such Person’s tax strategy and policies (including whether such Person engages in any speculative or aggressive tax planning or utilizes jurisdictions that are on the European Union list of non-cooperative jurisdictions for tax purposes or jurisdictions that are deemed “partially compliant” according to the Organisation for Economic Co-operation and Development (OECD)’s global forum on transparency and exchange of information for tax purposes peer review process); and (5) such Person’s reputation for high standards of business conduct;
- (vi) is an “accredited investor” (as defined in Regulation D in the Securities Act); and
- (vii) is not an Activist Investor;

“**Encumbrance**” means any pledge, charge, lien, mortgage, debenture, hypothecation, security interest, pre-emption right, option or other encumbrance or third party right or claim of any kind or any agreement to create any of the foregoing;

“**Equity Securities**” means, with respect to any Person, (i) the share capital or capital stock of such Person, (ii) other interests or participation rights (including phantom shares, units or interests or stock appreciation rights) in such Person (including depository receipts or any other derivative instruments in respect of securities or interests in such Person) that confers on the holder thereof the right to receive a share of the profits and losses of, or distribution of assets of, or voting interests in, such Person or (iii) similar equity rights or equity securities in such Person, or any rights or securities convertible into or exchangeable for, options, warrants or other rights to acquire from such Person, or any shareholder loan (to the extent structured as preferred equity), or obligation on the part of such Person to issue, any of the interests in the foregoing clauses (i) or (ii).

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended from time to time;

“**Exercise Period**” has the meaning given in Clause 10.2;

“**Full Title**” means, in relation to a transfer of Shares under this Agreement, that the selling Shareholder shall transfer or procure the transfer, and confirm that it has the right to transfer or procure the transfer, of legal and beneficial title of the Shares;

“**Further Shares**” has the meaning given in Clause 16.5;

“**General Meeting**” means a shareholders’ meeting of the Company;

“**Governmental Bodies**” means any government, parliament or governmental authority or regulatory or administrative body thereof, or political subdivision thereof, whether foreign, federal, state, or local, or any agency or commission, instrumentality or authority thereof, including the European Commission, or any court, tribunal, judicial body or arbitrator (public or private) or applicable stock exchange;

“**Group Company(ies)**” means any of the Company or any Person Controlled by the Company, and “**Group**” means all Group Companies;

“**Indenture**” means that certain Indenture, dated as of [●], 2024, by and among the Company, as issuer, the Guarantors (as defined therein) from time to time party thereto and [●], as trustee and as collateral agent;

“**Investor Shareholders**” has the meaning given in the Preamble;

“**IPO**” means the admission to listing of securities on any public stock exchange, regulated market place or other recognised exchange for the public trading of shares anywhere in the world;

“**IPO Notice**” has the meaning given in Clause 13.1;

“**Listed Securities**” shall mean shares of a publicly traded company listed (or quoted, as the case may be) on a major stock exchange;

“**Major Shareholders**” means any Investor Shareholder (together with its Affiliates) holding at least 19% of the Shares of the Company as of the Closing; provided that an Investor Shareholder shall cease to be a Major Shareholder in the event that: (i) such Major Shareholder (together with its Affiliates) transfers at least 25% of the Shares of the Company held by such Major Shareholder (together with its Affiliates) as of the Closing and (ii) following the consummation of such transfer, such Major Shareholder (together with its Affiliates) holds less than 19% of the Shares of the Company;

“**Market Value**” has the meaning given in Clause 16.4;

“**Material Breach Event**” has the meaning given in Clause 16.1;

“**Necessary Actions**” shall mean, with respect to a specified result, all actions or remedies (to the extent such actions are permitted by law and do not conflict with the terms of this Agreement) necessary to be taken by a Person, including causing such Person’s Affiliates to take, cause or permit such result, including by (i) exercising its voting rights or providing a written consent or proxy with respect to its Shares, (ii) executing agreements and instruments, (iii) causing the members of the Board to take such actions (to the extent permitted by applicable law) or (iv) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations, publications or similar actions that are required to achieve such result;

“**New Shares**” has the meaning given in Background (B);

“**Non-Selling Shareholder**” has the meaning given in Clause 10.1;

“**Notice**” has the meaning given in Clause 25.5;

“**Notice of Material Breach Event**” has the meaning given in Clause 16.2;

“**Notice to Buy**” has the meaning given in Clause 16.5;

“**Objectives**” has the meaning given in Clause 2.1;

“**Offered Securities**” has the meaning given in Clause 10.1;

“**Overlap**” means a fraction, expressed as a percentage whose numerator is overlapping routes (excluding code-shares) in a Relevant Geography between such Person and the Company or AFKLM, as applicable and whose denominator is the total routes (excluding code-shares) of the Company or AFKLM (as applicable) in a Relevant Geography;

“**Party(ies)**” has the meaning given in the Preamble;

“**Person**” means any individual, company, partnership, joint venture, firm, association, trust, governmental or regulatory authority or other body or entity (whether or not having separate legal personality);

“**Permitted Transfer**” has the meaning given in Clause 9(a);

“**Power of Attorney**” has the meaning given in Clause 14.1;

“**Purchaser**” has the meaning given in Clause 17.2;

“**Recipient(s)**” has the meaning given in the Preamble;

“**Relevant Geography**” means intra-Scandinavia, Europe or North Atlantic, as applicable;

“**Relevant Sale Shares**” has the meaning given in Clause 16.3;

“**Representatives**” means, in relation to a Person, that Person’s directors, officers, employees, advisers, agents and representatives;

“**Respective Proportion**” means, in relation to an Investor Shareholder, the proportion which the number of Shares held by it bears to the total number of Shares held by the Investor Shareholders from time to time;

“**Restructuring**” has the meaning given in Background (A);

“**ROFO Notice**” has the meaning given in Clause 10.1;

“**ROFO Outside Date**” has the meaning given in Clause 10.3;

“**Requisite Consents**” means requisite third party consents and regulatory approvals or consents which are either: (i) mandatory; or (ii) deemed required by the Investor Shareholders;

“**Residual Allocation**” has the meaning given in Clause 10.2;

“**Sale Shares**” has the meaning given in Clause 16.3;

“**Sanctioned Person**” shall mean any Person who is (i) the target of any economic or trade sanctions, export controls, and customs and trade laws, enacted, imposed, administered or enforced by the United Nations Security Council, the United States (including by the U.S. Department of the Treasury’s Office of Foreign Assets Control, the U.S. Department of State, and the U.S. Department of Commerce), Sweden, the European Union, any state of the European Union in which a Recipient is domiciled or the United Kingdom (“**Sanctions and Trade Controls Laws**”), including as a result of appearing on any sanctions or export

control-related list of restricted persons, (ii) located, organized or resident in a country or territory that is the subject of sanctions broadly prohibiting dealings with such country or territory (as of the date hereof, Cuba, Iran, North Korea, Syria, the Crimea Region of Ukraine, the so-called Donetsk People's Republic, and the so-called Luhansk People's Republic, and the non-government controlled areas of Ukraine in the oblasts of Kherson and Zaporizhzhia), or (iii) a Person (other than any Person that is a publicly traded company) that is known to be (following reasonable inquiry) wholly or partially owned by, controlled by, or acting on behalf of, any Person described in foregoing clause (i) or (ii); provided that any Person that is 4% or more owned by (with or without knowledge thereof), directly or indirectly, any Person(s) described in foregoing clause (i) or (ii) shall be deemed a Sanctioned Person hereunder;

“**Securities Act**” as the US Securities Act of 1933 (as amended from time to time);

“**Security**” has the meaning given in Clause 15.1;

“**Seller**” has the meaning given in Clause 17.2;

“**Selling Recipient**” has the meaning given in Clause 10.1;

“**Shareholder**” means a holder from time to time of Shares in the Company;

“**Shareholders Agreement**” means the shareholders' agreement to be entered into by the Investor Shareholders.

“**Shareholder Transfer**” has the meaning given in Clause 17.1;

“**Shares**” means the shares in the capital of the Company in issue from time to time, including, for the avoidance of doubt, any such shares issued following the date of this Agreement;

“**Swedish Companies Act**” means the Swedish Companies Act (Sw. *aktiebolagslagen*) as amended or re-enacted from time to time;

“**Tag Along Election Notice**” has the meaning given in Clause 12.3;

“**Tag Along Offer Notice**” has the meaning given in Clause 12.2;

“**Tag Along Offer Period**” has the meaning given in Clause 12.3;

“**Tag Along Outside Date**” has the meaning given in Clause 12.4;

“**Tag Along Right**” has the meaning given in Clause 12.1;

“**Tag Along Sale**” has the meaning given in Clause 12.1;

“**Tag Along Seller(s)**” has the meaning given in Clause 12.1;

“**Transfer**” means, in relation to a Share, whether directly or indirectly, a sale, assignment, transfer, grant of any Encumbrance or declaration of trust over, or other disposal, or grant to any Person, of any right or interest in, that Share, and/or in any of the economic or voting rights in relation to decisions of Shareholders attached to or derived from that Share, or any agreement (whether conditional or otherwise) to carry out any of the above actions (including by means of the Transfer of an interest in a Person that directly or indirectly holds such Share);

“**Third Party Purchaser**” has the meaning given in Clause 10.1;

“**Third Party Sale**” has the meaning given in Clause 11.1; and

“Valuation Expert” means an independent reputable firm of international accountants of appropriate expertise in valuing companies in the same industry as, or a similar industry to, that of the Company.

Schedule 3

Objectives

- (a) The Group is and shall continue to be a Scandinavian network company with access to at least one market leading airline alliance.
- (b) The Group's commercial and geographic focus shall be to conduct air traffic operations with a strong market position from and throughout Scandinavia.
- (c) The Group shall actively continue to contribute materially to the State's international connectivity and direct integration into the global air transport network, including as it relates to business travel.
- (d) Copenhagen Airport shall remain the Group's central and primary hub for its operational activities, including international (i.e. both European and intercontinental) connections to and from Scandinavia.
- (e) Through the adoption of the environment, social and governance policies, the Group shall be committed to ambitious and commercially reasonable initiatives and remain committed to the Group's ongoing initiatives to minimize the climate and environmental impacts of its operations through innovation and new ways of working.

Schedule 4

Post-Closing Articles

The English version of the Articles of Association is an unofficial translation of the Swedish original and in case of any discrepancies between the Swedish version and the English translation, the Swedish version shall prevail.

Articles of Association for SAS AB (Reg. No. 556606-8499)

Adopted by the General Meeting on [insert date]

Article 1

The name of the Company is SAS AB. The Company is public (publ).

Article 2

The objects of the Company's business shall be directly or indirectly to conduct air traffic operations chiefly through the Scandinavian Airlines System Denmark-Norway-Sweden (SAS) Consortium or any other group company, other transport and travel-related business as well as any business compatible therewith.

Article 3

The Company's Board of Directors (the "**Board**") has its registered office in Stockholm.

Article 4

The share capital shall be at least SEK [●] and not more than SEK [●], divided into at least [●] shares and not more than [●] shares.²

Article 5

The Board shall have 3 to 10 members elected by the Annual General Meeting. The chair of the Board shall not have a casting vote in the event of a tied vote at a Board meeting.

The Board shall have the composition that may be required at any given time for the Company and its subsidiaries to retain their traffic rights for civil aviation, including citizenship and domicile requirements. Furthermore, the Board shall as a whole be representative of and have the knowledge of and experience in the social, business and cultural life prevailing in the Scandinavian countries necessary for their work.

With the support of applicable laws regarding Board representation for private employees and special agreements between the Company and the employee organizations empowered in accordance with the aforementioned laws, the SAS Group's employee groups in Denmark, Norway and Sweden respectively each have the right to name one member and two deputies, in addition to the aforementioned number of Board members chosen by the General Meeting.

Article 6

The Company shall have two auditors and two deputy auditors or one or two registered accounting firms to examine the management of the Board and the Managing Director as well as the Company's financial statements and accounting records.

Article 7

The financial year of the Company shall be 1 November–31 October.

Article 8

The Company's Annual General Meeting shall be held in either Stockholm, Solna or Sigtuna. The Board shall be authorised to resolve that a General Meeting shall be held digitally.

Article 9

The Board shall be authorised to allow shareholders to vote by mail prior to a General Meeting. Mail voting may be made by electronic means if the Board so decides. The Board may collect proxies pursuant to the procedure stated in Chapter 7, section 4, paragraph 2 of the Swedish Companies Act. The Board may resolve that persons not being shareholders of the Company shall be entitled, on the conditions stipulated by the Board, to attend or in any other manner follow the discussions at a General Meeting. The languages at the General Meeting shall be Swedish, Danish or Norwegian and, if the Board so decides, other languages as well.

Article 10

Notice of a General Meeting shall be made by an announcement:

- in Sweden in Swedish in Post- och Inrikes Tidningar and on the Company's web page.

The fact that this notice has been issued shall be announced in Svenska Dagbladet,

² **Note to draft:** The limits for the number of shares and the share capital will be determined depending on the final number of shares issued in the company reorganization.

The English version of the Articles of Association is an unofficial translation of the Swedish original and in case of any discrepancies between the Swedish version and the English translation, the Swedish version shall prevail.

and if the Board so decides:

- in Denmark in Danish in Berlingske or another national Danish daily newspaper,
- in Norway in Norwegian in Aftenposten or another national Norwegian daily newspaper.

To be able to attend the General Meeting, shareholders must notify the Company not later than the day given in the notice of the meeting and also state the number of assistants by whom the shareholder will be accompanied. This day may not be a Sunday, any other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve nor fall any earlier than five working days before the meeting.

Article 11

At the General Meeting, business is conducted by open voting, unless the General Meeting decides on a ballot vote.

Article 12

At the Company's Annual General Meeting, the following business is to be conducted:

- a) election of a meeting Chairman
- b) drawing up and verification of the voters' roll
- c) approval of the agenda
- d) election of two persons, in addition to the Chairman, to verify the minutes
- e) deciding the question of whether the meeting has been called in proper order
- f) presentation of the financial statements and the consolidated financial statements
- g) presentation of the auditors' report and the consolidated auditors' report
- h) decision concerning approval of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet
- i) decision on the disposal of Company's profits or loss in accordance with the approved balance sheet
- j) decision concerning the discharge of the Directors and Managing Director from liability
- k) determination of the number of Board members
- l) determination of Directors' fees
- m) determination of fees for auditors
- n) election of the Board
- o) election of a Chairman of the Board
- p) if applicable, election of auditors and deputy auditors
- q) any other business in the power of the General Meeting in accordance with the Articles of Association

Article 13

The Company shall be a CSD (central securities depository) registered company and the Company's shares shall be registered in a CSD register pursuant to the Central Securities Depository and Financial Instruments Accounts Act (SFS 1998:1479).

Article 14

If a share has been transferred to another person (the "**Transferee**"), the share shall immediately be offered for sale to CL-S Holdings Lux S.à r.l. (or any transferee of all of the shares held by CL-S Holdings Lux S.à r.l.), Air France-KLM S.A., Lind Invest ApS and the Kingdom of Denmark (the "**Entitled Purchasers**") by written notification by the Transferee to the Board. The acquisition of the share by the Transferee shall be verified.

All types of transfers shall be subject to this post-transfer acquisition right. The post-transfer purchase right may be exercised in respect of a lesser number of shares than the total number of shares covered by the post-transfer acquisition right.

The Board shall immediately give notice of the post-transfer acquisition rights to the Entitled Purchasers. The notice shall contain information regarding the time by which the notice of exercise of post-transfer acquisition rights must be presented.

Notice of exercise of post-transfer acquisition rights must be given within two months from the date of due notice of the post-transfer acquisition right in accordance with the above. Where several Entitled Purchasers give notice of exercise, the shares shall, to the extent possible, be allocated among them in proportion to the number of shares in the Company that they already hold. Remaining shares shall be allocated by the drawing of lots implemented by the Board.

The English version of the Articles of Association is an unofficial translation of the Swedish original and in case of any discrepancies between the Swedish version and the English translation, the Swedish version shall prevail.

Where the shares have been transferred through a sale, the purchase price shall be equal to the market value of the shares. No other conditions shall apply to the purchase.

Where the Transferee and the party/-ies seeking to exercise the post-transfer acquisition right do not agree on the purchase, the party/-ies exercising the post-transfer acquisition right may commence legal proceedings within two months from the date on which the notice of exercise of the post-transfer acquisition right was given to the Board. Any dispute regarding the post-transfer acquisition right shall be finally settled by arbitration administered by the SCC Arbitration Institute in accordance with the Arbitration Rules of the SCC Arbitration Institute. The seat of arbitration shall be Stockholm, Sweden. The purchase price shall be paid within one month from the date on which the purchase price was determined.

* * *

Schedule 5

Form of Adherence Undertaking

This Adherence Undertaking (this “**Adherence Undertaking**”) is made on [●] 20[●]

by [●], [a company incorporated in [●] with registered number [●] and whose registered office is at [●]] (the “**New Shareholder**”).

Reference is being made to the Recipient Shareholders’ Agreement by and among CL-S Holdings Lux S.à r.l., Air France-KLM S.A., Lind Invest ApS, the Danish State and the Recipients (as defined therein) dated [●] 2024 (as amended from time to time) (the “**Recipient Shareholders’ Agreement**”).

Background:

- (A) [●] (the “**Transferor**”) proposes to transfer [●] shares in the Company to the New Shareholder (the “**Transfer Shares**”) and the New Shareholder proposes to acquire the Transfer Shares, subject to and in accordance with the terms and conditions of an agreement dated [●] (the “**Transfer Date**”) and made between the Transferor and the New Shareholder.
- (B) Under the Recipient Shareholders’ Agreement the New Shareholder must execute an adherence undertaking in the form of this Adherence Undertaking before being registered as the holder of the Transfer Shares.

Undertakings:

1. The New Shareholder undertakes to adhere to and be bound by the provisions of the Recipient Shareholders’ Agreement, and to perform the obligations imposed on it in its capacity as Recipient (as defined in the Recipient Shareholders’ Agreement) by the Recipient Shareholders’ Agreement and assume the rights and benefits of the Recipient Shareholders’ Agreement effective as of the Transfer Date, in all respects as if the New Shareholder were a party to the Recipient Shareholders’ Agreement and named in it as a Recipient (as set out in Clause 8 of the Recipient Shareholders’ Agreement).
2. This Adherence Undertaking is made for the benefit of (a) the original parties to the Recipient Shareholders’ Agreement; and (b) any other person or persons who after the date of the Recipient Shareholders’ Agreement (and whether or not before or after the date of this adherence undertaking) adheres to the Recipient Shareholders’ Agreement.
3. The notice details of the New Shareholder for the purposes of Clause of the Recipient Shareholders’ Agreement are as follows:
 - Name: [●]
 - Address: [●]
 - For the attention of: [●]
 - Always with a copy to: [●]
4. The New Shareholder agrees irrevocably and for the benefit of the parties referred to in Clause 2 of this Adherence Undertaking that Clause 25.8 (*Governing Law and Jurisdiction*) shall apply to this Adherence Undertaking.

This Adherence Undertaking has been executed and delivered by the New Shareholder on the date which first appears above.

[•]

[•]

Schedule 6

Form of Recipient Power of Attorney

[PoA to be aligned with the terms of Clause 14.]

Date:

[•]

Name of Recipient:

Schedule 7

List of Competitors

1. Finnair Oyj
2. Air Baltic Corporation AS
3. Norwegian Air Shuttle ASA (including Widerøes Flyveselskap AS)
4. EasyJet plc
5. Deutsche Lufthansa Aktiengesellschaft
6. United Airlines, Inc.
7. Air Canada
8. International Consolidated Airlines Group S.A.
9. American Airlines Group Inc.

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*Attorneys for Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----	X	
In re	:	Chapter 11
	:	
SAS AB, et al.,	:	Case No. 22-10925 (MEW)
	:	
Debtors.¹	:	(Jointly Administered)
	:	
-----	X	

**NOTICE OF FILING OF PLAN SUPPLEMENT IN
CONNECTION WITH SECOND AMENDED JOINT CHAPTER 11
PLAN OF REORGANIZATION OF SAS AB AND ITS SUBSIDIARY DEBTORS**

PLEASE TAKE NOTICE that, on July 5, 2022, SAS AB and its debtor subsidiaries, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”).

PLEASE TAKE FURTHER NOTICE that on February 7, 2024, the Debtors filed the *Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and its Subsidiary*

¹ The Debtors in these chapter 11 cases are SAS AB, SAS Danmark A/S, SAS Norge AS, SAS Sverige AB, Scandinavian Airlines System Denmark-Norway-Sweden, Scandinavian Airlines of North America Inc. (2393), Gorm Asset Management Ltd., Gorm Dark Blue Ltd., Gorm Deep Blue Ltd., Gorm Sky Blue Ltd., Gorm Warm Red Ltd., Gorm Light Blue Ltd., Gorm Ocean Blue Ltd., and Gorm Engine Management Ltd. The Debtors’ mailing address is AVD kod: STOUU-T, SE-195 87 Stockholm, Sweden.

Debtors [ECF No. 1936] (as may be amended, modified, or supplemented from time to time, the “**Plan**”)² and the related *Disclosure Statement for Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and its Subsidiary Debtors* [ECF No. 1945] (as may be amended, modified, or supplemented from time to time, the “**Disclosure Statement**”).

PLEASE TAKE FURTHER NOTICE that, in accordance with, and in support of, the Plan and the order of the Bankruptcy Court approving the Disclosure Statement, the Debtors hereby file this plan supplement (the “**Plan Supplement**”) consisting of the following documents:

Exhibit A	Information Regarding GUC Interests and Related GUC Documents
	<u>Appendix A</u> : Implementation Steps
	<u>Appendix B</u> : Material Terms of GUC Agreement
	<u>Appendix C</u> : GUC Holding Period Trust Deed
	<u>Appendix D</u> : GUC Entity’s Articles of Association
	<u>Appendix E</u> : Dutch Foundation Articles of Association
	<u>Appendix F</u> : Investor Certificate
Exhibit B	Supplemental State Aid Risk Factor
Exhibit C	Supplemental Tax Disclosure
Exhibit D	Supplemental Securities Law Disclosure

PLEASE TAKE FURTHER NOTICE that the documents and other information contained in this Plan Supplement are integral to and part of the Plan. These documents have not yet been approved by the Bankruptcy Court. If the Plan is confirmed by the Bankruptcy Court, the documents contained in this Plan Supplement will be approved by the Bankruptcy Court pursuant to the Confirmation Order.

² Capitalized terms used but not otherwise defined herein shall have the same meanings ascribed to such terms in the Plan.

PLEASE TAKE FURTHER NOTICE that the documents contained in this Plan Supplement remain subject to (i) further review, negotiation, and modification and (ii) final documentation in a manner consistent with the Plan. The Debtors, in accordance with the Plan, reserve the right to amend, modify, or supplement the documents and information contained in this Plan Supplement through the Effective Date or any such other date as may be provided for by the Plan or order of the Bankruptcy Court.

PLEASE TAKE FURTHER NOTICE that the Plan Supplement can be viewed and obtained (i) by accessing the Bankruptcy Court’s website at www.nysb.uscourts.gov or (ii) from the Debtors’ claims and noticing agent, Kroll Restructuring Administration LLC, at <https://cases.ra.kroll.com/SAS> or by calling (844) 242-7491 (U.S./Canada toll free) or +1 (347) 338-6450 (international) or emailing SASInfo@ra.kroll.com (with “SAS AB Solicitation Inquiry” in the subject line). Note that a PACER password is needed to access documents on the Bankruptcy Court’s website.

Dated: March 1, 2024
New York, New York

/s/ Lauren Tauro

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and Debtors in Possession*

Exhibit A

Information Regarding GUC Interests and Related GUC Documents

**Information Regarding GUC Interests and Related GUC Documents
(this “Information Statement”)**

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Information Statement is being provided by SAS AB and its debtor subsidiaries (collectively, the “Debtors” and, together with the non-Debtor affiliates, “SAS”) contains or incorporates by reference forward-looking statements. Certain statements contained in this Information Statement, including statements, information, and documentation incorporated by reference, projected financial information, and other forward-looking statements, are based on estimates and assumptions and are necessarily speculative. Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects”, and similar references to future periods, or by the inclusion of forecasts or projections. Examples of forward-looking statements include, but are not limited to, statements regarding the outlook for SAS’ future business and financial performance, business strategy and plans and objectives of management for future operations, including, among other things, the issuance of Contingent Value Notes described herein and the consummation of the GUC Transactions (as defined below), expected growth, future capital expenditures, fund performance and debt service obligations. There can be no assurance that such statements will be reflective of actual outcomes. Forward-looking statements provided in this Information Statement should be evaluated in the context of the estimates, assumptions, uncertainties, and risks described herein and therein, as applicable.

Forward-looking statements are based on SAS’ current expectations and assumptions regarding its business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Further, readers are cautioned that any forward-looking statements herein are based on assumptions that are believed to be reasonable, but are subject to a wide range of risks identified in this Information Statement and the Disclosure Statement. Due to these uncertainties, readers cannot be assured that any forward-looking statements will prove to be correct, and SAS’ actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national, or global political, economic, business, competitive, market and regulatory conditions, including, but not limited to, those described herein under “Risk Factors”. Any forward-looking statement made by any of the Debtors or the GUC Entity (as defined below) in this Information Statement or incorporated by reference herein speaks only as of the date on which it was made. None of the Debtors or the GUC Entity are under any obligation to (and expressly disclaim any obligation to) update or alter any forward-looking statements, whether as a result of new information, future events or circumstances existing or arising after the date hereof, or otherwise, unless instructed to do so by the Bankruptcy Court.

Part 1: Executive Summary

In accordance with that certain *Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and Its Subsidiary Debtors*, dated February 7, 2024 [ECF No. 1936] (as may be amended, modified, or supplemented from time to time, the “**Plan**”)¹ and that certain *Investment Agreement*, dated November 4, 2023 (as amended, modified, or supplemented from time to time, the “**Investment Agreement**”), a Luxembourg private limited liability company (*société à responsabilité limitée*) (the “**GUC Entity**”) will be formed to, among other things, (a) receive a portion of the GUC Cash² (the “**Contributed GUC Cash**”) from SAS AB (publ), a public limited liability company incorporated under the laws of Sweden, with Swedish Reg. No. 556606-8400 (the “**Company**” and, as reorganized on the Effective Date, “**Reorganized SAS AB**”) pursuant to the Plan and (b) issue to the GUCs (as defined below) Contingent Value Notes (the “**CVNs**”) due 2033, denominated in and subject to a springing maturity described in the terms and conditions to the CVNs (the “**Terms and Conditions**”) in the aggregate principal amount equal to the Contributed GUC Cash in exchange for all of the rights of the GUCs under the Plan with respect to the Contributed GUC Cash, which as of the Effective Date will be deemed to be contributed to the GUC Entity under the Plan in accordance with the Implementation Steps (as defined in Part 2: Implementation Steps and Transaction Documents below).

For all purposes hereunder and in the Plan, the GUC Entity shall be the only entity formed to receive the Contributed GUC Cash and issue the CVNs, and the CVNs shall be the only GUC Interests (i.e., an instrument issued by the GUC Entity to be distributed to holders of Allowed General Unsecured Claims that provides for a right to receive payments of GUC Cash held by the GUC Entity pursuant to the Plan and in accordance with the GUC Documents) issued, in each case, under the Plan.

Subject to certain selling and transfer restrictions set out in “Part 8: Selling and Transfer Restrictions and Other Disclaimers” hereof, the CVNs will be issued to (x) holders of Allowed General Unsecured Claims in (a) Classes 3, 4 and 5 with respect to the Company and the Consolidated Debtors and (b) Classes and 5 with respect to the Gorm Blue Entities, which may also be holders of general unsecured claims under any plan of reorganization of the Company under the Swedish company reorganization act (Sw. *lag (2022:964) om företagsrekonstruktion*) (the “**GUCs**”), who each certify to the Debtors and the GUC Entity prior to the Effective Date that they are (i) not a “U.S. person” (as defined in Section 902(k)(1) of Regulation S of the United States Securities Act of 1933, as amended from time to time (the “**U.S. Securities Act**”)) or (ii) a U.S. person and a “qualified purchaser” (as defined in Section

¹ Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Plan.

² “**GUC Cash**” means cash proceeds in the aggregate amount of \$250,000,000 from a portion of the Investors’ subscription for, and purchase of, the Investor Equity and Convertible Notes Purchasers’ purchase of the Convertible Notes.

2(a)(51)(A) of the Investment Company Act of 1940, as amended (the “**Investment Company Act**”) and (y) a corporate service provider to be appointed in its capacity as holding period trustee pursuant to the Plan (the “**Holding Period Trustee**”) on behalf of certain GUCs (as set forth herein). The GUCs who cannot deliver the foregoing certification, as well as the GUCs who hold a contingent right to receive Contributed GUC Cash in an amount that is less than the minimum denomination value of the CVNs, will be deemed “**Ineligible Persons**”. The GUCs who fail to deliver the required certifications and supporting documentation by the expiration of the holding period as set forth in the GUC Holding Period Trust Deed (as defined below) will be deemed “**Disqualified Persons**”. If a GUC is a Disqualified Person or an Ineligible Person, all CVNs otherwise distributable to such GUC shall be distributed to the Holding Period Trustee on the Effective Date, to be held in trust for such GUC in accordance with the terms of the GUC Holding Period Trust Deed. Any CVNs issued by the GUC Entity that have not been claimed by the GUCs for whom such CVNs are being held will be sold by the Holding Period Trustee in accordance with the terms of the GUC Holding Period Trust Deed. The GUCs whose entitlement to CVNs are sold by the Holding Period Trustee will have a period of time to collect the proceeds of sale from the Holding Period Trustee. If those proceeds are not collected in accordance with the terms of the GUC Holding Period Trust Deed, then the proceeds will be remitted to Reorganized SAS AB.

[The CVNs will be issued in minimum denominations of €[150,000] and in integral multiples of €1,000 in excess thereof].³

The GUC Entity may, at any time and without the prior consent of the CVN holders, decide to have the CVNs represented by one or more global certificates (each a “**Global Certificate**” and together, the “**Global Certificates**”), which will be deposited with a common depository on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and/or any other clearing system. The GUC Entity intends to procure the issuance of one or more international securities identification numbers in respect of the CVNs.

The GUC Entity intends to list the CVNs on the Official List of the Luxembourg Stock Exchange (or such other international listing exchange as is acceptable to the Unsecured Creditors Committee, the Debtors and Required Investors) and seek their admission to trading on the Euro MTF Market thereof. There can be no assurance, however, that the CVNs will be listed on the Official List of the Luxembourg Stock Exchange (or such other international listing exchange as is acceptable to the Unsecured Creditors Committee, the Debtors and Required Investors) or admitted to trading on the Euro MTF Market thereof or that such listing will be maintained.

The CVNs are a limited recourse obligation of the GUC Entity. The GUC Entity’s ability to satisfy its payment obligations under the CVNs will be subordinated and limited to its assets

³ Remains subject to negotiation.

remaining after payment of all liabilities of the GUC Entity under the GUC Agreement (as defined below) and any reasonable provisions retained by the GUC Entity to pay any liabilities of the GUC Entity for operating costs and any other expenses, liabilities and costs of the GUC Entity including a once-off provision of \$10,000 for the dissolution of the sole shareholder of the GUC Entity. To the extent that such assets are ultimately insufficient to satisfy any and all obligations under the CVNs in full, then the GUC Entity shall not be liable for any shortfall under the CVNs and no GUCs or any holders of the CVNs shall have any further claims against the GUC Entity in respect of the CVNs. Such assets and proceeds shall be deemed to be “ultimately insufficient” as at such time when no further assets of the GUC Entity are available to satisfy any outstanding claims of any holders of the CVNs and no assets will reasonably likely be so available thereafter. The GUC Entity shall have no further liability with respect to the CVNs at or after such time.

For a more detailed description of the CVNs, see “Part 3: Summary of the CVNs”.

Investing in the CVNs involves risks. See “Risk Factors” in Part 4: Risk Factors.

The GUC Entity and the Debtors incorporate by reference into this Information Statement the documents that are attached hereto as appendices, exhibits, or schedules, which documents form an integral part of this Information Statement. Information that is incorporated by reference is an important part of this Information Statement. Accordingly, the GUC Entity and the Debtors are disclosing important information to you by referring you to those documents. Certain information that the GUC Entity and the Debtors publicly file after the date of this Information Statement will automatically update and supersede the information included or incorporated by reference herein.

Part 2: Implementation Steps and Transaction Documents

The transactions relating to the GUC Entity and the GUC Interests under the Plan (the “**GUC Transactions**”) shall be implemented in the following steps, which are further detailed in Appendix A attached hereto (the “**Implementation Steps**”):

- 1) Prior to the Effective Date, a Stichting (the “**Dutch Foundation**”) will be established in The Netherlands and the GUC Entity will be formed in Luxembourg. Shares of the GUC Entity will then be transferred to the Dutch Foundation for \$20,000, paid for by the Company on behalf of the Dutch Foundation, which will result in the GUC Entity becoming a wholly-owned subsidiary of the Dutch Foundation.
- 2) On the Effective Date, or as soon as practically possible thereafter in order to allow for the SCRO Registration, the Company and the GUC Entity will enter into the GUC Agreement, after which the Company will transfer the Contributed GUC Cash to the GUC Entity.
- 3) Simultaneously with Step 2 above, the GUC Entity will issue to the GUCs the CVNs, subject to a springing maturity as described in the Terms and Conditions, in the aggregate principal amount equal to the Contributed GUC Cash (subject to the fulfilment by the GUCs of certain conditions) in exchange for all of the rights of the GUCs under the Plan with respect to the Contributed GUC Cash, which as of the Effective Date will be deemed to be contributed to the GUC Entity under the Plan.
- 4) The CVNs otherwise distributable to Disqualified Persons or Ineligible Persons will be delivered to the Holding Period Trustee to be held in the Holding Period Trust for the benefit of such Disqualified Persons and Ineligible Persons in accordance with the GUC Holding Period Trust Deed.

The following lists the material “GUC Documents” related to, or to be entered into by the Company or Reorganized SAS AB (or other Debtors) and/or the GUC Entity, in connection with the GUC Transactions, and are each incorporated herein by reference:

GUC Agreement: Agreement, the material terms of which are attached hereto as Appendix B, to be entered into between Reorganized SAS AB, on behalf of itself and certain other persons, and the GUC Entity, which provides, among other things, (a) that the Contributed GUC Cash will be funded to the GUC Entity, (b) for the obligations of the GUC Entity with respect to the Contributed GUC Cash, including the obligation to release the Contributed GUC Cash solely in accordance with Section 5.4 of the Plan, (c) for certain consent rights of Reorganized SAS AB with respect to the activities of the GUC Entity, (d) that the Dutch Foundation will pledge to Reorganized SAS AB all of its right, title and interest in and to the equity of the GUC Entity as a security interest for the performance by the GUC Entity of all obligations under the GUC Agreement, (e) that the GUC Entity will grant a security interest in the GUC Entity’s interest in (i)

the Contributed GUC Cash and (ii) the bank, brokerage or other similar accounts in which the Contributed GUC Cash and/or the investment property in which the Contributed GUC Cash is converted is held (and use commercially reasonable efforts to assist the Company to perfect such Account Pledge (as defined below) if so requested by the Company) as security for the performance by the GUC Entity of all obligations under the GUC Agreement, which shall only be exercisable in the event of (x) a default by the GUC Entity of its financial obligations in excess of the aggregate amount of US\$1 million under the GUC Agreement; or (y) insolvency or commencement of insolvency proceedings by the GUC Entity (subject to certain conditions) and (f) establishes certain requirements regarding the governance of the GUC Entity, including, but not limited to, composition of the GUC Entity's board of directors.

GUC Holding Period Trust Deed: Deed, in substantially the form attached hereto as Appendix C, creating a trust for a holding period of nine months, which trust will hold the CVNs for Ineligible Persons and Disqualified Persons for the benefit of such persons. At the conclusion of such holding period, the CVNs will be sold and the net proceeds paid to the Ineligible Persons and Disqualified Persons, as applicable, pro rata in accordance with the proportion of face value of CVNs held by such person as compared to the face value of all CVNs held in trust.

The GUC Entity's Articles of Association: Organizational document, in substantially the form attached hereto as Appendix D, setting out the governing framework of the GUC Entity.

Dutch Foundation Articles of Association: Organizational document, in substantially the form attached hereto as Appendix E, setting out the governing framework of the Dutch Foundation.

Investor Questionnaire: Questionnaire, in substantially the form attached hereto as Appendix F, setting forth the required certifications (and supporting documentation) as to each GUCs eligibility to receive CVNs.

Part 3: Summary of the CVNs

The following is a summary of the CVNs, which is qualified in its entirety by the remainder of this Information Statement and the full terms of the CVNs, which can be found in Part 4 hereof. Words and expressions defined in the full terms of the CVNs shall have the same meanings in this summary.

Issuer: [GUC Entity], a private limited liability company (*société à responsabilité limitée*) that will be incorporated and organized under the laws of Luxembourg.

Description of placement: Please refer to Part 7: Conditions to Receipt of CVNs and Holding Period Trust.

ISIN: The GUC Entity intends to procure the issuance of one or more international securities identification numbers in respect of the CVNs.

Form of the CVNs: The GUC Entity may, at any time and without the prior consent of the CVN holders, decide to have the CVNs represented by Global Certificates which are hereby incorporated by reference, and which will be deposited with a common depository on behalf of Euroclear and Clearstream, Luxembourg and/or any other clearing system.

[The CVNs will be issued in registered form in authorized minimum amounts of €[150,000] and integral multiple amounts of €1,000 in excess thereof].

Listing: Application will be made for the CVNs to be listed on the Official List of the Luxembourg Stock Exchange (or such other international listing exchange as is acceptable to the Unsecured Creditors Committee, the Debtors and Required Investors) and seek their admission to trading on the Euro MTF Market thereof (the “**Exchange**”). There can be no assurance, however, that the CVNs will be listed on any Exchange, that such permission to deal in the CVNs will be granted or that such listing will be maintained.

Size: Aggregate principal amount of CVNs in cash equal to the amount of Contributed GUC Cash in Euro.

Purpose: The CVNs will be issued in exchange for all of the rights of the GUCs under the Plan with respect to the Contributed GUC Cash.

Security: The GUC Entity shall:

(a) establish a segregated account, separate from the principal amount of the Contributed GUC Cash, to hold any interest and investment income earned and accrued on the Contributed GUC Cash (the “**Interest and Investment Income Account**”);

(b) grant a security interest in the GUC Entity’s interest in (i) the Contributed GUC Cash and (ii) the bank, brokerage or other similar accounts in which the Contributed GUC Cash and/or the investment property in which the Contributed GUC Cash is converted is held (the “**Account Pledge**”) (and use commercially reasonable efforts to assist the Company to perfect such Account Pledge if so requested by the Company) as security for the performance by the GUC Entity of all obligations under the GUC Agreement, which shall only be exercisable in the event of (x) a default by the GUC Entity of its financial obligations in excess of the aggregate amount of US\$1 million under the GUC Agreement; or (y) insolvency or commencement of insolvency proceedings by the GUC Entity; *provided* that the Company shall agree to forbear from any enforcement under the Account Pledge until such time as an asserted default has been determined by the Bankruptcy Court; *provided further* that, in the event that the Account Pledge is exercised by the Company, the Company and the GUC Entity shall remain entitled to the Contributed GUC Cash to the same extent (if any) that it is entitled to such Contributed GUC Cash pursuant to the terms of the GUC Agreement and under the CVNs; and

(c) procure that the Dutch Foundation will grant to Reorganized SAS AB a security interest in and to all of the right, title and interest of the GUC Entity shares (the “**Share Pledge**”) as security for the performance by the GUC Entity of all of its obligations under the GUC Agreement.

Guarantee: None.

Status of the CVNs: The CVNs will be a limited recourse obligation of the GUC Entity. The GUC Entity's ability to satisfy its payment obligations under the CVNs will be subordinated to its obligations related thereto under the GUC Agreement limited to its assets remaining after payment of all liabilities of the GUC Entity under the GUC Agreement and any reasonable provisions retained by the GUC Entity to pay any liabilities of the GUC Entity for operating costs and any other expenses, liabilities and costs of the GUC Entity, including a once-off provision of \$10,000 for the dissolution of the sole shareholder of the GUC Entity.

To the extent that such assets are ultimately insufficient to satisfy any and all obligations under the CVNs in full, then the GUC Entity shall not be liable for any shortfall under the CVNs, and the GUCs or any holders of the CVNs shall not have any further claims against the GUC Entity in respect of the CVNs. Such assets and proceeds shall be deemed to be "ultimately insufficient" as at such time when no further assets of the GUC Entity are available to satisfy any outstanding claims of any holders of the CVNs and no assets will reasonably likely be so available thereafter and the GUC Entity shall have no further liability with respect to the CVNs at or after such time.

Certain rights of the holders of CVNs not related to payment under the CVNs will be unable to be exercised against the GUC Entity by one or more holders, acting individually or as a group, as a result of the appointment of the Creditor Oversight Committee (described further below). Holders of CVNs will have rights to replace members of the Creditor Oversight Committee under, and in accordance with the terms of, the CVNs. As described below, the Creditor Oversight Committee will have certain consent and consultation rights relating to the State Non-Tax Claims.

Transfer of the CVNs: The CVNs may be transferred in accordance with Condition 1.5 (*Transfer Restrictions*) of the Terms and Conditions.

Issue price: 100.0%.

Settlement: The CVNs will be deposited in Euroclear / Clearstream, if deemed eligible. Otherwise, the CVNs will be settled outside the clearing and settlement systems.

Redemption: The CVNs will be redeemable at par.

Optional redemption: The CVNs may be redeemed at par before their stated maturity at the option of the GUC Entity (either in whole or in part) upon the giving of 10 business days' notice. If they are redeemed in part before their stated maturity, they shall be redeemed at par together with interest accrued and unpaid to the date fixed for redemption across each holder's holding of CVNs pro rata.

Maturity date: December 31, 2033, subject to a springing maturity as described in Condition 4.4 of the Terms and Conditions.

Interest: The CVNs will be interest-bearing at a rate of eight percent (8%), payable annually in arrears on the last interest payment date of each calendar year or on such later date as is necessary for the GUC Entity to have received the investment income under the GUC Agreement, but only from Interest and Investment Income and only to the extent that such Interest and Investment Income is sufficient to make an Interest payment following payment priority obligations of the GUC Entity (including its obligations related thereto under the GUC Agreement).

Currency: The CVNs will be denominated in Euro.

Governing law: Luxembourg Law. However, the application of the following articles of the Luxembourg law of 10 August 1915 on commercial companies, as amended, to the Notes and the Terms and Conditions shall be excluded: article 470-21 and articles 470-4 to 470-7 (inclusive).

Part 4: Terms and Conditions of the CVNs

[See attached]

**TERMS AND CONDITIONS OF THE CONTINGENT VALUE RIGHT NOTES ISSUED BY [SAS GUC
LUXCO]**

1. THE NOTES

1.1 General

[SAS GUC Luxco], a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office located at 17, Boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés, Luxembourg*) under number B[●] (the “**Issuer**”) issued EUR [●] contingent value right notes (the “**Principal Amount**”), such notes being unsecured floating rate notes due 2033 and subject to limited recourse provisions (the “**Notes**”) pursuant to these terms and conditions (the “**Terms and Conditions**”).

1.2 Interpretation

Unless otherwise defined in these Terms and Conditions, capitalised terms used in these Terms and Conditions but not defined in the text shall bear the meaning ascribed thereto in Annex 1 attached hereto and constitute an integral part of these Terms and Conditions or the GUC Agreement (as defined below).

Words importing the singular shall include the plural and *vice versa*.

Nothing in these Terms and Conditions shall limit in any way the enforceability and validity of any provisions of the GUC Agreement or any other Transaction Document and, in the event of any inconsistency between these Terms and Conditions and any other Transaction Document, the terms of the applicable Transaction Document shall govern.

1.3 Form, Denomination, Title

The Notes are issued in registered form. Notwithstanding any applicable legal restrictions, the Notes are freely transferable.

The Issuer will hold a register of the Noteholders in accordance with the Luxembourg Companies Law (as defined below) (the “**Register**”).

The Notes are issued in Euros with a minimum denomination of EUR [150,000] and integral multiples of EUR 1,000 in excess thereof (the “**Nominal Value**”).

The Issuer may, at any time and without the prior consent of the Noteholders, decide to have the Notes represented by one or more global notes (each, a “**Global Certificate**” and together, the “**Global Certificates**”) which will be deposited with a common depository on behalf of Euroclear Bank S.A./N.V. (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) and/or any other clearing system.

A Global Certificate will only be exchangeable for definitive Notes respectively (i) if either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so (other than in the case of a merger or consolidation of Euroclear and Clearstream, Luxembourg) and no alternative clearing system is available or (ii) in the case of Notes represented by a Global Certificate which is not held through a clearing system, if the Issuer so elects.

For so long as any of the Notes are represented by a Global Certificate held on behalf of Euroclear and/or

Clearstream, Luxembourg, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or the Interest (as defined below), for which purpose the person registered as holder of the Global Certificate in the Register shall be treated by the Issuer and the Paying Agent as the holder of such Notes (and the expressions "Noteholder" and "holder of the Notes" and related expressions in connection with Notes held through a clearing system shall be construed accordingly). Notes which are represented by a Global Certificate will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be. All transactions (including transfers of Notes) in the open market or otherwise must be effected through an account at Euroclear or Clearstream, Luxembourg subject to and in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and title will pass upon registration of the transfer in the books of Euroclear or Clearstream, Luxembourg, as the case may be. Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any clearing system. Owners of interests in a Global Certificate will, subject to proof of ownership of such interest, be entitled to proceed directly against the Issuer either individually or by the Oversight Committee (as defined in the SAS Plan of Reorganization).

1.4 Use of Proceeds

On the Issue Date, the Noteholders shall be deemed to have purchased the Notes in the aggregate purchase price of 100% of the principal amount thereof. The proceeds of the issuance of the Notes will be applied in accordance with the GUC Agreement and the investment guidelines stipulated in the GUC Agreement.

1.5 Transfer Restrictions

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "**U.S. Securities Act**"), or the securities laws of any other jurisdiction, and, unless so registered, may not be offered, sold and resold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the securities laws of any other applicable jurisdiction.

Each Noteholder, by its acceptance thereof, will be deemed to have acknowledged, represented to, warranted to and agreed with the Issuer as follows:

(1) Each Noteholder understands and acknowledges that the Notes have not been registered under the U.S. Securities Act or any other applicable securities laws and that the Notes are being offered for resale in transactions not requiring registration under the U.S. Securities Act or any other securities laws, and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the U.S. Securities Act or any other applicable securities laws, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraphs (4), (5) and (6) below.

(2) None of the Noteholders is an "affiliate" (as defined in Rule 144 under the U.S. Securities Act) of the Issuer, is acting on behalf of the Issuer and each Noteholder is purchasing the Notes outside the United States in an offshore transaction in accordance with Regulation S or otherwise pursuant to any other available exemption from the registration requirements of the U.S. Securities Act;

(3) Each Noteholder acknowledges that none of the Issuer and any person representing the Issuer has made any representation to it with respect to the Issuer or the offer or sale of any of the Notes. It has had access to such financial and other information concerning the Issuer and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes, including an opportunity to ask questions of, and

request information from, the Issuer;

(4) Each Noteholder is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case, for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act or the securities laws of any other jurisdiction, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Notes to persons who are not U.S. persons in offshore transactions pursuant to Regulation S or any other exemption from registration available under the U.S. Securities Act, or in any transaction not subject to the U.S. Securities Act;

(6) Each Noteholder that is a U.S. person acknowledges that (i) the Issuer has not registered as an investment company pursuant to the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**"); (ii) to rely on Section 3(c)(7) of the Investment Company Act, the Issuer must have a "reasonable belief" that all holders of the Notes which are U.S. persons (including any subsequent transferees) are "qualified purchasers", as defined in Section 2(a)(51)(A) of the Investment Company Act (the "**Qualified Purchasers**"), at the time of their acquisition of the Notes and (ii) the Issuer will establish a reasonable belief for purposes of Section 3(c)(7) based upon the representations deemed made by the purchasers of the Notes and the covenants and undertakings of the Issuer referred to below.

(7) Each Noteholder (or any investor account(s) for which the purchaser is purchasing the Notes) that is a U.S. person represents that the purchaser on its own behalf and on behalf of any investor account for which it is purchasing the Notes is a Qualified Purchaser.

(8) Each Noteholder acknowledges that each Note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS IN THE UNITED STATES AND HAS BEEN INITIALLY PLACED PURSUANT TO EXEMPTIONS FROM THE SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED, AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT AS PERMITTED BY THIS LEGEND. THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS SECURITY, REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY, EXCEPT (X) IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS (I) TO A TRANSFEREE OUTSIDE THE UNITED STATES, THAT IS NOT KNOWN TO BE A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) AND THAT IS PURCHASING THIS SECURITY IN AN OFFSHORE TRANSACTION COMPLYING WITH THE PROVISIONS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (II) IN THE UNITED STATES TO A TRANSFEREE THAT IS A QUALIFIED PURCHASER, AND (Y) (1) UPON DELIVERY OF ANY CERTIFICATIONS, OPINIONS AND OTHER DOCUMENTS THAT THE ISSUER MAY REQUIRE AND (2) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THIS SECURITY MAY BE MADE, UNLESS SUCH PURCHASE, SALE OR TRANSFER WILL NOT RESULT IN (I) THE ASSETS OF THE ISSUER CONSTITUTING "PLAN ASSETS" WITHIN THE MEANING OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT ARE SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA OR SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED OR (II) THE ISSUER BEING REQUIRED TO REGISTER AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT. EACH PURCHASER OR TRANSFEREE OF THIS SECURITY WILL BE REQUIRED TO REPRESENT OR WILL BE DEEMED TO HAVE REPRESENTED THAT (I) IT IS NOT AND IS NOT USING ASSETS OF A PLAN THAT IS SUBJECT TO TITLE 1 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE AND (II) IF IT IS A U.S. PERSON, THAT IT IS A "QUALIFIED PURCHASER".

THIS SECURITY IS NOT TRANSFERABLE, EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN TO THE TRANSFEREE.

If a Noteholder purchases Notes, it will also be deemed to acknowledge that the foregoing restrictions apply to

holders of beneficial interests in these Notes as well as to holders of these Notes.

(9) Each Noteholder agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on the transfer of such Notes;

(10) Each Noteholder acknowledges that the notes registrar will not be required to accept for registration or transfer any Notes acquired by it except upon presentation of evidence satisfactory to the Issuer and the notes registrar that the restrictions set forth therein have been complied with;

(11) Each Noteholder acknowledges that the Issuer and others will rely upon the truth and accuracy of its acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by its purchase of the Notes is no longer accurate, it shall promptly notify the Issuer. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account;

(12) Each Noteholder understands that no action has been taken in any jurisdiction (including the United States) by the Issuer that would result in a public offering of the Notes or the possession, circulation or distribution of any other material relating to the Issuer or the Notes in any jurisdiction where action for such purpose is required.

(13) Each Noteholder represents that it is not a “retail investor” in the European Economic Area (the “**EEA**”). For the purposes of this paragraph, the expression “retail investor” means a person who is one (or more) of the following: (i) a “retail client” as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Directive 2016/97/EU, as amended (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a “qualified investor” as defined in Regulation (EU) 2017/1129 Regulation (EU) 2017/1129 (as amended), including any applicable implementing measures in each relevant jurisdiction (the “**EU Prospectus Regulation**”).

(14) Each Noteholder represents that it is not a “retail investor” in the United Kingdom. For purposes of this paragraph, the expression “retail investor” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a “qualified investor” as defined in Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

(15) Each Noteholder understands and acknowledges that: (i) the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any “retail investor” in the EEA or any “retail investor” in the United Kingdom (as defined in paragraph 15 above); (ii) no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIPs Regulation**”) in the EEA or for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIPs Regulation; and (iii) no key information document required by the PRIPs Regulation as it forms part of domestic law by virtue of the EUWA (the “**U.K. PRIPs Regulation**”) in the United Kingdom or for offering or selling the Notes or otherwise making them available to retail investors in the United Kingdom (as defined in paragraph 15 above) has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the U.K. PRIPs Regulation.

(16) Each Noteholder understands and acknowledges that the Notes may not be offered or sold to the public in the European Economic Area, directly or indirectly, except in circumstances which do not constitute an offer of

securities to the public which benefits from an exemption to, or constitutes a transaction not subject to, the requirement to publish a prospectus in accordance with the EU Prospectus Regulation.

1.6 **Cancellation**

All Notes redeemed shall be cancelled and may not be reissued or sold.

1.7 **Rating**

The Notes will not be rated.

1.8 **Non-Amortizing**

The Notes shall be non-amortizing, and the Issuer shall have no obligation to make any periodic principal payments in respect of the Notes, save as may be contemplated by the GUC Agreement.

2. RIGHTS AND OBLIGATIONS UNDER THE NOTES

2.1 **Status of the Notes**

The Notes will rank equally amongst themselves but shall be limited recourse Notes by reference to Condition 2.3 below.

2.2 **Obligations under the Notes**

The Notes are direct, and, except as set forth in Condition 2.3 below, unconditional obligations of the Issuer.

The Notes are not, and will not be secured, nor guaranteed by any direct or indirect shareholder of the Issuer or any of their affiliates or any other third person or entity and none of the foregoing assumes or will assume any liability or obligation to the Noteholders if the Issuer fails to make any payment due in respect of the Notes.

2.3 **Limited Recourse and Subordination**

The Notes are direct and limited recourse obligations of the Issuer.

The Issuer's ability to satisfy any and all payment obligations under the Notes will be limited to its assets remaining after payment of all liabilities of the Issuer under the GUC Agreement, including the expenses and any payments of the State Non-Tax Claims and other operating costs of the Issuer.

Notwithstanding anything herein to the contrary, the Issuer's obligation to pay interest pursuant to the terms hereof shall (a) be limited solely to the assets in the Interest and Investment Income Account following satisfaction of the Issuer's obligations under the GUC Agreement as of the time of such Interest Payment Date and (b) shall not attach in any way to the principal amount of the Contributed GUC Cash (as defined in the GUC Agreement), except in the event of a Final Payment (as defined in the GUC Agreement) to the holders of the Notes.

Notwithstanding anything to the contrary in these Terms and Conditions, all amounts payable or expressed to be payable by the Issuer in respect of the Notes shall be recoverable solely out of the assets of the Issuer remaining after payment of all liabilities of the Issuer under the GUC Agreement, including the expenses, any payments of the State Non-Tax Claims and other operating costs of the Issuer, and any other expenses, liabilities and costs of the Issuer including a once-off provision of EUR 10,000 for the dissolution of the sole shareholder of the Issuer, and the Noteholders will look solely to the assets of the Issuer for the payment of all amounts payable or expressed to be payable to them by the Issuer in respect of the Notes and such payments being made in accordance with these Terms and Conditions.

To the extent that such assets are ultimately insufficient to satisfy the claims in full, then the Issuer shall not be liable for any shortfall arising hereunder, non-payment of any amounts under these Notes shall not constitute a default under these Terms and Conditions, and the parties hereto shall not have any further claims against the Issuer in respect of the Notes. Such assets and proceeds shall be deemed to be "ultimately insufficient" as at such time when no further assets of the Issuer are available to satisfy any outstanding claims of any Noteholder and no assets will reasonably likely be so available thereafter, and the Issuer shall have no further liability with respect to the Notes at or after such time.

Notwithstanding anything herein to the contrary, each holder of any Notes agrees and, by virtue of its ownership or purchase of such Notes, is deemed to agree that any and all obligations of the Issuer in respect of the Notes (including, but not limited to, payment obligations) shall be subject to and subordinate in all respects to each and every obligation (including payment obligations) of the Issuer under the GUC Agreement, including, without limitation any payments of the State Non-Tax Claims. So long as the GUC Agreement remains outstanding, no holder of these Notes, nor the Oversight Committee, the Noteholders, nor the Paying Agent shall (and expressly waives its right to) seek any monetary relief from the Issuer, including for any breach of the terms hereof except to the extent of any amounts held in the Interest and Investment Income Account (as defined below) pursuant to the terms hereof and the GUC Agreement.

2.4 Standstill

At any time prior to the earlier of (a) the discharge of all of the Issuer's obligations under the GUC Agreement and (b) the termination of the GUC Agreement in accordance with its terms, any direct or indirect holder of any Notes: (1) shall not be entitled to take or direct any other party to take any enforcement action (including but not limited to any action with respect to the declaration of any default or any acceleration of the Notes) against the Issuer in respect of any of the Notes, (2) shall not contest, protest or object to any exercise by the Issuer of any of its rights under the GUC Agreement or with respect to the Notes or (3) shall not object to (and shall be deemed to waive any and all claims with respect to) any forbearance by the Issuer with respect to its rights under the GUC Agreement.

3. GENERAL COVENANTS OF THE ISSUER

3.1 The Issuer hereby covenants that, so long as any of the Notes remains outstanding, and except to the extent doing so would violate the GUC Agreement, it will:

- (a) at all times keep such books of account as may be necessary to comply with all applicable laws and so as to enable the financial statements of the Issuer to be prepared;
- (b) send to the Noteholders, (i) within 120 days of the end of each financial year, a copy of the Issuer's audited financial statements together with a report from the board of directors, and (ii) within 60 days of the end of each three-month period, a copy of the Issuer's unaudited condensed consolidated financial statements together with a commentary on investment performance and any related information of material and/or significant effect;
- (c) inform the Noteholders as soon as reasonably practicable if it becomes aware that transactions contemplated by the Terms and Conditions are in breach of any applicable law, regulations, or an official public interpretation by the applicable Luxembourg regulators, and will take the appropriate and reasonable steps to put the Terms and Conditions in compliance with the new law or regulations, except where the costs to doing so would appear unreasonable with regard to the profits expected to be derived from the transactions contemplated by the Terms and Conditions; and
- (d) as soon as reasonably practicable upon becoming aware give notice to the Noteholders that if it is required by law to withhold or account for tax in respect of any payment due in respect of the Notes.

3.2 Whenever the Issuer sends an annual report or other periodic report to the holders of the Notes, it will send a reminder notice (each, a “**Reminder Notice**”) to the holders of the Notes. Each Reminder Notice will state that (1) each Noteholder (or holder of an interest in a Note) that is a U.S. person must be able to make the representations set forth in paragraphs (6) and (7) of Condition 1.5 (*Transfer Restrictions*) above (the “**3(c)(7) Representations**”); (2) the Notes (or interests in the Notes) are transferable only to U.S. person purchasers deemed to have made the 3(c)(7) Representations and satisfy the other transfer restrictions applicable to the Notes; and (3) if any Noteholder (or holder of an interest in a Note) that is a U.S. person is determined not to be a Qualified Purchaser or to satisfy the other transfer restrictions applicable to the Notes, then the Issuer will have the right (exercisable in its sole discretion) to treat the transfer to such purchaser as null and void and require such purchaser to sell all of its Notes (and all interests therein) to a transferee designated by the Issuer.

3.3 The Issuer will send (or cause to be sent) a copy of each annual or other periodic report (and each Reminder Notice) to Euroclear and Clearstream, Luxembourg with a request that participants provide them to the beneficial owners of the Notes.

3.4 The Issuer agrees that, without the prior consent of the Oversight Committee granted in accordance with Condition 9 below, it will not:

- (a) engage in any activity which is not reasonably related to any of the activities which the GUC Agreement provides or envisages;
- (b) have any employees, subsidiaries or premises or purchase, own, lease or otherwise acquire any real property (other than premises at its registered office in Luxembourg);
- (c) incur or permit to subsist any indebtedness in respect of borrowed money whatsoever, except as permitted pursuant to the Transaction Documents (as defined below) unless the foregoing are done in respect of the general estate of the Issuer for the purpose of complying with these Terms and Conditions;
- (d) dispose of any of its assets, except as permitted pursuant to these Terms and Conditions and the GUC Agreement;
- (e) create or permit to subsist any mortgage, pledge, lien (unless arising by operation of law) or charge upon, or sell, transfer, assign, exchange or otherwise dispose of, the whole or any part of, its assets, present or future (including any uncalled capital) or its undertaking other than pursuant to the Transaction Documents;
- (f) consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entirety to any other person, except as contemplated under the Transaction Documents;
- (g) permit the validity or effectiveness of the Transaction Documents to be impaired or permit the Transaction Documents to be amended, hypothecated, subordinated, terminated or discharged, or permit any person to be released from any covenants or obligations with respect to the Transaction Documents, except as may be expressly permitted hereby or by the Transaction Documents;
- (h) purchase, subscribe for or otherwise acquire any shares (or other securities or any interest therein) in, or incorporate, any other company or agree to do any of the foregoing other than in accordance with the Transaction Documents;
- (i) amend or alter the Articles of Association in a material manner, unless such amendment is not prejudicial to the interests of the Noteholders; and
- (j) consent to any variation of, or exercise any powers of consent or waiver pursuant to, the Transaction Documents other than in accordance with these Terms and Conditions.

Failure by the Issuer to comply with any of the covenants in this Condition 3 shall not entitle any Holder or any other Person to accelerate the Notes or to any right to payment prior to the Maturity Date. The sole right of the Noteholders to payments in respect of the Notes shall be as set forth in Condition 2.3 above.

4. PAYMENTS

4.1 Payments under the Notes

The Issuer has appointed a paying agent, authorized by the Issuer to pay the principal or the Interest (as defined below) on behalf of the Issuer. The Issuer will, at all times, maintain one or more paying agents (each, a "**Paying Agent**") for the Notes.

All payments will be made by the Paying Agent through Euroclear and Clearstream, Luxembourg.

Payment of any Interest can be made only out of interest and investment earnings available on the Interest and Investment Income Account on any Interest Payment Date and not from the GUC Cash (as defined below).

All payments to the Noteholders shall be subject to the condition that, if a payment is made to a Noteholder is undue or was made in breach of these Terms and Conditions, such Noteholder shall repay the amount so received to the Issuer Account.

To the extent the Issuer has insufficient funds to make any such Interest Payment on any Interest Payment Date after considering the provision of Condition 2.3 above on the relevant Interest Payment Date, then such amount shall remain outstanding until the next Interest Payment Date but shall not be added to outstanding principal for the calculation of additional interest.

4.2 Business Days and Day Count Calculation

If the date for any payment is not a Business Day, such payment shall be made on the following Business Day and shall not bear any interest due to such delay.

Any interest, commission or fee, as applicable, accruing under the Notes will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days.

4.3 Issuer Account

Issuance proceeds pursuant to the issuance of the Notes shall be credited to the Issuer Account.

4.4 Maturity Date

The Notes will mature on the MaturityDate (as defined below).

4.5 Floating Interest

Interest on the Notes (the "**Interest**") accrue at a rate per annum, reset quarterly, equal to the sum of (i) three-month EURIBOR (and, if that rate is less than zero, EURIBOR shall be deemed to be zero) plus (ii) 8.00% per annum, as determined by the Calculation Agent (as defined below) (the "**Applicable Rate**").

The Interest will:

- accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid;
- be payable annually in arrears on the last Business Day of the calendar year (the "**Interest Payment Date**"), or on such later date as if necessary for the Issuer to have received the investment income under the GUC Agreement;

- be limited solely to the assets in the Interest and Investment Income Account following satisfaction of the Issuer's obligations under the GUC Agreement as of the time of such Interest Payment Date;
- not attach in any way to the principal amount of the Contributed GUC Cash (as defined in the GUC Agreement), except in the event of a Final Payment (as defined in the GUC Agreement) to the holders of the Notes;
- be payable to the Noteholder of record of such Notes on the Business Day immediately preceding the relevant Interest Payment Date; and
- be computed on the basis of a 365-day year and the actual number of days elapsed.

Each interest period ("**Interest Period**") shall commence on and include the relevant Interest Payment Date and end on (but not include) the next succeeding Interest Payment Date, with the exception that the first Interest Period shall commence on and include the Issue Date.

Set forth below is a summary of certain of the provisions relating to the calculation of the Interest.

"**Calculation Agent**" means a financial institution appointed by the Issuer to calculate the interest rate payable on the Notes in respect of each Interest Period, which shall initially be [●].

"**Determination Date**" means, with respect to an Interest Period, the day that is two TARGET Settlement Days preceding the first day of such Interest Period.

"**EURIBOR**" means, with respect to an Interest Period, the rate (expressed as a percentage per annum) for deposits in euro for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date that appears on Reuters Page EURIBOR01 as of 11:00 a.m. (Brussels time) on the Determination Date; provided, however, that EURIBOR shall never be less than 0%. If Reuters Page EURIBOR01 does not include such a rate or is unavailable on a Determination Date, the Issuer or an agent of the Issuer will request the principal London office of each of four major banks in the eurozone inter-bank market, as selected by the Issuer or an agent of the Issuer, to provide such bank's offered quotation (expressed as a percentage per annum) as of approximately 11:00 a.m. (Brussels time) on such Determination Date, to prime banks in the eurozone inter-bank market for deposits in a Representative Amount in euro for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such offered quotations are so provided, EURIBOR for such Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, the Issuer or an agent of the Issuer will request each of three major banks in London, as selected by the Issuer or an agent of the Issuer, to provide such bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m. (Brussels time) on such Determination Date, for loans in a Representative Amount in euro to leading European banks for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such rates are so provided, EURIBOR for such Interest Period will be the arithmetic mean of such rates. If fewer than two such rates are so provided, then EURIBOR in respect of such Interest Period will be the EURIBOR in effect with respect to the immediately preceding Interest Period.

If the Issuer determines, prior to any Determination Date, that:

- (1) there has been a material disruption to EURIBOR;
- (2) EURIBOR is not available for use temporarily, indefinitely or permanently;
- (3) there are restrictions or prohibitions on the use of EURIBOR;

- (4) an alternative rate has replaced EURIBOR in customary market practice in the international capital markets applicable generally to floating rate notes; or
- (5) it has become unlawful for the Calculation Agent, the Issuer or a third-party agent of the Issuer to calculate any payments due to Noteholders using EURIBOR,

a Rate Determination Agent, acting in good faith and in a commercially reasonable manner, shall select a successor rate to EURIBOR that is substantially comparable to EURIBOR or that has been recommended or selected by the relevant monetary authority or similar authority (or working group thereof) or by a widely recognized industry association or body or that is expected to develop as an industry accepted rate for debt market instruments such as or comparable to the Notes (and any applicable adjustment spread required to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of EURIBOR (the “**Adjustment Spread**”)) for use in calculating the Applicable Rate (the “**Successor Rate**”), and the Issuer shall certify (by way of an Officer’s Certificate) to each of the Calculation Agent and the Paying Agent, at least five Business Days prior to any Determination Date, such Successor Rate (and the Adjustment Spread) (upon which each of the Calculation Agent and the Paying Agent shall be entitled to rely conclusively and absolutely without further enquiry, investigation, verification or liability of any kind whatsoever), which shall be used by the Calculation Agent to calculate the Applicable Rate. Noteholders shall be bound by any such Successor Rate (and Adjustment Spread) without any further action or consent by the Noteholders. For the avoidance of doubt, the sum of the Successor Rate and the Adjustment Spread shall, in all cases, not be less than 0%. The Issuer shall promptly notify the Noteholders of the adoption of any Successor Rate (and Adjustment Spread). Following the adoption of any Successor Rate and Adjustment Spread, all references to “EURIBOR” in the Terms and Conditions shall be deemed to refer to such Successor Rate (and such Adjustment Spread).

“**euro-zone**” means the region comprised of member states of the European Union that at the relevant time have adopted the euro as their official currency.

“**Rate Determination Agent**” means (i) an independent financial institution of international standing or an independent financial adviser of recognized standing (that is not an affiliate of the Issuer) as appointed by the Issuer at the expense of the Issuer or (ii) if it is not reasonably practicable to appoint a party as referred to under (i), the Issuer.

“**Representative Amount**” means the greater of (i) €1,000,000 and (ii) an amount that is representative for a single transaction in the relevant market at the relevant time.

“**Reuters Page EURIBOR01**” means the display page so designated on Reuters (or such other page as may replace that page on that service, or, if no such page is available, such other service as may be nominated as the information vendor).

“**TARGET Settlement Day**” means any day on which the real time gross settlement system (T2) operated by the Eurosystem (or any successor thereto) is open for the settlement of payments in euro.

The Calculation Agent shall, as soon as practicable after 11:00 a.m. (Brussels time) on each Determination Date, determine the Applicable Rate and calculate the aggregate amount of interest payable on the Notes in respect of the following Interest Period (the “**Interest Amount**”) and notify the Issuer in writing thereof. The Interest Amount shall be calculated by applying the Applicable Rate to the principal amount of the Notes outstanding on the Determination Date, multiplying each such amount by the actual amount of days in the Interest Period concerned divided by 365; provided, however, that interest shall only be paid in respect of Notes outstanding on the applicable interest payment date. All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one millionths of a percentage point being rounded upwards.

All euro amounts used in or resulting from such calculations will be rounded to the nearest euro cent (with one half euro cent being rounded upwards). The determination of the Applicable Rate and the Interest Amount by the Calculation Agent shall, in the absence of willful default, fraud or manifest error, be final and binding on all parties. The Paying Agent shall not be responsible for, nor incur any liability in connection with, any loss resulting from any calculation made, or intended to be made, by the Calculation Agent.

The rights of Noteholders of beneficial interests in the Notes to receive the payments of interest on such Notes are subject to applicable procedures of Euroclear and Clearstream, Luxembourg. If the due date for any payment in respect of any Notes is not a Business Day at the place at which such payment is due to be paid, the Noteholder thereof will not be entitled to payment of the amount due until the next succeeding Business Day at such place, and will not be entitled to any further interest or other payment as a result of any such delay.

4.6 Calculation of Interest Amount

The Calculation Agent will, on or as soon as practicable after each date on which the Applicable Rate is to be determined, determine the Applicable Rate, and calculate the amount of interest (the “**Interest Amount**”) payable on the Notes in respect of the relevant Interest Period. The Interest Amount shall be calculated by applying the Applicable Rate to the outstanding principal amount multiplying such sum by 365 and rounding the resulting figure to the nearest sub-unit of Euro, one half of such a sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

5. Priorities of Payments

Without prejudice to paragraph 2 below, the amounts standing to the credit of the Interest and Investment Income Account after the Issuer satisfies its obligations relating thereto under the GUC Agreement (including operating expenses and other obligations) on each Interest Payment Date shall be applied in respect of the Notes by the Issuer in making the following payments or provisions for the Notes, if due and payable, in the following order of priority but, in each case, only to the extent that there are funds available for the purpose and all payments or provisions of a higher priority that fall due to be paid or provided for on such day have been made in full:

- (a) *first*, in or towards payment of the fees and expenses of the Issuer related to the issuance and maintenance of the Notes;
- (b) *second*, in or towards payment of any tax liabilities, if applicable;
- (c) *third*, in or towards payment on a *pro rata* basis of all amounts then due and payable by the Issuer in respect of any unpaid Interest from any previous Interest Payment Date; and
- (d) *last*, towards payment on a *pro rata* basis of all amounts then due and payable by the Issuer in respect of accrued Interest for the current Interest period.

Item (d) shall only apply if the Interest Payment Date is a date on which principal is reimbursed in accordance with Condition 6 (*Redemption*) below.

In accordance with Condition 7 (*Taxation*) below, the Noteholders acknowledge that any amount that are due under the Notes are subject to the prior payment, where required, of any tax liabilities by the Issuer in respect of the Notes and any payment thereunder.

6. REDEMPTION

6.1 At Maturity

Unless previously redeemed in accordance with Condition 6.2 below, the Issuer will, on the Maturity Date redeem each Note at the Redemption Price.

6.2 Optional Redemption of the Issuer

Subject to the requirements of the GUC Agreement and a ten (10) Business Days prior written notice given by the Issuer to the Noteholder(s), the Issuer may decide, at any time prior to the Maturity Date, to redeem all or part of the outstanding Notes at their Redemption Price plus accrued and unpaid Interest at the date on which the optional redemption is exercised (the “**Early Redemption Date**”).

The Issuer shall give notice thereof to the relevant Noteholders in accordance with Condition 8 (*Notices*) below.

7. TAXATION

7.1 Taxation

All payments in respect of the Notes shall only be made after the deduction and withholding of current or future taxes, levies or governmental charges, regardless of their nature, which are imposed, levied or collected under any applicable system of law or in any country which claims fiscal jurisdiction by, or for the account of, any political sub-division thereof or government agency therein authorised to levy taxes, to the extent that such deduction or withholding is required by law (collectively, “**Taxes**”).

The Issuer shall account for the deducted or withheld Taxes with the competent government agencies and shall, upon request of a Note Holder, provide evidence thereof.

7.2 Transfer Tax

The Noteholder shall pay any cost, loss or liability incurred by that Noteholder in relation to all stamp duty, registration and other similar documentary taxes payable in respect of the issuance or the transfer of the Notes.

7.3 No Gross-Up

The Notes do not provide for gross-up payments in the case that any amount payable under the Notes is or becomes subject to income taxes (including withholding taxes) or taxes on capital.

If any withholding or deduction on account of taxes is imposed with respect to payments by the Issuer under the Notes, the amounts payable by the Issuer under the Notes will be reduced by the amount of such withholding or deduction.

In such case, the Issuer has no obligation to compensate the Note Holder for the lesser amount received in application of the above-mentioned taxes.

8. NOTICES

As long as the Notes are not represented by a Global Certificate, all notices to the Noteholders regarding the Notes shall be delivered in writing via email. Any such notice shall be deemed to have been given to the Noteholders on the next day after the day on which the said notice was sent.

If the Notes are represented by a Global Certificate, all notices to the Noteholders regarding the Notes shall be delivered in writing to Euroclear and/or Clearstream, Luxembourg for communication by them to the Noteholders. Any such notice shall be deemed to have been given to the Noteholders on the fifth day after the day on which

the said notice was given to Euroclear and/or Clearstream, Luxembourg.

9. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

- 9.1 Articles 470-1 through 470-20 of the Luxembourg Companies Law shall apply except as otherwise set out herein. In accordance with article 470-3 of the Luxembourg Companies Law, the holders of Notes shall together form a group (*masse des obligataires*) (a “**Noteholders Group**”).
- 9.2 The Noteholders may constitute a meeting representing together the entire body of Noteholders (the “**Meeting**”), created, *inter alia*, for the purposes of representation of the common interests of the Noteholders.
- 9.3 By receiving any Notes, the Noteholders will be deemed to have appointed the Oversight Committee to act as representative of the Noteholders. The Oversight Committee is composed of up to three members. The Oversight Committee shall have no corporate form and shall act in an advisory capacity only. The Oversight Committee shall, to the fullest extent permitted by law, have no fiduciary or other duties whatsoever to the Noteholders. The Oversight Committee may in its absolute and unfettered discretion, seek direction or a vote on any matter from the Noteholder Group. The Oversight Committee’s entitlement to costs and expenses is set out in the GUC Agreement. In the event of a vacancy on the Oversight Committee, the Noteholders may by simple majority elect replacement members. The Noteholders representing a principal amount of seventy-five percent (75%) of the Notes on issue may, no more than once annually and by special resolution replace some or all members of the Oversight Committee.
- 9.4 As long as the Oversight Committee is appointed as representative of the Noteholders, the Noteholders will be unable to exercise individually any rights attached to their Notes against the Issuer.

A meeting of the Noteholders may be convened at any time by (i) the Oversight Committee or by (ii) the management of the Issuer, and (iii) shall be convened within one (1) month by them, in accordance with article 470-9 of the Luxembourg Companies Law, upon payment of the costs and instruction by any Noteholder(s) holding in aggregate at least five percent (5%) of the outstanding Notes. Any Meeting of the Noteholders will be held in Luxembourg at the venue specified in the convening notice and at a time which cannot be earlier than ten (10) Business Days after notice of the meeting has been sent to the Noteholders. If all Noteholders are present or represented at the Meeting, they can waive the convening notice.

Every Noteholder will have the right to attend and vote at meetings of the Noteholders in person or by proxy. Every Noteholder can participate by telephone, video conference or by any other means that allow all the Noteholders to hear all the other Noteholders. Each Noteholder participating by such communication means will deem to be present.

For so long as the Notes are represented by one or more Global Certificates which are deposited with a common depository on behalf of Euroclear, Clearstream, Luxembourg or another clearing system, or a nominee of any of the above then, in respect of any matter proposed for a vote of Noteholders:

(i) where the terms of a proposed resolution have been notified to the Noteholders through the relevant clearing system(s), approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the Noteholders of not less than half the principal amount of the Notes for the time being outstanding shall be satisfactory to pass any matter requiring a simple majority of Noteholders; and

(ii) where the terms of a proposed resolution have been notified to the Noteholders through the relevant clearing system(s), approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing

system(s) in accordance with their operating rules and procedures by or on behalf of the Noteholders of not less than 3/4 of the principal amount of the Notes for the time being outstanding shall be satisfactory to pass any matter requiring a special majority of Noteholders; and

(iii) where an electronic consent under sub-paragraphs (i) or (ii) above is not being sought, for the purpose of determining whether a resolution has been validly passed, consent or instructions given in writing directly to a Calculation Agent accustomed to performing such roles by accountholders in the clearing system with entitlements to such Global Certificate or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Calculation Agent has obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "commercially reasonable evidence" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

Each Note carries one vote. Without prejudice to Condition 9.3 above, a Meeting may be convened (i) in the event of a merger involving the Issuer, (ii) in order to approve certain changes to the Noteholders' rights, (iii) generally, in order to determine any measures aimed at defending the Noteholders' interests or to ensure the exercise by the Noteholders of their rights, and (iv) to discuss and/or vote on any matter of relevance for the Noteholders.

Unless otherwise specified in these Terms and Conditions, every decision of the Meeting, except in respect of a special resolution, requires the affirmative vote of the Noteholders representing at least fifty percent (50%) of the outstanding amount of the Notes to be passed. A resolution passed at a Meeting duly convened and held shall bind all the Noteholders whether or not present at the meeting where it was passed and each of the Noteholders shall be bound to give effect to such resolution.

Each Noteholder shall have the right to consult or take copies, or cause an agent to do so on its behalf, of the text of the proposed resolutions and the reports to be presented to the meeting, at the registered office of the Issuer and, as the case may be, at any other place specified in the convening notice.

A resolution in writing signed by all Noteholders shall be valid and effectual as if it had been passed at a Meeting of the Noteholders duly convened and held. Such resolution in writing may consist of several documents in the like form each signed by or on behalf of one or more such persons.

10. MISCELLANEOUS

10.1 Place of Performance

Place of performance of the Notes shall be Luxembourg, Grand Duchy of Luxembourg.

10.2 Partial Invalidity

Without prejudice to any other provision hereof, if one or more provisions hereof is or becomes invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any person or entity, such invalidity, illegality, unenforceability in such jurisdiction or with respect to such person or entity or such omission shall not, to the fullest extent permitted by applicable law, render invalid, illegal or unenforceable such provision or provisions in any other jurisdiction or with respect to any other person or entity hereto. Such invalid, illegal or unenforceable provision or such omission shall be replaced by the Issuer, without the consent of the Noteholders, with a provision which comes as close as reasonably possible to the commercial intentions of the invalid, illegal, unenforceable or omitted provision.

10.3 Non Petition

Without prejudice to the other provisions of these Terms and Conditions, each of the Noteholders acknowledges and agrees that until the expiry of two (2) years and one (1) day after the last outstanding Note will have been redeemed, none of the Noteholders nor any party on its behalf shall initiate or join any person in initiating any Insolvency Proceedings in relation to the Issuer provided that this Condition 10.3 shall not prevent any Noteholder from taking any steps against the Issuer which do not amount to the initiation or the threat of initiation of any Insolvency Proceedings in relation to the Issuer or the Issuer or the initiation or threat of initiation of legal proceedings.

10.4 Prescription

Any claims against the Issuer under the Notes in respect of principal shall become barred by limitation (*prescrits*) on the tenth (10th) anniversary of the Maturity Date and claims against the Issuer under the Notes in respect of Interest, or otherwise, shall become barred by limitation (*prescrits*) on the fifth (5th) anniversary of the Maturity Date.

11. APPLICABLE LAW AND PLACE OF JURISDICTION

11.1 Governing Law

The form and content of the Notes and all of the rights and obligations of the Noteholders and the Issuer under the Notes, as well as all other matters arising from or connected with the Notes shall be governed in all respects by and shall be construed in accordance with the laws of Luxembourg. The application of article 470-21 of the Luxembourg Companies Law to the Notes and to the Terms and Conditions is excluded and accordingly, the Noteholders (either individually, as a group or via the Oversight Committee) may not initiate proceedings against the Issuer on the basis of article 470-21 of the Luxembourg Companies Law. The application of articles 470-4 to 470-7 (inclusive) of the Companies Law to the Notes and the Terms and Conditions is excluded.

11.2 Jurisdiction

Any dispute arising out of or in connection with these Terms and Conditions and the Notes, including a dispute regarding its existence, validity, interpretation, performance or termination, shall be subject to the exclusive jurisdiction of the courts of Luxembourg, Grand Duchy of Luxembourg.

11.3 Third-Party Beneficiary

Notwithstanding anything to the contrary herein or in any other Transaction Document, the parties hereto expressly acknowledge and agree that SAS is an express and intended third-party beneficiary of the subordination and limited recourse provisions hereof, and shall be entitled to enforce such provisions as if it were

ANNEX 1

DEFINITIONS

“**Agency Agreement**” means the agency agreement dated [●] 2024 between the Issuer as such and [●] as paying agent, registrar, transfer agent and calculation agent.

“**Articles of Association**” means the deed of incorporation of the Issuer dated [●] 2024, containing the articles of association of the Issuer, as amended and restated from time to time.

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in Luxembourg and New York, New York.

“**Calculation Agent**” means [●].

“**Expiry Date**” means (i) the Early Redemption Date or (ii) the Maturity Date, as the case may be.

“**GUC Agreement**” means a New York law governed agreement dated [●] 2024 entered into, *inter alios*, the Issuer as GUC entity and SAS as company.

“**GUC Cash**” has the meaning given to such term in the GUC Agreement.

“**Insolvency Proceedings**” means a bankruptcy (*faillite*), suspension of payments (*sursis de paiements*), insolvency, liquidation, dissolution, reorganisation, restructuring, any proceedings and measures under the Luxembourg law of 7 August 2023 on business preservation and modernisation of bankruptcy law, administrative dissolution without liquidation procedure (*procédure de dissolution administrative sans liquidation*), the appointment of a temporary administrator (*administrateur provisoire*), and any similar Luxembourg or non-Luxembourg proceedings, regimes or officers relating to, or affecting, the rights of creditors generally.

“**Interest**” has the meaning given to such term in Condition 4.5.

“**Interest and Investment Income Account**” has the meaning given to such term in the GUC Agreement.

“**Interest and Investment Income**” has the meaning given to such term in the GUC Agreement.

“**Interest Payment Date**” means has the meaning given to such term in Condition 4.5.

“**Issue Date**” means the date of issuance of the Notes, i.e. [●] 2024.

“**Issuer Account**” means the account number IBAN [●] opened in the name of the Issuer in the books of [●].

“**Issuer**” has the meaning given to such term in Condition 1.1.

“**Luxembourg Companies Law**” means the Luxembourg law of 10 August 1915 on commercial companies, as amended.

“**Luxembourg**” means the Grand Duchy of Luxembourg.

“**Maturity Date**” means the earlier of 31 December 2023 and the date on which the Final Payment (as defined in the GUC Agreement) is made.

“**Meeting**” has the meaning given to such term in Condition 9.2.

“**Nominal Value**” means the denomination of the Notes on the Issue Date.

“**Noteholders Group**” has the meaning given to such term in Condition 9.1.

“**Noteholders**” means the holders of the Notes.

“**Notes**” has the meaning given to such term in Condition 1.1.

“**Oversight Committee**” has the meaning given to such term in the SAS Plan of Reorganization.

“**Paying Agent**” means [●].

“**Redemption Price**” means one hundred percent (100%) of the Principal Amount.

“**Reference Date**” means (i) the last Business Day of the calendar year of each year, (ii) the Issue Date, (iii) the Expiry Date.

“**Reference Period**” means any period lasting from (but excluding) a Reference Date until the immediately following Reference Date (and including such date).

“**Register**” has the meaning given to such term in Condition 1.3.

“**SAS**” means SAS AB (publ).

“**SAS Plan of Reorganization**” means the second amended joint chapter 11 plan of reorganization of SAS and its subsidiary debtors dated 7 February 2024 [ECF No. 1936] (as may be amended, modified, or supplemented from time to time).

“**Taxes**” has the meaning given to such term in Condition 7.1.

“**Terms and Conditions**” means these terms and conditions of the Notes.

“**Transaction Documents**” means the Notes, the Terms and Conditions, the GUC Agreement, the SAS Plan of Reorganization, and any document entered in connection therewith (including, for the avoidance of doubt any agreement to which the Issuer is party in relation to the issue of the Notes, including, but not limited to, any subscription agreement in respect of the Notes), and the Articles of Association.

Part 5: Risk factors

Prior to voting to accept or reject the Plan or invest in or otherwise acquire the CVNs, investors should carefully consider, along with the other matters set out in the Plan, the Disclosure Statement and this Plan Supplement (including this Information Statement), the following risk factors. These comments do not purport to address all the risks associated with an investment in the CVNs. This section hereby incorporates by reference all risk factors set forth in the Disclosure Statement, set forth in Article VI thereof. Exhibits B, C and D of the Plan Supplement are hereby incorporated by reference herein.

The CVNs may not be a suitable investment for all investors.

Each potential investor in the CVNs must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should (a) have sufficient knowledge and experience to make a meaningful evaluation of the CVNs, the merits and risks of investing in or otherwise acquiring the CVNs, and the information contained in this document or any applicable supplement, (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the CVNs and the impact the CVNs will have on its overall investment portfolio, (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the CVNs, including where the currency for principal or interest payments is different from the potential investor's currency, (d) understand thoroughly the Terms and Conditions and be familiar with the behavior of any relevant financial markets, and (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisors to determine whether and to what extent (a) the CVNs are permitted investments for it and (b) other restrictions apply to its purchase of any CVNs. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the CVNs under any applicable risk-based capital or similar rules.

Each investor should also consider the tax consequences of investing in or otherwise acquiring the CVNs and consult its own tax advisors with respect to the acquisition, sale and redemption of the CVNs in light of its personal situation. For example, the treatment of CVNs and payments under the CVNs for U.S. federal income tax purposes is subject to substantial uncertainty. There is no authority directly addressing whether a contingent payment obligation with characteristics similar to the rights of the CVNs here should be treated as rights to payments under a contract, a debt instrument or an equity instrument for U.S. federal income tax purposes. Accordingly, the tax treatment to a U.S. holder of a CVN may vary significantly depending on how it characterizes a CVN for U.S. federal income tax purposes and no assurances can be given to whether such treatment and characterization is proper under the

circumstances. U.S. holders of CVNs, in particular, are encouraged to consult their own tax advisors regarding the proper characterization, method of tax accounting, tax reporting and other tax consequences applicable to such holders' acquisition, sale and redemption of the CVNs in light of its personal situation.

Holders of the CVNs are subject to the risk of a partial or total non-payment of interest, principal and/or redemption payments.

The CVNs can generally be described as a high-risk investment involving a potential total loss if the GUC Entity is not able to repay the CVNs.

The Contributed GUC Cash is the only asset of the GUC Entity. Any person who acquires the CVNs is relying on the successful resolution of certain State Non-Tax Claims by the Debtors. For more information, prospective acquirers of CVNs should refer to the "State Non-Tax Claim Disclosure" document filed with the Plan Supplement. Pending, among other things, entry of a final non-appealable order resolving such State Non-Tax Claims, the Contributed GUC Cash shall be invested to earn interest or investment income pursuant to the investment guidelines set forth in the GUC Agreement. Depending on such factors, including the resolution of such claims and the outcome of such investments, holders of the CVNs are subject to the risk of non-payment of any amounts under the CVNs, including interest and/or redemption payments.

In addition, even if the likelihood of non-payment does not decrease, market participants could nevertheless be of that opinion. If any of these risks occur, third parties may only be willing to purchase the CVNs for a lower price than before their materialization. The market value of the CVNs may therefore decrease.

Any prospective holder of the CVNs should have such knowledge and experience in financial and business matters and expertise in assessing credit risk (in particular of the GUC Entity and its investments) and being capable of evaluating the merits, risks and suitability of investing in or otherwise acquiring the CVNs.

The CVNs are subordinated and limited recourse obligations of the GUC Entity and are payable solely from Contributed GUC Cash not used to satisfy any State Non-Tax Claims.

The CVNs are a subordinated and limited recourse obligation of the GUC Entity. The GUC Entity's obligation and ability to satisfy its payment obligations under the CVNs will be limited to its assets remaining after payment of all other liabilities of the GUC Entity under the GUC Agreement and any reasonable provisions retained by the GUC Entity to pay any liabilities of the GUC Entity for operating costs and any other expenses, liabilities and costs of the GUC Entity including a once-off provision of \$10,000 for the dissolution of the sole shareholder of the GUC Entity.

To the extent that such assets are ultimately insufficient to satisfy any and all obligations under the CVNs in full, then the GUC Entity shall not be liable for any shortfall under the CVNs, and

the GUCs or any holders of the CVNs shall not have any further claims against the GUC Entity in respect of the CVNs. Such assets and proceeds shall be deemed to be “ultimately insufficient” as at such time when no further assets of the GUC Entity are available to satisfy any outstanding claims of any holders of the CVNs and no assets will reasonably likely be so available thereafter and the GUC Entity shall have no further liability with respect to the CVNs at or after such time. Consequently, holders of the CVNs may not ever be entitled to any payment in respect of the CVNs.

The CVNs will prohibit any holder of the CVNs from initiating any insolvency or similar proceeding against the GUC Entity.

None of the holders of the CVNs shall be entitled at any time to institute against the GUC Entity, or join in any institution against the GUC Entity of, any bankruptcy, reorganisation, arrangement, insolvency, examinership, winding-up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the GUC Entity relating to the CVNs or otherwise owed to the holders of the CVNs, save for lodging a claim in the liquidation of the GUC Entity which is initiated by another party (which is not an affiliate of such party) or taking proceedings to obtain a declaration as to the obligations of the GUC Entity, nor shall any of them have a claim arising in respect of the share capital of the GUC Entity.

Contractual Limitations

Prospective purchasers of the CVNs should be aware that the GUC Entity will be subject to contractual limitations imposed by the GUC Agreement. The GUC Agreement, among other things, establishes certain requirements regarding governance of the GUC Entity including, but not limited, to composition of the GUC Entity’s board of directors. Breach of the GUC Agreement by the GUC Entity may result in a change of control of the GUC Entity.

The Creditors’ Committee will appoint an oversight committee composed of up to three members that will act as representatives of the holders of the CVNs (the “**Creditor Oversight Committee**”) within the limits of the powers conferred upon it by the GUCs.

As a result of the appointment of the Creditor Oversight Committee, the holders of CVNs, acting individually or as a group, will be unable to exercise the rights attached to their CVNs against the GUC Entity.

A restricted number of holders of CVNs will be able to exercise substantial control over the CVNs and be vested with the power to amend the Terms and Conditions. This might lead to the possible marginalization of dissenting perspectives and the likelihood of decisions being tailored to the needs of such restricted group of holders of CVNs.

Market risks

Currently no market exists for the CVNs. In addition there can be no assurance that any secondary market will provide the holders of any CVNs with liquidity of investment or will continue for the life of the CVNs. Consequently, a purchaser must be prepared to hold the CVNs for an indefinite period of time and potentially until their stated maturity. In addition, the CVNs are subject to certain transfer restrictions, which may further limit their liquidity.

Credit risk

Prospective purchasers of the CVNs should be aware that the amount and timing of payment of the principal and interest on the CVNs will depend upon income from investing the Contributed GUC Cash and the Contributed GUC Cash not paid to satisfy any State Non-Tax Claims, respectively.

Nature of the GUC Entity

The GUC Entity is a newly formed entity and has no significant operating history other than those incidental to its incorporation, the authorization and issue of the CVNs and activities incidental to the exercise of its rights and compliance with its obligations under the CVNs.

Except for the Contributed GUC Cash, and income, if any, derived from investing the Contributed GUC Cash, the GUC Entity will have: (a) no material assets, (b) no material operations and (c) no material revenue.

Unsecured obligations

The CVNs will be a subordinated, unsecured limited-recourse obligation of the GUC Entity and are payable solely from the assets, whether present or future, of the GUC Entity after payment of all liabilities of the GUC Entity under the GUC Agreement and any reasonable provisions retained by the GUC Entity to pay any liabilities of the GUC Entity for operating costs and any other expenses, liabilities and costs of the GUC Entity, including a once-off provision of \$10,000 for the dissolution of the sole shareholder of the GUC Entity. None of the officers, directors or incorporators of the Debtors, the GUC Entity or any of their respective affiliates and any other person or entity (other than the GUC Entity) will be obliged to make payments under the CVNs.

Taxation

The GUC Entity is a company incorporated in and resident of Luxembourg, which is fully subject to taxation in Luxembourg.

Change of law

The structure of the issue of the CVNs is based on law in effect as of the date of this Information Statement. No assurance can be given as to the impact of any possible change to law or administrative practice after the date of this Information Statement.

Changes in tax laws, rules and regulations

The application of various domestic and international tax laws, rules and regulations is subject to interpretation by the applicable taxing authorities. The GUC Entity and the Debtors rely on generally available interpretations of tax laws, rules and regulations in the jurisdictions in which they operate. There is no certainty that these interpretations are accurate or that the responsible taxing authority is in agreement with these views. If the tax laws, rules and regulations are amended, if new adverse laws, rules or regulations are adopted, or if current laws are interpreted adversely to the interests of the GUC Entity and the Debtors, their tax payments could increase (prospectively or retrospectively) and/or they could become subject to penalties. As a result, these changes could have a material adverse effect on the structure of the issue of the CVNs.

The GUC Entity believes that the risks described above are some of the principal risks inherent in the GUC Transactions, but the inability of the GUC Entity to pay interest, principal, or other amounts on or in connection with the CVNs may occur for other reasons and neither the GUC Entity nor any other person represents that the above statements regarding the risk of holding the CVNs are exhaustive.

Please refer to Part 4: Terms and Conditions of the CVNs and Exhibits B, C and D of this Plan Supplement for other risk factors with respect to the Transactions, which are hereby incorporated by reference.

Part 6: Description of the GUC Entity

The GUC Entity is a private limited liability company (*société à responsabilité limitée*) organized under the laws of Luxembourg on [●] for an unlimited period and having its registered office at the date hereof at 17, Boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg Register of Commerce and Companies under number [●] (*Registre de Commerce et des Sociétés*).

The GUC Entity has been incorporated for, amongst other things, the purposes of (a) acquiring, holding, investing, distributing, and releasing the Contributed GUC Cash and (b) issuing the CVNs. As such it is a newly formed entity and has no significant operating history other than that which is incidental to its incorporation, the authorization and the GUC Transactions and activities incidental to the exercise of its rights and compliance with its obligations under the GUC Documents.

In summary, the GUC Entity's object is the acquisition of securities or participations, in Luxembourg or abroad, in any company or enterprise in any form whatsoever, and the management of those securities and participations. The GUC Entity may in particular acquire, by subscription, purchase and exchange or in any other manner, any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and, more generally, any securities and financial instruments issued by any public or private entity, in each case, solely to the extent permitted by the Investment Guidelines as included in the GUC Agreement. Solely for the purposes of managing the cash amounts made available to the GUC Entity pursuant to the GUC Agreement, the GUC Entity may borrow in any form whether by private or public offer. It may issue notes, bonds and any kind of private or public debt securities. For the avoidance of doubt, the GUC Entity may not carry out any regulated financial sector activities without having obtained the requisite authorisation.

The financial year end of the GUC Entity is December 31.

Part 7: Conditions to Receipt of CVNs and Holding Period Trust

Conditions to Receipt of CVNs

The Debtors and the GUC Entity have determined that each holder of an Allowed General Unsecured Claim in (a) Classes 3, 4, and 5 with respect to the Company and the Consolidated Debtors and (b) Classes 3 and 5 with respect to the Gorm Blue Entities, as well as to holders of general unsecured claims in the Swedish reorganization of the Company under the Swedish Company Reorganization Act (SW. lag (2022:964) om företagsrekonstruktion) (each, a “GUC”), in each case, as a condition precedent to the receipt of any GUC Interests and to determine their eligibility to receive GUC Interests, must deliver to the Debtors, prior to the Effective Date, a certification and any supporting document reasonably requested by the Debtors to ensure that such holder is either (i) not a “U.S. person” (as defined in Section 901(k)(1) of Regulation S of the U.S. Securities Act) or (ii) a U.S. person and a “qualified purchaser” (as defined in Section 2(a)(51)(A) of the Investment Company Act). GUCs who cannot deliver the foregoing certification[, as well as the GUCs who hold a contingent right to receive Contributed GUC Cash in an amount that is less than €[150,000], the minimum denomination value of the CVNs,] will be deemed “Ineligible Persons”. GUCs who are not Ineligible Persons but nevertheless fail to deliver the required certifications and supporting documentation by the expiration of the holding period as set forth in the GUC Holding Period Trust Deed (as defined below) will be deemed “Disqualified Persons”. As described below, the GUC Interests that Disqualified Persons and Ineligible Persons would otherwise be entitled to receive the CVNs under the Plan will be held in trust by the Holding Period Trustee for the benefit of each such Disqualified Person and Ineligible Person.

Holding Period Trust

If a GUC is a Disqualified Person or Ineligible Person, all CVNs otherwise distributable to such GUC under the Plan shall be distributed to the Holding Period Trustee on the Effective Date, to be held in trust for such GUC for a holding period of nine months in accordance with the terms of the GUC Holding Period Trust Deed. The Holding Period Trustee will hold the CVNs distributed to it during the holding period in accordance with the GUC Holding Period Trust Deed.

CVNs distributed to the Holding Period Trustee (or a selling agent, if applicable) shall only be sold and the cash proceeds distributed to the respective Disqualified Persons and Ineligible Persons if the conditions contained in the GUC Holding Period Trust Deed, including, among others, expiration of the holding period, are satisfied.

From and after the end of the holding period:

- a) each Disqualified Person and Ineligible Person will have no entitlement to the CVNs previously held on its behalf by the Holding Period Trustee; and
- b) the Holding Period Trustee shall transfer any remaining and unclaimed cash proceeds from the sale of any CVNs then held by the Holding Period Trustee by way of gift to Reorganized SAS AB.

Part 8: Selling and Transfer Restrictions and Other Disclaimers

This Information Statement should be read and construed together with the Plan (including the Disclosure Statement), and with any other documents incorporated by reference herein.

The information contained in this Information Statement is included herein for the purposes of soliciting acceptances of the Plan and may not be relied upon for any purpose other than to determine how to vote on the Plan.

All holders of Claims in the Debtors are advised and encouraged to read this Information Statement, this Plan Supplement and the Plan (including the Disclosure Statement) in their entirety. In particular, all holders of Claims should carefully read and consider fully the risk factors set forth in Section VI (Certain Risk Factors to be Considered) of the Disclosure Statement and Part 4: Risk Factors hereof. The Plan summaries and statements made in this Information Statement are qualified in their entirety by reference to the Plan.

Holders of Claims should not construe the contents of this Information Statement as providing any legal, business, financial, or tax advice and should consult with their own advisors before voting on the Plan.

No person has been authorized to give any information or to make any representation not contained in or not consistent with this Information Statement or any other document entered into in relation to any of the GUC Transactions or any information supplied by the Debtors or the GUC Entity or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorized by the Debtors or the GUC Entity.

Neither the delivery of this Information Statement nor the offering, issuance or delivery of any CVN shall, in any circumstances, create any implication that the information contained in this Information Statement is true subsequent to the date hereof or the date upon which this Information Statement has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the GUC Entity since the date thereof or, if later, the date upon which this Information Statement has been most recently amended or supplemented or that any other information supplied in connection with the GUC Transactions is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

No securities commission or similar authority in the United States or elsewhere has reviewed this Information Statement or passed on the merits of the securities offered hereunder and any representation to the contrary is an offence. This Information Statement is not, and under no circumstances is to be construed as a prospectus or advertisement for a public offering of the securities referred to herein. The distribution of the CVNs pursuant to this Information Statement is being made only on a private placement basis and is exempt from the requirement

that the GUC Entity prepare and file a prospectus with securities regulatory authorities in the United States. Any resale of the CVNs acquired hereunder will be subject to applicable securities legislation, which will vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with, or pursuant to an exemption from, prospectus requirements.

This Information Statement does not constitute an offer or an invitation to invest in or otherwise acquire any CVNs and should not be considered as a recommendation by the GUC Entity that any recipient of this Information Statement should invest in or otherwise acquire any CVNs. Each GUC shall be deemed to have made its own investigation and appraisal of the condition (financial or otherwise) of the GUC Entity.

No action has been or will be taken in any country or jurisdiction by the GUC Entity or its agents that would permit a public offering of CVNs, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands the Information Statement comes are required by the GUC Entity or its agents to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell, or deliver CVNs or have in their possession or distribute such offering material, in all cases at their own expense. The GUC Entity and its agents will only offer and deliver the CVNs to investors who are permitted by the laws of the jurisdiction in which they are situated to receive the CVNs.

The GUC Entity has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of any CVNs in circumstances in which Section 21(1) of the FSMA does not apply to the GUC Entity.

The CVNs have not been, and will not be, registered under the U.S. Securities Act, or the securities laws of any other jurisdiction, and, unless so registered, may not be offered, sold and resold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and the securities laws of any other applicable jurisdiction.

The GUC Entity is not registered as an investment company under the Investment Company Act pursuant to the exemption provided by Section 3(c)(7) of the Investment Company Act, and therefore will not be subject to the requirements of (and holders of the CVNs will not have the benefit of the protections provided by) such statute. To rely on Section 3(c)(7), the GUC Entity must have a “reasonable belief” that all holders of the CVNs that are U.S. persons (including any subsequent transferees) are “qualified purchasers”, as defined in Section 2(a)(51)(A) of the Investment Company Act (“**Qualified Purchasers**”), at the time of purchase. The CVNs (or interests in the CVNs) are transferable only to U.S. person purchasers deemed to be Qualified Purchasers and who satisfy the other transfer restrictions applicable to

the CVNs. If any holder of a CVN (or holder of an interest in a CVN) that is a U.S. person is determined not to be a Qualified Purchaser, then the GUC Entity will have the right (exercisable in its sole discretion) to treat the transfer to such purchaser as null and void and require such purchaser to sell all of its CVNs (and all interests therein) to a transferee designated by the GUC Entity.

The terms “U.S. person” and the “United States” are used with the meanings given to them in Regulation S. Because of the complex, subjective nature of the question of whether a particular person may be an underwriter or an affiliate and the highly fact-specific nature of the availability of exemptions from registration under United States securities laws, none of the Debtors nor the GUC Entity make any representation concerning the ability of any person to dispose of the securities to be issued under or otherwise acquired pursuant to the Plan. The Debtors and the GUC Entity recommend that potential recipients of the securities to be issued under or otherwise acquired pursuant to the Plan consult their own counsel concerning whether they may trade such securities and the circumstances under which they may resell such securities.

Each holder of a CVN understands and acknowledges that the CVNs may not be offered or sold to the public in the European Economic Area and in the United Kingdom, directly or indirectly, except in circumstances which do not constitute an offer of securities to the public which benefits from an exemption to, or constitutes a transaction not subject to, the requirement to publish a prospectus in accordance with Regulation (EU) 2017/1129 and Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, each as amended or supplemented from time to time.

Please refer to Exhibit D and this Plan Supplement for further explanation of the U.S. securities laws exemptions in reliance on which the CVNs will be issued.

Part 9: Other Information

This document must be read in conjunction with all documents deemed to be incorporated by reference in this Information Statement and forming part of this Information Statement and shall be construed accordingly.

In this Information Statement, unless otherwise specified, references to \$ are to the official currency of United States of America.

Appendix A

Implementation Steps

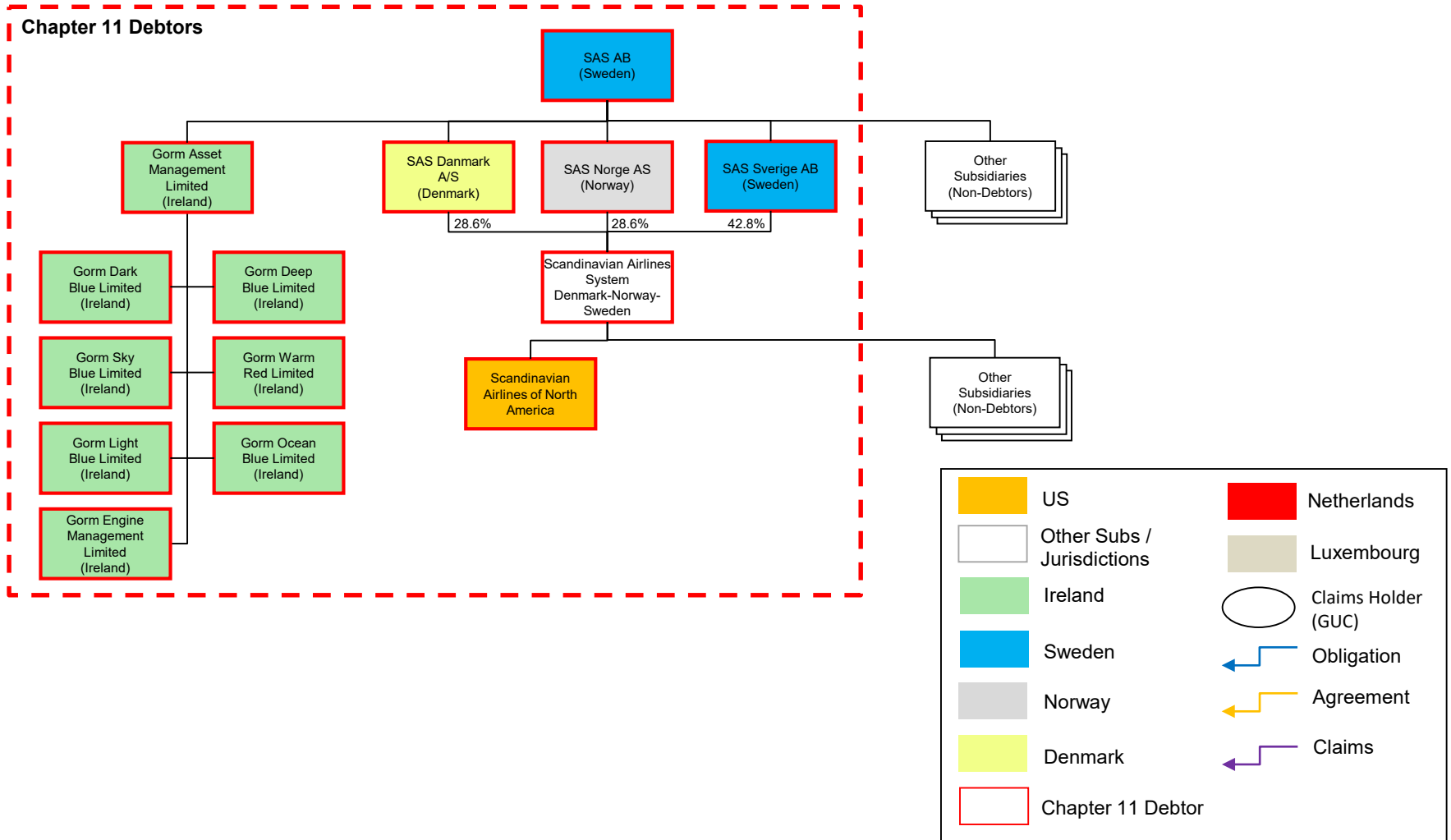
[See attached]

Project Alma

Chapter 11 Restructuring

Implementation Steps for the GUC Entities

Simplified Debtor Structure

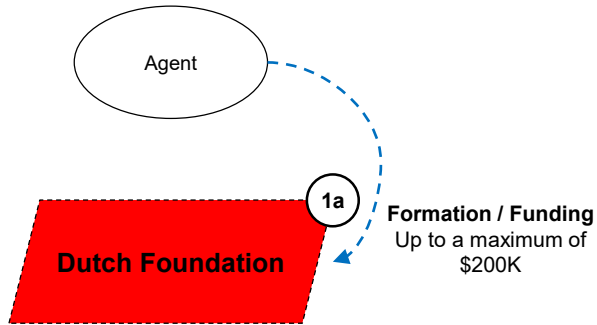


Overview

- On February 7, SAS AB and its subsidiary debtors (collectively, the “Debtors”) filed the *Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and Its Subsidiary Debtors* [Docket No. 1936] (as may be amended, modified, or supplemented from time to time, the “Plan”).
 - Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Plan.
- These materials provide an overview of the implementation steps that are required to form the entities (each, a “GUC Entity” and, collectively, the “GUC Entities”) to hold, invest, and distribute certain funds reserved to satisfy any State Non-Tax Claims and, if any funds remain, general unsecured creditors (the “GUCs”), in each case in accordance with the Plan.
- The Plan contemplates that GUCs will receive up to \$325 million in value, subject to certain contingencies, comprised of (i) \$250 million in cash (the “GUC Cash”) and (ii) approximately \$75 million in new shares in reorganized SAS AB (“Reorganized SAS AB”).
- The Plan further contemplates that SEK 2.325 billion (the “Reserved Funds”), consisting of a portion of the GUC Cash (“Contributed GUC Cash”) and a portion of the Contribution Fees payable to the Danish and Swedish States (collectively, the “States”), will be set aside and not be distributed to GUCs or the States unless and until certain conditions set forth in the Plan are satisfied.

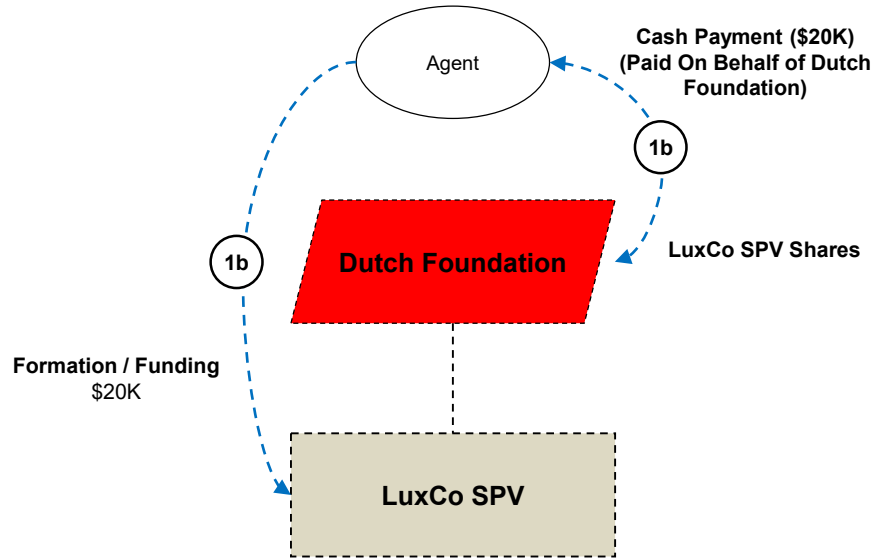
Implementation Steps

Formation of Dutch Foundation



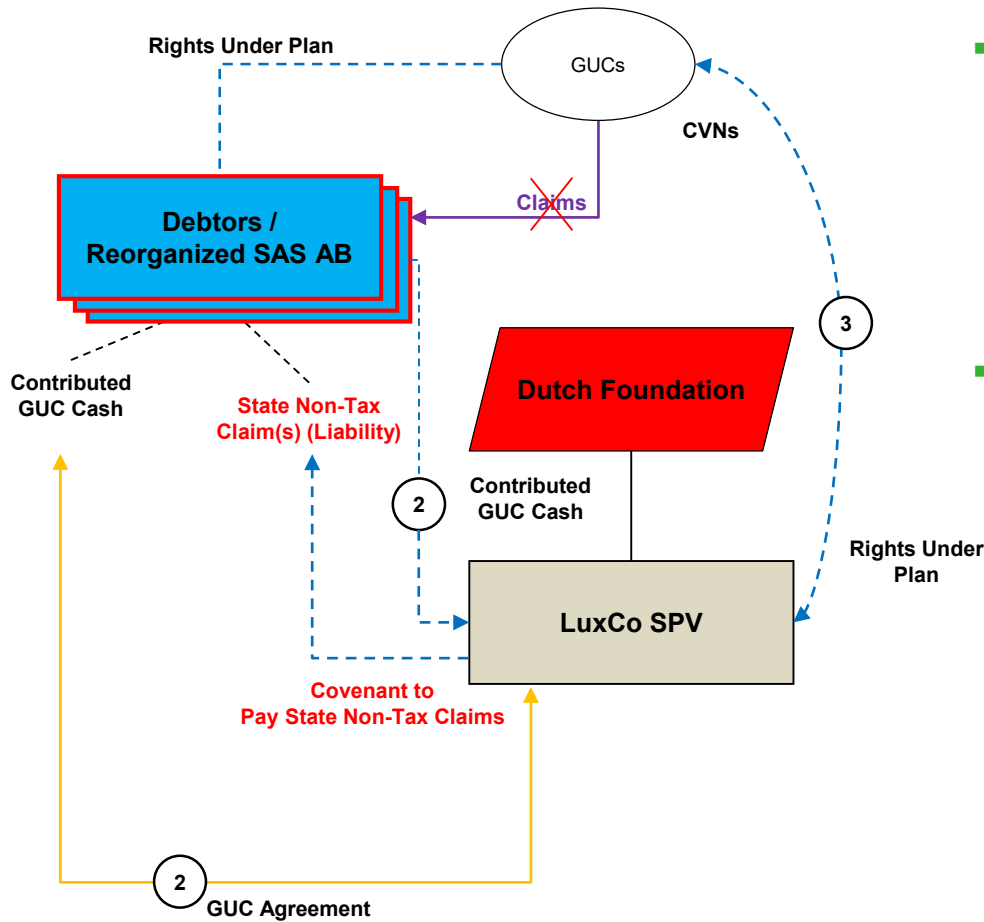
- **Step 1(a):** Agent in Netherlands (same as Lux agent) establishes a Dutch Foundation (*Stichting*) (the “Dutch Foundation”). The Dutch Foundation establishment costs will be paid by SAS AB, up to a maximum of USD200,000 in accordance with the Plan.

Formation / Transfer of LuxCo SPV



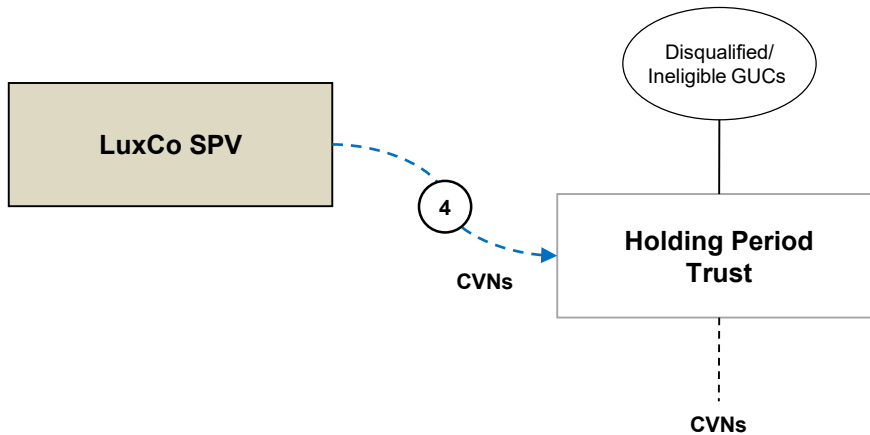
- **Step 1(b):** Agent in Luxembourg forms a Luxembourg *société à responsabilité limitée* (SARL) with minimum share capital of USD20k ("LuxCo SPV"). Agent transfers ordinary shares in LuxCo SPV to Dutch Foundation for USD20k, which USD20k is paid by SAS AB on behalf of Dutch Foundation. As a result, LuxCo SPV is a wholly owned subsidiary of Dutch Foundation.

Transfer of Contributed GUC Cash & CVN Issuance



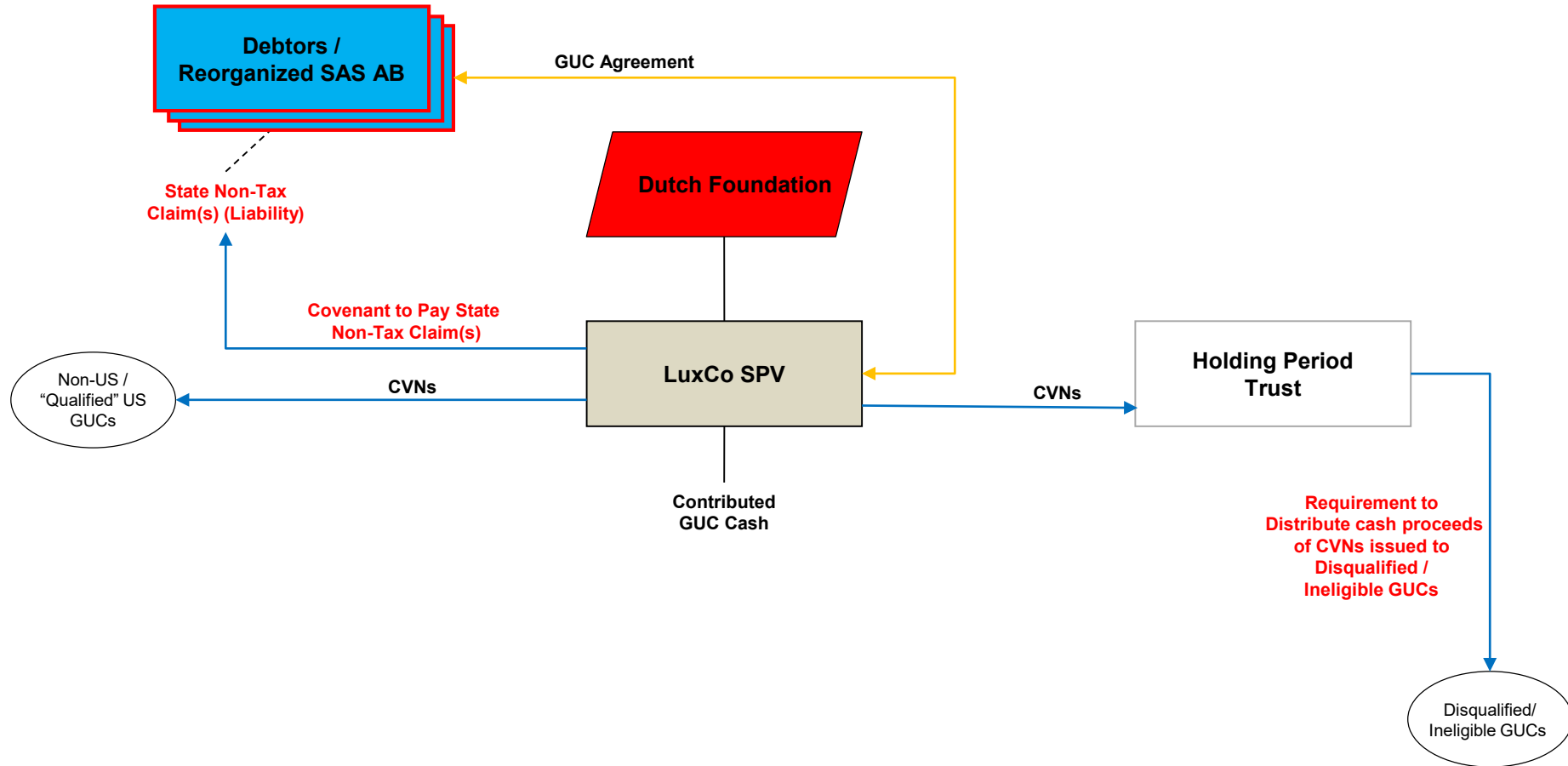
- **Step 2:** SAS AB transfers the Contributed GUC Cash to LuxCo SPV on fulfillment of certain conditions, including entry by LuxCo SPV into the GUC Agreement (as defined in the Plan), and thereby fulfills the obligation under the GUC Agreement to pay the Contributed GUC Cash. The Contributed GUC Cash is transferred in [USD][SEK] at face value.
- **Step 3:** Concurrently with Step 2, all GUCs contribute, or are deemed to contribute, all of their contingent rights related to the Contributed GUC Cash under the Plan to LuxCo SPV in exchange for LuxCo SPV issuing Contingent Value Notes (“CVNs”) to such GUCs with an aggregate face value equal to the full amount of the Contributed GUC Cash. Any GUC who is a Disqualified Person or an Ineligible Person (each as defined in Step 4 below) will not receive CVNs and instead the CVNs that would otherwise be issued to such GUC will instead be issued in accordance with Step 4. The CVNs entitle the holders thereof to the Contributed GUC Cash held by LuxCo SPV if, and only if, the conditions are fulfilled and subject and subordinate in all respects to LuxCo’s obligations under the GUC Agreement.

Transfer to Holding Period Trust



- **Step 4:** Contemporaneously with Step 3, all CVNs otherwise distributable to a “Disqualified Person” or an “Ineligible Person” will be delivered to GLAS Trustees Limited, in its capacity as the Holding Period Trustee, to, among other things, hold such CVNs in trust for the benefit of such Disqualified Person or Ineligible Person and, if applicable, sell such CVNs and distribute the Cash proceeds of such CVNs to such Disqualified Person or Ineligible Person, in accordance with the terms of the Holding Period Trust Agreement. “Disqualified Person” shall be defined as any GUC that fails to timely deliver the investor certificate and supporting documentation reasonably requested by the Debtors (or, if following the Effective Date, the Reorganized Debtors), or the GUC Entity, in each case, prior to the expiration of the holding period as set forth in the GUC Holding Period Trust Agreement. “Ineligible Person” shall be defined as a GUC that is (a) a “U.S. Person” as such term is defined in Section 902(k)(1) of Regulation S of the Securities Act of 1933, as amended, and (b) not a “qualified purchaser” (within the meaning of the Investment Company Act of 1940, as amended).

Ending Structure



Appendix B

Material Terms of GUC Agreement

[See attached]

GUC AGREEMENT TERM SHEET

[•], 2024

Reference is made to the *Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB, Its Subsidiary Debtors*, dated February 4, 2024 (as may be amended, modified, or supplemented from time to time, the “**Plan**”), and any plan of reorganization of SAS AB under the Swedish company reorganization Act (Sw. lag (2022:964) om företagsrekonstruktion) (the “**Swedish Reorganization Proceeding**”) and to that certain *Investment Agreement*, dated November 4, 2023 (as amended, modified, or supplemented from time to time, the “**Investment Agreement**”). Capitalized terms used but not otherwise defined herein will have the meanings ascribed to such terms in the Plan. In accordance with the Plan, this term sheet sets forth the principal terms of the GUC Agreement, to be entered into by and among SAS AB (publ), as reorganized on the Effective Date of the Plan (the “**Company**” or “**Reorganized SAS AB**”), and [GUC Entity], a Luxembourg *société à responsabilité limitée* (SARL) (the “**GUC Entity**”).

This GUC Agreement Term Sheet is for discussion purposes only and there is no obligation on the part of any party (including any obligation to continue negotiations) unless and until definitive documentation is executed by all Parties (as defined below) and receipt by the Company of the requisite consents as set forth in the Plan.

<u>TERMS</u>	
Parties	The Company and the GUC Entity (each, a “ Party ”, and together the “ Parties ”).
Company Funding Obligation	As soon as practicable following the Effective Date, the Company shall fund, or shall cause to be funded, the GUC Entity with a portion of the GUC Cash as set forth in Section 5.4(b) of the Plan (the “ Contributed GUC Cash ”) by wire transfer of immediately available funds in SEK.
Issuance of CVN	<p>Contemporaneously with the receipt of the funding of the Contributed GUC Cash, and in accordance with the Plan, the GUC Entity will issue a Contingent Value Note (on the terms set forth in an Exhibit to the GUC Agreement, a “CVN”) in the principal amount equal to the Contributed GUC Cash and, to:</p> <ul style="list-style-type: none"> (i) the holders of Allowed General Unsecured Claims in (a) Classes 3, 4, and 5 with respect to SAS AB and the Consolidated Debtors and (b) Classes 3 and 5 with respect to the Gorm Blue Entities, which may also be holders of general unsecured claims in the Swedish Reorganization Proceeding (collectively, the “GUCs”), who are either (A) not a “U.S. person” (as defined in Section 902(k)(1) of Regulation S of the United States Securities Act of 1933, as amended from time to time (the “Securities Act”) or (B) a U.S. person and a "qualified purchaser" (as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended from time to time (the “Investment Company Act”)); and (ii) the Holding Period Trustee, on behalf of any Disqualified Person or Ineligible Holder (defined below) who may otherwise be entitled to receive CVNs under the Plan; <p>in exchange for all of the rights of the GUCs under the Plan with respect to receiving payments of the GUC Cash on account of their Allowed General Unsecured Claims, which rights will be deemed to be contributed to the GUC Entity under the Plan on the Effective Date in accordance with the GUC Implementation Steps.</p> <p>The GUC Entity will take commercially reasonable steps to list the CVNs on the Official List of the Luxembourg Stock Exchange (or such other international listing exchange as is acceptable to the Creditors’ Committee, the Debtors and Required Investors) and seek their admission to trading on the Euro MTF Market thereof.</p>
Investment of Contributed GUC Cash; Security Interest	<p>The GUC Entity shall:</p> <ul style="list-style-type: none"> (i) invest the Contributed GUC Cash strictly in accordance with the investment guidelines set forth on <u>Annex I</u> (the “Investment Guidelines”); (ii) establish a segregated account, separate from the principal amount of the Contributed GUC Cash, to hold any interest and investment income earned and accrued on the Contributed GUC Cash (the “Interest and Investment Income Account”); (iii) grant a security interest in the GUC Entity’s interest in (A) the Contributed GUC Cash, and (B) the bank, brokerage or other similar accounts in which the Contributed GUC Cash and/or the investment property in which the Contributed GUC Cash is converted is held (the “Account Pledge”) (and use commercially reasonable efforts to assist the Company to perfect such Account Pledge if so requested by the Company) as security for the performance by the GUC Entity of all obligations under the GUC Agreement, which shall only be exercisable in the event of (x) a

<u>TERMS</u>	
	<p>default by the GUC Entity of its financial obligations in excess of the aggregate amount of US\$1 million under the GUC Agreement; or (y) insolvency or commencement of insolvency proceedings by the GUC Entity; <i>provided</i> that the Company shall agree to forbear from any enforcement under the Account Pledge until such time as an asserted default has been determined by the Bankruptcy Court; <i>provided further</i> that, in the event that the Account Pledge is exercised by the Company, the Company and the GUC Entity shall remain entitled to the Contributed GUC Cash to the same extent (if any) that it is entitled to such Contributed GUC Cash pursuant to the terms hereof and under the CVNs;</p> <p>(iv) procure that the Dutch Foundation (<i>Stichting</i>) will grant to the Company a security interest in and to all of the right, title and interest of the GUC Entity shares (the “<i>Share Pledge</i>”) as security for the performance by the GUC Entity of all obligations under the GUC Agreement.</p>
Use of Interest or Investment Income	<p>During the period beginning on the Effective Date and ending on the date of the Final Payment (as defined below), any interest or investment income accrued or earned by the GUC Entity on the Contributed GUC Cash (the “<i>GUC Entity Earnings</i>”) may be used and released by the GUC Entity in the following order: (1) to pay any indemnification obligations in respect of all losses, fees, costs, expenses and liabilities required to be paid to, or incurred by, the Holding Period Trustee pursuant to the Holding Period Trust Deed; (2) to pay costs and expenses (including taxes) associated with establishing, operating, and administering the GUC Entity and the Dutch Foundation (<i>Stichting</i>), including any insurance costs and the reasonable out of pocket expenses of the Creditor Oversight Committee; (3) to reimburse the Debtors or Reorganized Debtors, as applicable, for any costs in excess of \$200,000 paid by the Debtors or Reorganized Debtors, as applicable, in connection with the establishment of the GUC Entity and the Dutch Foundation (<i>Stichting</i>); (4) to establish a reserve of up to \$500,000 for future costs and expenses associated with establishing, operating, and administering the GUC Entity and the Dutch Foundation (<i>Stichting</i>); (5) to replenish the Contributed GUC Cash to the initial amount the extent they are reduced for any reason other than payment of State Non-Tax Claims or as they may be released in accordance with Sections 5.4(d) or 5.4(h) of the Plan; and (6) to the extent permitted by applicable law, on an annual basis on (or otherwise to facilitate) the annual interest payment date applicable under the CVNs, in accordance with the Plan and as approved by the Board (the “<i>Annual Interest Payment</i>”).</p> <p>All such interest and investment income, to the extent held by the GUC Entity, shall be held in the Interest and Investment Income Account.</p> <p>For the avoidance of doubt, the GUC Entity shall have no obligation to make any Annual Interest Payment if the total GUC Entity Earnings in the applicable year do not exceed the costs and expenses associated with items (1), (2), (3), (4) and (5) above <i>plus</i> \$500,000. Following the satisfaction of items (1), (2), (3), (4) and (5) above, the GUC Entity shall make the Annual Interest Payment, if any, within 30 days following the end of the applicable period.</p>
Release of Contributed GUC Cash:	<p>The Contributed GUC Cash shall be utilized and released consistently with Section 5.4(c) of the Plan as follows:</p> <p>(i) first, for amounts required by the Debtors or the Reorganized Debtors (A) after the Effective Date to defend themselves against a State Non-Tax Claim (see “<i>State Non-</i></p>

<u>TERMS</u>	
	<p><i>Tax Claim Expenses</i>” below); <i>provided, however</i>, that the Reorganized Debtors shall be solely responsible for and fund the first SEK 25,000,000 in amounts payable in accordance with this provision, and (B) to satisfy any costs or expenses related to a third party irrevocably agreeing to pay in full, without recourse to the Reorganized Debtors, any State Non-Tax Claim, as set forth in Section 5.4(d)(iii) of the Plan;</p> <p>(ii) second, in the event of (A) a final and non-appealable decision from a competent court requiring any one or more of the Reorganized Debtors to pay any State Non-Tax Claim, or (B) a determination by the Reorganized Debtors to settle all or a portion of any State Non-Tax Claim, the Contributed GUC Cash shall be released for the Reorganized Debtors to pay that State Non-Tax Claim or settlement amount, as applicable, when due and payable, to the extent a third party as contemplated in Section 5.4(d)(iii) of the Plan has not already paid, or irrevocably agreed to pay, such State Non-Tax Claim; <i>provided, however</i>, that, in the event of a determination to settle any State Non-Tax Claim prior to entry of a final order requiring any Reorganized Debtor to pay any State Non-Tax Claim, any release of the Contributed GUC Cash pursuant to this section shall require the consent of the Creditor Oversight Committee, which consent shall not be unreasonably withheld, conditioned, or delayed; and</p> <p>(iii) third, in the event the Contributed GUC Cash exceeds all amounts paid pursuant to clause (i) above and any and all payments by the Reorganized Debtors described in clause (ii) above, any residual amount of Contributed GUC Cash (and any earnings thereon) in the GUC Entity shall be released in accordance with Section 5.4(d) of the Plan; <i>provided, however</i>, that if there is an interim payment from the GUC Entity Earnings in accordance with this Agreement and Section 5.4(h) of the Plan, the remainder of the Contributed GUC Cash shall remain intact unless and until the occurrence of any event pursuant to (i) or (ii) above that would trigger the use of such remaining Contributed GUC Cash.</p> <p>The GUC Entity will release the Contributed GUC Cash as provided by (iii) above in accordance with the terms of the CVNs and in so doing the GUC Entity will be deemed to have utilized and released it in accordance with the GUC Agreement.</p>
Final Payment	<p>The term “<i>Final Payment</i>” means the payment of any Contributed GUC Cash or GUC Entity Earnings remaining in accounts held by the GUC Entity on a date as set forth in Section 5.4(d) of the Plan.</p> <p>The GUC Entity shall provide no fewer than 15 business days’ prior notice of any Annual Interest Payment or Final Payment (which notice may be waived by the Company) together with a statement of cash and investment accounts setting forth the account activity since the later of the formation of the GUC Entity and the date of the most recent Annual Interest Payment. In the event of a dispute arising from such notice, the Company shall have the right to seek an emergency hearing in the Bankruptcy Court to determine whether such Annual Interest Payment or Final Payment complies with the Plan and the terms of the GUC Agreement. Any proposed Annual Interest Payment or Final Payment shall be delayed until such hearing is concluded.</p>

<u>TERMS</u>	
Board of Directors	<p>The management, operation and control of the business and affairs of the GUC Entity shall be vested exclusively in a board of directors (the “Board”), except as otherwise expressly provided for in this GUC Agreement Term Sheet.</p> <p>The initial Board will act by unanimous consent and consist of three (3) directors, including one (1) Class “A” and two (2) Class “B” directors, appointed by the Dutch Foundation (<i>Stichting</i>), no later than the Effective Date, in accordance with the nominations provided in writing prior to the Effective Date by the Company, the Investors and the Creditor’s Committee. Reorganized SAS AB and the Investors, acting jointly, shall be entitled to nominate one (1) initial Class “B” director (the “Company Appointee”) and the Creditor Oversight Committee shall be entitled to nominate one (1) initial Class “B” Director (the “Creditor Appointee”). The Class B directors shall be Luxembourg residents. The Class A director need not be a Luxembourg resident. The initial Class A director shall be jointly nominated by Reorganized SAS AB, the Investors, and the Creditor Oversight Committee by mutual agreement. To the extent that a member of the Board is not providing company secretarial services to the Company, the Company shall retain a party to provide such company secretarial services.</p> <p>The Company Appointee may only be caused to be removed by Reorganized SAS AB, the Creditor Appointee may only be caused to be removed by the Creditor Oversight Committee and the Class A director may only be caused to be removed by a joint direction of Reorganized SAS AB and the Creditor Oversight Committee.</p> <p>Upon the death, retirement, resignation or removal of any member of the Board, the Dutch Foundation (<i>Stichting</i>) shall appoint the director(s) nominated, in writing, as follows:</p> <ul style="list-style-type: none"> (i) upon death, retirement, resignation, or removal of any Company Appointee, by Reorganized SAS AB; (ii) upon death, retirement, resignation, or removal of any Creditor Appointee, by the Creditor Oversight Committee; and (iii) upon death, retirement, resignation, or removal of any Class A director, by the joint nomination of Reorganized SAS AB and the Creditor Oversight Committee. <p>The Board shall appoint a third party contractor (such as an investment manager, bank, or other financial institution) (the “Investment Manager”) who will be responsible for the day-to-day investment management decisions in respect of the Contributed GUC Cash in accordance with the Investment Guidelines. The Investment Manager will assist the GUC Entity in facilitating the cost-effective payment of the GUC Entity Earnings to CVN holders.</p>
Consent Rights affecting the GUC Entity	<p>The following actions by the GUC Entity will require the prior written consent of Reorganized SAS AB:</p> <ul style="list-style-type: none"> (i) any change of country, jurisdiction or tax residency of where the GUC Entity or the Dutch Foundation (<i>Stichting</i>) is incorporated or its principal place of business is located, including, for the avoidance of doubt, the establishment of a taxable presence outside of the jurisdiction of which the GUC Entity is incorporated; (ii) any change in the GUC Entity or the Dutch Foundation (<i>Stichting</i>) legal form; (iii) the grant of any lien by the Dutch Foundation (<i>Stichting</i>) save for any security specifically contemplated by the GUC Agreement; (iv) permit the CVNs to be amended, hypothecated, subordinated, terminated or discharged, or permit any person to be released from any covenants or obligations

<u>TERMS</u>	
	<p>with respect to the CVNs, except as may be expressly permitted by the CVN documents;</p> <ul style="list-style-type: none"> (v) the payment by the GUC Entity of any dividends or other payments (other than with respect to an Annual Interest Payment or a Final Payment on liquidation of the GUC Entity, in each case, in accordance with the CVNs, the Plan and the terms hereof)); (vi) any acquisition of assets or securities, whether through merger, consolidation, share exchange, business combination or otherwise, by the GUC Entity in any transaction or series of related transactions; (vii) any change in the GUC Entity’s auditor; (viii) hire any employees, acquire or form subsidiaries or premises (whether leased or owned) or purchase, own, lease or otherwise acquire any real property, other than premises at its registered office in Luxembourg; (ix) increase or decrease the number of Class A or Class B directors of the Board; (x) other than in connection with an Annual Interest Payment or a Final Payment, make any prepayment of any obligations under the CVNs; and (xi) the commencement by the GUC Entity of any insolvency proceedings. <p>The GUC Entity and Reorganized SAS AB acknowledge that Credit Oversight Committee will have consent rights over the matters at paragraphs: (i) – (iii), (vi) – (vii), (ix) and (xi) above. The Credit Oversight Committee shall also have a consent right with respect to any amendment, restatement or other modification of the Articles.</p>
Information, Audit and Inspection Rights	<p>The GUC Entity shall produce (i) for the first six months following the Effective Date, a monthly financial report and (ii) following the six-month anniversary of the Effective Date, a quarterly financial statement, in each case, tracking the amount of Contributed GUC Cash and any GUC Entity Earnings. This financial report shall be distributed to and in a form acceptable to each of Reorganized SAS AB, the Required Investors, and the Creditor Oversight Committee. The Company shall also have reasonable access to the Board and will be entitled to request any reasonable information.</p> <p>The Company will be entitled to receive the following information:</p> <ul style="list-style-type: none"> (i) within 120 days of the end of each financial year, the audited financial statements of the GUC Entity together with a report from the directors (to include commentary on investment performance of the Contributed GUC Cash and any other information of material and/or significant effect) (the “<i>Annual Report</i>”); (ii) within 60 days of the end of each three-month period, the unaudited condensed consolidated financial statements of the GUC Entity together with a commentary on investment performance and any other information of material and/or significant effect (the “<i>Interim Report</i>”). <p>There will be audit and inspection rights in favour of the Company. The delivery and receipt of any information shall be subject to confidentiality obligations to be set forth in the GUC Agreement, as well as any limitations under applicable law.</p>

<u>TERMS</u>	
State Non-Tax Claim Expenses	<p>Notwithstanding anything to the contrary herein, the Parties agree to use the Contributed GUC Cash for payment of any amounts required by the Debtors or Reorganized Debtors in connection with a State Non-Tax Claim as follows:</p> <ul style="list-style-type: none"> (i) to the extent the States have asserted any State Non-Tax Claim or if any Debtor or Reorganized Debtor has initiated litigation proceedings against the relevant State(s) concerning a declaratory relief or decision that no State Non-Tax Claim is payable before December 31, 2033, the Company shall submit to the GUC Entity a monthly invoice totaling the Reorganized Debtors’ litigation expenses for the period set forth in such invoice; and (ii) to the extent the Company and the Investors agree, with such consent not to be unreasonably withheld, to enter into an agreement with a third party irrevocably providing for payment in full, without recourse to the Reorganized Debtors, of any and all State Non-Tax Claims, the Company shall submit to the GUC Entity, from time to time, an invoice totaling the Reorganized Debtors’ costs and expenses related to such third-party agreement. (iii) To the extent the GUC Entity receives the invoices set forth in (i) or (ii) above, the GUC Entity shall pay the Reorganized Debtors any amounts set forth in such invoices, as promptly as practicable but not later than twenty one (21) calendar days of receipt; <i>provided, however</i>, that the Reorganized Debtors shall be solely responsible for and fund the first SEK 25,000,000 in amounts payable pursuant to (i) in “<i>Release of Contributed GUC Cash</i>” above.
Creditor Oversight Committee	<p>The Creditor Oversight Committee, comprised of up to three (3) members, initially appointed by the Creditors’ Committee, shall have been formed pursuant to the Plan, to act as representative of CVN holders. The Creditor Oversight Committee shall have the rights and entitlements given to it under the Plan and under the CVNs and the Parties will act in good faith to facilitate such rights and entitlements.</p> <p>To the extent practicable, the Company shall provide the GUC Entity and the Creditor Oversight Committee with advance drafts of all pleadings and other documents proposed to be filed in connection with any legal proceedings regarding the State Non-Tax Claim to which any Reorganized Debtors are a party. If and to the extent that the Creditor Oversight Committee requests that the GUC Entity participate in any such proceedings, after consultation with the Reorganized Debtors, the GUC Entity shall seek to do so.</p> <p>On the reasonable request of the Creditor Oversight Committee, in a form and substance satisfactory to the Company and the GUC Entity, no more than twice annually, the GUC Entity shall disclose to CVN holders through Euroclear and Clearstream, Luxembourg, matters relevant to such proceedings; <i>provided that</i>, the GUC Entity shall have no obligation to disclose sensitive, privileged or other non-public information related to such proceedings, or any other information that the Company reasonably determines not to disclose for strategic purposes.</p>
Remedies; Specific Performance	<p>In the event that the GUC Entity takes any action that would be a material breach of the Investment Guidelines or the terms of the GUC Agreement, the Company shall be entitled</p>

<u>TERMS</u>	
	<p>to enforce its Share Pledge. The Account Pledge is enforceable in the manner described above.</p> <p>Without limiting the foregoing, the Company and the GUC Entity agree that irreparable damage would occur for which damages are an inadequate remedy in the event any provision of the GUC Agreement or the Investment Guidelines was not performed in accordance with the terms thereof, and, accordingly, the Company shall be entitled to specific performance or to enjoin the GUC Entity from any threatened, or from the continuation of any actual, breach of the terms of the GUC Agreement or the Investment Guidelines, in addition to any other remedy at law or in equity. In the event the Company takes any action in reliance of this provision it will provide notice to the Creditor Oversight Committee. Each of the Parties further waives (a) any defense in any action for specific performance or enforcement of its Share Pledge that a remedy at law would be adequate; (b) any requirement under any law to post security or a bond as a prerequisite to obtaining equitable relief or enforcing its Share Pledge and/or Account Pledge; and (c) any objection to the standing of the Creditor Oversight Committee to participate in legal proceedings with respect to matters relating to the GUC Entity. For the avoidance of doubt, the Creditor Oversight Committee shall only be entitled to specific performance, and shall not be entitled to monetary damages or any set-off rights against the GUC Entity or the Contributed GUC Cash.</p>
Dispute Resolution; Submission to Jurisdiction	<p>The Parties shall seek to solve any disagreements in good faith and, in case of any failure to solve such disagreements, escalate the disputed matter within each organization with a view to solve the disagreement amicably.</p> <p>The Parties (i) submit to the exclusive jurisdiction of the Bankruptcy Court (or if the Bankruptcy Court determines that it does not have jurisdiction to hear any matter the subject of this provision, then the Supreme Court of the State of New York) to settle any dispute, controversy or claim arising out of or in connection with the GUC Agreement, the Articles or this GUC Agreement Term Sheet, or the breach, termination or invalidity thereof, and (ii) agree not to commence any action relating thereto except in any federal court located in the State of New York or any other New York state court, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in New York as described herein.</p>
Confidentiality	<p>The Parties hereby agree that all Confidential Information with respect to the Company, the GUC Entity and the Dutch Foundation (<i>Stichting</i>) shall be kept confidential by it and shall not be disclosed by it in any manner whatsoever, except as permitted in the GUC Agreement (to include certain exception regarding the Danish State’s ability to share information with the Danish parliament).</p> <p>No Party shall, without the applicable Party’s prior written consent, disclose non-public information of any other Party concerning, without limitation, any financial information or results of operations, any business plans, pricing information or regulatory information.</p> <p>“Confidential Information” shall mean all information (irrespective of the form of communication) received by or on behalf of a Party or its Representatives, its Affiliates or their respective Representatives, through the rights granted pursuant to the GUC Agreement, other than information that (i) was or becomes generally available to the public other than as a result of a breach of the GUC Agreement by such Party, its Affiliates or their respective Representatives, (ii) was or becomes available to such Party, its Affiliates or their respective Representatives on a non-confidential basis from a source other than any other Party or its</p>

<u>TERMS</u>	
	Representatives, as the case may be; <i>provided, however</i> , that the source thereof is not known by such Party or such of its Affiliates or their respective Representatives to be bound by an obligation of confidentiality to any other Party or any of its Affiliates, or (iii) is independently developed by such Party, its Affiliates or their respective Representatives without the use of any information that would otherwise be Confidential Information hereunder.
Ineligible Holders	<p>No security issued by the GUC Entity may be transferred to any person that is an Ineligible Holder.</p> <p>An “<i>Ineligible Holder</i>” means any GUC that:</p> <ul style="list-style-type: none"> (i) is a “U.S. person” (as defined in Section 902(k)(1) of Regulation S of the Securities Act), and not a “qualified purchaser” (as defined in in Section 2(a)(51) of the Investment Company Act); or (ii) holds the right to receive GUC Interests in an amount that is less than the minimum denomination value of the CVNs. <p>Each CVN holder will, under the CVNs, be deemed to acknowledge the following to the GUC Entity:</p> <ul style="list-style-type: none"> (i) the GUC Entity and its agents will not be obligated to recognize any resale or other transfer of the CVNs made other than in compliance with the restrictions set forth in the GUC Agreement; (ii) if any holder of CVNs breaches any covenant or agreement herein or makes any misrepresentation herein, the GUC Entity may require it to sell its CVNs to the GUC Entity or a person designated by the GUC Entity; and (iii) if the obligation to sell is not met, the GUC Entity is irrevocably authorized, without any obligation, to sell the CVNs on an offshore stock exchange on such terms as the Board determines. <p>The GUC Entity shall not approve any transfer of any CVN or any other security issued by the GUC Entity, or otherwise take any action that would, without the prior written consent of the Company, cause the GUC Entity to (i) become a reporting company under the Exchange Act, (ii) violate any state or U.S. federal securities laws, (iii) register as an investment company under the Investment Company Act, or (iv) register as an investment adviser under U.S. state or federal securities laws.</p>
Amendments	There shall be no amendment, waiver, supplement, repeal, or any other modification to the GUC Agreement or any document governing the GUC Entity and the Dutch Foundation (<i>Stichting</i>) without the prior written consent of Reorganized SAS AB.
Governing Law	New York law.
Conflict	If there is any conflict or inconsistency between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.
Third-Party Beneficiary	Notwithstanding anything to the contrary herein, the Parties expressly acknowledge and agree that the Investors, by action of the Required Investors, and the Holding Period Trustee are an express and intended third-party beneficiary of the GUC Agreement with respect to

TERMS

	the rights or provisions applicable to them, and shall be entitled to enforce (with respect to the Investors, by action of the Required Investors) such provisions as if they were party thereto.
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ANNEX I

[See Attached]

Investment Guidelines Applicable under GUC Entity Articles and GUC Entity CVNs

For as long as the GUC Entity holds the Contributed GUC Cash, the following investment guidelines shall apply to any investments of the Contributed GUC Cash; *provided, however*, that the GUC Entity may make adjustments, with approval of Reorganized SAS AB, to these investment guidelines as the GUC Entity may deem reasonably necessary as long as the overall risk profile of any adjusted investment guidelines remains substantially similar to those set forth below.¹

I. Portfolio Credit Limitations

The investments listed below are eligible for investment, with the following clarifications/restrictions:

1. All investments must have a Rating (as defined below) of at least A, with no more than 25% of the Contributed GUC Cash in investments rated A and at least 50% of the Contributed GUC Cash in investments rated AAA;
2. 100% in corporate or government Fixed Income Investments (as defined below);
3. Investment must be made in Swedish Krona, Danish Krone, and Euro denominated investments. The aim is to have ca. 50% of the Contributed GUC Cash invested into Swedish Krona denominated Fixed Income Investments and ca. 50% of the capital invested into Danish Krone or Euro denominated Fixed Income Investments; and
4. Duration of Fixed Income Investment will not be beyond a weighted-average-duration of 3 years.

II. Definitions

“Fixed Income Investments” means (i) an investment that provides a return in the form of fixed or variable periodic interest payments (in cash) and the eventual return of principal at maturity or through amortization or (ii) investments where the underlying cash flows are derived from such investments described in (i), including tranches of securitizations and similar vehicles.

“Rating” means a country or corporate credit rating issued by any of Fitch Ratings, Standard & Poor’s or Moody’s Investors Service. The Rating with respect to an investment fund may be the Rating of the fund itself, if such rating exists, or the weighted average rating of the assets held by such fund.

¹ Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the *GUC Agreement Term Sheet*, dated March 1, 2024, filed contemporaneously herewith as Appendix B to the *Information Regarding GUC Interests and Related GUC Documents*.

Appendix C

GUC Holding Period Trust Deed

[See attached]

DATED [●] 2024

**SAS AB (PUBL)
AS “SAS”**

and

**[SAS GUC LUXCO]
AS THE “GUC ENTITY”**

and

**GLAS TRUSTEES LIMITED
AS THE “HOLDING PERIOD TRUSTEE”**

HOLDING PERIOD TRUST DEED¹

¹ NTD: This document remains subject to further negotiation in all respects.

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THIS HOLDING PERIOD TRUST DEED (the “Deed”) is made on [•] 2024

BETWEEN:

- (1) **SAS AB (publ)**, incorporated in Sweden, with registered number 556606-8499 and registered office in Stockholm, Sweden (the “**SAS**”);
- (2) **SAS GUC Luxco S.á r.l.**, incorporated in Luxembourg, with registered number [•] and registered office at 17, Boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand Duché de Luxembourg (the “**GUC Entity**”); and
- (3) **GLAS Trustees Limited**, incorporated in England, with registered number 08466032 and registered office at 55 Ludgate Hill, Level 1 West, London, UK EC4M 7JW, in its capacity as Holding Period Trustee (the “**Holding Period Trustee**”), which expression includes, where the context admits, all persons for the time being the trustee or trustees of this document.

RECITALS:

- (A) On 5 July 2022, SAS and its debtor subsidiaries (collectively, the “**Debtors**”, and as reorganized upon emerging from chapter 11, the “**Reorganized Debtors**”) commenced voluntary cases under chapter 11 of title 11 of the United States Code with the United States Bankruptcy Court for the Southern District of New York. On 7 February 2024, the Debtors filed the *Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and Its Subsidiary Debtors* [ECF No. 1936] (the “**Chapter 11 Plan**”).
- (B) In accordance with the Chapter 11 Plan, each holder of an Allowed General Unsecured Claim in (i) Classes 3, 4, and 5 with respect to SAS AB and the Consolidated Debtors and (ii) Classes 3 and 5 with respect to the Gorm Blue Entities (each a “**GUC**” and, together, the “**GUCs**”) will receive contingent value notes (“**CVNs**”) issued by the GUC Entity.
- (C) To the extent that, under the Chapter 11 Plan, any GUCs do not satisfy the conditions needed to receive their entitlement to CVNs on the issuance of the CVNs, then those CVNs shall instead be issued to the Holding Period Trustee on or after the Effective Date to be held on the terms of this document. The GUCs who do not receive their entitlement to CVNs on the issuance of the CVNs shall be the “**Beneficiaries**” under this document. The Holding Period Trustee shall hold the CVNs transferred to it as the “**Trust Property**” under this document.
- (D) The Holding Period Trustee shall hold the Trust Property on bare trust for, and for the benefit of, the Beneficiaries subject to and in accordance with the terms of this document.
- (E) This document is entered into in contemplation of, and certain provisions of this document are conditional upon, the occurrence of the Effective Date.

IT IS AGREED as follows

1. Definitions and Interpretation

1.1 Definitions

In this document:

“**Account Holder Letter**” means an account holder letter substantially in the form scheduled to this document in Schedule 2, including the Investor Questionnaire attached thereto, in the form annexed to the Plan Supplement as Exhibit F;

“**Arm’s Length Terms**” means, in respect of the sale of Trust Property, the sale of such Trust Property on the open market by the Holding Period Trustee or a Selling Agent (as applicable) for such consideration as the Holding Period Trustee or such Selling Agent (as applicable) is reasonably able to obtain on such open market;

“**Beneficiaries**” means the Disqualified Persons and the Ineligible Holders;

“**Disqualified Person(s)**” means any GUC who:

- (a) fails to satisfactorily complete an Account Holder Letter and/or submit the KYC Information before the Effective Date to receive CVNs on their issuance;

“**CVNs**” means the subordinated and limited recourse notes issued by the GUC Entity pursuant to the terms and conditions of the contingent value notes (the “**T&Cs**”);

“**Effective Date**” means the date upon which all conditions to the effectiveness of the Chapter 11 Plan have been satisfied or waived in accordance with the Chapter 11 Plan terms and the Chapter 11 Plan becomes effective;

“**Ineligible Holder(s)**” means any GUC who:

- (a) is a “U.S. person” (as defined in Section 902(k)(1) of Regulation S of the Securities Act of 1933, as amended from time to time (the “**Securities Act**”)); and
- (b) is not a “Qualified Purchaser” (as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940 , as amended from time to time); or
- (c) [is entitled to less than the Minimum Denomination of CVNs.]²

“**FSMA**” means the Financial Services and Markets Act 2000 of the United Kingdom;

“**GUC Agreement**” means that certain GUC Entity Governance Agreement entered as of the Effective Date, by and between Reorganized SAS AB and the GUC Entity, as described in the Plan;

² NTD: Open point.

“**GUC Documents**” means the GUC Agreement, this document, the T&Cs, and any other agreement or document necessary to give effect to the distribution and terms of CVNs in accordance with the Chapter 11 Plan, which agreement(s) shall be included in the Plan Supplement (or for which term sheets shall be included in the Plan Supplement);

“**Holding Period**” means the period of nine months following the Effective Date;

“**Information Deadline**” has the meaning given to it in the Account Holder Letter;

“**Insurance Distribution Directive**” means Directive 2016/97/EU as amended from time to time;

“**KYC Information**” has the meaning given to it in the Account Holder Letter;

“**MiFID II**” means Directive 2014/65/EU as amended from time to time;

[“**Minimum Denomination**” means \$[●] in face value of CVN;]³

“**Nominated Recipient**” means any person appointed by a Beneficiary to receive its distribution of Trust Property;

“**Party**” means a party to this document;

“**Plan Supplement**” means a supplement or supplements to the Chapter 11 Plan containing certain documents relevant to the implementation of the Chapter 11 Plan, filed with the Bankruptcy Court;

“**Proceeds**” means any cash proceeds or consideration received by the Holding Period Trustee from the sale or disposal of the Trust Property or any part of it (net of any taxes, withholding, deductions, commissions, other fees, other costs or any other expenses properly incurred by the Holding Period Trustee in connection therewith) or, where the context requires, shall mean such cash proceeds or consideration in respect of each Beneficiary’s Trust Property, as provided for in this document;

“**Prospectus Regulation**” means Regulation 2017/1129/EU;

“**Related Rights**” means (a) any dividend, interest (including any default interest) or other amount paid or payable in respect of any CVNs held on trust pursuant to this document; (b) any stock shares, rights, money or property accruing or offered in respect of any such CVNs; and (c) any dividend, interest or other amount paid or payable in respect of any asset listed at paragraph (b) above, and which, in each case, for the avoidance of doubt, shall be payable to the Holding Period Trustee whilst such CVNs are held on bare trust pursuant to this document;

“**Selling Agent**” means a reputable institution with relevant experience as a selling agent;

³ NTD: Open point.

“**Transfer Request**” means a written request from a Beneficiary to the Holding Period Trustee for the Holding Period Trustee to transfer that Beneficiary’s Trust Property to that Beneficiary (or its Nominated Recipient, as applicable) in substantially the same form as Schedule 1 hereto;

“**Trust Property**” means all of the CVNs transferred to the Holding Period Trustee pursuant to this document and any Related Rights, in each case, to hold on trust on behalf of the Beneficiaries;

“**Trustee Acts**” means the Trustee Act 1925 and the Trustee Act 2000;

“**Validly completed**” shall have the meaning given to it in the relevant Account Holder Letter; and

“**VAT**” means:

- (i) any value added tax imposed by the Value Added Tax Act 1994, as may be amended or substituted from time to time;
- (ii) any tax imposed in compliance with the council directive of 28 November 2006 on the common system of value added tax (EC Directive (2006/112)); and
- (iii) any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraphs (i) and (ii) above, or imposed elsewhere.

1.2 Construction

In this document, except where the context otherwise requires:

- (a) a reference to any person includes its successors and assigns;
- (b) references to any deed (including this document), negotiable instrument, certificate, notice or other document of any kind (including, without limitation, any GUC Document), and references to any document (or a provision thereof) shall be construed as a reference to that document or provision as from time to time amended, supplemented, varied or replaced (in whole or in part);
- (c) references to any statute or other legislative provision shall include any statutory or legislative modification or re-enactment thereof, or any substitution thereof;
- (d) the term “including” means “including, without limitation”;
- (e) headings are for ease of reference only and shall not affect the interpretation of this document; and

- (f) a Clause is a reference to a clause of this document unless the context otherwise requires.

1.3 Third Party Rights

- (a) Unless expressly provided to the contrary in this document, a person who is not a party to this document has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this document.
- (b) Notwithstanding anything to the contrary in this document, any Selling Agent and any Beneficiary may rely on any clause of this document, which expressly confers rights on it.

1.4 Perpetuity Period

If the rule against perpetuities applies to any trust created by this document, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

2. **Holding Period Trust**

2.1 Establishment of Trust Property

- (a) A GUC which, by the Information Deadline, is a Disqualified Person or an Ineligible Holder, shall have its entitlement to CVNs under the Plan transferred to the Holding Period Trustee and the Holding Period Trustee shall hold such CVN on bare trust in accordance with this document for the benefit of such Disqualified Person or Ineligible Holder.
- (b) The Holding Period Trustee declares and gives notice that, upon being issued, transferred, allocated or receiving any Trust Property, it will hold the Trust Property on bare trust for the Beneficiaries for the Holding Period absolutely on the terms contained in this document until the release of such Trust Property is authorised in accordance with this document.
- (c) Subject to Clause 2.1(d) below, the Holding Period Trustee declares that each Beneficiary's Trust Property will be held absolutely on bare trust for such Beneficiary until the earlier of:
 - (i) the end of the Holding Period; or
 - (ii) the transfer of such Beneficiary's Trust Property in accordance with Clause 2.4,

on the terms contained in this document.

- (d) Notwithstanding Clause 2.1(c) above, to the extent that a Beneficiary's Trust Property has not been transferred in accordance with Clause 2.4(a) by the end of the Holding Period, then the Holding Period Trustee declares that such Beneficiary's Trust Property, and any Proceeds received from the

sale or disposal of some or all of such Beneficiary's Trust Property, will be held absolutely on bare trust for the relevant Beneficiary until the transfer of such Beneficiary's Trust Property or Proceeds are made in accordance with the terms contained in this document. SAS and the GUC Entity hereby agree to the appointment of the Holding Period Trustee to act as trustee in respect of the Trust Property and the Proceeds held on trust for each Beneficiary under and in connection with this document.

2.2 The Holding Period Trustee

- (a) On or around the date of this document, SAS shall, to the extent known to it, provide the Holding Period Trustee with details of all of the Beneficiaries and the Trust Property which is to be transferred to the Holding Period Trustee under this document.
- (b) SAS and the GUC Entity shall use commercially reasonable efforts to provide to the Holding Period Trustee any information which the Holding Period Trustee may reasonably specify as being necessary to enable the Holding Period Trustee to perform its obligations hereunder.
- (c) The Holding Period Trustee shall use reasonable endeavours to contact each Beneficiary, who has provided an email address to the Holding Period Trustee, by email on a date falling between fifty (50) and sixty (60) calendar days prior to the end of the Holding Period and to inform them:
 - (i) when the Holding Period will expire;
 - (ii) of the process to issue a Transfer Request in accordance with Clause 2.4(a); and
 - (iii) of the steps the Holding Period Trustee will take at the end of the Holding Period in accordance with Clause 2.5.

2.3 Holding Period Trustee as Trustee

- (a) The Holding Period Trustee represents and warrants that it:
 - (i) is not a "U.S. person" as defined in Regulation S under the Securities Act, and is outside the United States in accordance with Regulation S under the Securities Act;
 - (ii) is aware that the sale of the CVNs is being made in reliance on one or more exemptions from registration under the Securities Act and it (or the account it is representing) meets the requirement stipulated by the Securities Act and any other applicable law and regulation to subscribe to the CVNs
 - (iii) is not a retail investor in the European Economic Area (defined as a person who is one (or more)) of:

- (A) a retail client as defined in point (11) of Article 4(1) of MiFID II;
 - (B) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II); or
 - (C) not a qualified investor as defined in Article 2 of the Prospectus Regulation,
- (iv) is not a retail investor in the United Kingdom (defined as a person who is one (or more)) of:
- (A) a retail client, as defined in point (8) of Article 2 of Regulation 2017/565/EU as it forms part of UK domestic law by virtue of the European Union Withdrawal Act (“EUWA”);
 - (B) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation 600/2014/EU as it forms part of UK domestic law by virtue of the EUWA; or
 - (C) a “qualified investor” as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of EUWA.
- (b) The Holding Period Trustee is authorised to perform the duties, obligations and responsibilities and to exercise the rights, powers and authorities specifically given to the Holding Period Trustee under this document, together with any other incidental rights, powers and authorities.
- (c) Subject to Clause 10.4 (*Retiring Holding Period Trustee*) 14.6 (*Indemnity from Trust Property and from SAS*), the Holding Period Trustee shall not at any time whatsoever have any beneficial interest in the Trust Property or the Proceeds held on trust for each Beneficiary.
- (d) The Parties agree that the Reorganized Debtors shall not have any responsibility or liability for any costs or expenses of or any claims or liabilities asserted against the Holding Period Trust, the Holding Period Trustee, or any Selling Agent.

2.4 Transfers of Trust Property during the Holding Period

- (a) After the Effective Date but before the end of the Holding Period, a Beneficiary may make a Transfer Request to the Holding Period Trustee.

- (b) The Holding Period Trustee shall only comply with a Transfer Request if:
- (i) the Beneficiary (or its Nominated Recipient, as applicable) is not an Ineligible Holder;
 - (ii) the Beneficiary delivers a validly completed and signed Transfer Request to the Holding Period Trustee; and
 - (iii) [the Beneficiary has provided any indemnification and/or security that the Trustee may in its discretion and for its own account (acting reasonably) require for any cost, loss or liability (together with any applicable tax or VAT) which it may incur in complying with Transfer Request.]⁴
- (c) Following the satisfaction of all such conditions set out in Clause 2.4(b), the Holding Period Trustee shall promptly transfer the subject Trust Property to the relevant Beneficiary (or its Nominated Recipient, as applicable).
- (d) Following a transfer of all of the Trust Property of a Beneficiary, the relevant Beneficiary shall cease to be a beneficiary of the trust established hereby.
- (e) Notwithstanding anything to the contrary in this document, the Holding Period Trustee will only be obliged to transfer any Trust Property to a Beneficiary (or its Nominated Recipient, if applicable) if:
- (i) the Beneficiary delivers evidence satisfactory to the Holding Period Trustee that it was a GUC as at the Effective Date (or has legally and validly purchased such Beneficiary's Trust Property following the Effective Date);
 - (ii) the Beneficiary delivers a validly completed and signed Transfer Request to the Holding Period Trustee;
 - (iii) the Beneficiary provides any KYC Information required by the Holding Period Trustee to the Holding Period Trustee's satisfaction; and
 - (iv) the Beneficiary is not a sanctioned person, and such transfer is not in breach of any law or regulation.

2.5 Trust Property after the Holding Period

- (a) At the end of the Holding Period, but before the first anniversary of this document, the Holding Period Trustee shall, as soon as reasonably practicable, use reasonable endeavours, including (if deemed by the

⁴ NTD: Open point. Company's position is that the Holding Period Trustee should only be reimbursed for its irrecoverable VAT.

Holding Period Trustee to be necessary or desirable) through the appointment of a Selling Agent, to sell or otherwise dispose of any Trust Property which is not already in the form of money on Arm's Length Terms (in each case, provided that the purchaser of such Trust Property provides the Holding Period Trustee with such relevant information and evidence as it may reasonably require, including customary know your customer and/or anti-money laundering processes) and comply with any holder requirements set forth in the GUC Agreement.

- (b) The Holding Period Trustee shall hold any Proceeds on bare trust for each Beneficiary pro rata to the relevant Beneficiary's share of the Trust Property which gave rise to the Proceeds immediately prior to the sale or disposal of such Trust Property until the first anniversary of this document (unless extended by mutual agreement of the Parties).
- (c) A Beneficiary whose Trust Property has been sold or otherwise disposed of by the Holding Period Trustee pursuant to this document may request in writing to the Holding Period Trustee that the Holding Period Trustee transfer the relevant Proceeds to it (after deducting any taxes, withholding, fees, costs, or any other expenses properly incurred by the Holding Period Trustee in connection with the transfer, sale or disposal of such Trust Property or Proceeds), or its Nominated Recipient whilst that Beneficiary's Proceeds are held by the Holding Period Trustee pursuant to this document and the Holding Period Trustee shall make such transfer upon request, subject to Section 2.5(e).
- (d) Following a transfer of all of the Proceeds relating to such Beneficiary's Trust Property (and to the extent not sold or otherwise disposed of, all of such Beneficiary's remaining Trust Property), the relevant Beneficiary shall cease to be a beneficiary of the trust established hereby.
- (e) Notwithstanding anything to the contrary in this document, the Holding Period Trustee will only be obliged to transfer any Proceeds to a Beneficiary (or its Nominated Recipient, as applicable) if:
 - (i) the Beneficiary delivers evidence satisfactory to the Holding Period Trustee that it holds the right title and interest of a GUC as at the Effective Date;
 - (ii) the Beneficiary provides an executed Investor Questionnaire and KYC Information required by the Holding Period Trustee to the Holding Period Trustee's satisfaction;
 - (iii) the Beneficiary is not a sanctioned person, and such transfer is not in breach of any law or regulation; and
 - (iv) [the Beneficiary has provided any indemnification and/or security that the Trustee may in its discretion and for its own account (acting reasonably) require for any cost, loss or liability (together

with any applicable tax or VAT) which it may incur in complying with Transfer Request.]⁵

3. Reliance and duties of Holding Period Trustee

3.1 Instructions from Beneficiaries

- (a) As set out in this Clause 3.1 (Instructions), the Holding Period Trustee shall be instructed on the application and use of the Trust Property by the Beneficiaries in accordance with the terms of this document.
- (b) The Holding Period Trustee shall act (or refrain from acting) having regard to the interests of the Beneficiaries in accordance with its fiduciary duty as bare trustee of the Trust Property.
- (c) [The Holding Period Trustee may refrain from acting in accordance with any instructions of SAS pursuant to this document until it has received any indemnification and/or security that it may in its discretion and for its own account (acting reasonably) require for any cost, loss or liability (together with any applicable tax or VAT) which it may incur in complying with those instructions.]⁶

3.2 Holding Period Trustee undertakings

The Holding Period Trustee undertakes in favour of each other Party and each Beneficiary that it:

- (a) shall deal with any Trust Property pursuant to the terms of this document; and
- (b) shall not, and shall not purport to:
 - (i) create or permit to subsist any security interest whatsoever (unless arising by operation of law) upon any of the assets comprised in the Trust Property;
 - (ii) save as expressly set out in this document or as required (and to the extent necessary) to perform its obligations as trustee of the trusts constituted by this document, sell, transfer or otherwise dispose of, or deal with, any Trust Property; or
 - (iii) save as expressly set out in this document or in respect of the trusts created by this document, permit any person other than itself to have any interest, estate, right, title or benefit in any Trust Property.

⁵ NTD: Open Point. Company's position is that the Holding Period Trustee should only be reimbursed for its irrecoverable VAT.

⁶ NTD: Open Point. Company's position is that the Holding Period Trustee should only be reimbursed for its irrecoverable VAT.

3.3 Duties of the Holding Period Trustee

- (a) The Holding Period Trustee is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (b) Save as required by law, the Holding Period Trustee shall have only those duties, obligations and responsibilities expressly specified in this document (and no others shall be implied).

3.4 No fiduciary duties to the Reorganized Debtors

Nothing in this document constitutes the Holding Period Trustee as an agent, trustee or fiduciary of any member of the Reorganized Debtors.

3.5 No duty to account

The Holding Period Trustee shall not be bound to account to any Beneficiary for any sum or the profit element of any sum received by it for its own account.

3.6 Business with the Reorganized Debtors

The Holding Period Trustee may generally engage in any kind of other business with any member of the Reorganized Debtors.

3.7 Rights and Information

The Holding Period Trustee may:

- (a) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised and received by it in the course of performing its obligations under this document; and
- (b) rely on a certificate received from any person in the course of performing its obligations under this document:
 - (i) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (ii) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (i) above, may assume the truth and accuracy of that certificate.

3.8 Holding Period Trustee may take advice

Subject to the other provisions of this document, the Holding Period Trustee may act on the opinion or advice of, or information obtained from any lawyer, accountant, tax advisers, surveyors or other professional advisers or experts and shall not be responsible to anyone for any loss occasioned by so acting whether

such advice is obtained or addressed to SAS or the Holding Period Trustee, save where such loss is directly caused by its gross negligence, wilful misconduct or fraud. Any such opinion, advice or information may be sent or obtained by email, letter or fax and the Holding Period Trustee shall not be liable to anyone for acting in good faith on any opinion, advice, or information purporting to be conveyed by such means, even if it contains some error or is not authentic.

3.9 Parties may act through their agents

SAS, the Holding Period Trustee and any Selling Agent may act in relation to this document and the Trust Property through its officers, employees and agents and, provided that it has exercised reasonable care in the selection of any such officers, employees or agents, it shall not:

- (a) be liable for any error of judgment made by any such person; or
- (b) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by SAS's, the Holding Period Trustee's or any Selling Agent's gross negligence, wilful misconduct or fraud.

4. Confidentiality

Unless this document expressly specifies otherwise, the Holding Period Trustee may disclose to any other Party any information it reasonably believes it has received as trustee under this document and in relation to which it has not entered into any other confidentiality agreement; *provided, however*, that no information furnished to the Holding Period Trustee or any Selling Agent by the Reorganized Debtors shall be disclosed by the Holding Period Trustee or the Selling Agent to any other person without the prior consent of SAS, provided further that the Holding Period Trustee or the Selling Agent may continue to disclose such information to its directors, employees, officers, advisors and auditors or where disclosure is required by law, any court of competent jurisdiction, or any appropriate regulatory body.

5. Action contrary to any Law

Notwithstanding any other provision of any GUC Document, this document, or the Chapter 11 Plan to the contrary, the Holding Period Trustee is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality, in each case, applicable to it.

6. No responsibility to spend own funds

The Holding Period Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion unless it has been provided with adequate indemnity against, or security for, such risk or liability, or is otherwise satisfied that such funds will be repaid to it, in accordance

with Clause 14.6 (*Indemnity from Trust Property*) below. The Parties agree that none of the Reorganized Debtors nor the GUC Entity shall have any responsibility or liability for any costs or expenses of or any claims or liabilities asserted against the Holding Period Trust, the Holding Period Trustee, or any Selling Agent.

7. Responsibility for documentation

7.1 The Holding Period Trustee is not responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Holding Period Trustee or any other person in connection with any GUC Document, this document, the Chapter 11 Plan, the Plan Supplement, or the transactions contemplated in the GUC Documents, this document, the Chapter 11 Plan, the Plan Supplement, or any other arrangement or document entered into, made or executed in anticipation of, under or in connection with any GUC Document, this document, or the Chapter 11 Plan, save to the extent any liabilities in connection therewith are directly caused by its gross negligence, wilful misconduct or fraud; or
- (b) the legality, validity, effectiveness, adequacy or enforceability of any GUC Document, this document, the Chapter 11 Plan, the Plan Supplement, or any other deed, arrangement or document entered into, made or executed in anticipation of, under or in connection with any GUC Document, this document, or the Chapter 11 Plan, or the Trust Property.

8. No duty to monitor

8.1 The Holding Period Trustee shall not be bound to enquire:

- (a) as to the performance, default or any breach by any Party of its obligations under this document, the Chapter 11 Plan or any GUC Documents; or
- (b) whether any other event specified in this document, any GUC Document, or the Chapter 11 Plan has occurred.

9. Liability

9.1 Exclusion of Liability

- (a) Without limiting Clause 9.1(b) below (and without prejudice to any other provision of any GUC Document excluding or limiting the liability of the Holding Period Trustee or any Selling Agent), neither the Holding Period Trustee, the Reorganized Debtors, nor any Selling Agent will be liable for:
 - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any [GUC Document]/[the CVNs] or this document unless directly caused by its gross negligence, wilful misconduct or fraud;

- (ii) exercising or not exercising any right, power, authority or discretion given to it by, or in connection with, any [GUC Document]/[the CVNs] or this document or any other deed, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any GUC Document, or the Chapter 11 Plan;
- (iii) any shortfall which arises on any sale of the Trust Property unless directly caused by its fraud, gross negligence or wilful misconduct; or
- (iv) without prejudice to the generality of paragraphs (i) to (iii) above, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

- (b) Nothing in this document shall exclude, or relieve the Holding Period Trustee, the Reorganized Debtors or any Selling Agent from any liability arising as a result of fraud, or gross negligence on its own part or on the part of its directors, officers and employees.

9.2 Proceedings

No Party (other than the Holding Period Trustee) may take any proceedings against any officer, employee or agent of the Holding Period Trustee in respect of any claim it might have against the Holding Period Trustee, or in respect of any act or omission of any kind by that officer, employee or agent in relation to any GUC Document or this document.

9.3 Limitation

Without prejudice to any provision of any GUC Document or this document excluding or limiting the liability of the Holding Period Trustee, the Reorganized Debtors or any Selling Agent arising under or in connection with any GUC Document or this document, any liability of the Holding Period Trustee, the Reorganized Debtors or any Selling Agent arising under or in connection with any

GUC Document or this document, shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered but without reference to any special conditions or circumstances known to the Holding Period Trustee at any time which increase the amount of that loss. In no event shall the Holding Period Trustee, the Reorganized Debtors or any Selling Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Holding Period Trustee has been advised of the possibility of such loss or damages.

10. Resignation of the Holding Period Trustee

10.1 Resignation

The Holding Period Trustee may resign and appoint one of its affiliates as successor by giving written notice to SAS, subject to such a successor agreeing to be bound by the terms of this document and the GUC Documents applicable to it and provided that such successor is incorporated in the United Kingdom.

10.2 Resignation on Notice

Alternatively, the Holding Period Trustee may resign at any time by giving 30 Business Days' prior written notice to SAS, in which case SAS may appoint a successor Holding Period Trustee, provided that such successor is incorporated in the United Kingdom.

10.3 Successor Holding Period Trustees

If SAS has not appointed a successor Holding Period Trustee in accordance with Clause 10.2 (*Resignation On Notice*) above within 20 days after notice of resignation was given, the retiring Holding Period Trustee shall appoint a successor Holding Period Trustee, provided that such successor is incorporated in the United Kingdom.

10.4 Retiring Holding Period Trustee

[The retiring Holding Period Trustee shall make available to the successor Holding Period Trustee such documents and records and provide such assistance as the successor Holding Period Trustee may reasonably request for the purposes of performing its functions as Holding Period Trustee under this document, including (without limitation) using commercially reasonable endeavours to notify all known Beneficiaries of the retirement of the existing Holding Period Trustee and appointment of its successor Holding Period Trustee. The retiring Holding Period Trustee shall transfer, without prejudice to the rights of the Beneficiaries, all the Trust Property, Proceeds or both to the successor Holding Period Trustee. The retiring Holding Period Trustee shall be reimbursed from the Trust Property or from any indemnity which it has the benefit of from a member of the Reorganized Debtors for the amount of all reasonable costs and expenses (including legal fees, but excluding any recoverable VAT charged to it) properly incurred by it in making available such documents and records and providing such assistance.]⁷

10.5 Removal on Notice

- (a) The Holding Period Trustee's resignation notice shall only take effect upon:
 - (i) the appointment of a successor incorporated in the United Kingdom who agrees to be bound by the terms of this document; and
 - (ii) the transfer, without prejudice to the rights of the Beneficiaries, of all the Trust Property and/or Proceeds to that successor.
- (b) SAS shall be entitled to remove the Holding Period Trustee, or any successor Holding Period Trustee, at any time by giving to the Holding Period Trustee, or any successor Holding Period Trustee, thirty Business Days' prior notice in writing.

11. **Confidentiality**

11.1 Separate entity

In acting as bare trustee for the Beneficiaries, the Holding Period Trustee shall be regarded as acting through its trustee division which shall be treated as a separate entity from any other of its divisions or departments.

11.2 Confidential information

If information is received by another division or department of the Holding Period Trustee, it may be treated as confidential to that division or department and the Holding Period Trustee shall not be deemed to have notice of it.

11.3 No duty to disclose

⁷ NTD: Open Point. Company's position is that the Holding Period Trustee should only be reimbursed for its irrecoverable VAT.

Notwithstanding any other provision of any GUC Document, this document, or the Chapter 11 Plan to the contrary, the Holding Period Trustee is not obliged to disclose to any other person:

- (a) any confidential information or
- (b) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty.

12. Information from SAS

To the extent reasonably available to SAS, SAS shall use commercially reasonable efforts to supply the Holding Period Trustee with any information that the Holding Period Trustee may reasonably specify as being necessary to enable the Holding Period Trustee to perform its functions as Holding Period Trustee.

13. Custodians and Nominees

13.1 Appointment of custodians or nominees

The Holding Period Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to any asset of the trust as the Holding Period Trustee may reasonably determine, including for the purpose of depositing with a custodian this document, any Trust Property or any document relating to the trust created under this document and the Holding Period Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this document (provided it has exercised reasonable care in the selection of such custodian or nominee) or be bound to supervise the proceedings or acts of any person, subject to the Holding Period Trustee using reasonable endeavours to recoup such loss, liability, expense, demand or cost.

13.2 Consistency with this document

In order for an appointment of a nominee or custodian contemplated by Clause 13.1 (*Appointment*) above to be effective, the agreement in respect of such appointment must be consistent with the terms of this document.

14. Miscellaneous Provisions

14.1 [Delegation by the Holding Period Trustee

- (a) The Holding Period Trustee may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any right, power, authority or discretion vested in it in its capacity as such, provided that such person is incorporated in the United Kingdom.
- (b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Holding Period

Trustee (as the case may be) may, in its reasonable discretion, think fit in the interests of the Beneficiaries.

- (c) The Holding Period Trustee shall not be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate (provided it has exercised reasonable care in the selection of such delegate).]⁸

14.2 Additional Holding Period Trustees

- (a) The Holding Period Trustee may at any time appoint (and subsequently remove) any person to act as a separate trustee or as a co-trustee jointly with it, subject to such a trustee agreeing to be bound by the terms of this document (provided that such a trustee is incorporated in the United Kingdom):
 - (i) if it considers that appointment to be in the interests of the Beneficiaries;
 - (ii) for the purposes of conforming to any legal requirement, restriction or condition which the Holding Period Trustee deems to be relevant; or
 - (iii) for obtaining or enforcing any judgment in any jurisdiction,
and the Holding Period Trustee shall give prior notice to SAS of that appointment.
- (b) Any person so appointed shall have the rights, powers and authorities (not exceeding those given to the Holding Period Trustee under or in connection with this document) and the duties, obligations and responsibilities that are given or imposed by the instrument of appointment.
- (c) The remuneration that the Holding Period Trustee may pay to that person, and any costs and expenses (together with any applicable irrecoverable VAT) incurred by that person in performing its functions pursuant to that appointment shall, for the purposes of this document, be treated as costs and expenses incurred by the Holding Period Trustee.⁹

14.3 Acceptance of title

The Holding Period Trustee shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any Beneficiary may have to

⁸ NTD: Open Point. Scope of delegation to be negotiated.

⁹ NTD: Open Point. Company's position is that the Holding Period Trustee should only be reimbursed for its irrecoverable VAT.

any of the Trust Property or Proceeds and shall not be liable for, or bound to require any person to remedy, any defect in its right or title.

14.4 Powers supplemental to Trustee Acts

Save as provided for in Clause 14.4 (*Disapplication of Trustee Acts*) below, the rights, powers and authorities given to the Holding Period Trustee under or in connection with this document shall be supplemental to the provisions of the Trustee Acts and in addition to any which may be vested in the Holding Period Trustee by law or regulation or otherwise.

14.5 Disapplication of Trustee Acts

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Holding Period Trustee in relation to the trusts constituted by this document. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this document, the provisions of this document shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this document shall constitute a restriction or exclusion for the purposes of that Act.

14.6 Indemnity from Trust Property

- (a) The Holding Period Trustee may, in priority to any payment to the Beneficiaries, indemnify itself out of the Trust Property or the Proceeds in respect of, and unpaid fees, costs or expenses (excluding any recoverable VAT charged to it) and retain all sums necessary to give effect to any indemnity under or in connection with this document and in accordance with the GUC Agreement.¹⁰
- (b) When satisfying any financial obligations hereunder (including any indemnity or fee obligations), the Holding Period Trustee and the Selling Agent shall look first to the Trust Property or Proceeds. If any obligations to the Holding Period Trustee or the Selling Agent remain unpaid following application of the Trust Property or Proceeds, the Holding Period Trustee and the Selling Agent may seek recourse against GUC Entity, but such recourse shall be limited solely to the Interest and Investment Income and any payment by the GUC Entity to the Holding Period Trustee or the Selling Agent, as applicable, shall be made in accordance with the GUC Agreement.

14.7 Winding up of trust

For the avoidance of doubt once the Holding Period Trustee no longer holds any Trust Property or Proceeds on trust for the Beneficiaries, the trusts set out in this document shall terminate.

¹⁰ NTD: Open Point. Company's position is that the Holding Period Trustee should only be reimbursed for its irrecoverable VAT.

14.8 Further assurance

The Parties shall promptly execute and deliver such other documents or agreements and take such other action as may be reasonably necessary or desirable for the implementation of this document.

15. **Notices**

15.1 Communications in writing

Each communication to be made under or in connection with this document shall be made in writing and, unless otherwise stated, shall be duly given if it is delivered by hand, email, prepaid recorded delivery or international courier to the address or email address set out below.

15.2 Addresses

The addresses and email addresses (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this document is:

In the case of SAS:

Weil Gotshal & Manges LLP
767 5th Avenue
New York
NY 10153
United States

Attention: Gary Holtzer
Kelly DiBlasi
Lauren Tauro
Mariel E. Cruz
Email: Gary.Holtzer@weil.com
Kelly.DiBlasi@weil.com
Lauren.Tauro@weil.com
Mariel.Cruz@weil.com

In the case of the GUC Entity:

SAS GUC Luxco
17, Boulevard F.W. Raiffeisen
L-2411 Luxembourg
Grand Duché de Luxembourg
Attention: Anna Almén
Erik Andren
Email Anna.almen@sas.se
Erik.andren@sas.se

In the case of the Holding Period Trustee:

[GLAS Trustees Limited

55 Ludgate Hill
Level 1 West
London
EC4M 7JW
UK

Attention: [tes@glas.agency - “Debt Capital Markets London/SAS”],

or any substitute address, email or department or officer as each Party may notify to the other by not less than five Business Days’ notice.

15.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this document will only be effective:
 - (i) at the time of delivery if delivered personally;
 - (ii) when received in readable form sent by email;
 - (iii) three Business Days after the time and date of posting if sent by pre-paid recorded delivery; or
 - (iv) five Business Days after the time and date of posting if sent by international courier.
- (b) The accidental omission to send any notice, written communication or other document in accordance with Clauses 15.1 (Communications in writing) or 15.2 (Addresses) or the non-receipt of any such notice by any Party, shall not affect the provisions of this document.
- (c) In proving service, it shall be sufficient proof, in the case of a notice sent by post, that the envelope was properly stamped, addressed and placed in the post.
- (d) Any communication or document to be made or delivered to the Holding Period Trustee will be effective only when actually received by the Holding Period Trustee.

16. **Miscellaneous**

16.1 Fractions

When making transfers or payments to or at the direction of the Beneficiaries, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

16.2 Amendments

Any provision of this document may be amended, varied, modified or waived with the prior written consent of each of the Parties, provided that such amendment,

variation, waiver or modification shall not materially affect the nature or the extent of the beneficial interests of the Beneficiaries or any one of them.

16.3 Counterparts

This document may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

16.4 Effect as a deed

Each Party intends that this document takes effect as a deed (even though a Party may execute it under hand).

16.5 Governing law

This document and any non-contractual obligations arising out of, or in connection with it, shall be governed by and construed in accordance with the laws of England and Wales.

16.6 Jurisdiction

The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of, or connected with, this document (including a dispute regarding the existence, validity or termination of this document or the consequences of its nullity).

Schedule 1: Transfer Request

To: GLAS Trustees Limited (the “**Holding Period Trustee**”)

From: [*Holding Period Trust Beneficiary*] (the “**HPT Beneficiary**”); and

[*Transfer Recipient Details*] (the “**Transfer Recipient**”)

Re: CVN Holding Period Trust Transfer Request

We refer to the Holding Period Trust Deed dated [*date*] between, amongst others, GLAS Trustees Limited and the GUC Entity (the “**HPTD**”). Defined terms in this request shall have the same meaning as in the HPTD.

For the purposes of this Transfer Request:

“**Sanctions**”: any laws or regulations relating to economic or financial, trade, immigration, aircraft, shipping or other sanctions, export controls, trade embargoes or restrictive measures from time to time imposed, administered or enforced by a Sanctions Authority.

“**Sanctions Authority**”: the UK and OR, the United Nations (UN) (and any other governmental authority), and in each case their respective governmental, judicial or regulatory institutions, agencies, departments and authorities, including (without limitation) the UN Security Council, His Majesty's Treasury and the UK's Office of Financial Sanctions Implementation and Department of International Trade.

“**Sanctions List**”: any of the lists issued or maintained by a Sanctions Authority designating or identifying persons that are subject to Sanctions, in each case as amended, supplemented or substituted from time to time, including (without limitation) the UK Sanctions List, Consolidated List of Financial Sanctions Targets in the UK and the Consolidated United Nations Security Council Sanctions List.

“**Sanctions Proceedings**”: any actual or threatened:

- a) litigation, arbitration, settlement or other proceedings (including alternative dispute resolution, criminal and administrative proceedings); or
- b) investigation, inquiry, enforcement action (including the imposition of fines or penalties) by any governmental, administrative, regulatory or similar body or authority,

in each case relating to, or in connection with, any actual or alleged contravention of Sanctions.

“**Sanctions Target**”: a person that is:

- a) listed on a Sanctions List;
- b) owned or controlled by a person listed on a Sanctions List;
- c) resident, domiciled or located in, or incorporated or organised under the laws of, a country or territory that is subject to any Sanctions; or
- d) otherwise identified by a Sanctions Authority as being subject to Sanctions

In accordance with Clause 2.5 of the HPTD, the HPT Beneficiary requests that the Holding Period Trustee transfer the HPT Beneficiary’s Trust Property to the following party (the “**Transfer Recipient**”):

Name:	
Clearstream/ Euroclear Account Number:	
Address:	
Telephone number:	
Email Address:	
Principal contact person:	

In submitting this Transfer Request, the HPT Beneficiary has validly completed, and appended to this Transfer Request, an Account Holder Letter completing all relevant parts and evidencing that it is entitled to the CVNs.

The Transfer Recipient has completed, and appended to this Transfer Request, an Investor Certificate (*Part 5 of the Account Holder Letter*) and has provided the Holding Period Trustee all required KYC Information.

In signing this Transfer Request, both the HPT Beneficiary and the Transfer Recipient confirm that as at the date of the Transfer Request, neither are a Sanctions Target and nothing has occurred that could result in either becoming a Sanctions Target.

Schedule 2 Form of Account Holder Letter

IN WITNESS whereof this document has been duly executed as a deed and delivered on the date stated at the beginning of this document.

Executed and delivered as a deed by

SAS AB (publ)

acting through its lawfully appointed attorney

under a power of attorney dated _____ in the presence of:

.....
Attorney

Name of Attorney:

Signature of Witness

Name of Witness

Address of Witness

Occupation of Witness

Executed and delivered as a deed by

SAS GUC LUXCO S.A R.L

acting through its lawfully appointed attorney

under a power of attorney dated _____ in the presence of:

.....
Attorney

Name of Attorney

Signature of Witness

Name of Witness

Address of Witness

Occupation of Witness

Executed and delivered as a deed by

GLAS TRUSTEES LIMITED

acting through its lawfully appointed attorney
in the presence of:

.....
Attorney

Signature of Witness

Name of Witness

Address of Witness

Occupation of Witness

Appendix D

GUC Entity's Articles of Association

[See attached]

[SAS GUC Luxco]
Société à responsabilité limitée
Siège social : 17, Boulevard F.W. Raiffeisen, L-2411 Luxembourg
Grand Duché de Luxembourg

CONSTITUTION DE SOCIETE du [] 2024	Me [●] No [●]
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In the year two-thousand and twenty-four, on the [●] day of [●],

Before the undersigned, *Maître* [●], a notary resident in [●], Grand Duchy of Luxembourg,

THERE APPEARED:

[Stichting SAS GUC], a foundation (*stichting*) formed under the laws of the Netherlands, having its registered office at [●], the Netherlands, and registered with the Netherlands Chamber of Commerce (*Kamer van Koophandel, KVK*) under number [●],

represented by **name**, **profession**, with professional address at Luxembourg, by virtue of a power of attorney given under private seal.

After signature *ne varietur* by the authorised representative of the appearing party and the undersigned notary, the power of attorney will remain attached to this deed to be registered with it.

The appearing party, represented as set out above, has requested the undersigned notary to state as follows the articles of association of a private limited liability company (*société à responsabilité limitée*), which is hereby incorporated:

I. NAME – REGISTERED OFFICE – OBJECT – DURATION

1 Name

The name of the company is “[**SAS GUC Luxco**]” (the **Company**). The Company is a private limited liability company (*société à responsabilité limitée*) governed by the laws of the Grand Duchy of Luxembourg, in particular the law of 10 August 1915 on commercial companies, as amended (the **Law**), and these articles of association (the **Articles**).

2 Registered office

2.1 The Company’s registered office is established in Luxembourg, Grand Duchy of Luxembourg. Save where the Company has a

sole shareholder, in which case such decision requires a resolution of that sole shareholder, the Company's registered office may be transferred to any other location in the Grand Duchy of Luxembourg by a resolution of the board of managers (the **Board**), which may amend the Articles to reflect such change if necessary.

2.2 The registered office of the Company may not be temporarily or permanently transferred abroad.

2.3 The Company may not participate in a merger, with any other Luxembourg or foreign Company. The Company may not change its residence for tax or corporate purposes from Luxembourg to any other country and its principal place of business must remain in Luxembourg.

3 Corporate object

3.1 The Company's object is the acquisition of securities or participations, in Luxembourg or abroad, in any company or enterprise in any form whatsoever, and the management of those securities and participations. The Company may in particular acquire, by subscription, purchase and exchange or in any other manner, any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and, more generally, any securities and financial instruments issued by any public or private entity, in each case, solely to the extent permitted by the Investment Guidelines as included in the GUC Instrument (as defined in article 3.5 of these Articles).

3.2 Subject to article 3.5 of these Articles, the Company may borrow in any form whether by private or public offer. It may issue notes, bonds and any kind of private or public debt securities. For the avoidance of doubt, the Company may not carry out any regulated financial sector activities without having obtained the requisite authorisation.

3.3 The Company may use any techniques, legal means and instruments to manage its investments efficiently and protect itself against credit risks, currency exchange exposure, interest rate risks and other risks.

3.4 The Company may carry out any operation which favours or relates to its corporate object.

3.5 The Company may undertake any of the activities included in article 3 of these Articles solely for the purposes of managing the cash amounts made available to the Company pursuant to the GUC Instrument, to be used in implementing the restructuring of the SAS group of companies in accordance with the cases commenced by under chapter 11 of title 11 of the United States

Code, jointly administered under the Caption *In re SAS AB, et al.*, Ch. 11 Case No. 22-10925 (MEW), and the terms of the *Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and its Subsidiary Debtors* (as may be amended, modified, or supplemented from time to time) (the “**Plan**”), and specifically in line with the terms of the GUC Instrument, between the Company and SAS AB dated as of [●] as may be amended, modified, or supplemented pursuant to the terms thereof, (the “**GUC Instrument**” and the investment guidelines contemplated by the terms thereof and attached thereto, the “**Investment Guidelines**”).

4 Duration

- 4.1 The Company is formed for an unlimited period.
- 4.2 The Company may have one shareholder.
- 4.3 The Company may be dissolved, at any time, by a resolution of the shareholders of the Company adopted in accordance with article 17.1 of these Articles. The Company shall not be dissolved by reason of the death, suspension of civil rights, incapacity, insolvency, bankruptcy or any similar event affecting one or more shareholders.

II. CAPITAL – SHARES

5 Capital

- 5.1 The share capital is set at twelve thousand euros (EUR 12,000), represented by twelve thousand (12,000) shares in registered form, having a nominal value of one euro (EUR 1) each.
- 5.2 The share capital may be increased or reduced once or more by a resolution of the shareholders, acting in accordance with the conditions prescribed for the amendment of the Articles.
- 5.3 The Company may following a Final Payment (as defined in the GUC Instrument) repurchase its own shares within the limits prescribed by Law and may hold such repurchased shares in treasury, or alternatively cancel such shares held in treasury. The Board is authorised to cancel any such shares held in treasury and to proceed with the applicable capital reduction in its discretion. In such a case, the Board shall record the share capital decrease by way of a notarial deed. The deed must be drawn up within one month of the cancellation and capital decrease so decided by the Board. The voting and financial rights attached to any shares held in treasury are suspended for so long as the Company holds them in treasury.
- 5.4 The Company may maintain a general share premium account. Any share premium paid in respect of any shares upon their issuance (and not allocated specifically to a specific class of

shares, if any) shall be allocated to such general share premium account of the Company. The amount of the said general share premium account will constitute freely distributable reserves of the Company. To the extent the share capital is divided into several classes of shares, the Company may maintain separate share premium accounts per class. Any share premium paid and specifically allocated to any individual class will be allocated to such class share premium account and only distributable on such class of shares.

- 5.5 The Company may maintain a general special equity reserve account (account 115 « *apport en capitaux propres non rémunéré par des titres* » of the Luxembourg Chart of Accounts provided for by the Grand Ducal regulation of 12 September 2019). The amount of said general special equity reserve account will constitute freely distributable reserves of the Company.

6 Shares

- 6.1 The shares are indivisible and the Company recognises only one (1) owner per share.
- 6.2 If a shareholder intends to transfer one or more shares to a third party, such transferring shareholder must send a notice of the proposed transfer to the Company and any pledgee pursuant to any security granted by the shareholder over any of the shares, and such transfer will be subject to the terms and conditions of any share pledge or security granted over the shares.
- 6.3 A share transfer shall only be binding on the Company or third parties following notification to, or acceptance by, the Company in accordance with article 1690 of the Luxembourg Civil Code, such acceptance only being capable of being given by the Company if in line with the GUC Instrument and in accordance with the terms and conditions of any share pledge or other security granted over the shares.
- 6.4 For all other matters, reference is made to article 710-12 and 710-13 of the Law.
- 6.5 A register of shares shall be kept at the registered office and may be examined by any shareholder on request.

III. MANAGEMENT – REPRESENTATION

7 Appointment and removal of managers

- 7.1 The Company shall be managed by three (3) managers appointed by a resolution of the shareholders and in accordance with the applicable nomination rights notified to the Company pursuant to the GUC Instrument, which sets the term of their office. The managers need not be shareholders. Removal and

replacement of the managers shall be conducted in accordance with the GUC Instrument.

- 7.2 The managers may be removed at any time, with or without cause, by a resolution of the shareholders pursuant to the GUC Instrument.

8 Board of managers

If several managers are appointed, they shall constitute the Board. The shareholders will appoint managers of two different classes, i.e. up to one (1) class A managers and up to two (2) class B managers. Any class A managers shall be nominated in accordance with the GUC Instrument. Any class B managers shall be Luxembourg residents and independent of any parties to the GUC Instrument.

8.1 Powers of the Board

- (a) All powers not expressly reserved to the shareholders by the Law fall within the competence of the Board, which has full power to carry out and approve all acts and operations consistent with the Company's corporate object and more specifically in accordance with the Investment Guidelines and the terms of the GUC Instrument.
- (b) The Board may delegate special or limited powers to one or more agents for specific matters, such agents providing regular updates to the Board on their specific matters.
- (c) The Board is authorised to delegate the day-to-day management, and the power to represent the Company in this respect, to one or more managers, directors or other agents or officers, whether shareholders or not, acting either individually or jointly, in accordance with the Law.

8.2 Procedure

- (a) The Board shall meet at the request of the appointed chairperson, if any, or any manager, at the place indicated in the convening notice, which in principle shall be in Luxembourg.
- (b) Written notice of any Board meeting shall be given to all managers at least seventy-two (72) hours in advance, except in the case of an emergency, in which case the nature and circumstances of such shall be set out in the notice.
- (c) No notice is required if all members of the Board are present or represented and each of them states that they have full knowledge of the agenda for the meeting. A manager may also waive notice of a meeting, either before

or after the meeting. Separate written notices are not required for meetings which are held at times and places indicated in a schedule previously adopted by the Board.

- (d) A manager may grant to another manager a power of attorney in order to be represented at any Board meeting.
- (e) The Board may only validly deliberate and act if all of its members are present or represented. Board resolutions shall be validly adopted by unanimous consent. Board resolutions shall be recorded in minutes signed by the chairperson of the meeting or, if no chairperson has been appointed, by all the managers present or represented at the meeting.
- (f) Any manager may participate in any meeting of the Board by telephone or video conference, or by any other means of communication which allows all those taking part in the meeting to identify, hear and speak to each other. Participation by such means is deemed equivalent to participation in person at a duly convened and held meeting.
- (g) Circular resolutions signed by all the managers (the **Managers' Circular Resolutions**) shall be valid and binding as if passed at a duly convened and held Board meeting, and shall bear the date of the last signature. They are deemed to be taken at the location of the registered office of the Company.

8.3 Representation

- (a) Unless article 9 of these Articles applies, the Company shall be bound towards third parties in all matters by the unanimous signature of all managers.
- (b) The Company shall also be bound towards third parties by the joint or single signature of any person(s) to whom special signatory powers have been delegated by the Board.

9 **Liability of the managers**

The managers shall not be held personally liable by reason of their office for any commitment they have validly made in the name of the Company, provided those commitments comply with the Articles and the Law.

10 **Conflict of interests**

- 10.1 In the event that any manager or officer of the Company has a financial interest which opposes that of the Company in any transaction of the Company, such manager or officer shall make

known to the Board such financial interest, and such declaration shall be recorded in the minutes of the Board meeting. The relevant manager shall not consider or vote upon any such transaction. Such conflict of interest shall be reported to the next succeeding meeting of the shareholders prior to such meeting taking any resolution on any other item.

- 10.2 Notwithstanding the above, no day-to-day transactions entered into under normal conditions, and no contract or other transaction between the Company and any other company shall be affected or invalidated by the fact that any one or more of the managers or officers of the Company is interested in, or is a manager, director, associate, officer or employee of such other company. Any manager or officer of the Company who serves as a director, officer or employee of any company or firm with which the Company shall contract or otherwise engage in business shall not, by reason of such affiliation with such other company or firm, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

IV. SHAREHOLDERS

11 General meetings of shareholders and shareholders' written resolutions

11.1 Powers, voting rights and obligations

- (a) Unless resolutions are taken in accordance with article 11.1 (b) of these Articles, resolutions of the shareholders shall be adopted at a general meeting of shareholders (each a **General Meeting**).
- (b) If the number of shareholders of the Company does not exceed sixty (60), resolutions of the shareholders (save for a resolution amending the Articles) may be adopted in writing through either of the procedures set out in article 11.2 (j) and article 11.2 (k) of these Articles (**Written Shareholders' Resolutions**).
- (c) Each share entitles the holder to one (1) vote.

11.2 Notices, quorum, majority and voting procedures for General Meetings and Written Shareholders' Resolutions

- (a) The shareholders may be convened to General Meetings by the Board. The Board must convene a General Meeting following a request from shareholders representing more than half of the share capital. Any holders of bonds or other debt instruments issued by the Company may not attend any General Meeting.
- (b) Written notice of any General Meeting shall be given to all shareholders at least eight (8) days prior to the date of the

meeting, except in the case of an emergency, in which case the nature and circumstances of such shall be set out in the notice.

- (c) If provided for in the relevant convening notice, the shareholders may vote at any General Meeting by means of voting forms provided by the Company which voting forms must contain at least the place, date and time of the meeting, the agenda of the meeting, the proposals submitted to the shareholders, as well as for each proposal three boxes allowing the shareholder to vote in favour thereof, against, or abstain from voting by ticking the appropriate box. Voting forms which, for a proposed resolution, do not show (i) a vote in favour, or (ii) a vote against the proposed resolutions, or (iii) an abstention, are void with respect to such resolution. The Company shall only take into account voting forms received at the latest twenty-four (24 hours) before the holding of the General Meeting to which they relate.
- (d) General Meetings shall be held at the time and place specified in the notices.
- (e) If all the shareholders are present or represented and consider themselves duly convened and informed of the agenda of the General Meeting, it may be held without prior notice.
- (f) A shareholder may grant written power of attorney to another person (who need not be a shareholder), in order to be represented at any General Meeting.
- (g) If provided for in the relevant convening notice, a shareholder may participate in any General Meeting by telephone or video conference, or by any other means of communication which allows all those taking part in the meeting to identify, hear and speak to each other. Participation by such means is deemed equivalent to participation in person at the meeting. At least one (1) shareholder or its proxyholder must however be physically present at the registered office of the Company in the Grand Duchy of Luxembourg if one (1) or more shareholders is/are attending by telephone, video conference or other means of communication.
- (h) An attendance list must be kept at all General Meetings.
- (i) Resolutions to be adopted at General Meetings shall be passed by shareholders owning more than one-half of the share capital. If this majority is not reached at the first General Meeting, the shareholders shall be convened by

registered letter to a second General Meeting and the resolutions shall be adopted at the second General Meeting by a majority of the votes cast, irrespective of the proportion of the share capital represented.

- (j) When resolutions are to be adopted in writing in accordance with article 11.1 (b) of these Articles, the Board shall send the text of such resolutions to all the shareholders. The shareholders shall vote in writing and return their vote to the Company within the timeline fixed by the Board. Each manager shall be entitled to count the votes. Written Shareholders' Resolutions are passed with the quorum and majority requirements set forth above and shall bear the date of the last signature received prior to the expiry of the timeline fixed by the Board.
- (k) Without prejudice to article 11.2 (j) of these Articles, Written Shareholders' Resolutions may also be adopted, without notice, by unanimous consent of the shareholders having voting rights. Such unanimous Written Shareholders' Resolutions shall be deemed to have been adopted as at the date of the last signature.

12 Sole shareholder

When the number of shareholders is one (1):

- (a) the sole shareholder shall exercise all powers granted by the Law to the General Meeting;
- (b) any reference in the Articles to the shareholders, the General Meeting or the Written Shareholders' Resolutions is to be read as a reference to the sole shareholder or the sole shareholder's resolutions, as appropriate; and
- (c) the resolutions of the sole shareholder shall be recorded in minutes or drawn up in writing.

V. THIRD PARTY CONSENT RIGHTS

13 SAS AB CONSENT RIGHTS:

13.1 The following actions taken by the the Company (either by way of shareholder or Board approval, as applicable) will require the prior written consent of SAS AB:

- (i) any amendment, restatement or other modification of the Articles;
- (ii) any issuance of any securities, including any equity and/or debt security instruments, other than those envisaged in the GUC Instrument;

(iii) any incurrence by the Company of indebtedness, save for any indebtedness excluding indebtedness incurred in relation to the day to day business of the Company as approved by the Board; specifically contemplated by the GUC Instrument;

(iv) the grant of any lien by the Company save for any security specifically contemplated by the GUC Instrument; and

(v) the liquidation, winding down, dissolution, restructuring, reorganization, merger or consolidation of, or any demerger, disposition of any of its assets or any dividend in specie or any similar transaction contemplated by the Company.

VI. ANNUAL ACCOUNTS – SUPERVISION – ALLOCATION OF PROFITS

14 Financial year and approval of annual accounts

14.1 The financial year begins on the first (1) January and ends on the thirty-first (31) December of each year.

14.2 Each year, the Board must prepare the balance sheet and profit and loss account, together with an inventory stating the value of the Company's assets and liabilities, with an annex summarising the Company's commitments and the debts owed by its manager(s) and shareholders to the Company.

14.3 Any shareholder may inspect the inventory and balance sheet at the registered office.

14.4 The balance sheet and profit and loss accounts must be approved in the following manner:

(a) if the number of shareholders of the Company does not exceed sixty (60), within six (6) months following the end of the relevant financial year either (a) at the annual General Meeting (if held) or (b) by way of Written Shareholders' Resolutions; or

(b) if the number of shareholders of the Company exceeds sixty (60), at the annual General Meeting.

14.5 If the number of shareholders of the Company exceeds sixty (60), the annual General Meeting shall be held within the Grand Duchy of Luxembourg, as specified in the notice, within six (6) months following the end of the relevant financial year.

15 Auditors

15.1 The General Meeting may appoint one or more statutory auditors (*réviseurs d'entreprises agréés*) in which case the institution of the supervisory auditor(s) is no longer required. A statutory auditor may only be removed by the General Meeting for cause or with his approval.

16 Allocation of profits

- 16.1 Five per cent (5%) of the Company's annual net profits must be allocated to the reserve required by law (the **Legal Reserve**). This requirement ceases when the Legal Reserve reaches an amount equal to ten per cent (10%) of the share capital.

VII. DISSOLUTION – LIQUIDATION

- 17.1 The Company may be dissolved at any time by a resolution of the shareholders adopted with the consent of half of the shareholders owning at least three-quarters of the share capital. In such event, the shareholders shall appoint one or more liquidators, who need not be shareholders, to carry out the liquidation, and shall determine their number, powers and remuneration. Unless otherwise decided by the shareholders, the liquidators shall have full power to realise the Company's assets and pay its liabilities.
- 17.2 The surplus (if any) after realisation of the assets and payment of the liabilities shall be distributed to the shareholders in proportion to the shares held by each of them.

VIII. GENERAL PROVISIONS

- 18.1 Notices and communications may be made or waived, Managers' Circular Resolutions and Written Shareholders Resolutions may be evidenced, in writing, by fax, email or any other means of electronic communication.
- 18.2 Signatures of the Managers' Circular Resolutions, the resolutions adopted by the Board by telephone or video conference or the Written Shareholders' Resolutions, as the case may be, may appear on one original or several counterparts of the same document, all of which taken together shall constitute one and the same document.
- 18.3 Powers of attorney may be granted by any of the means described above. Powers of attorney in connection with Board meetings may also be granted by a manager, in accordance with such conditions as may be accepted by the Board.
- 18.4 All matters not expressly governed by these Articles shall be determined in accordance with the applicable law.

TRANSITIONAL PROVISION

The Company's first financial year shall begin on the date of this deed and shall end on the thirty-first (31) December 2024.

SUBSCRIPTION AND PAYMENT

[**Stichting SAS GUC**], represented as stated above, subscribes for twelve thousand (12,000) shares in registered form, having a nominal value of one euro (EUR 1) each, and agrees to pay them in full by a contribution in cash of twelve thousand euros (EUR 12,000).

The amount of twelve thousand euros (EUR 12,000) is at the Company's disposal and evidence of such amount has been given to the undersigned notary.

REGISTER OF BENEFICIAL OWNERS

The undersigned notary has informed the appearing party about the obligations resulting from the law of 13 January 2019 establishing a register of beneficial owners (*Registre des bénéficiaires effectifs*).

The appearing party has expressly declared that the Company will proceed itself with the required formalities in accordance with article 4 first sentence of the aforementioned law and does not mandate the undersigned notary to do so.

COSTS

The expenses, costs, fees and charges of any kind whatsoever to be borne by the Company in connection with its incorporation are estimated at approximately [TO BE COMPLETED BY THE NOTARY].

RESOLUTIONS OF THE SOLE SHAREHOLDER

Immediately after the incorporation of the Company, the sole shareholder, representing the entire subscribed capital, adopted the following resolutions:

- 1 The following persons are appointed as managers of the Company for an indefinite period:
 - (i) [●], born on [●], in [●], with professional address at [●], L-[●] Luxembourg, Grand Duchy of Luxembourg; and
 - (ii) [●], born on [●], in [●], with professional address at [●], L-[●] Luxembourg, Grand Duchy of Luxembourg.

[TBC if Class A Managers will be appointed at incorporation or only Class B managers will be appointed at incorporation (to then be reclassified as Class B Managers once A Managers are appointed)]
- 2 The registered office of the Company is located at 17, Boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand Duchy of Luxembourg.

CONTROL

The undersigned notary expressly confirms compliance with the conditions mentioned in articles 710-6 and 710-7(1) of the Law.

DECLARATION

The undersigned notary, who understands and speaks English, states at the request of the appearing party that this deed is drawn up in English, followed by a French version, and that in the case of discrepancies, the English version prevails.

This notarial deed is drawn up in Luxembourg, on the date stated above.

After reading this deed aloud, the notary signs it with the authorised representative of the appearing party.

SUIT LA TRADUCTION FRANCAISE DU TEXTE QUI PRECEDE :

[TO BE INCLUDED ONCE ENGLISH VERSION IS AGREED]

Appendix E

Dutch Foundation Articles of Association

[See attached]

NOTE ABOUT TRANSLATION:

This document is an English translation of a deed (to be) executed in the Dutch language. In preparing this document, an attempt has been made to translate as literally as possible without jeopardising the overall continuity of the text. The definitions in article 1.1 of this document are listed in the English alphabetical order which may differ from the Dutch alphabetical order. Inevitably, however, differences may occur in translation and if they do, the Dutch text will govern by law. In this translation, Dutch legal concepts are expressed in English terms and not in their original Dutch terms. The concepts concerned may not be identical to concepts described by the English terms as such terms may be understood under the laws of other jurisdictions.

INCORPORATION

(Stichting SAS GUC)

This ● day of ● two thousand twenty-four, there appeared before me, Freek Hilberdink, civil law notary officiating in Amsterdam, the Netherlands: [●employee of Loyens & Loeff N.V.], with office address at Parnassusweg 300, 1081 LC Amsterdam, the Netherlands, in this respect acting as authorised representative in writing of:

[●details incorporator to be included], a ●, having its official seat in ●, and with address at ●, registered with the relevant trade register under number ●

(Incorporator).

Power of attorney

The authorisation of the person appearing is evidenced by one (1) written power of attorney, a copy of which shall be attached to this deed (**Annex**).

The person appearing declared the following:

the Incorporator hereby incorporates a foundation under Dutch law (**Foundation**), with the following articles of association.

ARTICLES OF ASSOCIATION:

1 Definitions

1.1 In these articles of association the following words shall have the following

#

meanings:

- (a) **Board:** the board of the Foundation;
 - (b) **Charity:** the Society of the Luxembourg Red Cross (*la Société de la Croix Rouge Luxembourgeoise*) or any other public welfare institution (*algemeen nut beogende instelling*) as defined in section 5b of the Dutch General Taxation Act (*Algemene wet inzake Rijksbelastingen*) or any substitute regulation or a foreign institution which exclusively or virtually exclusively serves the public interest, all to be selected at the sole discretion of the Board;
 - (c) **Company:** **[SAS GUC Luxco]**, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office located at 17, Boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register (*Registre de commerce et des sociétés, Luxembourg*) under number B [●];
 - (d) **GUC Instrument:** the GUC Instrument, between the Company and SAS AB (publ), a public limited liability company incorporated under the laws of Sweden, with Swedish Reg. No. 556606-8400, entered into in accordance with the cases commenced by under chapter 11 of title 11 of the United States Code, jointly administered under the Caption *In re SAS AB, et al.*, Ch. 11 Case No. 22-10925 (MEW), and the terms of the *Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and its Subsidiary Debtors* (as may be amended, modified, or supplemented from time to time);
 - (e) **Foundation:** the foundation the internal organisation of which is governed by these articles of association;
 - (f) **Incorporator:** ●, a company under ● law, having its official seat in ●, and with address at ●, registered with the relevant trade register under number ●;
 - (g) **Inability:** inability as referred to in Section 2:291 paragraph 5 of the Dutch Civil Code, including the event that the relevant person claims inability for a certain period of time in writing; and
 - (h) **in writing:** by letter, email, or by a legible and reproducible message otherwise electronically sent, provided that the identity of the sender can be sufficiently established.
- 1.2 References to Articles shall be deemed to refer to articles of these articles of association, unless the contrary is apparent.
- 1.3 The article headings in these articles of association are inserted for ease of reference only and shall not affect construction.
- 1.4 Except where the context specifically requires otherwise, words importing one gender shall be treated as importing any gender, words importing individuals or corporations shall be treated as importing any person and vice versa, words importing the singular shall be treated as importing the plural and vice versa, and words importing the whole shall be treated as including a reference to any

part.

- 1.5 References to the word “include” or “including” (or any similar term) are not to be construed as implying any limitation and should be read as “including but not limited to”.

2 Name and official seat

- 2.1 The name of the Foundation is:

[Stichting SAS GUC]

- 2.2 The official seat of the Foundation is in the municipality of Amsterdam, the Netherlands.

3 Objects

- 3.1 The objects of the Foundation are:

- (a) to incorporate, to acquire, to manage, to hold and to control shares in the capital of the Company; and
- (b) to exercise all rights attached to such shares, including pledging the shares in the Company and exercising voting rights, to bind the Foundation, for obligations of the Foundation, the Company, group companies and/or third parties;

(c)

as well as performing any and all acts pertaining to the foregoing, relating thereto or conducive thereto, all in the widest sense of the word.

- 3.2 In fulfilment of the article 3.1 above, the Foundation shall observe and act in accordance with the GUC Instrument.

- 3.3 Notwithstanding the provisions of article 3.1 above, the Foundation's objects also include the supporting of the Charity by means of subsidies, gifts and donations and donate all cash held by or for the Foundation in excess of its operational costs, expenses and reasonable reserves for such costs and expenses.

- 3.4 For the avoidance of doubt, the Foundation shall not donate any profits to any political party or parties or for the sole or partial purpose of lobbying.

4 Capital

The capital of the Foundation is constituted by subsidies, gifts, donations or other contributions of whatever nature.

5 Board: appointment, resignation and remuneration

- 5.1 The Board shall consist of one or more persons. Both individuals and legal entities can be Board members.
- 5.2 Board members are appointed by the Board. In the event there are no Board members in office, the Incorporator is authorized to appoint a new member of the Board, after which the provision of the first sentence of this article will apply again.
- 5.3 Vacancies that may arise shall be filled at the earliest opportunity.
- 5.4 If the Board consists of more than one (1) person, the Board shall elect a chairperson from among its midst and may furthermore elect a secretary from among its midst.
- 5.5 Each Board member can be dismissed by the court in any of the events mentioned in Section 2:298 paragraph 1 of the Dutch Civil Code.

- 5.6 A Board member further ceases to hold office:
- (a) upon death;
 - (b) upon voluntary resignation;
 - (c) upon being declared bankrupt, applying for a suspension of payments or petitioning for application of the debt restructuring provision referred to in the Dutch Bankruptcy Act;
 - (d) upon the appointment of a custodian to administer the Board member's affairs or upon a court decision pursuant to which one or more of the assets of the Board member are placed under curatorship;
 - (e) if such Board member is an entity, upon ceasing to exist pursuant to a merger, demerger or dissolution.
- 5.7 The authority to establish a remuneration and other conditions of employment for Board members is vested in the Board. Board members are entitled to reimbursement of expenses incurred by them in the performance of their duties.

6 Board: duties and powers

- 6.1 The Board shall be entrusted with the management of the Foundation. In performing their duties the Board members shall act in accordance with the interests of the Foundation and the enterprise or organisation connected with it.
- 6.2 The Board shall be authorised to resolve to enter into agreements to purchase, alienate or encumber registered property and to enter into agreements whereby the Foundation binds itself as surety or joint and several co debtor or guarantees or secures the debts of a third party as well as to represent the Foundation in such transactions.

7 Board meetings: notice and venue

- 7.1 At least one (1) Board meeting shall be held or at least once a resolution shall be adopted in accordance with Article 10.7 during each financial year.
- 7.2 Other Board meetings shall be convened as often as a Board member deems such necessary.
- 7.3 Notice of Board meetings shall be given by a Board member.
- 7.4 Notice of the meeting shall be given in writing and no later than on the eighth (8th) day before the date of the meeting.
- 7.5 The notice of the meeting shall specify the subjects to be discussed.
- 7.6 Board meetings are to be held at the place determined by the person providing notice of the meeting.
- 7.7 Board meetings may be held by means of an assembly of its members in person at a formal meeting or by conference call, "video conference" or by any other means of communication, provided that all Board members participating in such meeting are able to communicate with each other simultaneously. Participation in a meeting held in any of the above ways shall constitute presence at such meeting.

8 Board meetings: admittance

- 8.1 The Board meetings may be attended by Board members and those permitted by the Board members attending the meeting.
- 8.2 Board members may be represented at a meeting by another Board member authorised in writing. A Board member may not represent more than one (1)

other Board member at a meeting.

9 Board meetings: chairperson and secretary

- 9.1 The Board meetings shall be presided over by the chairperson of the Board; in his absence the meeting shall itself provide leadership. Until such appointment is made the Board member with the longest term in office present at the meeting shall act as chairperson of the meeting.
- 9.2 The chairperson of the meeting shall appoint a secretary for the meeting.
- 9.3 The secretary of a meeting shall keep minutes of the proceedings at the Board meeting. The minutes shall be adopted by the chairperson and the secretary of the meeting and as evidence thereof shall be signed by them.

10 Board meetings: resolutions

- 10.1 Each Board member may cast one (1) vote.
- 10.2 To the extent that the law or these articles of association do not require a qualified majority, all resolutions of the Board shall be adopted by more than half of the votes cast.
- 10.3 Blank and invalid votes shall not be counted as votes.
- 10.4 If there is a tie in voting, the proposal shall be deemed to have been rejected.
- 10.5 All voting shall take place orally. However, the chairperson of the meeting is entitled to decide that votes be cast in writing. In cases of votes on persons, each Board member present at the meeting may demand a vote in writing. Voting in writing shall take place by means of unsigned ballot papers.
- 10.6 If the formalities for convening and holding of Board meetings, as prescribed by law or these articles of association, have not been complied with, valid resolutions by the Board may only be adopted in a meeting if all Board members are present or represented at the meeting and have consented to the decision-making process taking place.
- 10.7 Board resolutions may also be adopted in a manner other than at a meeting, provided that all Board members have given consent to such decision-making process in writing. The votes shall be cast in writing.
- 10.8 The Board may establish rules regarding its decision-making process and working methods.
- 10.9 A Board member shall not participate in deliberations and the decision-making process in the event of a direct or indirect personal conflict of interest between that Board member and the Foundation and the enterprise or organisation connected with it. If there is such personal conflict of interest in respect of all Board members, the Board shall maintain its authority and the considerations for the resolution shall be set forth in writing.

11 Representation

- 11.1 The Foundation shall be represented by the Board. If the Board consists of two (2) or more members, any two (2) members of the Board acting jointly shall also be authorised to represent the Foundation.
- 11.2 The Board may appoint up to two (2) officers with general or limited power to represent the Foundation. Each officer shall be competent to represent the Foundation, subject to the restrictions imposed on him. The Board shall determine each officer's title. Such officers may be registered at the Dutch trade

register, indicating the scope of their power to represent the Foundation.

12 Vacancy or Inability of the Board members

- 12.1 If a seat on the Board is vacant or upon the Inability of a Board member, the remaining Board members or member shall temporarily be entrusted with the management of the Foundation.
- 12.2 If all seats on the Board are vacant or upon the Inability of all Board members or the sole Board member, the management of the Foundation shall temporarily be entrusted to one or more persons designated for that purpose in advance by the Board by Board resolution or in the absence thereof by the Company. Such designation may be amended or revoked at all times by the Board by Board resolution.
- 12.3 The designation referred to in Article 12.2 shall be assessed by the Board periodically and shall be amended or revoked if desired.
- 12.4 A resolution of the Board with respect to a designation or an amendment or revocation of a designation shall be adopted in a meeting in which all Board members are present or represented. Article 14.2 shall apply by analogy.

13 Financial year and annual accounts

- 13.1 The Foundation's financial year shall be the calendar year.
- 13.2 The Board shall keep records pertaining to the financial position and the activities of the Foundation, in conformity with the requirements ensuing from the activities of the Foundation and shall keep the books, documents and other data carriers relating thereto in such a way that the Foundation's rights and obligations can be determined at all times.
- 13.3 The Board shall prepare and make available a paper version of a balance sheet and profit and loss account every year, within six (6) months of the end of the relevant financial year. The balance sheet and the profit and loss account shall be signed by all Board members.
- 13.4 Before proceeding to adopt the documents referred to in Article 13.3, the Board may have them examined by an accountant designated by the Board. The accountant shall report to the Board on the result of his examination.
- 13.5 The Board is obliged to keep the books, documents and other data carriers referred to in the above paragraphs for a period of seven (7) years.

14 Amendment articles of association

- 14.1 The Board shall be authorised to amend these articles of association by resolution adopted in a meeting in which all Board members are present or represented.
- 14.2 If not all Board members are present or represented at a meeting in which a resolution to amend these articles of association is to be discussed, a second (2nd) meeting shall be called to be held no earlier than two (2) weeks and no later than four (4) weeks after the first (1st) meeting. At such second (2nd) meeting, irrespective of the number of Board members present or represented, a valid resolution with respect to the proposal presented for discussion at the first (1st) meeting may be adopted, provided such resolution is carried by unanimous votes cast.
- 14.3 A copy of the proposal, containing the verbatim text of the proposed

amendment, shall be attached to the notice of the meeting in which an amendment to the articles of association is to be discussed.

- 14.4 An amendment to these articles of association shall only take effect after a notarial deed thereof has been drawn up. Each Board member severally shall be authorised to have said deed executed.

15 Dissolution

- 15.1 The Foundation may be dissolved pursuant to a resolution to that effect by the Board. A resolution to dissolve the Foundation may not be adopted as long as the Foundation holds shares in the Company.
- 15.2 The Articles 14.1 and 14.2 shall apply by analogy to a Board resolution to dissolve the Foundation.
- 15.3 The resolution to dissolve the Foundation shall determine how the balance of the remaining funds is to be used.
- 15.4 The Charity is entitled to the balance of the remaining funds.
- 15.5 If the Foundation is dissolved pursuant to a resolution of the Board, the Board members shall become liquidators of the dissolved Foundation's property. The Board may decide to appoint one or more other persons as liquidators.
- 15.6 During liquidation, to the extent possible the provisions of these articles of association shall continue to apply.
- 15.7 After completion of the liquidation, the books, records and other data carriers of the dissolved Foundation shall remain in the custody of the person designated for that purpose by the Board or the liquidators, for the period prescribed by law.
- 15.8 The liquidation shall be subject to the relevant provisions of Title 1, Book 2 of the Dutch Civil Code.

First financial year

The first financial year of the Foundation shall end on the thirty-first day of December two thousand twenty-five. This Article and its heading shall cease to exist after the end of the first financial year.

Final statement

Finally, the person appearing has declared the following:
the first Board members of the Foundation are:

- a) the [●Incorporator]; and
- b) ●.

End

The person appearing is known to me, civil law notary.

This deed was executed in Amsterdam, the Netherlands, on the date stated in the first paragraph of this deed. The contents of the deed have been stated and clarified to the person appearing. The person appearing has declared not to wish the deed to be fully read out, to have noted the contents of the deed timely before its execution and to agree with the contents. After limited reading, this deed was signed first by the person appearing and thereafter by me, civil law notary.

Appendix F

Investor Questionnaire

[See attached]

INVESTOR QUESTIONNAIRE

Reference is made to the *Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and Its Subsidiary Debtors*, dated February 7, 2024 [ECF No. 1936] (as may be amended, modified, or supplemented from time to time, the “Plan”). Each of the holders of General Unsecured Claims under the Plan (“you”) are required to complete this questionnaire (and provide any other supporting documents reasonably requested by the Debtors, as that term is defined in the Plan) prior to the effective date of the Plan and the closing of the transactions contemplated thereby, in order to receive GUC Interests (as such term is defined in the Plan). Please complete the information below. Once complete, please remit an executed copy of this Questionnaire in PDF by email to: [●] @ [●]

Name: _____

1. US Person. Please provide the following information regarding your status as a “*U.S. person*” (as defined in Regulation S promulgated by the United States Securities and Exchange Commission (the “SEC”) pursuant to the United States Securities Act of 1933, as amended (the “Securities Act”) (the definition of which is set forth in Annex A attached hereto)). Please check the applicable statement or statements.

(a) Are you a natural person resident in the United States?

Yes No

(b) Are you a partnership or corporation organized or incorporated under the laws of the United States?

Yes No

(c) Are you an estate of which any executor or administrator is a U.S. person?

Yes No

(d) Are you a trust of which any trustee is a U.S. person?

Yes No

(e) Are you an agency or branch of a foreign entity located in the United States?

Yes No

(f) Are you a non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person?

Yes No

(g) Are you a discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States?

Yes No

(h) Are you a partnership or corporation (i) organized or incorporated under the laws of any foreign jurisdiction and (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, and (iii) are not organized or incorporated, and owned, by accredited investors (as defined in Regulation D promulgated by the SEC pursuant to the Securities Act) who are not natural persons, estates or trusts?

- Yes No

2. Not a US Person. If you did not answer YES to any question in subclauses (a) through (h) in Question 1 above, or are otherwise not a U.S. Person as expressly listed in 17 CFR § 230.902(k)(2) (a copy of which is reproduced on Annex A attached hereto), please indicate this in the space provided below.

- I am not a U.S. Person (as defined in Regulation S promulgated by the SEC pursuant to the Securities Act).

Only fill out Questions 3 and 4 if you are a “U.S. person” under Question 1:

3. Qualified Purchaser. Please provide the following information regarding your status as a “qualified purchaser” (as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended (the “Investment Company Act”) (the definition of which is set forth in Annex B attached hereto)). Please check the applicable statement or statements.

(a) Are you a natural person (including a person who holds a joint, community property, or other similar shared ownership interest in an issuer that is excepted under 15 USC § 80a-3(c)(7) of the Investment Company Act with that person’s qualified purchaser spouse) who owns not less than \$5,000,000 in investments, as defined by the SEC?

- Yes No

(b) Are you a company that owns not less than \$5,000,000 in investments and that is owned directly or indirectly by or for 2 or more natural persons who are related as siblings or spouse (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations, or trusts established by or for the benefit of such persons?

- Yes No

(c) Are you an entity or a natural person of a type not listed above, but otherwise listed in 15 USC § 80a-2(a)(51), as reproduced in Annex B herein?

- Yes No

4. Not a Qualified Purchaser. If you did not answer YES to any question in subclauses (a) through (c) in Question 3 above, or are otherwise not a Qualified Purchaser as expressly set forth in 15 USC § 80a-2(a)(51)(C) (a copy of which is reproduced on Annex B attached hereto), please indicate this in the space provided below.

- I am not a Qualified Purchaser (as defined in Section 2(a)(51)(A) of the Investment Company Act).

[NAME OF INVESTOR]

(Signature)

By:
Title:

Dated:

ANNEX A – Regulation S Definition of US Person
(17 CFR § 230.902)

(k) U.S. person.

(1) “U.S. person” means:

- (i)** Any natural person resident in the United States;
- (ii)** Any partnership or corporation organized or incorporated under the laws of the United States;
- (iii)** Any estate of which any executor or administrator is a U.S. person;
- (iv)** Any trust of which any trustee is a U.S. person;
- (v)** Any agency or branch of a foreign entity located in the United States;
- (vi)** Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (vii)** Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (viii)** Any partnership or corporation if:
 - (A)** Organized or incorporated under the laws of any foreign jurisdiction; and
 - (B)** Formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Regulation D promulgated by the SEC pursuant to the Securities Act) who are not natural persons, estates or trusts.

(2) The following are not “U.S. persons”:

- (i)** Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;
- (ii)** Any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if:
 - (A)** An executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and
 - (B)** The estate is governed by foreign law;
- (iii)** Any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person;

(iv) An employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

(v) Any agency or branch of a U.S. person located outside the United States if:

(A) The agency or branch operates for valid business reasons; and

(B) The agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and

(vi) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

(l) **United States.** “United States” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

ANNEX B – Investment Company Act of 1940 Definition of Qualified Purchaser
(15 USC § 80a-2(a)(51))

(51) (A) “Qualified purchaser” means—

(i) any natural person (including any person who holds a joint, community property, or other similar shared ownership interest in an issuer that is excepted under section 80a–3(c)(7) of this title with that person’s qualified purchaser spouse) who owns not less than \$5,000,000 in investments, as defined by the Commission;

(ii) any company that owns not less than \$5,000,000 in investments and that is owned directly or indirectly by or for 2 or more natural persons who are related as siblings or spouse (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations, or trusts established by or for the benefit of such persons;

(iii) any trust that is not covered by clause (ii) and that was not formed for the specific purpose of acquiring the securities offered, as to which the trustee or other person authorized to make decisions with respect to the trust, and each settlor or other person who has contributed assets to the trust, is a person described in clause (i), (ii), or (iv); or

(iv) any person, acting for its own account or the accounts of other qualified purchasers, who in the aggregate owns and invests on a discretionary basis, not less than \$25,000,000 in investments.

(B) The Commission may adopt such rules and regulations applicable to the persons and trusts specified in clauses (i) through (iv) of subparagraph (A) as it determines are necessary or appropriate in the public interest or for the protection of investors.

(C) The term “qualified purchaser” does not include a company that, but for the exceptions provided for in paragraph (1) or (7) of section 80a–3(c) of this title , would be an investment company (hereafter in this paragraph referred to as an “excepted investment company”), unless all beneficial owners of its outstanding securities (other than short-term paper), determined in accordance with section 80a–3(c)(1)(A) of this title , that acquired such securities on or before April 30, 1996 (hereafter in this paragraph referred to as “pre-amendment beneficial owners”), and all pre-amendment beneficial owners of the outstanding securities (other than short-term paper) of any excepted investment company that, directly or indirectly, owns any outstanding securities of such excepted investment company, have consented to its treatment as a qualified purchaser. Unanimous consent of all trustees, directors, or general partners of a company or trust referred to in clause (ii) or (iii) of subparagraph (A) shall constitute consent for purposes of this subparagraph.

Exhibit B

Supplemental State Aid Risk Factor

Plan Supplement – State Non-Tax Claim Disclosure

Certain aspects of the Debtors' restructuring described in the *Disclosure Statement for Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and Its Subsidiary Debtors* [ECF No. 1945] (the "**Disclosure Statement**"),¹ including the Danish State Investor's participation in the Transaction and the Kingdom of Denmark's and the Kingdom of Sweden's participation through the write down of their existing debt, or the exchange of such debt for the distributions set forth in the Plan, are subject to approval by the Commission under EU State aid rules. An approval decision will be subject to certain conditions which may have an effect on SAS' business. To what extent the Commission will include such conditions is currently not known.

The Debtors believe the restructuring described in the Disclosure Statement complies with the relevant State aid rules and that the Commission will issue a decision approving the Kingdom of Denmark's (including in its capacity as Danish State Investor) and the Kingdom of Sweden's participation in the restructuring, subject to certain conditions which may have an effect on SAS' business. However, it cannot be excluded that obtaining Commission approval will require more time than anticipated and that the effectiveness of the Chapter 11 Plan will be delayed. Further, at this time, the Debtors cannot determine how the Commission will ultimately rule and therefore cannot with certainty conclude whether the necessary approval will be possible to obtain.

Even if approval is granted, it is possible for a third party to challenge a State aid decision. Thus, it is possible that a third party may challenge either a decision to approve the Kingdom of Denmark's (including in its capacity as Danish State Investor) and the Kingdom of Sweden's participation in the Debtors' restructuring or (again) their participation in the 2020 recapitalization, i.e., the new decision of November 29, 2023 (see Section III.F in the Disclosure Statement). Any such administrative or legal proceedings could be lengthy, take up management resources, and result in additional costs for the Debtors. In addition, if the Commission grants approval of the treatment of the Kingdom of Denmark's (including in its capacity as Danish State Investor) and Kingdom of Sweden's participation in the Debtors' restructuring, there can be no guarantee that the Commission's approval will be sustained on appeal. As noted in Section III.F of the Disclosure Statement, several State aid approval decisions concerning the Kingdom of Denmark's (including in its capacity as Danish State Investor) and the Kingdom of Sweden's participation in previous financings and recapitalizations of SAS have been challenged, one of them successfully.

If the applicable action before the EU Courts conclude that the Commission committed an error in approving the relevant State aid (in this case, the States' participation in the Debtors' restructuring or, as the case may be, the 2020 Recapitalization), the approval by the Commission would be set aside. If no such approval is provided, the State aid would be considered incompatible with applicable law, and subject to repayment unless approved again by the Commission. It could also give rise to an obligation to pay interest on any aid amount granted. If an approval decision is annulled following a challenge, the Commission would again be required to make a new assessment of the compatibility of that aid with the internal market (in this case, the States'

¹ Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Disclosure Statement.

participation in the Debtors' restructuring or, as the case may be, the 2020 Recapitalization). That new examination, if required following a formal investigation procedure, could lead to the conclusion either that the State aid was provided in accordance with EU law ("compatible aid"), or that it was not ("incompatible aid").

In a scenario where the Commission concludes, after having conducted a renewed assessment, that the State aid received was "incompatible", the beneficiaries are required to repay the aid. In monetary terms, the repayment obligation could in this case equal the economic value to SAS of the States' contribution to the restructuring, or as the case may be, the 2020 Recapitalization (solely with respect to its State aid aspects), plus interest. In a scenario where the Commission concludes, after having conducted a renewed assessment, that the State aid received was "compatible," the beneficiaries are not required to repay the aid, but may be required to pay interest on the aid amount to the State that has granted the aid for the period under which it has been incompatible, i.e., from the date the aid was granted until the date of the new Commission decision declaring the aid compatible.

More specifically, the Commission's approval of the Kingdom of Denmark's and the Kingdom of Sweden's participation in the 2020 Recapitalization was set aside by the EU General Court in May 2023, but approved again by the Commission in November 2023, based on the General Court's judgment. There is uncertainty as to whether this means that SAS may have to pay interest to the Kingdom of Denmark and the Kingdom of Sweden on the aid amount from the point in time when the aid was granted in October of 2020 until it was approved anew by the Commission in November 2023. SAS' view is that no such obligation to pay interest exists. However, as uncertainty exists with regard to this, the Investors required that a portion of the GUC Cash be reserved pursuant to the Investment Agreement to satisfy any obligation to pay interest, and SAS will seek a declaration from the competent courts establishing that no interest is payable. A definitive answer on whether, and in what amount, an obligation to pay interest exists is expected within approximately two to three years. Following entry of a final, non-appealable order, and if SAS is successful, in full or part, any remaining portion of the GUC Cash allocated to the Reserved Funds would be released and distributed to the holders of GUC Interests in accordance with the Plan and the GUC Documents. There is no guarantee that SAS will be successful or that a final non-appealable order can be handed down within three years. If SAS is unsuccessful, the Reserved Funds would have to be used to settle the obligation to pay interest. Depending on the specifics of the final judgment, including the applicable interest rates determined to apply, it is possible that holders of GUC Interests would not receive any further distributions from the GUC Cash under the Plan.

Exhibit C

Supplemental Tax Disclosure

The tax consequences of the restructuring of SAS AB and its debtors subsidiaries (collectively, the “**Debtors**”) are described in sections VIII – X of the *Disclosure Statement for Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and Its Subsidiary Debtors* [ECF No. 1945] (the “**Disclosure Statement**”).¹ The following amends and supplements such sections of the Disclosure Statement to include material tax consequences not originally included in the Disclosure Statement related to the form of GUC Entities and the GUC Interests to be issued under the Plan.

I.
CERTAIN U.S. FEDERAL TAX CONSEQUENCES OF PLAN

A. General

The following discussion summarizes certain material U.S. federal income tax consequences of the implementation of the Plan to the Debtors and to certain U.S. holders (as defined below) of Relevant Claims (as defined below). This summary does not address the U.S. federal income tax consequences to (1) holders of Claims who are deemed to have rejected the Plan in accordance with the provisions of section 1126(g) of the Bankruptcy Code, (2) holders whose Claims are Unimpaired or otherwise entitled to payment in full in Cash under the Plan or (3) purchasers of Claims following the Effective Date. Thus, this summary applies only to U.S. holders of DIP Claims, General Unsecured Claims and Unsecured Convenience Class Claims (collectively, the “**Relevant Claims**”). This summary does not address the U.S. federal income tax consequences to holders of a Claim that is not treated as debt for U.S. federal income tax purposes and, therefore, this summary does not provide any discussion related to the U.S. federal income tax consequences to holders of Aircraft Lease Claims and Pilot Union Claims, which are assumed to not constitute debt for U.S. federal income tax purposes. Accordingly, Holders of Aircraft Lease Claims and Pilot Union Claims are urged to consult their own tax advisors regarding the U.S. federal income tax consequences arising to them under the Plan.

This summary is based on the Internal Revenue Code of 1986, as amended (the “**Code**”), existing and proposed U.S. Treasury regulations thereunder (the “**Treasury Regulations**”), judicial decisions, published administrative rules, pronouncements of the Internal Revenue Service (the “**IRS**”) and the income tax treaty between the United States and Sweden (the “*U.S.-Sweden Tax Treaty*”), all as in effect on the date of this Disclosure Statement and all of which are subject to change, possibly on a retroactive basis. Any such change could significantly affect the U.S. federal income tax consequences described below.

The U.S. federal income tax consequences of the Plan are complex and subject to significant uncertainties. The Debtors have not requested an opinion of counsel or a ruling from the IRS with respect to any of the tax aspects of the Plan. This summary does not address state, local, or foreign income or other tax consequences of the Plan, nor does it purport to address the U.S. federal income tax consequences of the Plan to special classes of taxpayers (such as non-U.S. persons, broker-dealers, banks, mutual funds, insurance companies, financial institutions, thrifts, small business investment companies, regulated investment companies, real estate investment trusts, tax-exempt organizations, retirement plans, individual retirement and other tax-deferred accounts, S corporations, partnerships or other pass-through entities for U.S. federal income tax

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Disclosure Statement.

purposes, any other Debtor entity, persons holding Claims as part of a hedging, straddle, conversion or constructive sale transaction or other integrated investment, traders in securities that elect to use a mark-to-market method of accounting for their security holding, dealers in securities or foreign currencies, persons whose functional currency is not the U.S. dollar, certain expatriates or former long term residents of the United States, persons who received their Claim as compensation or who acquired their Claim in the secondary market, persons who use the accrual method of accounting and report income on an “applicable financial statement,” and persons subject to the alternative minimum tax or the “Medicare” tax on net investment income). Additionally, this discussion does not address the Foreign Account Tax Compliance Act. Finally, this discussion does not address U.S. federal taxes other than income taxes, nor does it apply to any person that acquires any of the New Shares or New Convertible Notes in the secondary market.

This discussion assumes that the applicable U.S. holder has not claimed a bad debt deduction with respect to a Claim (or any portion thereof) in the current or any prior year and that such Claim did not become completely or partially worthless in a prior taxable year. Additionally, this discussion assumes that (1) the various debt and other arrangements to which any of the Debtors is a party will be respected for U.S. federal income tax purposes in accordance with their forms and (2) except where otherwise indicated, the Claims are held as “capital assets” (generally, property held for investment) within the meaning of section 1221 of the Code. In the event that an instrument denominated as debt were treated as equity for U.S. federal income tax purposes, the tax consequences described herein could be materially different.

ACCORDINGLY, THE FOLLOWING SUMMARY IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING OR FOR ADVICE BASED UPON THE PARTICULAR CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM. THE TAX CONSEQUENCES ARE IN MANY CASES UNCERTAIN AND MAY VARY DEPENDING ON A HOLDER’S PARTICULAR CIRCUMSTANCES. EACH HOLDER OF A CLAIM SHOULD CONSULT ITS OWN TAX ADVISORS FOR THE U.S. FEDERAL, STATE, LOCAL, AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES APPLICABLE TO IT UNDER THE PLAN.

B. Certain U.S. Federal Income Tax Consequences to the Debtors

Generally, the Plan is not expected to have any material U.S. federal income tax consequences to the Debtors. Accordingly, this discussion does not address any U.S. federal income tax consequences relevant to the implementation of the Plan to the Debtors.

C. Certain U.S. Federal Income Tax Consequences to U.S. Holders of DIP Claims and Other Relevant Claims

The discussion below applies only to U.S. holders. As used herein, the term “**U.S. holder**” means a beneficial owner of DIP Claims, General Unsecured Claims or Unsecured Convenience Class Claims that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;

- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or a trust, if a court within the United States is able to exercise primary jurisdiction over its administration and one or more U.S. persons have authority to control all of its substantial decisions, or if the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If a partnership or other entity or arrangement taxable as a partnership for U.S. federal income tax purposes holds a Relevant Claim, the U.S. federal income tax treatment of a partner in such partnership generally will depend upon the status of the partner and the activities of the partnership. If you are a partner in such a partnership holding any of such Claims, you are urged to consult your tax advisor.

1. *Consequences to U.S. Holders of DIP Claims*

Pursuant to the Plan, in complete and final satisfaction of their respective Claims, holders of DIP Claims will receive cash in an amount equal to such Claims on the Effective Date. In addition, certain DIP Lenders may potentially convert some portion of their DIP Claims into either New Shares or New Convertible Notes, which, if converted, would have the effect of reducing such DIP Lender's DIP Claims by a corresponding amount. While it is uncertain as to whether any DIP Lenders will ultimately decide to convert some portion of their DIP Claims in either New Shares or New Convertible Notes, this summary nonetheless provides a general overview of the anticipated U.S. tax consequences associated with such scenario.

(a) Treatment of Gain or Loss

The U.S. federal income tax consequences of the Plan to a U.S. holder of a DIP Claim depends on whether (i) such holder receives, at least in part, New Shares and/or New Convertible Notes; (ii) such U.S. holder's DIP Claims constitute "securities" for U.S. federal income tax purposes; (iii) the New Convertible Notes, if applicable, constitute "securities" for U.S. federal income tax purposes; and (iv) the exchange qualifies as a reorganization for U.S. federal income tax purposes, such as a recapitalization, under section 368 of the Code (with respect to such transaction, a "**Reorganization**").

With respect to the foregoing, the term "security" is not defined in the Code or in the Treasury Regulations issued thereunder and has not been clearly defined by judicial decisions. The determination of whether a particular debt obligation constitutes a "security" depends on an overall evaluation of the nature of the debt, including whether the holder of such debt obligation is subject to a material level of entrepreneurial risk and whether a continuing proprietary interest is intended or not. One of the most significant factors considered in determining whether a particular debt obligation is a security is its original term. In general, debt obligations issued with a weighted average maturity at issuance of less than five (5) years do not constitute securities, whereas debt obligations with a weighted average maturity at issuance of ten (10) years or more

constitute securities. Additionally, the IRS has ruled that new debt obligations with a term of less than five years issued in exchange for and bearing the same terms (other than interest rate) as securities should also be classified as securities for this purpose, since the new debt represents a continuation of the holder's investment in the corporation in substantially the same form. The treatment of a debt instrument with an initial term of five to ten years is uncertain. There are a number of other factors that could be taken into account in determining whether a debt instrument is a security.

For purposes of the following discussion, no assumption has been made as to whether the DIP Claims or the New Convertible Notes constitute securities for U.S. federal income tax purposes. Accordingly, U.S. holders are urged to consult their own tax advisors to determine whether, given their particular circumstances, such DIP Claim and, if applicable, any New Convertible Notes received in exchange (or partial exchange) therefor constitutes a security for U.S. federal income tax purposes.

(i) *Fully Taxable Exchange*

If a DIP Claim (i) is not treated as a security for U.S. federal income tax purposes and is exchanged for either New Shares or New Convertible Notes, (ii) is exchanged for New Convertible Notes and such New Convertible Notes are not treated as a security for U.S. federal income tax purposes or (iii) is exchanged solely for cash, a U.S. holder of such a DIP Claim generally should be treated as exchanging its DIP Claim for any such cash and/or New Shares or New Convertible Notes received in exchange therefor in a fully taxable exchange.

In the case of a taxable exchange, a U.S. holder of a DIP Claim should recognize gain or loss in an amount equal to the difference, if any, between (i) the sum of the cash received, the fair market value of the New Shares (as of the date such New Shares are issued to the U.S. holder), and the "issue price" (or possibly the fair market value), as defined below, of any portion of the New Convertible Notes received in satisfaction of its Claim (other than in respect of any Claim for accrued but unpaid interest and possibly accrued OID), and (ii) the holder's adjusted tax basis in the Claim exchanged therefor (other than any tax basis attributable to accrued but unpaid interest and possibly accrued OID). See the Section entitled "—Character of Gain or Loss" below. For the treatment of distributions in respect of a Claim for accrued but unpaid interest and possibly OID, see the Section entitled "—Distributions in Respect of Accrued Interest," below.

A U.S. holder's tax basis in any New Shares received generally should equal the fair market value of such New Shares on the Effective Date, and its tax basis in the portion of any New Convertible Notes received should equal the amount taken into account in determining gain or loss. The U.S. holder's holding period in any New Shares and/or any portion of a New Convertible Note received should begin on the day following the Effective Date.

(ii) *Reorganization Treatment*

If the exchange by a U.S. holder of a DIP Claim qualifies for Reorganization treatment, such holder generally should not recognize loss, but generally should recognize gain (computed as described above in the case of a fully taxable exchange), if any, to the extent of any cash and/or any other "non-qualified property" received in satisfaction of such Claims (other than

in respect of any Claim for accrued but unpaid interest and possible accrued OID). See the Section entitled “—Character of Gain or Loss,” below. Any consideration received in respect of any DIP Claims for accrued but unpaid interest (and possibly OID) is treated separately, see the Section entitled “—Distributions in Respect of Accrued Interest,” below. For purposes of the foregoing, “**non-qualified property**” means any New Convertible Notes to the extent such instrument does not constitute a security for U.S. federal income tax purposes.

In a Reorganization exchange, a U.S. holder’s aggregate tax basis in any non-recognition property received should equal the U.S. holder’s aggregate adjusted tax basis in the DIP Claims exchanged therefor, increased by any gain and interest income recognized in the exchange, and decreased by (i) the fair market value of any cash or non-qualified property received by the holder and (ii) any deductions claimed by the holder in respect of any previously accrued but unpaid interest. A U.S. holder’s holding period in the non-recognition property (which, depending on the circumstances, may include New Shares, New Convertible Notes or both) received should include its holding period in the DIP Claims exchanged therefor, except to the extent of any consideration received in respect of accrued but unpaid interest or OID, and the U.S. holder’s holding period in any non-qualified property received should begin on the day following the Effective Date.

U.S. holders of DIP Claims are urged to consult their own tax advisors regarding the U.S. federal income tax consequences to them under the Plan.

(b) Character of Gain or Loss

Where gain or loss is recognized by a U.S. holder, the character of such gain or loss as long-term or short-term capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the holder, whether the applicable Claim constitutes a capital asset in the hands of the holder and how long it has been held, whether the Claim was acquired at a market discount, and whether and to what extent the holder previously claimed a bad debt deduction. If any recognized gain is capital gain, it generally would be long-term capital gain if the U.S. holder held its Claim for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations. Each U.S. holder of a DIP Claim should consult its own tax advisor to determine whether gain or loss recognized by such U.S. holder will be long-term capital gain or loss and the specific tax effect thereof on such U.S. holder.

In addition, U.S. holders of Relevant Claims may be affected by the market discount provisions of sections 1276 through 1278 of the Code. Under these rules, some or all of any gain realized by a U.S. holder may be treated as ordinary income (instead of capital gain) to the extent of the amount of market discount on such Relevant Claims. In general, a debt obligation with a fixed maturity of more than one year that is acquired by a holder on the secondary market (or, in certain circumstances, upon original issuance) is considered to be acquired with market discount as to that holder if the debt obligation’s stated redemption price at maturity (or revised issue price, in the case of a debt obligation issued with OID) exceeds the tax basis of the debt obligation in the holder’s hands immediately after its acquisition. However, a debt obligation will not be a market discount obligation if such excess is less than a statutory de minimis amount (equal to 0.25% of the debt obligation’s stated redemption price at maturity or revised issue price, in the

case of a debt obligation issued with OID, multiplied by the number of complete years remaining to maturity as of the time the holder acquired the debt obligation).

Under these rules, gain recognized on the exchange of a Relevant Claim (other than in respect of a Relevant Claim for accrued but unpaid interest) generally should be treated as ordinary income to the extent of the market discount accrued (on a straight line basis or, at the election of the holder, on a constant yield basis) during the holder's period of ownership, unless the holder elected to include the market discount in income as it accrued. If a U.S. holder of Claims did not elect to include market discount in income as it accrued and, thus, under these rules, was required to defer all or a portion of any deductions for interest on debt incurred or maintained to purchase or carry its Claims, such deferred amounts would become deductible at the time of the exchange but, if the exchange is entitled to Reorganization treatment, only up to the amount of gain that the holder recognizes in the exchange.

In the event of Reorganization treatment, the Code indicates that, under Treasury Regulations to be issued, any accrued market discount in respect of the Claims that qualify as a "security" that is in excess of the gain recognized in the exchange should not be currently includable in income. However, such accrued market discount should carry over to any non-recognition property received in exchange therefor. Any gain recognized by a U.S. holder upon a subsequent disposition of the non-recognition property would be treated as ordinary income to the extent of any accrued market discount carried over and not previously included in income. To date, specific Treasury Regulations implementing this rule have not been issued.

(c) Distributions in Respect of Accrued Interest

In general, to the extent that any consideration received pursuant to the Plan by a U.S. holder of a Relevant Claim is received in satisfaction of accrued interest during the holder's holding period, such amount should be taxable to the U.S. holder as interest income (if not previously included in the U.S. holder's gross income). Conversely, a U.S. holder may recognize a deductible loss to the extent any accrued interest or accrued OID was previously included in its gross income and is not paid in full.

If the fair market value of the consideration received by the U.S. holder is not sufficient to fully satisfy all principal and interest on its Claim, the extent to which such consideration will be attributable to accrued but unpaid interest is unclear. Under the Plan, the aggregate consideration to be distributed to U.S. holders of Claims treated for U.S. federal income tax purposes as indebtedness should be allocated first to the principal amount of the Claims, with any excess allocated to other amounts (such as accrued but unpaid interest or deemed interest thereon), if any. Certain legislative history indicates that an allocation of consideration as between principal and interest provided in a Chapter 11 plan of reorganization is binding for U.S. federal income tax purposes. The IRS could take the position, however, that the consideration received by the U.S. holder should be allocated in some way other than as provided in the Plan. Thus, there is no assurance that the IRS will respect such allocation for U.S. federal income tax purposes. U.S. holders of Relevant Claims should consult their own tax advisors regarding the proper allocation of the consideration received by them under the Plan.

(d) Relevant Claims That Are Denominated in Foreign Currency

The rules applicable to a Relevant Claim that is denominated in any currency other than the U.S. dollar (“**Foreign Currency**”) could require some or all of the gain or loss realized on the exchange of a Relevant Claim that is attributable to fluctuations in currency exchange rates, to be treated as ordinary income or loss. The rules applicable to a Relevant Claim that is denominated in any foreign currency are complex, and their application may depend on the circumstances of the applicable U.S. holder. For example, various elections are available under these rules, and whether a U.S. holder has made (or makes) any of these elections may affect the U.S. holder’s tax treatment. Each U.S. holder of a Relevant Claim that is denominated in any foreign currency should consult its own tax advisor regarding the U.S. federal income tax consequences of the exchange of such Relevant Claim, including the proper method for establishing the U.S. holder’s tax basis in the Relevant Claim and in any New Shares, if any, received pursuant to these rules.

2. *Consequences to U.S. Holders of Other Relevant Claims*

Pursuant to the Plan, a U.S. holder of a Relevant Claim (excluding DIP Claims, which are discussed in the preceding sections) will receive in full and final satisfaction of their respective Claims: (i) cash, (ii) New Shares, (iii) contingent value notes (individually, a “**CVN**,” and collectively, “**CVNs**”), (iv) interests in a trust established under the laws of England and Wales (with respect to such trust, the “**Holding Period Trust**,” and with respect to the interests thereof, “**Holding Period Trust Interests**”) or (v) some combination of the consideration described in (i) through (iv).

(a) Treatment of Gain or Loss

Subject to the discussion below in respect of holders of certain Relevant Claims in SAS AB receiving New Shares and in respect of holders entitled to receive CVNs or Holding Period Trust Interests, U.S. holders of Relevant Claims generally should recognize gain or loss in a taxable transaction. Such gain or loss should generally be equal to the difference, if any, between the sum of (i) the Cash received, the fair market value of the New Shares (determined as of the date such New Shares are distributed to such U.S. holder) received in exchange for their Claims, the fair market value of the CVNs received by such holder in respect of such holder’s Claim, and the fair market value of a holder’s respective undivided interests in any CVNs transferred to the Holding Period Trust and treated as received by such holder in respect of its Claim, and (ii) the U.S. holder’s adjusted basis, if any, in such Relevant Claim(s) (subject to the separate treatment of any amounts received and tax basis allocable to accrued but unpaid interest or amortized original issue discount).

The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. holder, the nature of the Claim in such U.S. holder’s hands and whether the Claim was purchased at a discount. If any recognized gain is capital gain, it generally would be long-term capital gain if the U.S. holder held its Claim for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations. Each U.S. holder of a Trade Claim should consult its own tax advisor to determine whether gain or loss recognized by such U.S. holder will be long-

term capital gain or loss and the specific tax effect thereof on such U.S. holder. Furthermore, the amount of gain or loss a U.S. holder recognizes, and the timing and potential character of such gain or loss, will also depend on the U.S. federal income tax treatment of the CVNs, with respect to which there is a significant amount of uncertainty. U.S. holders receiving either CVNs or Holding Period Trust Interests should carefully review the information provided in the Sections entitled “—Treatment of U.S. Holders Receiving CVNs” and “Treatment of U.S. Holders Receiving Holding Period Trust Interests” for a more detailed discussion of the U.S. federal income tax consequences associated with such interests.

Subject to the discussion below, and assuming the exchange is treated as a taxable transaction for U.S. federal income tax purposes, a U.S. holder’s tax basis in any New Shares received generally should equal the fair market value of such New Shares on the Effective Date, and the U.S. holder’s holding period in any New Shares received should begin on the day following the Effective Date.

Notwithstanding the foregoing, a U.S. holder of a Relevant Claim may qualify for Reorganization treatment to the extent that (i) such holder receives, at least in part, New Shares; (ii) such U.S. holder’s Relevant Claim constitutes a “security” (as defined above) for U.S. federal income tax purposes; (iii) such Relevant Claim is treated as a “security” of SAS AB (as opposed to any other Debtor); and (iv) the restructuring of the Debtors qualifies as a Reorganization. If the exchange by a U.S. holder of a Relevant Claim qualifies for Reorganization treatment, such holder generally should not recognize loss, but generally should recognize gain (computed as described above), if any, to the extent of any cash or other consideration (excluding the New Shares) received in satisfaction of such Relevant Claims (other than in respect of any Claim for accrued but unpaid interest and possible accrued OID). See the Section entitled “—Character of Gain or Loss,” above. Any consideration received in respect of any Relevant Claims for accrued but unpaid interest (and possibly OID) is treated separately, see the Section entitled “—Distributions in Respect of Accrued Interest,” above.

In a Reorganization exchange, such U.S. holder’s aggregate tax basis in any non-recognition property received should equal the U.S. holder’s aggregate adjusted tax basis in the Relevant Claims exchanged therefor, increased by any gain and interest income recognized in the exchange, and decreased by (i) the fair market value of any cash or other consideration (excluding the New Shares) received by the holder and (ii) any deductions claimed by the holder in respect of any previously accrued but unpaid interest. A U.S. holder’s holding period in the non-recognition property received should include its holding period in the Relevant Claims exchanged therefor, except to the extent of any consideration received in respect of accrued but unpaid interest or OID, and the U.S. holder’s holding period in any non-qualified property received should begin on the day following the Effective Date. U.S. holders of Relevant Claims of SAS AB receiving, at least in part, New Shares are urged to consult their own tax advisors regarding the U.S. federal income tax consequences to them under the Plan.

For the treatment of the exchange to the extent a portion of the consideration received is allocable to accrued but unpaid interest, OID or market discount or if the Relevant Claims are denominated in foreign currency, see the Sections entitled “—Distributions in Respect of Accrued Interest”, “—Character of Gain or Loss” and “—Relevant Claims That Are Denominated in Foreign Currency” above. For the treatment of the ownership and subsequent

disposition of New Shares by any holders of Relevant Claims, see the Sections entitled “—Distribution of New Shares” and “—Sale, Exchange, or Other Disposition of New Shares” below.

(b) Treatment of U.S. Holders Receiving CVNs

The following summary is for informational purposes only and it is not a substitute for careful tax planning or for advice based upon the particular circumstances pertaining to a holder of a Relevant Claim. The amount of gain or loss a U.S. holder recognizes, and the timing and potential character of such gain or loss, will depend on the U.S. federal income tax treatment of the CVNs, with respect to which there is a significant amount of uncertainty. The tax treatment of a CVN will depend, in part, on whether the receipt of a CVN is a “closed transaction” or an “open transaction” for U.S. federal income tax purposes and whether the rights afforded under the CVNs are treated as rights to payments under a contract, a debt instrument or an equity instrument for U.S. federal income tax purposes. Each U.S. holder is strongly encouraged to consult its own tax advisors regarding the proper characterization, method of tax accounting, tax reporting and other tax consequences applicable to such holder’s receipt of a CVN under the Plan.

The receipt of CVNs by a U.S. holder in exchange for their Claims should be treated as a taxable transaction for U.S. federal income tax purposes. The amount of gain or loss a U.S. holder recognizes, and the timing and potential character of such gain or loss, will depend on the U.S. federal income tax treatment of the CVNs, with respect to which there is a significant amount of uncertainty.

For example, the treatment of the CVNs will depend, in part, on whether the receipt of such CVNs is a “closed transaction” or an “open transaction” for U.S. federal income tax purposes. Pursuant to Treasury Regulations dealing with contingent payment obligations that are analogous to a CVN, if the fair market value of the CVNs is “reasonably ascertainable,” a U.S. holder should generally treat the transaction as a “closed transaction” and treat the fair market value of the CVNs received as part of the consideration received for purposes of determining gain or loss. It is possible that the trading value of the CVNs would be considered along with other factors in determining whether the value of the CVN is reasonably ascertainable. On the other hand, if the fair market value of the CVNs cannot be reasonably ascertained, a U.S. holder could treat the transaction as an “open transaction” for purposes of determining gain or loss. These Treasury Regulations state that only in “rare and extraordinary” cases would the value of contingent payment obligations not be treated as reasonably ascertainable. There is no authority directly addressing whether contingent payment obligations with characteristics similar to the rights of the CVNs here should be treated as “open transactions” or “closed transactions,” and such question is inherently factual in nature.

In addition, the U.S. federal income tax treatment of the rights to proceeds from the CVNs will also depend, in part, on whether the right to payments under a CVN is treated as a payment made under a contract, a debt instrument or an equity instrument. For purposes of this disclosure, we have assumed that the CVNs (and the payments made thereunder) are not treated as a debt instrument (or payments made on a debt instrument) for U.S. federal income tax purposes and, therefore, the discussion provided below does not provide a detailed discussion of the tax consequences associated with such a characterization. That said, the IRS is not bound by any such

position, and may characterize the CVNs as a debt instrument or otherwise. If the IRS were to take a contrary position, the tax treatment to U.S. holders receiving CVNs may be materially different from the treatment described herein. U.S. holders are therefore urged to consult their own tax advisors regarding the proper characterization, method of tax accounting and tax reporting with respect to the receipt of a CVN under either the “closed transaction” method or “open transaction” method, as applicable to their respective case.

Assuming closed transaction treatment applies with respect to a U.S. holder’s receipt of a CVN, such U.S. holder should generally recognize gain or loss, taking into account the “reasonably ascertainable” fair market value of the CVN (determined on the date the CVN is received), as an additional amount realized (subject to the separate treatment of any amounts received and tax basis allocable to accrued but unpaid interest or amortized original issue discount). The character of such gain or loss as capital gain or loss or as ordinary income or loss will be determined by a number of factors, including the tax status of the U.S. holder, the nature of the Claim in such U.S. holder’s hands and whether the Claim was purchased at a discount. If any recognized gain is capital gain, it generally would be long-term capital gain if the U.S. holder held its Claim for more than one year at the time of the exchange. The deductibility of capital losses is subject to certain limitations.

Under such treatment, a U.S. holder should obtain a tax basis in the CVNs, other than any such amounts treated as received in satisfaction of accrued but untaxed interest, equal to the fair market value thereof as of the date such CVN is received by such holder. The tax basis of any CVNs determined to be received in satisfaction of accrued but untaxed interest should equal the amount of such accrued but untaxed interest. The holding period for any such CVNs would begin on the day following the date a CVN is received.

There is no authority directly addressing the U.S. federal income tax treatment of receiving payments in respect of the CVNs under a closed transaction treatment and, therefore, the amount, timing and character of any gain, income or loss of such CVNs is uncertain. For example, payments made with respect to the CVNs could be treated as payments with respect to a sale or exchange of a capital asset or as giving rise to ordinary income, such as interest or dividend income. In addition, it is unclear how a U.S. holder of a CVN would recover its adjusted tax basis in a CVN. It is possible that a holder may not be able to recover its adjusted basis in a CVN until the last payment on the CVN is made or until such a CVN is disposed of by such holder. It is also possible that, were a payment to be treated as being made with respect to the sale of a capital asset, a portion of such payment could constitute imputed interest, which would be ordinary income to the U.S. holder of a CVN.

Furthermore, if the CVNs are characterized as an equity instrument in the GUC Entity, we expect the GUC Entity to be treated as a corporation for U.S. federal income tax purposes, and the GUC Entity may be treated as a PFIC (as defined further below) for U.S. federal income tax purposes, which, if applicable, may subject U.S. holders to a disadvantageous U.S. tax regime with respect to the income derived by the GUC Entity, the distributions such holders receive from the GUC Entity, and the gain, if any, such holders derive from the sale or other disposition of a CVN in the GUC Entity. For additional discussion of the PFIC rules, see the section below entitled “—Passive Foreign Investment Company Rules.” Alternatively, if the CVNs were characterized as a debt instrument for U.S. federal income tax purposes, the rules

applicable to “contingent payment debt instruments” provided in Section 1275 of the Code and the Treasury Regulations thereunder may apply. The taxation of “contingent payment debt instruments” is complex. If these rules applied, such rules could require a holder to accrue ordinary income at a higher rate than the stated interest and the rate that would otherwise be imputed under the OID rules (discussed further below), and may treat as ordinary income (rather than capital gain) any gain recognized on the taxable disposition of a CVN. Any interest, as accrued by a U.S. holder in respect of a CVN, would be includable in such holder’s income on an annual basis, whether or not currently paid by the GUC Entity. Due to the significant uncertainty associated with the U.S. federal income tax treatment of the CVNs, U.S. holders are strongly encouraged to consult their own tax advisors regarding the proper characterization and treatment of a CVN, including the potential application of the PFIC rules and contingent payment debt instrument rules, as applicable, depending on such characterization.

However, if open transaction treatment is applied by a U.S. holder on its receipt of a CVN (because the value cannot be “reasonably ascertained” as of the Effective Date), such U.S. holder generally would not take the CVNs into account on the Effective Date for purposes of determining gain with respect to the exchange, generally would take no tax basis in the CVNs (and accordingly would generally realize gain as they receive any payments pursuant to the CVNs in excess of their adjusted tax basis in the Claims exchange therefor) and generally would not recognize any loss until the receipt of final payments under, or other disposition of, a CVN. In addition, a portion of the payments made pursuant to a CVN may also be treated as imputed interest, which would be ordinary income to the U.S. holder of a CVN.

(c) Treatment to U.S. Holders Receiving Holding Period Trust Interests

In connection with the implementation of the Plan, certain U.S. holders may receive Holding Period Trust Interests. Although not free from doubt, the Debtors intend to treat the Holding Period Trust as a “foreign liquidating trust”, and thus a grantor trust, for U.S. federal income tax purposes. In general, a liquidating trust is not a separate taxable entity but rather is treated for U.S. federal income tax purposes as a “grantor” trust (i.e., a pass-through entity). No ruling is currently being requested from the IRS concerning the tax status of the Holding Period Trust. Accordingly, there can be no assurance that the IRS would not take a contrary position to the classification of the Holding Period Trust as a grantor trust. If the IRS were to take a contrary position, the tax treatment to U.S. holders receiving Holding Period Trust Interests may be materially different from the treatment described herein.

In accordance with the intended treatment of the Holding Period Trust, any U.S. holders receiving Holding Period Trust Interests would be treated as grantors and thus deemed owners thereof and, for U.S. federal income tax purposes, any such holders would be treated as if they had received a distribution of an undivided interest in the assets transferred to the Holding Period Trust (i.e., CVNs) and then contributed such undivided interest in such assets to the Holding Period Trust. If this treatment applies, the treatment of the deemed transfer of assets to the applicable U.S. holders of Relevant Claims should generally be consistent with the treatment described above in the Section entitled “—Treatment of U.S. Holders Receiving CVNs” with respect to the receipt of the applicable assets (i.e., CVNs) directly by a U.S. holder. To the extent any taxable income and loss is generated by the Holding Period Trust from such assets, such

taxable income or loss (if any) will be allocated among, and treated as directly earned and incurred by, the holders of Holding Period Trust Interests with respect to such holder's interest in the Holding Period Trust. The character of any income and the character and ability to use any loss would depend on the particular situation of such U.S. holder. Furthermore, the U.S. federal income tax obligations of a holder of Holding Period Trust Interests are not dependent on the Holding Period Trust distributing any cash. Thus, a holder of Holding Period Trust Interests may incur a U.S. federal income tax liability with respect to its allocable share of the Holding Period Trust's income (if any) even if the Holding Period Trust does not make a concurrent distribution to such holders.

The U.S. federal tax laws applicable to foreign grantor trusts require such foreign grantor trusts and any U.S. beneficiaries of such trusts to comply with specific tax reporting and filing requirements. For example, a foreign grantor trust is generally required to annually file IRS Form 3520-A and furnish certain information to such U.S. beneficiaries, and each U.S. beneficiary of such foreign grantor trust is also responsible for annually filing an IRS Form 3520. Failure to comply with these specific tax reporting and filing obligations (other than due to reasonable cause and not willful neglect) may result in U.S. holders of a Holding Period Trust Interest being subject to potentially significant penalties. While the Debtors intend for the Holding Period Trust to comply with the aforementioned tax reporting and filing requirements, there can be no assurance that all such information will be furnished or that all such tax forms will be timely or appropriately filed.

Accordingly, U.S. holders are urged to consult their own tax advisors regarding the proper characterization, method of tax accounting and tax reporting with respect to the receipt of a Holding Period Trust Interest pursuant to the Plan.

(d) Distributions on New Shares

Subject to the discussion below under the Section entitled "Passive Foreign Investment Company Rules," the gross amount of any distribution on New Shares generally should be taxable to a U.S. holder as ordinary dividend income on the date such distribution is actually or constructively received, but only to the extent that the distribution is paid out of Reorganized SAS AB's current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Distributions in excess of current and accumulated earnings and profits should constitute a return of capital that should be applied against and reduce (but not below zero) the U.S. holder's adjusted tax basis in such holder's New Shares. Any remaining excess should be treated as gain realized on the sale or other disposition of New Shares. The Debtors have not maintained and do not currently expect to maintain calculations of earnings and profits for U.S. federal income tax purposes. As a result, a U.S. holder may need to include the entire amount of any such distribution in income as a dividend.

The amount of any distribution to a U.S. holder on New Shares made in a currency other than U.S. dollars is the U.S. dollar value of the amount distributed translated at the spot rate of exchange on the date such distribution is received by such U.S. holder. Such U.S. holder generally should have a basis in such other currency equal to the U.S. dollar value of such currency on the date of such receipt. Any gain or loss on a conversion or other disposition of such other

currency by such U.S. holder generally should be treated as ordinary income or loss from sources within the United States.

A distribution on New Shares that is treated as a dividend generally should constitute income from sources outside the United States and generally should be categorized for U.S. foreign tax credit purposes as “passive category income” or, in the case of some U.S. holders, as “general category income”. Such dividend will not be eligible for the “dividends received” deduction generally allowed to corporate shareholders with respect to dividends received from U.S. corporations. A U.S. holder may be eligible to elect to claim a U.S. foreign tax credit against its U.S. federal income tax liability, subject to applicable limitations and holding period requirements, for any non-U.S. tax withheld from distributions received in respect of its New Shares. A U.S. holder that does not elect to claim a U.S. foreign tax credit for non-U.S. income tax withheld may instead claim a deduction for such withheld tax, but only for a taxable year in which the U.S. holder elects to do so with respect to all non-U.S. income taxes paid or accrued by such U.S. holder in such taxable year. The rules relating to U.S. foreign tax credits are very complex, and each U.S. holder should consult its own tax advisor regarding the application of such rules.

With respect to non-corporate U.S. holders, dividends should be taxed at the lower applicable long-term capital gains rate (see the Section entitled “Sale, Exchange or Other Disposition of New Shares” below) if the New Shares are readily tradable on an established securities market and certain other requirements are met, including that Reorganized SAS AB is not classified as a passive foreign investment company during the taxable year in which the dividend is paid or the preceding taxable year. U.S. holders should consult their own tax advisors regarding the potential availability of the lower rate for any dividends paid with respect to New Shares.

(e) Sale, Exchange or Other Disposition of New Shares

In general, unless a nonrecognition provision applies to a future disposition, and subject to the discussion below under the Section entitled “Passive Foreign Investment Company Rules,” U.S. holders generally should recognize gain or loss for U.S. federal income tax purposes upon the sale, exchange or other disposition of New Shares in an amount equal to the difference between (i) the sum of the cash and the fair market value of any property received from such sale, exchange or other disposition and (ii) the U.S. holder’s adjusted tax basis in the New Shares held. Any gain or loss so recognized generally should be capital gain or loss and should be long-term capital gain or loss if such U.S. holder has held such New Shares for more than one year at the time of such sale, exchange or other disposition. Net long-term capital gain of certain non-corporate U.S. holders generally is subject to preferential rates of tax. The deductibility of capital losses is subject to limitations. Such gain or loss generally will be from sources within the United States.

A U.S. holder that receives currency other than U.S. dollars from the sale, exchange or other disposition of New Shares generally should realize an amount equal to the U.S. dollar value of such other currency translated at the spot rate of exchange on the settlement date of such sale, exchange or other disposition if (i) such U.S. holder is a cash basis or electing accrual basis taxpayer and the New Shares are treated as being “traded on an established securities market” or

(ii) such settlement date is also the date of such sale, exchange or other disposition. Such U.S. holder generally should have a basis in such other currency equal to the U.S. dollar value of such currency on the settlement date. Any gain or loss on a conversion or other disposition of such currency by such U.S. holder generally should be treated as ordinary income or loss from sources within the United States. Each U.S. holder should consult its own tax advisor regarding the U.S. federal income tax consequences of receiving currency other than U.S. dollars from the sale, exchange or other disposition of New Shares.

(f) Passive Foreign Investment Company Rules

In general, a corporation organized outside the United States will be treated as a passive foreign investment company (“PFIC”) in any taxable year in which either (i) at least 75% of its gross income is “passive income” or (ii) on average at least 50% of the value of its assets is attributable to assets that produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, royalties, rents, and net gains from commodities transactions and from the sale or exchange of property that gives rise to passive income. The determination of whether a non-U.S. corporation is a PFIC is based upon the composition of such non-U.S. corporation’s income and assets (including, among others, its proportionate share of the income and assets of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock or interest in a partnership), and the nature of such non-U.S. corporation’s activities. A separate determination must be made after the close of each taxable year as to whether a non-U.S. corporation was a PFIC for that year. Once a non-U.S. corporation qualifies as a PFIC it is, with respect to a shareholder during the time it qualifies as a PFIC, and subject to certain exceptions, always treated as a PFIC with respect to such shareholder, regardless of whether it satisfied either of the qualification tests in subsequent years.

The Debtors do not expect Reorganized SAS AB to be classified as a PFIC for its taxable year that includes the Effective Date or, to the best of its knowledge, for subsequent taxable years. However, because this determination is made annually at the end of each taxable year and is dependent upon a number of factors, some of which are beyond the Debtors’ control, such as the value of their assets (including goodwill and the income and assets of applicable subsidiaries) and the amount and type of its income, there can be no assurance that Reorganized SAS AB will not be a PFIC in any taxable year or that the IRS will agree with the Debtors’ conclusion regarding Reorganized SAS AB’s PFIC status in any taxable year.

If, contrary to expectation, SAS AB (or, following the effective date, Reorganized SAS AB) were a PFIC for any taxable year during a U.S. holder’s holding period for New Shares and such holder does not make a valid QEF Election or Mark-to-Market Election (each as defined below), the U.S. holder would be subject to special tax rules with respect to (i) any gain realized on a sale or other disposition (including a pledge) of its New Shares, and (ii) any “excess distributions” it receives on its New Shares (generally, any distributions in excess of 125% of the average of the annual distributions on New Shares during the preceding three years or the U.S. holder’s holding period, whichever is shorter). Generally, under this excess distribution regime:

- the gain or excess distribution will be allocated ratably over the period during which the U.S. holder held SAS AB’s securities;

- the amount allocated to the current taxable year will be treated as ordinary income; and
- the amount allocated to prior taxable years will be subject to the highest tax rate in effect for that taxable year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

In addition, if Reorganized SAS AB were classified as a PFIC with respect to a U.S. holder, to the extent any of Reorganized SAS AB subsidiaries were also PFICs, the U.S. holder might be deemed to own shares in any such lower-tier PFICs directly or indirectly owned by Reorganized SAS AB in that proportion which the value of the New Shares owned by the holder bears to the value of all of Reorganized SAS AB's outstanding securities, and the holder therefore might be subject to the adverse tax consequences described above with respect to the shares of such lower-tier PFICs deemed owned by the U.S. holder.

Certain elections may be available to mitigate the adverse tax consequences of PFIC status described above. If a U.S. holder were to elect to treat its interest in Reorganized SAS AB as a "qualified electing fund" (the "**QEF Election**") for the first year the holder were treated as holding such interest, then in lieu of the tax consequences described above, the holder would be required to include in income each year a portion of the ordinary earnings and net capital gains of Reorganized SAS AB, even if not distributed to the holder. A QEF Election must be made by a U.S. holder on an entity-by-entity basis. However, a U.S. holder may make a QEF Election with respect to its New Shares or shares of any lower-tier PFICs only if the Reorganized SAS AB furnished certain tax information to such holder annually, and there can be no assurance that such information will be provided.

In lieu of making a QEF Election, a U.S. holder may make a "Mark-to-Market Election" with respect to New Shares. A U.S. holder may make a Mark-to-Market Election if such shares are treated as "marketable stock." The New Shares generally will be treated as marketable stock if they are regularly traded on a national securities exchange that is registered with the SEC, including Nasdaq, or on a qualified non-U.S. exchange or other market (within the meaning of the applicable Treasury regulations). For these purposes, the New Shares generally will be considered regularly traded during any calendar year during which they are traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. There can be no assurance that the New Shares will constitute marketable stock for purposes of the Mark-to-Market Election. In general, if a U.S. holder were to make a timely and effective Mark-to-Market Election, the holder would include as ordinary income each year the excess, if any, of the fair market value of the holder's New Shares at the end of the taxable year over its adjusted basis in such New Shares. Any gain recognized by the U.S. holder on the sale or other disposition of New Shares would be ordinary income, and any loss would be an ordinary loss to the extent of the net amount of previously included income as a result of the Mark-to-Market Election and, thereafter, a capital loss. The Mark-to-Market Election is not expected to be available with respect to shares of any lower-tier PFIC.

Subject to certain exceptions, a U.S. person who owns an interest in a PFIC generally is required to file an annual report on IRS Form 8621, and the failure to file such report

could result in the imposition of penalties on the U.S. person and the extension of the statute of limitations with respect to federal income tax returns filed by the U.S. person. The rules relating to PFICs are complex and, therefore, U.S. holders are urged to consult their tax advisers regarding the application of the PFIC rules, including the foregoing filing requirements and the advisability of making any available election under the PFIC rules, with respect to their ownership and disposition of New Shares.

3. *Ownership and Disposition of New Convertible Notes*

The Debtors intend to treat the New Convertible Notes as debt for U.S. federal income tax purposes and the discussion below assumes such treatment. In addition, the Debtors also intend that any New Convertible Notes received in exchange for a DIP Claim to not be treated as a “contingent payment debt instrument” under the applicable Treasury Regulations. The taxation of contingent payment debt instruments, however, is complex and there can be no assurance that the IRS would not take a contrary position as to the classification of the New Convertible Notes as a “contingent payment debt instrument”. If these rules applied, such rules could require a holder to accrue ordinary income at a higher rate than the stated interest rate and the rate that would otherwise be imputed under the OID rules, and to treat as ordinary income (rather than capital gain) any gain recognized on the taxable disposition of the New Convertible Notes. Ultimately, whether to treat any New Convertible Notes as a contingent payment debt instrument will be made based on the facts and circumstances on the Effective Date. All U.S. holders are urged to consult their tax advisers regarding the tax treatment of any New Convertible Notes received as part of the Plan, including with respect to the application of the contingent payment debt rules to any such New Convertible Notes.

(a) OID and Issue Price

The New Convertible Notes will be considered issued with OID in an amount equal to the excess of the “stated redemption price at maturity” of the New Convertible Notes over its “issue price,” if such excess exceeds a de minimis amount. In general, the stated redemption price at maturity of a debt instrument is the sum of all payments provided by the debt instrument other than payments of “qualified stated interest.” To the extent any portion of the stated interest on the New Convertible Notes is unconditionally required to be paid in cash at a fixed annual rate, such portion of the stated interest would be “qualified stated interest.” Generally, payments of qualified stated interest will be includible in a U.S. holder’s income in accordance with the holder’s regular method of accounting for U.S. federal income tax purposes. The remaining portion of the stated interest (even if payable in kind and whether or not the issuer has the option of paying such interest in cash) will not be qualified stated interest, and thus should be included in the stated redemption price at maturity. As a result, such interest should be taken into account in determining the amount of OID with respect to the New Convertible Notes, and taxed as OID as it accrues rather than in accordance with the U.S. holder’s regular method of accounting. Accordingly, a U.S. holder could be treated as receiving interest income in advance of a corresponding receipt of cash. Any OID that a holder includes in income should increase the holder’s adjusted tax basis in its interest in the New Convertible Notes. A U.S. holder generally should not be required to include separately in income cash payments (other than in respect of qualified stated interest) received on its interest in the New Convertible Notes; instead, such payments should reduce the holder’s adjusted tax basis in such interest by the amount of the payment.

The “issue price” of a New Convertible Note will depend on whether the New Convertible Note is traded on an established market or, if not so traded, possibly on whether the respective Claims for which such instrument was exchanged for were considered traded on an established market. A debt will be treated as traded on an established market for U.S. federal income tax purposes only if it is traded on an established market during the 31-day period ending 15 days after the Effective Date. Pursuant to applicable Treasury regulations, an “established market” need not be a formal market. It is sufficient if there is a readily available sales price for an executed purchase or sale of the Claims, or if there is one or more “firm quotes” or “indicative quotes” for such debt, in each case as such terms are defined in applicable Treasury Regulations. If neither the New Convertible Notes nor DIP Claims are considered traded on an established market, the issue price of the New Convertible Notes generally should be its stated principal amount. If the reorganized company determines that the applicable trading market exists, such determination will be binding on a holder unless such holder discloses, on a timely filed U.S. federal income tax return for the taxable year that includes the Effective Date, that such holder’s determination is different from the reorganized company’s determination, the reasons for such holder’s different determination and, if applicable, how such holder determined the fair market value.

The rules regarding the determination of issue price are complex and U.S. holders are urged to consult their own tax advisors regarding the determination of the issue price of any New Convertible Notes received under the Plan.

(b) Accrual and Amortization of OID

A U.S. holder generally must include any OID in gross income as it accrues over the term of the New Convertible Notes using the “constant yield method” without regard to its regular method of accounting for U.S. federal income tax purposes, and in advance of the receipt of cash payments attributable to that income. The amount of OID includible in income for a taxable year by a U.S. holder generally should equal the sum of the “daily portions” of the total OID on the New Convertible Notes for each day during the taxable year (or portion thereof) on which such U.S. holder held an interest in the New Convertible Notes. Generally, the daily portion of the OID is determined by allocating to each day during an accrual period a ratable portion of the OID on such interest in the New Convertible Notes that is allocable to the accrual period in which such day is included. The amount of OID allocable to each accrual period generally will be an amount equal to the excess of (i) the product of (x) “adjusted issue price” of such interest in the New Convertible Notes at the beginning of such accrual period and (y) its “yield to maturity” over (ii) the aggregate amount of any qualified stated interest payments allocable to the accrual period. The “adjusted issue price” of such interest in the New Convertible Notes at the beginning of any accrual period will equal the issue price, increased by the total OID accrued for each prior accrual period, less any cash payments made on such interest in the New Convertible Notes on or before the first day of the accrual period (other than qualified stated interest). The “yield to maturity” of such interest in the New Convertible Notes will be computed on the basis of a constant annual interest rate and compounded at the end of each accrual period.

The rules regarding the determination of OID are complex, and the OID rules described above may not apply in all cases. Accordingly, U.S. holders are urged to consult your own tax advisor regarding the application of the OID rules.

(c) Acquisition and Bond Premium

The amount of OID includible in a U.S. holder's gross income with respect to a New Convertible Note should be reduced if the debt is acquired (or deemed to be acquired) at an "acquisition premium" or with "bond premium." A U.S. holder may have an "acquisition premium" or "bond premium" only if an exchange qualifies for Reorganization treatment. Otherwise, a U.S. holder's initial tax basis in the New Convertible Notes will equal the issue price of such U.S. holder's portion of such debt.

A debt instrument is acquired at an "acquisition premium" if the holder's tax basis in the debt is greater than the adjusted issue price of the debt at the time of the acquisition, but is less than or equal to the stated redemption price at maturity of the debt. If a U.S. holder has acquisition premium, the amount of any OID includible in its gross income in any taxable year with respect to the portion of the New Convertible Notes to which such acquisition premium relates will be reduced by an allocable portion of the acquisition premium (generally determined by multiplying the annual OID accrual with respect to such portion of the New Convertible Notes by a fraction, the numerator of which is the amount of the acquisition premium, and the denominator of which is the total OID).

If a U.S. holder has a tax basis in any portion of the New Convertible Notes received that exceeds the stated redemption price at maturity of such debt, that portion of the New Convertible Notes should be treated as having "bond premium" and the U.S. holder should not include any OID attributable to such portion of the New Convertible Notes in income. A U.S. holder may elect to amortize any bond premium over the period from its acquisition of such portion of the New Convertible Notes to the maturity date of such portion of the New Convertible Notes, in which case the U.S. holder should have an ordinary deduction (and a corresponding reduction in tax basis in such portion of the New Convertible Notes for purposes of computing gain or loss) in the amount of such bond premium upon the sale or other disposition of such portion of the New Convertible Notes, including the repayment of principal. If such an election to amortize bond premium is not made, a U.S. holder will receive a tax benefit from the premium only in computing such holder's gain or loss upon the sale or other taxable disposition of the New Convertible Notes, including the repayment of principal.

An election to amortize bond premium will apply to amortizable bond premium on all notes and other bonds the interest on which is includible in the U.S. holder's gross income and that are held at, or acquired after, the beginning of the U.S. holder's taxable year as to which the election is made. The election may be revoked only with the consent of the IRS.

(d) Sale, Redemption or Repurchase

Subject to the discussion above with respect to the potential carryover of accrued market discount to a New Convertible Note in the case of Reorganization treatment (see the Section entitled "Character of Gain or Loss," above), U.S. holders generally should recognize capital gain or loss upon the sale, redemption or other taxable disposition of their interest in the New Convertible Notes in an amount equal to the difference between (i) the sum of the cash plus the fair market value of any property received from such disposition (other than amounts attributable to accrued but unpaid stated interest, which will be taxable as ordinary income for U.S.

federal income tax purposes to the extent not previously so taxed) and (ii) the U.S. holder's adjusted tax basis in the New Convertible Notes, which, (as discussed above, see the Section entitled "—Acquisition and Bond Premium" above) will be reduced by any amortizable bond premium that such U.S. holder previously deducted with respect to the New Convertible Notes or used to offset qualified stated interest on the New Convertible Notes. Any capital gain or loss generally should be long-term if the U.S. holder's holding period for the New Convertible Notes is more than one year at the time of disposition. A reduced tax rate on long-term capital gain may apply to non-corporate U.S. holders. The deductibility of capital loss is subject to significant limitations. Such gain or loss generally will be from sources within the United States. U.S. holders are urged to consult your own tax advisor regarding the U.S. federal income tax consequences of any sale, redemption or repurchase of their New Convertible Notes.

(e) Conversion of New Convertible Notes and Constructive Distributions

Upon conversion of the New Convertible Notes, a U.S. holder should not recognize any income, gain or loss upon such conversion, except with respect to any cash received in lieu of a fractional share of stock (which should be treated as if such fractional share had been received and then sold and the sale should be treated as described under the Section entitled "Ownership and Disposition of New Shares" above) and with respect to any stock attributable to accrued interest. A U.S. holder's tax basis in the stock received upon conversion generally will equal such holder's tax basis in the note converted plus any income attributable to accrued interest, reduced by the portion of the tax basis that is allocable to any fractional share, and the U.S. holder's holding period for such stock generally would include the period during which the U.S. holder held the note.

Holders of convertible debt instruments such as the New Convertible Notes may, in certain circumstances that increase a holder's proportionate interest in the Reorganized Debtors' assets or earnings and profits, be deemed to have received constructive distributions where the conversion rate of such instrument is adjusted. Adjustments to the conversion rate made pursuant to a bona fide reasonable adjustment formula that has the effect of preventing the dilution of the interest of the holders of the debt instruments will generally not be considered to result in a constructive distribution of stock. However, certain adjustments, including, without limitation, adjustments in respect of taxable dividends to stockholders, will not qualify as being pursuant to a bona fide reasonable adjustment formula. If such adjustments are made, the holders of New Convertible Notes should be deemed to have received constructive distributions in amounts based on the value of such holders' increased interests in the Reorganized Debtors' equity resulting from such adjustments, even though they have not received any cash or property as a result of such adjustments, except that it is unclear whether such deemed distributions would be eligible for the reduced tax rate applicable to certain dividends paid to non-corporate holders or the dividend-received deduction applicable to certain dividends paid to corporate holders. Generally, a U.S. holder's tax basis in a note should be increased to the extent any such constructive distribution is treated as a dividend. An increase in the conversion rate for notes converted in connection with a make-whole fundamental change may also be treated as a taxable constructive distribution. In certain circumstances, the failure to make a conversion rate adjustment may result in a deemed distribution to the holders of the New Convertible Notes, if, as a result of such failure, the

proportionate interest of the note holders in the Reorganized Debtors' assets or earnings is increased.

U.S. holders are urged to consult their own tax advisors concerning the potential for and tax consequences of receiving constructive distributions, including any potential consequences of such distributions for the tax basis and holding period of their New Shares.

D. Certain U.S. Federal Income Tax Consequences to Non-U.S. Holders of Relevant Claims, New Shares, New Convertible Notes and CVNs

The section applies to you if you are a non-U.S. holder. For purposes of this discussion, a “**non-U.S. holder**” is a beneficial owner (other than a partnership or an entity or arrangement characterized as a partnership for U.S. federal income tax purposes) of Relevant Claims that is not a U.S. holder, including a nonresident alien individual (other than certain former citizens and residents of the United States), a non-U.S. corporation, or a non-U.S. estate or trust. This section generally does not apply to an individual who is present in the United States for 183 days or more in a taxable year.

1. *In General*

In the case of the delivery of Cash, New Shares, New Convertible Notes or CVNs, as the case may be, in full satisfaction, settlement, discharge and release of a Relevant Claim, a non-U.S. holder of Relevant Claims generally should not be subject to U.S. federal income tax on any gain recognized as a result of the exchange, unless (i) the non-U.S. holder is an individual present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met, or (ii) the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States (or if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States).

2. *Ownership and Disposition of New Shares, New Convertible Notes or CVNs by Non-U.S. Holders*

A non-U.S. holder of New Shares, New Convertible Notes or CVNs, as the case may be, will not be subject to U.S. federal income or withholding tax on dividends received, interest paid on, or payment made with respect to the New Shares, New Convertible Notes, or CVNs unless such income is effectively connected with the conduct by the non-U.S. holder of a trade or business in the United States. A non-U.S. holder of New Shares, New Convertible Notes or CVNs should not be subject to U.S. federal income or withholding tax on any gain realized on the sale or other taxable disposition of any such interests unless (i) the holder is an individual present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met, or (ii) the gain is effectively connected with the holder's conduct of a trade or business in the United States (or if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States).

E. Information Reporting and Backup Withholding

Distributions or payments made (or treated as made) to a U.S. holder of a Relevant Claim, New Shares or New Convertible Notes may be subject to information reporting to the IRS and U.S. backup withholding.

A U.S. holder may be eligible for an exemption from backup withholding if the U.S. holder furnishes a correct taxpayer identification number and makes any other required certification or is otherwise exempt from backup withholding. U.S. holders who are required to establish their exempt status may be required to provide such certification on IRS Form W-9. U.S. holders should consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. holder's U.S. federal income tax liability, and such U.S. holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing an appropriate claim for refund with the IRS and furnishing any required information.

In addition, Treasury Regulations generally require disclosure by a taxpayer on its U.S. federal income tax return of certain types of transactions in which the taxpayer participated, including, among other types of transactions, certain transactions that result in the taxpayer's claiming a loss in excess of specified thresholds. U.S. holders are urged to consult their own tax advisors regarding these regulations and whether the transactions contemplated by the Plan would be subject to these regulations and require disclosure on the U.S. holders' tax returns.

U.S. holders should also be aware that additional reporting requirements may apply with respect to the holding of certain non-U.S. financial assets (including stock of non-U.S. issuers which is not held in an account maintained by certain financial institutions). U.S. holders are encouraged to consult their own tax advisors regarding the application of the information reporting rules to the New Shares and the application of these additional reporting requirements to their particular situations.

The U.S. federal income tax consequences of the Plan are complex. The foregoing summary does not discuss all aspects of U.S. federal income taxation that may be relevant to a particular holder in light of such holder's circumstances and income tax situation. All holders of Claims and interests should consult with their tax advisors as to the particular tax consequences to them of the transactions contemplated by the Plan, including the applicability and effect of any state, local, or foreign tax laws, and of any change in applicable tax laws.

II. **CERTAIN IRISH TAX CONSEQUENCES OF PLAN**

A. Introduction

The comments below are based on current Irish tax legislation and the published practices of the Revenue Commissioners of Ireland (the “**Irish Revenue**”) at the date of this document, both of which may be subject to change, possibly with retrospective effect.

Specifically, the Irish Government published Finance (No.2) Bill 2023 on 19 October 2023 which was signed into law as Finance (No.2) Act 2023 on 18 December 2023 and introduces legislation to implement in Ireland the OECD BEPS Pillar 2 measures. The rules relating to OECD BEPS Pillar 2 seek to ensure a global minimum level of taxation for multinational groups, such that the effective tax rate due on the income of an enterprise in a multinational group in a given jurisdiction is at least 15%. These rules are complex and fundamentally change the international and Irish tax landscape for entities in scope and therefore should be carefully considered by all Irish corporate taxpayers in a multinational group, their creditors and their investors.

The comments below are of a general nature and are not intended to be an exhaustive summary of all Irish tax consequences of the Plan. They set out certain material Irish tax consequences of the Plan for the Irish Debtors (as defined below) and for holders of Claims.

The comments below do not purport to constitute legal or tax advice.

The material Irish tax consequences in relation to General Unsecured Claims have been assessed based on certain assumptions in relation to (i) the exchange of rights under the Plan by the holders of such General Unsecured Claims for the issue of CVNs to those holders, (ii) the issuer of CVNs and (iii) the CVNs, as set out below.

Any holders of Claims who are resident in Ireland or otherwise subject to Irish tax (see below) should consult their own tax advisors regarding the tax consequences of the Plan in Ireland (and elsewhere, if they are subject to tax in a jurisdiction outside Ireland).

B. Certain Irish Tax Consequences for Debtors

Certain of the Debtors, including the Consortium, Reorganized SAS AB, the Consortium Constituents, and SANA are not resident in Ireland for the purposes of Irish tax by virtue of being incorporated and managed and controlled outside Ireland, nor do they carry on a trade in Ireland through a branch or agency. On this basis, the Plan is not expected to have any material Irish tax consequences for these Debtors.

Certain of the Debtors, including Gorm Asset Management Limited, Gorm Engine Management Limited, Gorm Dark Blue Limited, Gorm Deep Blue Limited, Gorm Light Blue Limited, Gorm Ocean Blue Limited, Gorm Sky Blue Limited and Gorm Warm Red Limited (each an “**Irish Debtor**” and together, the “**Irish Debtors**”) are resident in Ireland for the purposes of Irish tax by virtue of being incorporated and managed and controlled in Ireland. Accordingly, the Debtors have set out below the material Irish tax consequences of the Plan for the Irish Debtors.

For Irish tax purposes, each of the Irish Debtors is carrying on a trade in Ireland. To the extent that a Claim is made with respect to debts incurred by an Irish Debtor in the course of the carrying on of its trade, any forgiveness, write-off or cancellation of that debt, where that debt is revenue in nature and when incurred was in respect of a tax-deductible expense (e.g. operating lease rentals payable or certain interest payments, if applicable), should generally give rise to taxable income of the trade for the Irish Debtor in the taxable period in which the debt is forgiven, written off or cancelled. However, in the usual way, any tax losses incurred in the same trade of such Irish Debtor and carried forward from prior periods or any tax losses incurred in the current taxable period in the trade of such Irish Debtor or certain other tax losses arising for the Irish Debtor in the current taxable period that are revenue in nature (i.e. tax losses other than capital losses), may be utilized to offset that taxable income of that Irish Debtor.

To the extent that a Claim against an Irish Debtor is capital in nature (e.g., the principal outstanding on a loan or the capital subscribed for shares) and is forgiven, written off or cancelled, taxable income should generally not arise for the Irish Debtor. However, with respect to calculating any capital gain or loss on the disposal of an asset (if applicable), if the acquisition or enhancement expenditure in relation to such asset was funded in whole or in part by debt that has been (in whole or in part) forgiven, written off or cancelled, then the cost of the asset for capital gains tax purposes should be restricted by the amount of the debt that has been forgiven, written off or cancelled, as the case may be.

To the extent that a Claim against an Irish Debtor is settled in money (e.g., cash) or money's-worth (e.g., the issue of New Shares or, in relation to General Unsecured Claims, the conferring of rights under the Plan on holders of such General Unsecured Claims that shall be exchanged by those holders for the issue of CVNs to those holders at or about the time those rights are conferred on those holders) by or on behalf of the Irish Debtor, the debt should not be regarded as forgiven, written off or cancelled.

To the extent that a Claim against an Irish Debtor is settled in money or money's worth by Reorganized SAS AB, whether as guarantor or otherwise, (the "**Reorganized SAS AB-settled Claim**"), Reorganized SAS AB may be regarded as having made a capital contribution to the relevant Irish Debtor in an amount equal to the Reorganized SAS AB-settled Claim. This is unless an amount equal to the Reorganized SAS AB-settled Claim is recognized as owing by such Irish Debtor to Reorganized SAS AB in exchange for the settlement of the Reorganized SAS AB-settled Claim.

Specifically, to the extent that a Reorganized SAS AB-settled Claim against an Irish Debtor is settled by (i) the issue of New Shares by Reorganized SAS AB or (ii) in relation to General Unsecured Claims, the conferring of rights under the Plan to the holders of such General Unsecured Claims that shall be exchanged by those holders for the issue of CVNs to those holders at or about the time those rights are conferred on those holders, in each case to the creditor of the Irish Debtor, Reorganized SAS AB may be regarded as having made a capital contribution in specie to the relevant Irish Debtor in an amount equal to the market value of such New Shares or CVNs, as the case may be. This is unless such New Shares or rights under the Plan that shall be exchanged for CVNs, as the case may be, are provided by Reorganized SAS AB to the creditor of the Irish Debtor for market value consideration in money or money's worth payable by the Irish Debtor to Reorganized SAS AB.

In relation to any amount owing by an Irish Debtor to Reorganized SAS AB on account of a Reorganized SAS AB-settled Claim, if it were to be forgiven, written off or cancelled, this would have the same Irish tax consequences for such Irish Debtor as if the Reorganized SAS AB-settled Claim had been forgiven, written off or cancelled.

C. Certain Irish Tax Consequences for Holders of Claims

The Irish tax treatment of holders of Claims and prospective holders of New Shares or CVNs, as the case may be, depends on such holder's individual circumstances and may be subject to change in the future.

The comments below relate only to the position of holders who are:

- (i) the absolute beneficial owners of their Claims, New Shares or CVNs, as the case may be, and any interest, dividends or other payment or distributions payable thereon (if applicable); and
- (ii) in the case of New Shares or CVNs, as the case may be, they hold them as a capital investment.

Certain classes of holders (such as charities, trustees, brokers, dealers, market makers, depositaries, clearance services, certain professional investors, persons connected with the Debtors or persons who acquire or are deemed to acquire the New Shares or CVNs, as the case may be, by reason of an office or employment) may be subject to special rules and the comments below do not apply to such holders.

Any holders of Claims and prospective holders of New Shares or CVNs, as the case may be, who are resident in Ireland or otherwise subject to Irish tax (see below) should consult their own tax advisors regarding the tax consequences of the Plan in Ireland (and elsewhere, if they are subject to tax in a jurisdiction outside Ireland).

The material Irish tax consequences for prospective holders of CVNs have been assessed based on certain assumptions in relation to the exchange of their rights under the Plan for the issue of CVNs, the issuer of CVNs and the CVNs, as set out below.

1. *Irish Withholding Tax*

(a) Claims

Whether a payment of an amount due is made on foot of a Claim (or not) is not relevant in determining whether or not a payer has an obligation to make a deduction from that payment on account of the obligation to withhold Irish tax. Therefore, the withholding tax position with respect to payments made by (or on behalf of) Irish Debtors to holders of Claims in settlement of the debt to which the Claim relates should not change solely on account of the Plan.

(b) New Shares

Irish withholding tax applies to certain payments including payments of distributions, including dividends, made by companies that are resident in Ireland for the purposes of Irish tax.

Where applicable, Irish withholding tax applies at a prescribed rate of 25% to payments of distributions.

On the basis that Reorganized SAS AB is not resident in Ireland for the purposes of Irish tax then to the extent that dividends arise on the New Shares, such payments should not be within the scope of Irish dividend withholding tax.

Separately, for as long as the New Shares are not unlisted securities that derive the greater part of their value from Irish land, buildings, mineral or exploration rights or other similar assets, a holder should not be obliged to deduct any amount on account of Irish tax from a payment made or deemed to be made by that holder in connection with the purchase of New Shares.

(c) Rights conferred on holders of General Unsecured Claims relating to issue of CVNs

For the purpose of the Irish tax analysis the Debtors have assumed, and it is expected that, no payments will be made in connection with the rights under the Plan that shall be conferred on holders of General Unsecured Claims and exchanged by those holders for the issue of CVNs to those holders at or about the time those rights are conferred on those holders. Accordingly, withholding tax is not relevant to such rights.

(d) CVNs

For the purpose of the Irish tax analysis the Debtors have assumed, and it is expected that: (i) the Issuer of the CVNs will be incorporated and resident for tax purposes in Luxembourg and not elsewhere and (ii) the CVNs will be debt instruments.

Accordingly, it is expected that any payment made on the CVNs by or on behalf of the Issuer of the CVNs should not be regarded as having an Irish source and, save as set out at 2(d) below relating to encashment tax, should not be within the scope of Irish withholding tax.

Separately, for as long as the CVNs are not unlisted securities that derive the greater part of their value from Irish land, buildings, mineral or exploration rights or other similar assets, a holder should not be obliged to deduct any amount on account of Irish tax from a payment made or deemed to be made by that holder in connection with the purchase of CVNs.

2. *Irish Encashment Tax*

(a) Claims

Irish encashment tax should not be relevant to the payment of cash or the issue of New Shares or, in relation to General Unsecured Claims, the conferring of rights under the Plan (that shall be exchanged by those holders for the issue of CVNs to those holders at or about the time those rights are conferred on those holders) in settlement of Claims.

(b) New Shares

Payments on any New Shares paid by a paying agent in Ireland or collected or realized by an agent in Ireland acting on behalf of the beneficial owner of New Shares may be subject to Irish encashment tax at a prescribed rate of 25%. This is unless: (i) it is proven, on a claim made in the required manner to the Irish Revenue, that the beneficial owner of the New Shares entitled to the distribution is not resident in Ireland for the purposes of Irish tax; and (ii) such distribution is not deemed, under the provisions of Irish tax legislation, to be the income of another person that is resident in Ireland.

Separately, an exemption will apply where the payment is made to a company, where that company is beneficially entitled to that income and is or will be, within the charge to Irish corporation tax in respect of that income

(c) Rights conferred on holders of General Unsecured Claims relating to issue of CVNs

For the purpose of the Irish tax analysis the Debtors have assumed, and it is expected that, no payments will be made in connection with the rights under the Plan that shall be conferred on holders of General Unsecured Claims and exchanged by those holders for the issue of CVNs to those holders at or about the time those rights are conferred on those holders. Accordingly, encashment tax is not relevant to such rights.

(d) CVNs

Payments made on the CVNs by a paying agent in Ireland or collected or realized by an agent in Ireland on behalf of a recipient may be subject to Irish encashment tax at a prescribed rate of 25%. This is unless: (i) it is proven, on a claim made in the required manner to the Irish Revenue, that the beneficial owner of the CVNs entitled to the payment is not resident in Ireland for the purposes of Irish tax; and (ii) such payment is not deemed, under the provisions of Irish tax legislation, to be the income of another person that is resident in Ireland.

Separately, an exemption will apply where the payment is made to a company, where that company is beneficially entitled to that income and is or will be, within the charge to Irish corporation tax in respect of that income

3. *Irish Income Tax and Corporation Tax*

A person (other than a company) that is resident in Ireland for the purposes of Irish tax is liable to Irish income tax on their worldwide income. A person (other than a company) who is neither resident nor ordinarily resident in Ireland for the purposes of Irish tax is only liable to Irish income tax on their Irish source income. A natural person could be subject to (i) Irish income tax up to the higher rate of income tax (currently 40%), (ii) the universal social charge (currently up to 11%), and (iii) Pay Related Social Insurance (“**PRSI**”), if applicable, at a rate up to 4% (4.1% from 1 October 2024), in each case, on taxable income exceeding a certain threshold, the level of which depends on their individual circumstances.

A company that is resident in Ireland for the purposes of Irish tax is subject to Irish corporation tax on its worldwide profits wherever they arise. A company’s profits comprise its income and gains. A company that is not resident in Ireland for the purposes of Irish tax but is carrying on a trade in Ireland through a branch or agency (an “**Irish Branch**”) is subject to Irish corporation tax on the profits attributable to that Irish Branch. In general, Irish corporation tax applies (i) at a rate of 12.5% on the profits of a trade carried on in Ireland, and (ii) at a rate of 25% on profits other than the profits of a trade carried on in Ireland.

A company that: (i) is not resident in Ireland for the purposes of Irish tax; and (ii) is not carrying on a trade in Ireland through an Irish Branch, is liable to Irish income tax on its Irish source income only.

Where applicable, a company is liable to Irish income tax at the standard rate of income tax (currently 20%).

All persons are under a statutory obligation to account for Irish tax on a self-assessment basis and there is no requirement for the Irish Revenue to issue or raise an assessment. Credit is available for any Irish tax withheld from income on account of the related tax liability.

(a) Claims

Where a Claim is made with respect to a debt and that debt is comprised of income or capital as the case may be, any forgiveness, write-off or cancellation of that debt should reduce the amount of income or capital, as the case may be, received for Irish income tax or Irish corporation tax purposes, as applicable.

Where a payment in money is provided in settlement of a debt, that amount of money should be taken into account in determining the amount of that debt that has been settled and therefore the amount of the debt that has not been settled and has instead been forgiven, written-off or cancelled for Irish tax purposes (if applicable).

Where New Shares are issued or, in relation to General Unsecured Claims, rights conferred under the Plan (that shall be exchanged by those holders for the issue of CVNs to those holders at or about the time those rights are conferred on those holders) in each case, in settlement of a debt, the market value of those New Shares or CVNs, as the case may be, should be taken into account in determining the amount of that debt that has been settled and therefore the amount of

the debt that has not been settled and has instead been forgiven, written-off or cancelled for Irish tax purposes (if applicable).

(b) New Shares

(i) *Non-Irish Holders*

On the basis that Reorganized SAS AB: (i) is not resident in Ireland for the purposes of Irish tax; and (ii) the New Shares are not held in Ireland through a depository or otherwise located in Ireland, then to the extent that payments of dividends arise on the New Shares, such dividend payments should not be regarded as Irish source income.

Accordingly, pursuant to general Irish tax rules, such dividends should not be within the scope of Irish income tax (or the universal social charge or PRSI (if applicable) if received by an individual) for a holder of New Shares that is a Non-Irish Holder. For this purpose, a “**Non-Irish Holder**” is a holder of Claims, New Shares or CVNs, as the case may be, that: (i) is not resident in Ireland for the purposes of Irish tax; and (ii) does not carry on business in Ireland through an Irish Branch of such holder to which the Claims, New Shares or CVNs, as the case may be, are (or in the case of capital gains tax or corporation tax on chargeable gains, are or were at any time) attributable.

(ii) *Irish Holders*

A holder of New Shares that is an Irish Holder should be liable to Irish tax on dividends on New Shares, as set out below. For this purpose an “**Irish Holder**” is a holder of Claims, New Shares or CVNs, as the case may be, that: (i) is resident in Ireland for the purposes of Irish tax; or (ii) carries on business in Ireland through an Irish Branch of such holder to which the Claims, New Shares or CVNs, as the case may be, are (or in the case of capital gains tax or corporation tax on chargeable gains, are or were at any time) attributable.

An Irish Holder that is a natural person should generally be liable to (i) Irish income tax at a rate of income tax up to 40%, (ii) universal social charge at a rate up to 11%, and (iii) PRSI, if applicable, at a rate up to 4% (4.1% from 1 October 2024), in each case, on taxable income exceeding a certain threshold, the level of which depends on their individual circumstances. For this purpose, dividends on New Shares should be taxable income for such Irish holders.

An Irish holder that is a company that: (i) is holding the New Shares, otherwise than in the course of a securities dealing trade; (ii) does not own, directly or indirectly, either alone or together with a person who is connected with them for Irish tax purposes, more than 5% of the share capital of Reorganized SAS AB; and (iii) does not hold more than 5% of the voting rights in Reorganized SAS AB, may be subject to Irish corporation tax on distributions at a rate of 12.5% on the basis that Reorganized SAS AB is resident in Sweden for the purposes of Swedish tax.

In addition, credit for foreign tax suffered (if applicable) may be available to reduce the Irish corporation tax attributable to the income on which that foreign tax has been suffered.

(c) Rights conferred on holders of General Unsecured Claims relating to issue of CVNs

For the purpose of the Irish tax analysis the Debtors have assumed, and it is expected that, no payments will be made in connection with the rights under the Plan that shall be conferred on holders of General Unsecured Claims and exchanged by those holders for the issue of CVNs to those holders at or about the time those rights are conferred on those holders. Accordingly, no income or gains should arise in connection with those rights during that time on the basis that the market value of those rights conferred on those holders should equal the market value of the CVNs issued to those holders by the issuer of the CVNs in exchange for the contribution by those holders of those rights to the issuer of the CVNs.

(d) CVNs

(i) *Non-Irish Holders*

On the basis that (i) the Issuer of the CVNs will be incorporated and resident for tax purposes in Luxembourg and not elsewhere; (ii) the CVNs will be debt instruments and (iii) the CVNs are not held in Ireland through a depository or otherwise located in Ireland, then to the extent that payments of income (i.e. payments other than repayments of principal advanced in cash or in kind (e.g. the value of the rights under the Plan contributed by the holders of General Unsecured Claims to the issuer of the CVNs in exchange for the issue of the CVNs by the issuer to those holders)) are made on the CVNs, such payments, albeit payments of interest for Irish tax purposes, should not be regarded as Irish source income.

Accordingly, pursuant to general Irish tax rules, such payments should not be within the scope of Irish income tax (or the universal social charge or PRSI (if applicable) if received by an individual), for a Non-Irish Holder of CVNs

(ii) *Irish Holders*

An Irish holder of CVNs should be liable to Irish tax on income arising to it on the CVNs.

An Irish Holder that is a natural person should generally be liable to (i) Irish income tax at a rate of income tax up to 40%, (ii) universal social charge at a rate up to 11%, and (iii) PRSI, if applicable, at a rate up to 4% (4.1% from 1 October 2024), in each case, on taxable income exceeding a certain threshold, the level of which depends on their individual circumstances. For this purpose, payments of income on the CVNs should be taxable interest income for such Irish holders.

An Irish Holder that is a company should generally be liable to Irish corporation tax at a rate of 25% on income that is interest for Irish tax purposes and earned on a debt instrument that is held otherwise than in the ordinary course of a trade. However, an Irish Holder that is a company should generally be liable to Irish corporation tax at a rate 12.5% where income is earned on the CVNs and is regarded as earned in the course of carrying on its trade in Ireland, e.g., because the CVNs are regarded as held in the ordinary course of carrying on its trade in Ireland.

In addition, credit for foreign tax suffered (if applicable) may be available to reduce the Irish corporation tax attributable to the income on which that foreign tax has been suffered.

4. *Irish Capital Gains Tax*

(a) Claims

(i) *Non-Irish Holders*

Provided a Claim (or debt in relation to a Claim) that is a capital asset is not: (i) an interest in Irish land (*e.g.* a loan secured by way of mortgage over Irish property); or (ii) an unlisted security that derives the greater part of their value from certain Irish land or mineral rights, then a Non-Irish Holder should not be chargeable to Irish capital gains tax on any gain arising to that holder on a disposal of such Claim (or debt in relation to such Claim). Similarly, of particular relevance to the Plan, any loss on a disposal of such Claim (or debt in relation to such Claim) which would include a loss on settlement of the Claim (or settlement of the debt in relation to such Claim) should not give rise to an allowable loss for Irish capital gains tax purposes for that Non-Irish Holder.

(ii) *Irish Holders*

In relation to an Irish Holder, if the Claim (or debt in relation to a Claim) is a capital asset, the Claim (or debt in relation to a Claim) may be regarded as a chargeable asset for capital gains tax purposes whereby any capital loss arising should, subject to certain conditions, be an allowable loss for capital gains tax purposes that is: (i) available to offset capital gains arising for such Irish Holder in the same period; or (ii) to carry forward against capital gains arising to such Irish Holder in future periods.

(b) New Shares

(i) *Non-Irish Holders*

Provided that the New Shares are not unlisted securities that derive the greater part of their value from certain Irish land or mineral rights, a Non-Irish Holder should not be chargeable to Irish capital gains tax on any gain arising to that Non-Irish Holder on a disposal of the New Shares.

(ii) *Irish Holders*

An Irish Holder that is a: (i) natural person should be subject to Irish capital gains tax; and (ii) company should be subject to Irish corporation tax on chargeable gains, in each case, on any gain arising on a disposal of New Shares a rate of 33%.

(c) Rights conferred on holders of General Unsecured Claims relating to issue of CVNs

For the purpose of the Irish tax analysis the Debtors have assumed, and it is expected that, no payments will be made in connection with the rights under the Plan that shall be conferred on holders of General Unsecured Claims and exchanged by those holders for the issue of CVNs to those holders at or about the time those rights are conferred on those holders. Accordingly, no income or gains should arise in connection with those rights during that time, including in relation to the exchange of those rights for CVNs, on the basis that the market value of those rights conferred on those holders should equal the market value of the CVNs issued to those holders by the issuer of the CVNs in exchange for the contribution by those holders of those rights to the issuer of the CVNs.

(d) CVNs

(i) *Non-Irish Holders*

Provided that the CVNs are not unlisted securities that derive the greater part of their value from certain Irish land or mineral rights, a Non-Irish Holder should not be chargeable to Irish capital gains tax on any gain arising to that Non-Irish Holder on a disposal or deemed disposal of the CVNs, if applicable.

(ii) *Irish Holders*

An Irish Holder that is a: (i) natural person should be subject to Irish capital gains tax; and (ii) company should be subject to Irish corporation tax on chargeable gains, in each case, on any gain arising on a disposal or deemed disposal of CVNs, at a rate of 33%.

5. *Irish Capital Acquisitions Tax*

If the New Shares or CVNs are comprised in a gift or inheritance (i) taken from a disponent that is resident or ordinarily resident in Ireland for tax purposes at the date of disposition; or (ii) if the beneficiary or recipient is resident or ordinarily in Ireland for tax purposes at the date of disposition; or (iii) if the New Shares or CVNs are regarded as property situated in Ireland (that is, in the case of bearer instruments, if physically located in Ireland or, in the case of registered instruments, if the principal proprietary register is maintained in Ireland), the beneficiary or recipient may be liable to Irish capital acquisitions tax.

For the purposes of Irish capital acquisitions tax, a non-domiciled person shall not be treated as resident or ordinarily resident in Ireland except where that person has been resident in Ireland for tax purposes for five consecutive years of assessment immediately preceding the year of assessment in which the date of the gift or inheritance falls. Irish capital acquisition tax, where applicable, applies at a rate of 33% above certain prescribed thresholds, the quantum of which depends on the relationship between disponent and disponent's successor. This analysis would equally apply to a Claim or, in relation to General Unsecured Claims, the rights conferred under the Plan on holders of such General Unsecured Claims (that shall be exchanged by those holders for the issue of CVNs to those holders at or about the time those rights are conferred on

those holders), if it is the case that a Claim or such rights, as the case may be, are, on their terms, capable of being comprised in a gift or inheritance.

6. *Irish Stamp Duty*

No Irish stamp duty (i) should arise on settlement of a Claim for cash, or (ii) is payable on the issue of the New Shares or the CVNs.

Irish stamp duty arises on any instrument (including certain deemed instruments) that gives effect to a conveyance or transfer of any property, including stocks or marketable securities (which would include the New Shares or CVNs, as the case may be) where the instrument is executed in Ireland or, wherever executed, where the instrument relates to Irish property or any matter done, or to be done in Ireland, unless otherwise exempted. Where an instrument is not executed in Ireland and it does not relate to Irish property or any matter done or to be done in Ireland, it should not be within the charge to Irish stamp duty.

An exemption from stamp duty may apply so that no Irish stamp duty is chargeable on a written transfer of the New Shares or CVNs, as the case may be, however, this would need to be examined at the date of transfer.

Where an exemption does not apply, the instrument of transfer is liable to stamp duty at the rate of 1% in the case of a transfer of stock or marketable securities (in the case of the New Shares or the CVNs, as the case may be) or a rate of 7.5% where the transfer relates to an interest other than stock or marketable securities of the consideration paid in respect of the transfer (or if greater, the market value thereof) which must be paid in euro by the transferee (assuming an arm's-length transfer) within 30 days of the date on which the transfer instrument is executed, after which interest and penalties will apply.

THE IRISH TAX CONSIDERATIONS RELATING TO THE PLAN ARE COMPLEX AND NOT FREE FROM DOUBT. THE FOREGOING COMMENTS DO NOT ADDRESS ALL ASPECTS OF IRISH TAX THAT MAY BE RELEVANT TO A PARTICULAR HOLDER. ALL HOLDERS OF CLAIMS AND PROSPECTIVE HOLDERS OF NEW SHARES OR CVNS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE TRANSACTIONS CONTEMPLATED BY THE PLAN, INCLUDING THE APPLICABILITY AND EFFECT OF ANY CHANGE IN IRISH TAX LAW OR THE PUBLISHED PRACTICE OF THE IRISH REVENUE.

III.

CERTAIN SWEDISH TAX CONSEQUENCES OF PLAN

A. Introduction

The following is a general description of certain Swedish tax considerations of the Plan for the Swedish Debtors (as defined below), holders of Claims, and holders of Existing Equity Interests in relation to the Plan. Further, the following does not purport to be a complete analysis of all tax considerations in Sweden that may be relevant for the Swedish Debtors, holders of Claims, and holders of Existing Equity Interests. The tax treatment of each individual party depends on the party's particular circumstances and the tax laws in the country where the party is

resident for tax purposes. Each party should therefore consult its own tax adviser with regard to the specific tax consequences that may arise in the individual case. This summary is based upon the laws and regulations in effect as of the date of this Disclosure Statement and does not consider changes in laws or regulations effective, sometimes with retroactive effect, after such date.

Unless otherwise stated, the description in relation to Swedish resident parties includes individuals and limited liability companies (Sw. *aktiebolag*) tax resident in Sweden and limited liability companies not tax resident in Sweden but that conduct business operations through a permanent establishment in Sweden to which the claims/shareholding is attributable. Correspondingly, unless otherwise stated, the description in relation to non-Swedish resident parties includes individuals and entities not tax resident in Sweden and that do not conduct business operations through a permanent establishment in Sweden to which the claims/shareholding/loans are attributable. The summary does not cover (i) instruments held as current assets in business operations (Sw. *lagertillgångar*), (ii) instruments held by limited partnerships or partnerships, (iii) the specific rules that could be applicable to holdings in companies that are or have previously been closely held companies or instruments acquired on the basis of such holdings, (iv) instruments that are held in an investment savings account (Sw. *investeringssparkonto*) or endowment insurance (Sw. *kapitalförsäkring*) and that are subject to special rules on annual yield taxation, or (v) special rules that apply to certain categories of taxpayers, for example, investment companies and insurance companies.

The following summary of certain Swedish tax consequences is for information purposes only and is not a substitute for careful tax advice based on the individual circumstances pertaining to the Swedish Debtors, a holder of Claims, or a holder of Existing Equity Interests, respectively. All parties are urged to consult their own tax advisors regarding Swedish tax consequences of the Plan.

B. Swedish Debtors

The below concerns Swedish tax considerations in relation to SAS AB and SAS Sverige AB (the “**Swedish Debtors**”).

1. *Tax considerations in relation to share structure*

(a) Redemption of Shares in SAS AB

A redemption of the Existing Equity Interests in SAS AB without consideration should not result in any Swedish tax consequences for SAS AB.

(b) Change of Control Situations

To the extent that any transaction (e.g. issue or redemption of New Shares, New Convertible Notes, conversion of Claims to New Shares or other instruments etc.) results in changes of the ownership in a way which entails a change of control in SAS AB, tax losses carried forward may be forfeited. Tax losses carried forward in a company are forfeited in a change of control situation to the extent the tax losses carried forward exceed twice the purchase price paid for acquiring control of the company.

A change of control occurs if another company acquires the decisive influence of the company with tax losses carried forward. This is *e.g.* the case where a company acquires or obtains control over more than 50% of the votes in the company, obtains the power to appoint or dismiss more than half of the board members, or otherwise obtains the right to conduct the decisive influence over the company under a shareholder agreement or a provision in the articles of association. A change of control also occurs if a number of individuals each acquires shares representing at least 5% of the votes in the company and together acquire shares representing more than 50% of the total votes in the company (shares acquired by companies controlled by such individuals and by closely related persons shall be considered as acquired by the individual in this assessment).

2. *Tax considerations in relation to Claims (including DIP Claims)*

(a) Interest Payments

Any amounts paid by the Swedish Debtors which are considered to be interest for Swedish tax purposes are generally deductible for the Swedish Debtors in accordance with the overall interest deduction limitation rule (the EBITDA-rule), provided that no specific restriction apply. Specific restrictions apply *e.g.* in relation to interest on certain types of instruments, loans between affiliated companies and in hybrid-mismatch situations.

In accordance with the EBITDA-rule, net interest expenses (*i.e.* the difference between interest income and interest expenses) on all loans may be deducted up to a maximum of 30% of the borrower's tax EBITDA, which corresponds to the tax result before interest, tax, depreciation and appreciation in accordance with a specific calculation. As an alternative, a safe harbor rule also exists under which net interest expenses up to SEK 5,000,000 (\$489,817) are deductible (however, being calculated combining the net interest expenses of all associated companies). Non-deductible negative net interest expenses can be carried forward for six years and are lost in the event of a change of control, please refer to Section III.B.1(b). However, if the safe harbor rule is applied, it is not possible to carry forward negative net interest expenses.

There is generally an obligation for a Swedish payor to withhold Swedish preliminary tax on interest paid to a Swedish individual (or an estate of a deceased individual). SAS AB should not be obliged to withhold any Swedish preliminary tax or Swedish withholding tax on interest paid to a non-Swedish resident DIP Lender.

(b) Repayment of Debt by Way of Cash Payments and/or Issuance of New Shares to Holders of Claims

In general, there may be an obligation for a Swedish payor to withhold Swedish preliminary income tax or Swedish withholding tax on certain distributions. However, there should be no such obligation for the Swedish Debtors in relation to any repayment of debt by way of cash payments and/or issuance of New Shares. Note that the DIP Claims may potentially be converted to New Shares or New Convertible Notes instead of being repaid, please refer to Section III.B.2(c).

(c) Potential Conversion of DIP Claims to New Shares or New Convertible Notes

A potential conversion of the DIP Lenders' DIP Claims to New Shares or New Convertible Notes should not be taxable for SAS AB, but it will ultimately depend on the exact terms of the conversion (e.g. if it involves any debt cancellation, the considerations set out in Section III.B.2(d) apply in relation to the debt cancellation).

(d) Debt Cancellation/Redemption

The starting point is that a cancellation of debt may entail that the Swedish Debtors have to recognize a taxable income corresponding to the cancellation. However, provided that the Swedish Debtors are considered either insolvent or that the debt cancellation occurs within a reorganization plan within a Swedish Reorganization, the debt cancellation income should not be taxable, but will reduce any tax losses carried forward with a corresponding amount.

If the Swedish Debtors would not be considered insolvent or the cancellation would not occur within a Swedish Reorganization, the debt cancellation income would be taxable for the Swedish Debtors, but can be off-set against any tax losses carried forward or current year tax losses.

If some of the Claims against the Swedish Debtors would not be classified as debt for Swedish income tax purposes but as equity, a cancellation/redemption of such Claims should not entail any debt cancellation income. A cancellation/redemption of such instruments should not result in any taxable income for the Swedish Debtors or affect tax losses carried forward.

(e) Handling of General Unsecured Claims and State Non-Tax Claims

(i) *Handling of General Unsecured Claims*

As part of the arrangement between SAS AB and the GUC Entity, SAS AB will transfer a portion of the GUC Cash to the GUC Entity in accordance with the Plan and the GUC Documents, whereby SAS AB fulfills its obligation to pay such portion of the GUC Cash to the GUC Entity. It is assumed that the GUC Entity will be a regular Luxembourg limited liability company. There should be no obligation for SAS AB to withhold any Swedish tax on a transfer of such portion of the GUC Cash to the GUC Entity.

(ii) *Handling of State Non-Tax Claim*

As part of the arrangement between SAS AB and the GUC Entity, the GUC Cash may be used to pay any State Non-Tax Claim.

As part of the arrangement, it is assumed that the GUC Entity would assume SAS AB's obligation to make payments, if and when due, in relation to the State Non-Tax Claim. Any such payments by the GUC Entity under the claims should not result in any adverse Swedish tax consequences for SAS AB.

To the extent that the obligation to make payments under the State Non-Tax Claim remains with SAS AB, any actual payments by (i) the GUC Entity on behalf of SAS AB in respect of the State Non-Tax Claim or (ii) the GUC Entity to SAS AB to allow SAS AB to make payments in respect of the State Non-Tax Claim should correspond, in each case, to the claims and not trigger any adverse Swedish tax consequences for SAS AB.

3. *Tax Considerations for New Convertible Notes*

SAS AB will issue New Convertible Notes (i.e. debt with an option for the holder to convert the debt into shares) to the Investors (non-Swedish institutional investors) and, potentially, in respect of certain DIP Lenders' DIP Claims.

(a) Interest Payments

Please refer to Section III.B.2(a) hereof.

(b) Repayment of Principal Amounts

There should be no obligation for SAS AB to withhold any Swedish preliminary tax or Swedish withholding tax on any repayment of the New Convertible Notes (please note that the New Convertible Notes may be converted to New Shares instead of repaid, please refer to Section III.B.3(c)).

(c) Conversion of New Convertible Notes to New Shares

A conversion of the New Convertible Notes to New Shares in SAS AB should not be taxable for SAS AB. In the event that the conversion of the New Convertible Notes would result in a change of control in SAS AB, tax losses carried forward may be forfeited. Please refer to Section III.B.1(b) hereof for further information on change of control situations.

C. Holders of Claims

1. *Swedish Resident Holders of Claims*

(a) Interest payments

Payments of any amount that is considered to be interest for Swedish tax purposes to individuals and limited liability companies are generally taxable. Swedish preliminary tax is normally withheld on payments of interest to an individual (or an estate of a deceased individual).

(b) Repayment of Debt by Way of Cash Payments and/or Issuance of New Shares to Holders of Claims

Generally, for individuals (and estates of deceased individuals) and limited liability companies, all capital income under the Claims will be taxable. However, a repayment of principal is not subject to Swedish income tax and there is no withholding tax on repayments of principal.

In relation to a capital loss on the Claims, please refer to Section III.C.1(c) below.

If repayment is made by way of issuance of shares, the market value of the shares must be established to determine if a capital gain or a capital loss under the Claims arise.

In relation to repayment by way of CVNs, please refer to Section III.D.

(c) Debt Cancellation

A definitive cancellation (i.e. a true, unconditional and binding cancellation, such as a Swedish Reorganization) of the holders' debt Claims without consideration should be considered as a disposal of the Claims. A holder of Claims should generally be entitled to deduct the capital loss resulting from a cancellation of debt Claims. The capital loss is computed as the difference between the consideration (which may be zero) and the tax basis. When computing the capital loss, the tax basis for all claims of the same class and type is calculated together in accordance with the so-called average cost method (Sw. *genomsnittsmetoden*).

For individuals, a capital loss on a non-listed claim (Sw. *fordringsrätt*) should be deductible at 70% in the capital income category (a capital loss on a listed claim should be fully deductible in the capital income tax category). If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax, as well as against real estate tax and municipal real estate charges. This tax deduction is granted at 30% on the portion of such net loss that does not exceed SEK 100,000 (\$9,726) and at 21% on any remaining loss. Such net loss cannot be carried forward to future fiscal years.

For limited liability companies, a capital loss should normally be fully deductible against the companies' business income. However, capital losses on claims established when the lender and the borrower were affiliated companies are non-deductible.

Certain deduction limitations may apply with respect to losses on equity-related securities (Sw. *delägarätter*) for Swedish tax purposes, please refer to Section III.E.1(b)(i) for individuals and Section III.E.1(b)(i) for limited liability companies.

2. *Non-Swedish Resident Holders of Claims (Including DIP Claims)*

(a) Interest Payments

Payments of any amount that is considered to be interest for Swedish tax purposes to a non-Swedish resident holder of Claims should not be subject to Swedish income tax or Swedish withholding tax.

(b) Repayment of Debt by Way of Cash Payments and/or Issuance of Shares to Holders of Claims

Repayments of any principal amount to a non-Swedish resident holder should not be subject to Swedish income tax or Swedish withholding tax. However, note that the DIP Claims may potentially be converted to New Shares or New Convertible Notes instead of repaid, please refer to Section III.C.2(c).

Individuals who have been tax residents or have had an habitual abode in Sweden at any time during the calendar year of disposal or redemption of certain financial instruments, or during the ten calendar years preceding the year of disposal or redemption of certain financial instruments, may be liable to capital gains taxation in Sweden depending on the classification of the particular instrument for Swedish income tax purposes. However, this rule should generally not cover ordinary debt claims. Also in the current situation no capital gain should arise due to the repayment provided that the repayment does not exceed the nominal amount of the Claim.

(c) Potential Conversion of DIP Claims to New Shares or New Convertible Notes

A potential conversion of the DIP Claims to New Shares or New Convertible Notes by a non-Swedish resident holder such as the DIP Lenders should not be subject to Swedish income tax or Swedish withholding tax. It should be noted that any amount which is considered to be interest for Swedish tax purposes under the DIP Claims or New Convertible Notes to a non-Swedish resident holder of Claims should not be subject to Swedish withholding tax (please refer to Section III.C.2(a)), whereas any amount which is considered to be a dividend for Swedish tax purposes under any New Shares to a non-Swedish resident holder of Claims may be subject to Swedish withholding tax, please refer to Section III.E.2(b)(i).

(d) Debt Cancellation/Redemption

There should be no Swedish tax consequences due to a debt cancellation/redemption for a non-Swedish resident holder of Claims.

D. Swedish Resident holders of General Unsecured Claims and Ownership and Disposition of CVNs

1. *Exchange of rights for CVNs*

Swedish resident holders of GUC Claims contribute all of their rights arising under the Plan with respect to the GUC Cash to the relevant GUC Entity in exchange for CVNs corresponding to the principal of the claim.

An exchange of claims against CVNs should be considered as a taxable disposal of the claims which may result in a capital gain or loss. When the consideration received under an exchange of claims corresponds to the principal of the claims, no capital gain or loss should occur. Provided that the value of the CVNs will correspond to the principal of the claims, no taxable gain should occur.

2. *Distributions under the CVNs*

Repayments of any principal amount of the CVNs should not be taxable.

Any other distributions under the CVNs should be taxable and subject to corporate income tax at a rate of 20.6% for Swedish limited liability companies (provided that the CVNs cannot be covered by the Swedish participation exemption regime) and at a rate of 30% for individuals.

The above should be the case irrespective of whether the CVNs are classified as debt or equity for Swedish tax purposes.

3. *Disposal of the CVNs*

Any capital gains arising on the disposal of the CVNs should be taxable and subject to corporate income tax at a rate of 20.6% for Swedish limited liability companies (provided that the CVNs cannot be covered by the Swedish participation exemption regime) and at a rate of 30% for individuals.

In terms of the tax treatment of any potential capital losses arising on the disposal of the CVNs, it depends on the classification of the CVNs. The tax treatment depends on if the CVNs are classified as a claim (*Sw. fordringsrätt*) or an equity-related security (*Sw. delägar rätt*), please refer to Section III.C.1(c).

All holders of GUC Claims are urged to consult their own tax advisors regarding the Swedish tax treatment of the exchange of their Claims and/or rights under the Plan and their ownership and disposition of CVNs.

E. Holders of Existing Equity Interests and New Shares

1. *Consequences to Swedish Resident holders of Existing Equity Interests and Holders of New Shares*

(a) Redemption of the Shares in SAS AB

A redemption of shares is generally considered as a disposal of the shares which may result in a capital gain or loss. When a redemption of shares is made without compensation, the shares should generally be considered to have been disposed of for SEK 0.

A capital loss from a redemption of shares is generally deductible provided that it can be considered as a “real” capital loss. A capital loss is usually not considered to be real if the shareholders financial position is not affected, which e.g. can be the case where all shares in one share class are redeemed but the shareholders also have a corresponding ownership in another share class in the company. Any capital loss from a redemption of the shares in SAS AB should be considered a real capital loss which may be deductible. For the tax treatment of a capital loss on shares, please refer to Section III.E.1(b)(i) for individuals and Section III.E.1(b)(ii) for limited liability companies.

(b) Dividends and Capital Gains/Losses

(i) *Individuals*

For individuals, *dividends* on listed shares are taxed as income from capital at a tax rate of 30%. For unlisted shares in Swedish companies and foreign equivalents, only 5/6 of dividends are taxable which results in an effective tax rate of 25%.

Swedish preliminary tax of 30% is generally withheld on dividends paid to individuals. The preliminary tax is withheld by Euroclear Sweden provided that the company is registered at Euroclear Sweden or, regarding nominee-registered shares, by the Swedish nominee.

Upon the sale or other disposal of shares, a taxable *capital gain* or deductible *capital loss* may arise. Capital gains on listed shares are taxed as income from capital at a tax rate of 30%. For unlisted shares in Swedish companies and foreign equivalents, only 5/6 of the gains are taxable which results in an effective tax rate of 25%. The capital gain or loss is calculated as the difference between the sales proceeds, after deducting sales costs, and the tax basis. The tax basis for all shares of the same class and type is calculated together in accordance with the average cost method. Alternatively, upon the sale of listed shares, the tax basis may be determined as 20% of the sales proceeds, after deducting sales costs, under the so-called standard method (Sw. *schablonmetoden*).

Capital losses on listed shares are fully deductible while capital losses on unlisted shares in Swedish companies and foreign equivalents are only deductible to 5/6. Capital losses on both listed and unlisted shares are deductible against taxable capital gains on listed and unlisted shares and against other listed equity-related securities realized during the same fiscal year, except for units in securities funds or special funds that consist solely of Swedish receivables (Sw. *räntefonder*). Capital losses on shares not absorbed by these set-off rules are deductible at 5/6 of 70% in respect of unlisted shares in Swedish companies and foreign equivalents and at 70% in respect of listed shares, both in the capital income category. If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax, as well as against real estate tax and municipal real estate charges. This tax deduction is granted at 30% on the portion of such net loss that does not exceed SEK 100,000 (\$9,726) and at 21% on any remaining loss. Such net loss cannot be carried forward to future fiscal years.

(ii) *Limited Liability Companies*

For a Swedish limited liability company, all income, including taxable capital gains and dividends, is taxed as business income at a tax rate of 20.6%. However, dividends and capital gains on shares covered by the Swedish participation exemption regime are tax exempt under the Swedish participation exemption regime. The tax exemption applies to shares held by a Swedish limited liability company, in another Swedish limited liability company or a foreign equivalent provided that the shares are held as capital assets (i.e. not as stock in trade) and one of the following conditions are met: (i) the shares are unlisted (regardless of size and time of holding) or (ii) the shares are listed and the holding amounts to at least 10% of the votes in the company or the holding is dependent on the business of the owner company or an affiliated company. Additionally, the listed shares must be held for a period of at least 12 months. Special rules apply if shares held for business purposes change character and cease to be covered by the participation exemption or if shares which are not covered by the participation exemption change and meet the requirements to be covered by the exemption.

Capital gains and capital losses are calculated in the same manner as set forth above with respect to individuals, please refer to Section III.E.1(b)(i). Deductible capital losses on shares or other equity-related securities may only be deducted against taxable capital gains on such securities. Under certain circumstances, such capital losses may also be deducted against capital

gains in another company in the same group, provided that the companies are entitled to tax consolidate (Sw. *koncernbidragsrätt*). A capital loss that cannot be utilized during a given year may be carried forward and deducted against taxable capital gains on shares and other equity-related securities during subsequent fiscal years without any limitation in time. Capital losses on shares covered by the Swedish participation exemption regime (i.e. where any capital gain is tax exempt in accordance with the above) are however not deductible. In respect of listed shares, this applies provided that the shares have been held for a period of at least 12 months (if this time requirement is not met, a capital gain may be deductible since a capital gain would also be taxable).

2. *Non-Swedish Resident Holders of Existing Equity Interests and Holders of New Shares*

(a) Redemption of Shares in SAS AB

A redemption of shares is considered as a dividend for Swedish withholding tax purposes which means that a distribution in connection with a redemption is generally subject to Swedish withholding tax. However, in this situation the redemption will be made without compensation and consequently no Swedish withholding tax should be imposed.

Individuals who have been tax residents or have had a habitual abode in Sweden at any time during the calendar year of disposal or redemption of the shares, or during the ten calendar years preceding the year of disposal or redemption of the shares, may be liable to capital gains taxation in Sweden. However, in this situation, the redemption will be made without compensation and consequently no capital gain should arise due to the redemption.

(b) Dividends and Capital Gains/Losses

(i) *Dividends*

Dividends paid on shares to shareholders who are not tax resident in Sweden are generally subject to 30% Swedish withholding tax (however, for a shareholder that is an individual and holds unlisted shares, the withholding tax rate is 25%). However, the tax rate is often reduced for shareholders who are resident in jurisdictions with which Sweden has entered into a tax treaty. The majority of Sweden's tax treaties enable an at-source reduction of the Swedish withholding tax to the tax rate stipulated in the treaty at the time of payments of dividends. If the company is registered with Euroclear Sweden, any withholding tax will be withheld by Euroclear Sweden and an at-source reduction under an applicable treaty is possible provided that necessary information is made available to Euroclear Sweden in relation to the person entitled to such dividends.

However, there is an exemption from withholding tax under Swedish domestic law for distributions on (i) unlisted shares and (ii) listed shares if the holding amounts to at least 10% of the votes in the company and the listed shares are held for a period of at least 12 months, in a Swedish company to a foreign company which could be considered to correspond to a Swedish limited liability company. For a company to be covered by the exemption, the company must meet the conditions under Swedish tax law for being a foreign company, i.e. being a legal taxable person that is either resident in a country with which Sweden has concluded a tax treaty (which is not restricted to include only certain income) which the company is covered by or subject to similar taxation as a Swedish company. The foreign company should also correspond to a Swedish limited

liability company from a civil law and tax perspective. There is no legal definition as to what the criteria are for being similar to a Swedish limited liability company from a civil law perspective but this is generally considered to be the case if, under local law, (i) the company has separate legal personality, (ii) the shareholders in the company are not liable for the company's obligations (limited liability), and (iii) the company has a fixed share capital divided into shares. Moreover, from a tax perspective, the company must be a taxable entity (i.e. not tax transparent) and generally be subject to income tax.

Also, dividends to legal persons resident in another EU member state may be exempt from Swedish withholding tax provided that the receiving company holds at least 10% of the share capital in the Swedish company and meets the requirement under article 2 of Council Directive 2011/96/EU of 30 November 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States.

If a 30% withholding tax is withheld from a payment to a shareholder who is entitled to be taxed at a lower rate, or if too much withholding tax has otherwise been withheld, a refund can be claimed from the Swedish Tax Agency prior to the expiry of the fifth calendar year following the dividend distribution.

(ii) *Capital Gains Taxation*

Shareholders who are not tax resident in Sweden and whose shareholding is not attributable to a permanent establishment in Sweden are generally not liable for Swedish capital gains taxation upon the disposal of shares. Under a specific tax rule, individuals who are not tax resident in Sweden may, however, be subject to tax in Sweden upon the disposal of shares, if they have been resident or stayed permanently in Sweden at any time during the calendar year of such disposal or during any of the previous ten calendar years. The applicability of this rule may be limited by tax treaties between Sweden and other countries.

F. Stamp Duty, Transfer Taxes

There is generally no Swedish stamp duty or transfer taxes payable by the Swedish Debtors, a holder of Claims, a holder of Existing Equity Interests, or a holder of General Unsecured Claims in connection with the acquisition, holding or disposal of the Claims, Existing Equity Interests, or CVNs.

IV.
CERTAIN LUXEMBOURG TAX CONSEQUENCES

A. Introduction

This summary solely addresses the principal Luxembourg tax consequences of the acquisition, ownership and disposal of CVNs and does not purport to describe every aspect of taxation that may be relevant to a particular holder of a CVN. Tax matters are complex, and the tax consequences of the Plan to a particular holder of CVNs will depend in part on such holder's circumstances. Accordingly, a holder is urged to consult his own tax advisor for a full understanding of the tax consequences of the Plan to him, including the applicability and effect of Luxembourg tax laws.

Where in this summary English terms and expressions are used to refer to Luxembourg concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Luxembourg concepts under Luxembourg tax law.

This summary is based on the tax law of Luxembourg (unpublished case law not included) as it stands at the date of this Supplemental Disclosure. The tax law upon which this summary is based, is subject to change, possibly with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

This overview assumes that each transaction with respect to the CVNs is at arm's length and that the CVNs are treated as a debt for tax purposes in Luxembourg.

The summary in this Luxembourg taxation paragraph does not address the Luxembourg tax consequences for a holder of CVN who:

- (i) is an investor as defined in a specific law (such as the law on family wealth management companies of 11 May 2007, as amended, the law on undertakings for collective investment of 17 December 2010, as amended, the law on specialized investment funds of 13 February 2007, as amended, the law on reserved alternative investment funds of 23 July 2016, the law on securitisation of 22 March 2004, as amended, the law on venture capital vehicles of 15 June 2004, as amended and the law on pension saving companies and associations of 13 July 2005);
- (ii) is, in whole or in part, exempt from tax;
- (iii) is resident in Luxembourg for tax purposes;
- (iv) acquires, owns or disposes of CVNs in connection with a membership of a management board, a supervisory board, an employment relationship, a deemed employment relationship or management role; or
- (v) has a substantial interest in the Issuer or a deemed substantial interest in the Issuer for Luxembourg tax purposes. Generally, a person holds a substantial interest if such person owns or is deemed to own, directly or indirectly, more than 10% of the shares or interest in an entity.

B. Withholding Tax

All payments of interest and principal under the CVNs made to non-residents of Luxembourg may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by Luxembourg or any political subdivision or taxing authority of or in Luxembourg.

C. Taxes on Income

Non-resident holders of CVNs that do not have a permanent establishment in Luxembourg to which the CVNs or income thereon are attributable are not subject to Luxembourg

income taxes in respect of any benefits derived or deemed to be derived in connection with the CVNs.

D. Inheritance and Gift Tax

Where a CVN is transferred for non-consideration:

- (i) no Luxembourg inheritance tax is levied on the transfer of the CVNs upon the death of a holder of CVNs in cases where the deceased was not a resident or a deemed resident of Luxembourg for inheritance tax purposes;
- (ii) by way of gift, Luxembourg gift tax will be levied in the event that the gift is made pursuant to a notarial deed signed before a Luxembourg notary or produced for registration, directly or indirectly, before the Registration and Estates Department (*Administration de l'enregistrement, des domaines et de la TVA*).

E. Other Taxes and Duties

It is not compulsory that the CVNs be filed, recorded or enrolled with any court or other authority in Luxembourg. No registration tax, stamp duty or any other similar documentary tax or duty is due in respect of or in connection with the issue of CVNs, the performance by the Issuer of its obligations under the CVNs, or the transfer of the CVNs.

A fixed or ad valorem registration duty in Luxembourg may however apply (i) upon registration of the CVNs, before the Registration and Estates Department (*Administration de l'enregistrement, des domaines et de la TVA*) in Luxembourg where this registration is not required by law (*présentation à l'enregistrement*), or (ii) if the CVNs are (a) enclosed to a compulsory registrable deed under Luxembourg law, (*acte obligatoirement enregistrable*) or (b) deposited with the official records of a notary (*déposé au rang des minutes d'un notaire*).

Exhibit D

Supplemental Securities Law Disclosure

CERTAIN SECURITIES LAW MATTERS

A. General

The following discussion summarizes certain material securities law matters related to the implementation of that certain that certain *Second Amended Joint Chapter 11 Plan of Reorganization of SAS AB and Its Subsidiary Debtors*, dated February 7, 2024 [ECF No. 1936] (as may be amended, modified, or supplemented from time to time, the “**Plan**”) with respect to the Debtors and certain holders of GUC Interests.

Section VII (TRANSFER RESTRICTIONS AND CONSEQUENCES UNDER FEDERAL SECURITIES LAWS) of the Plan and Part 8: Selling and Transfer Restrictions and Other Disclaimers of the Information Statement in this Plan Supplement are each hereby incorporated by reference herein.

Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Plan and the Information Statement included in this Plan Supplement, as context may require.

B. Issuance of CVNs

Each of the CVNs issued pursuant to the Plan will be issued without registration in reliance upon the exemption set forth in Regulation S or Section 4(a)(2) of the Securities Act. Section 4(a)(2) of the Securities Act provides that the registration requirements of section 5 of the Securities Act will not apply to the offer and sale of a security in connection with transactions not involving any public offering. Regulation S provides that the registration requirements of section 5 of the Securities Act will not apply to the offer and sale of securities made outside of the United States to any non-U.S. Person (within the meaning of Regulation S).

Any securities issued in reliance on Section 4(a)(2) of the Securities Act and/or Regulation S will be “restricted securities” and subject to resale restrictions and may be resold, exchanged, assigned or otherwise transferred only pursuant to an effective registration statement under the Securities Act, or an applicable exemption from registration under the Securities Act and other applicable law such as, under certain conditions, the resale provisions of Rule 144, Rule 144A or Regulation S of the Securities Act in each case, to the extent available.

The CVNs may not initially be registered under the Securities Act or any state securities laws, and the Debtors and the GUC Entity make no representation regarding the right of any holder of CVNs to freely resell the CVNs.

Each CVN will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS IN THE UNITED STATES AND HAS BEEN INITIALLY PLACED PURSUANT TO EXEMPTIONS FROM THE SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED, AND MAY NOT BE

REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT AS PERMITTED BY THIS LEGEND. THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS SECURITY, REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY, EXCEPT (X) IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS (I) TO A TRANSFEREE OUTSIDE THE UNITED STATES, THAT IS NOT KNOWN TO BE A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) AND THAT IS PURCHASING THIS SECURITY IN AN OFFSHORE TRANSACTION COMPLYING WITH THE PROVISIONS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (II) IN THE UNITED STATES TO A TRANSFEREE THAT IS A QUALIFIED PURCHASER, AND (Y) (1) UPON DELIVERY OF ANY CERTIFICATIONS, OPINIONS AND OTHER DOCUMENTS THAT THE ISSUER MAY REQUIRE AND (2) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THIS SECURITY MAY BE MADE, UNLESS SUCH PURCHASE, SALE OR TRANSFER WILL NOT RESULT IN (I) THE ASSETS OF THE ISSUER CONSTITUTING “PLAN ASSETS” WITHIN THE MEANING OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THAT ARE SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA OR SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED OR (II) THE ISSUER BEING REQUIRED TO REGISTER AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT. EACH PURCHASER OR TRANSFEREE OF THIS SECURITY WILL BE REQUIRED TO REPRESENT OR WILL BE DEEMED TO HAVE REPRESENTED THAT (I) IT IS NOT AND IS NOT USING ASSETS OF A PLAN THAT IS SUBJECT TO TITLE 1 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE AND (III) IF IT IS A U.S. PERSON, THAT IT IS A “QUALIFIED PURCHASER”.

THIS SECURITY IS NOT TRANSFERABLE, EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN TO THE TRANSFEREE.

If a holder of CVNs purchases CVNs, it will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in the CVNs as well as to holders of the CVNs.

PERSONS WHO RECEIVE SECURITIES UNDER THE PLAN ARE URGED TO CONSULT THEIR OWN LEGAL ADVISOR WITH RESPECT TO THE RESTRICTIONS APPLICABLE UNDER APPLICABLE SECURITIES LAWS AND THE CIRCUMSTANCES UNDER WHICH SECURITIES MAY BE SOLD IN RELIANCE ON SUCH LAWS.

THE FOREGOING SUMMARY DISCUSSION IS GENERAL IN NATURE AND HAS BEEN INCLUDED IN THIS PLAN SUPPLEMENT SOLELY FOR INFORMATIONAL PURPOSES. WE MAKE NO REPRESENTATIONS CONCERNING, AND DO NOT PROVIDE, ANY OPINIONS OR ADVICE WITH RESPECT TO THE SECURITIES LAW MATTERS DESCRIBED IN THIS PLAN SUPPLEMENT. IN LIGHT OF THE UNCERTAINTY CONCERNING THE AVAILABILITY OF EXEMPTIONS FROM THE RELEVANT PROVISIONS OF APPLICABLE SECURITIES LAWS, WE ENCOURAGE EACH HOLDER AND PARTY-IN-INTEREST TO CONSIDER CAREFULLY AND CONSULT WITH ITS OWN LEGAL ADVISORS WITH RESPECT TO ALL SUCH MATTERS. BECAUSE OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A SECURITY IS EXEMPT FROM THE REGISTRATION REQUIREMENTS UNDER APPLICABLE SECURITIES LAWS OR WHETHER A PARTICULAR HOLDER MAY BE AN UNDERWRITER, WE MAKE NO REPRESENTATION CONCERNING THE ABILITY OF A PERSON TO DISPOSE OF THE CVNS ISSUED UNDER THE PLAN.

The CVN structure

1. Summary of the CVN structure

1.1 General

Pursuant to the Chapter 11 Plan and this reorganization plan (due to a condition included in the Investment Agreement and described in the reorganization plan), the GUC Company has been formed to, among other things, (a) receive the Contributed GUC Cash¹ from the Company and (b) issue CVNs to the unsecured creditors of the Company and the CH Debtors due on December 31, 2033. The other terms and conditions are set out in the full terms and conditions of the CVNs (the “CVN T&Cs”) (see Appendix 12, section “Part 4: Terms and Conditions of the CVNs” of Exhibit A), which state, *inter alia*, that the CVNs will be issued in an aggregate nominal amount equal to the Contributed GUC Cash in exchange for all of the rights of the general unsecured creditors under the Chapter 11 Plan and this reorganization plan in respect of the Contributed GUC Cash. These funds will be deemed to be contributed to the GUC Company as of the completion of the Investment as a step in the reorganization measures set forth in the Chapter 11 Plan and this reorganization plan.

Subject to certain selling and transfer restrictions set forth in Appendix 12 under “Part 8: Selling and Transfer Restrictions and Other Disclaimers”, the CVNs will be issued to (x) general unsecured creditors with claims (recognized in the Chapter 11 proceedings) against the CH Debtors and general unsecured creditors under this reorganization plan (i.e., those parties who, in relation to the Company, are considered to be general unsecured creditors within the meaning of FReKL and have been divided into groups 2, 3, 4 and 5 in this reorganization plan) (the “GUCs”), each of which certifies to the CH Debtors and the GUC Company that, prior to the effective date governed by the Investment Agreement either (i) is not a “U.S. person” (as defined in Section 902(k)(1) of Regulation S under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”)) or (ii) is a U.S. person and a “qualified purchaser” (as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended) (the “Investment Company Act”) and (y) a type of trust known as a holding period trust to be established pursuant to the Chapter 11 Plan and this reorganization plan (the “Holding Period Trust”) for the benefit of certain GUCs. The GUCs that cannot certify the above, as well as those GUCs that have a contingent right to receive Contributed GUC Cash in an amount less than the minimum denomination of the CVNs, will be deemed to be “ineligible persons”. GUCs that do not deliver the necessary certificates and supplementary documentation at the end of the holding period as specified in the GUC Holding Period Trust Deed (see Appendix 12, Appendix C) will be considered “disqualified persons”. If a GUC is a disqualified person or an ineligible person, all CVNs that would otherwise be distributed to such GUCs shall be distributed to the Holding Period Trust on the effective date to be held on behalf of such GUCs in accordance with the terms of a GUC Holding Period Trust Deed. These CVNs will be sold in accordance with the terms of the GUC Holding Period Trust Deed. The GUCs whose rights to CVNs are sold from the Holding Period Trust will have a certain period of time to claim their share of the sale proceeds from the Holding Period Trust. If this does not happen, the proceeds will accrue to the Company. In the event that any of the CVNs have not been sold when the Holding Period Trust must be liquidated, such unsold CVNs will be returned to the GUC Company for cancellation.

¹ The GUC Cash, as set out in this reorganization plan, represents the total cash proceeds of USD 250,000,000 from the Investment earmarked for the general unsecured creditors on a consolidated basis.

The CVNs will be issued with a minimum denomination of EUR 1.00 and in integral multiples of EUR 1.00 in excess thereof.

The CVNs will, unless the GUC Company decides otherwise, be represented by one or more global certificates, which will be deposited with a common depositary on behalf of Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and/or any other clearing system. The GUC Company intends to obtain one or more ISIN codes for the CVNs to be issued.

The GUC Company intends to list the CVNs on the Official List of the Luxembourg Stock Exchange (or such other international trading venue acceptable to the UCC, the Company and the other CH Debtors and a requisite majority of the Investors) and then apply for listing of the CVNs on the Euro MTF (which is a trading venue operated by the Luxembourg Stock Exchange). However, there can be no assurance that the CVNs will be admitted to trading on the Official List of the Luxembourg Stock Exchange (or any other international trading venue acceptable to the UCC, the CH Debtors and a requisite majority of the Investors) or admitted to trading on the Euro MTF or that such listing will be maintained.

1.2 The CVNs as such

The CVNs can be described as imposing a contingent and limited payment obligation on the GUC Company. The ability of the GUC Company to fulfill its payment obligations under the CVNs will be subordinated and limited to its assets remaining after payment of (i) all obligations of the GUC Company under the GUC Agreement (see Appendix 12, Appendix B (Material Terms of GUC Agreement)) (the “**GUC Agreement**”) and (ii) reasonable provisions made to enable the GUC Company to pay operating and other expenses and costs, including a one-off provision of USD 10,000 for the future winding up of the sole shareholder of the GUC Company. If the assets of the GUC Company ultimately prove to be insufficient to satisfy in full all obligations under the CVN T&Cs, the GUC Company shall not be obligated to cover any deficiency incurred in relation to the CVNs and no GUCs or holders of CVNs shall have any further claims against the GUC Company in respect of the CVNs. The GUC Company shall have no further obligations in respect of the CVNs after such time.

As far as the GUC Contributed Cash is concerned, it will be used in accordance with the following order of priority of payment:

- (a) firstly, for amounts required by the Company together with the other CH Debtors to (A) protect itself against claims for payment of interest related to the state aid received in connection with the 2020 Recapitalization, with the exception of the first SEK 25,000,000 which the CH Debtors shall be solely responsible for funding and (B) cover any costs or expenses related to a third party irrevocably committed to pay in full a claim for interest related to the State aid received in connection with the 2020 Recapitalization, without recourse to the Company and the other CH Debtors, as set out below in (iii);
- (b) secondly, in the event of (A) a final decision (that gained legal force) of a competent court determining that one or more of the CH Debtors are obliged to pay interest linked to the state aid received in connection with the 2020 Recapitalization or (B) a decision by the CH Debtors to settle all or part of any interest payment obligation relating to the State aid received in connection with the 2020 Recapitalization, the Contributed GUC Cash shall be released to enable the CH Debtors to pay interest linked to the State aid received in connection with the 2020 Recapitalization to the extent that a third party referred to in (iii) has *not* already paid or irrevocably agreed to pay such interest linked to the State aid received in connection with the 2020 Recapitalization. Prior to any final determination by the CH Debtors pursuant to Section 1.2(b)(B), if prior to a final (with legal force) decision,

the consent of the oversight committee created pursuant to the Chapter 11 Plan (the “**Creditor Oversight Committee**”) shall be required (such consent not to be unreasonably withheld, conditioned or delayed); and

- (c) thirdly, in the event that the Contributed GUC Cash exceeds any amount paid under paragraph (a) above and any and all payments by the CH Debtors described in paragraph (b) above, any remaining amounts held by the GUC Company (and any proceeds thereof) shall be released for distribution to the GUCs in accordance with the Chapter 11 Plan and this reorganization plan; provided, however, that if there is an interim distribution from the GUC Contributed Cash, the remainder of the GUC Contributed Cash shall remain intact unless and until an event occurs in accordance with (a) or (b) above that would result in the remaining Contributed GUC Cash being used in the manner described therein.

Notwithstanding the foregoing, such Contributed GUC Cash remaining in the GUC Company after any payments under (a) or (b) above, to the extent applicable, shall be released to the GUCs at the earliest of the following times:

- (i) 31 December 2033 (if the States have not in any way asserted a payment obligation in respect of interest linked to the state aid received in connection with the 2020 recapitalization within the meaning of section 5 of the Limitation Act (1981:130) or Chapter 5 or Chapter 6 of the Danish Limitation Act (*Da. Forældelsesloven*));
- (ii) upon receipt of a final resolution in respect of all claims relating to interest associated with the state aid received in connection with the 2020 Recapitalization as determined by the Company and the other CH Debtors, and subject to any additional terms and conditions described in the so-called GUC Documents referred to in Appendix 12 to this reorganization plan;
- (iii) an agreement with a third party acceptable to the CH Debtors and the Investors, such consent not to be unreasonably withheld, whereby the third party irrevocably undertakes to make full payment in respect of any interest linked to the State aid received in connection with the 2020 Recapitalization, without recourse to the CH Debtors; and
- (iv) an agreement between the CH Debtors and the Investors to release the Contributed GUC Cash.

It is understood that, subject to the availability of cash and its release from the GUC Company as set forth above, the GUCs will be entitled to distributions of cash from the GUC Company in accordance with the Chapter 11 Plan and this Reorganization plan and the terms of the GUC Agreement.

1.3 Further information

For a more detailed description of the CVNs, see section 3 below where the CVN T&Cs are summarized in Swedish. However, the unsecured creditors are encouraged to read Appendix 12 in its entirety and in particular section “*Part 4: Terms and Conditions of the CVNs*” of Exhibit A where the full CVN T&Cs are set out.

Some risk factors related to CVNs as financial instruments are set out in Appendix 12, section “*Part 5: Risk factors*” of Exhibit A.

The Contributed GUC Cash will be invested in accordance with the investment policy appended to the GUC Agreement (see Appendix 12, Annex I (*Investment Guidelines Applicable under GUC*)).

Entity Articles and GUC Entity CVNs) to Appendix B).

Please note that the Company, together with the GUC Company, reserves the right to adjust the CVN structure, but only if it is in the best interest of the general unsecured creditors.

2. Conditions for the receipt of CVNs and Holding Period Trust

2.1 Conditions for receiving CVNs

GUCs must, in order to receive the GUC interest directly in the form of CVNs, deliver to the Company, prior to the effective date relevant to the Investment, a certificate together with supporting documentation reasonably requested by the Company to ensure that such holder is either (i) not a “U. S. person” (as defined in Section 902(k)(1) of Regulation S under the U.S. Securities Act) or (ii) is a U.S. person and is a “*qualified purchaser*” (as defined in Section 2(a)(51)(A) of the Investment Company Act). GUCs that cannot provide the above certification, as well as those GUCs that have a contingent right to receive Contributed GUC Cash in an amount less than the minimum denomination of the CVNs, will be considered ineligible persons. GUCs that do not deliver the required certificates and supplementary documentation at the end of the holding period as specified in the GUC Holding Period Trust Deed will be considered disqualified persons. If a GUC is a disqualified person or an ineligible person, all CVNs that would otherwise be distributed to such GUCs shall be distributed to the Holding Period Trust on the effective date relevant to the Investment to be held on behalf of such GUCs in accordance with the terms of the GUC Holding Period Trust Deed.

In order to obtain the CVNs, the form in Appendix 15 must also be completed and submitted in accordance with the instructions included therein.

2.2 Holding Period Trust

If a GUC is a disqualified person or ineligible person, all CVNs that would otherwise have been distributed to such GUC under the Reorganization Plan shall be distributed to the Holding Period Trust on the (under the Investment Agreement governed) effective date, to be held on behalf of such GUC for a holding period of nine months in accordance with the terms of the GUC Holding Period Trust Deed. The Holding Period Trust will hold the CVNs distributed to it during the holding period and until the release of such CVNs may be made in accordance with the GUC Holding Period Trust Deed.

CVNs distributed to the Holding Period Trust shall be sold and the proceeds distributed to disqualified persons and ineligible persons, respectively, if the conditions set out in the GUC Holding Period Trust Deed are met, including, inter alia, that the holding period has expired.

As of the end of the holding period:

- (a) a disqualified person and an ineligible person, respectively, have no right to the CVNs previously held on their behalf by the Holding Period Trust; and
- (b) the Holding Period Trust shall transfer as a gift any remaining and unused cash from the sale of the CVNs to the Company.

2.3 Certain issues in relation to Disputed Portions

As outlined in section 5.3.3 of the reorganization plan, the issuance of CVNs will take into account the presence of Disputed Portions. To manage these, CVNs corresponding to Disputed Portions will be issued and placed in a specific holding period trust, named Holding Period Trust 2, which is designed to hold CVNs for Disputed Portions until they are resolved. Additionally, as detailed in section 5.3.3, should a Disputed Portion be resolved and become part of a creditor's claim, that creditor may from the Holding Period Trust 2 be distributed the corresponding CVNs, in accordance with the Holding Period Trust 2 deed.

Furthermore, as described in both section 5.3.3 and Appendix 15, Holding Period Trust 2 is authorized to distribute the CVNs it holds on a *pro rata* basis to other general unsecured creditors eligible for CVNs. This is under the condition that a certain Disputed Portion is not considered to be part of the claim for which the relevant creditor is entitled to receive CVNs. Appendix 15 also outlines the criteria for these general unsecured creditors to obtain additional CVNs and, similar to the process detailed in section 2.2, the conditions under which Holding Period Trust 2 will attempt to sell any unclaimed CVNs within the specified holding period. It is also outlined the method for distributing the sales proceeds among general unsecured creditors and the procedure if such sale attempts are unsuccessful.

3. Swedish-language summary of the CVN T&Cs

For the Swedish-language summary, please refer to the Swedish version of this Appendix 13. The full CVN T&Cs can be found in Appendix 12, section “*Part 4: Terms and Conditions of the CVNs*” of Exhibit A. The summary of the CVN T&Cs can be found in Appendix 12, section “*Part 3: Summary of the CVNs*” of Exhibit A.

#	AFFECTED PARTY	TOTAL CLAIM (ORIGINAL CURRENCY)	TOTAL CLAIM (USD)	COMMENT
GROUP 1				
1	CL-S HOLDINGS, L.P.	418 111 296,39 USD	418 111 296,39 USD	Estimate based on the principal amount of USD 405,985,766.13 plus accrued interest as of August 5, 2024 of USD 12,125,530.26.
2	CLG CO-INVESTMENT OPPORTUNITIES, L.P.	132 150 377,91 USD	132 150 377,91 USD	Estimate based on the principal amount of USD 128,317,921.29 plus accrued interest as of August 5, 2024 of USD 3,832,456.62.
GROUP 2				
3	INTERTRUST (SWEDEN) AB (AS AGENT FOR THE COMMERCIAL HYBRID BONDS)	1 904 989 835,16 SEK	185 492 158,09 USD	The agent for the holders of the Commercial Hybrid Bonds has notified the Company that they deem that the hybrid holders' claim amounts to SEK 2,037,393,145. The Company contests that the Company's debt to the holders of the Commercial Hybrid Bonds exceeds SEK 1,904,989,835.16.
4	ACS 18-PACK IRISH DESIGNATED ACTIVITY COMPANY	582 622,48 USD	582 622,48 USD	
5	JPA NO. 199 CO., LTD.	75 000 000,00 USD	75 000 000,00 USD	The Company has contested the claim amount. The Company's view is that the claim amounts to no more than USD 27,752,222.63. The claim amount will be finally determined by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
6	FS WORLD LEASING CO., LTD.	30 614 769,51 USD	30 614 769,51 USD	The Company has contested the claim amount. The Company's view is that the claim amounts to no more than USD 25,148,934.50. The claim amount will be finally determined by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
7	CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK, TOKYO BRANCH	39 388 974,39 USD	39 388 974,39 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
8	FLIP NO. 247 CO., LTD.	33 500 000,00 USD	33 500 000,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
9	WILMINGTON TRUST (LONDON) LIMITED	37 841 030,35 USD	37 841 030,35 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
GROUP 3				
10	EKSFIN - EXPORTFINANSIERING NORGE	1 706 475 478,43 NOK	169 143 079,31 USD	
GROUP 4				
11	ROLLS-ROYCE PLC	80 000 000,00 USD	80 000 000,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
12	CELESTIAL AVIATION TRADING 9 LIMITED	50 000,00 USD	50 000,00 USD	
13	CELESTIAL AVIATION TRADING 9 LIMITED	50 000,00 USD	50 000,00 USD	
14	CELESTIAL AVIATION TRADING 9 LIMITED	50 000,00 USD	50 000,00 USD	
15	CELESTIAL AVIATION TRADING 9 LIMITED	50 000,00 USD	50 000,00 USD	
16	AIRCRAFT MSN 7791 LLC	4 849 105,00 USD	4 849 105,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
17	AIRCASTLE (IRELAND) LIMITED	5 001 425,00 USD	5 001 425,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
18	ALAFCO AVIATION LEASE AND FINANCE COMPANY K.S.C.P.	2 516 021,39 USD	2 516 021,39 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
19	ALAFCO AVIATION LEASE AND FINANCE COMPANY K.S.C.P.	3 031 440,39 USD	3 031 440,39 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
20	ALAFCO AVIATION LEASE AND FINANCE COMPANY K.S.C.P.	2 412 091,00 USD	2 412 091,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
21	ALAFCO AVIATION LEASE AND FINANCE COMPANY K.S.C.P.	966 655,35 USD	966 655,35 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
22	ALAFCO AVIATION LEASE AND FINANCE COMPANY K.S.C.P.	2 247 925,00 USD	2 247 925,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).

23	BANK OF AMERICA, N.A.	1 247 775,45 USD	1 247 775,45 USD	
24	BANK OF AMERICA, N.A.	790 925,55 USD	790 925,55 USD	
25	BANK OF AMERICA, N.A.	50 521,45 USD	50 521,45 USD	
26	BANK OF AMERICA, N.A.	50 521,45 USD	50 521,45 USD	
27	BANK OF AMERICA, N.A.	50 521,45 USD	50 521,45 USD	
28	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	2 131 694,36 USD	2 131 694,36 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
29	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	413 615,00 USD	413 615,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
30	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	425 391,00 USD	425 391,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
31	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	255 103,00 USD	255 103,00 USD	
32	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	2 602 897,00 USD	2 602 897,00 USD	
33	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	5 300 685,00 USD	5 300 685,00 USD	
34	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	3 034 943,00 USD	3 034 943,00 USD	
35	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	4 891 539,00 USD	4 891 539,00 USD	
36	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	6 692 582,00 USD	6 692 582,00 USD	
37	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	31 102 211,00 USD	31 102 211,00 USD	
38	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	32 460 330,00 USD	32 460 330,00 USD	
39	WILMINGTON TRUST SP SERVICES (DUBLIN) LIMITED	985 427,78 USD	985 427,78 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
40	JIN SHAN 7 IRELAND COMPANY LIMITED	33 081 728,00 USD	33 081 728,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
41	JIN SHAN 7 IRELAND COMPANY LIMITED	33 081 728,00 USD	33 081 728,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
42	JIN SHAN 7 IRELAND COMPANY LIMITED	33 081 728,00 USD	33 081 728,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
43	GY AVIATION LEASE 1709 CO., LIMITED	5 123 279,00 USD	5 123 279,00 USD	
44	GY AVIATION LEASE 1710 CO., LIMITED	6 106 686,00 USD	6 106 686,00 USD	
45	SKY HIGH 127 LEASING COMPANY LIMITED	4 369 351,23 USD	4 369 351,23 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
46	SKY HIGH 127 LEASING COMPANY LIMITED	4 308 559,93 USD	4 308 559,93 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
47	SKY HIGH 131 LEASING COMPANY LIMITED	23 720 610,54 USD	23 720 610,54 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
48	JACKSON SQUARE AVIATION IRELAND LIMITED	7 688 081,00 USD	7 688 081,00 USD	
49	JACKSON SQUARE AVIATION IRELAND LIMITED	5 646 295,00 USD	5 646 295,00 USD	
50	JACKSON SQUARE AVIATION IRELAND LIMITED	7 672 188,00 USD	7 672 188,00 USD	

51	JACKSON SQUARE AVIATION IRELAND LIMITED	7 408 750,00 USD	7 408 750,00 USD	
52	JACKSON SQUARE AVIATION IRELAND LIMITED	5 740 363,00 USD	5 740 363,00 USD	
53	JACKSON SQUARE AVIATION IRELAND LIMITED	6 266 059,00 USD	6 266 059,00 USD	
54	JACKSON SQUARE AVIATION IRELAND LIMITED	9 455 188,00 USD	9 455 188,00 USD	
55	JACKSON SQUARE AVIATION IRELAND LIMITED	24 227 279,00 USD	24 227 279,00 USD	
56	JACKSON SQUARE AVIATION IRELAND LIMITED	7 688 081,00 USD	7 688 081,00 USD	The Company has contested the existence of the claim. The claim amount will be finally determined by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
57	JACKSON SQUARE AVIATION IRELAND LIMITED	5 646 295,00 USD	5 646 295,00 USD	The Company has contested the existence of the claim. The claim amount will be finally determined by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
58	JACKSON SQUARE AVIATION IRELAND LIMITED	9 455 188,00 USD	9 455 188,00 USD	The Company has contested the existence of the claim. The claim amount will be finally determined by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
59	ORIX AVIATION SYSTEMS LIMITED	1 635 241,08 USD	1 635 241,08 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
60	SMBC AVIATION CAPITAL LIMITED	14 242 962,49 USD	14 242 962,49 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
61	CALF (A2) AVIATION IRELAND DESIGNATED ACTIVITY COMPANY	8 510 106,00 USD	8 510 106,00 USD	The claim amount is subject to final confirmation by the Bankruptcy Court (which has jurisdiction over the relevant creditor-debtor relationship).
GROUP 5				
62	SWEDISH TAX AUTHORITY	18 410 531,00 SEK	1 801 527,58 USD	
GROUP 6				
63	CITIBANK (SWITZERLAND) AG (AS AGENT FOR THE SWISS BONDS)	128 946 139,00 CHF	N/A	
GROUP 7				
64	INTERTRUST (SWEDEN) AB (AS AGENT FOR THE STATE HYBRID NOTES 1)	5 898 124 181,72 SEK	N/A	
65	INTERTRUST (SWEDEN) AB (AS AGENT FOR THE STATE HYBRID NOTES 2)	1 207 894 995,96 SEK	N/A	
GROUP 8				
66	HOLDERS OF COMMON SHARES	N/A	N/A	
GROUP 9				
67	DANISH STATE AS HOLDER OF COMMON SHARES	N/A	N/A	

CVN REGISTRATION FORM***Exhibit [6/1] to Registration Form for Distribution of New Shares and CVNs Under Chapter 11 Plan and Swedish Plan***

Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Registration Form or the Chapter 11 Plan (as defined in the Registration Form).

Holders of certain General Unsecured Claims, as well as holders of general unsecured claims in the Swedish Reorganization (as defined below) (each, a “**GUC**”), must use this CVN Registration Form to provide the necessary information and confirmations to receive delivery of CVNs, provided such claims are Allowed as of the Effective Date.

Persons who are holders of certain Allowed General Unsecured Claims, as well as holders of undisputed general unsecured claims in the Swedish Reorganization, that are entitled to receive distributions of Contributed GUC Cash held by the GUC Entity and represented by CVNs (each, an “**Eligible CVN Holder**”) as of the Effective Date as set forth in the Plans will be entitled to receive CVNs on the Issue Date (as defined below). In this CVN Registration Form, “Allowed” or “Allowed General Unsecured Claims” will also include undisputed general unsecured claims in the Swedish Reorganization and “Disallowed” will also include a Claim (or a portion thereof) that has been disallowed by competent court or a settlement in relation to the Swedish Reorganization.

To the extent a General Unsecured Claim entitled to receive CVNs under the Plans is a Disputed Claim as of the Effective Date, the GUC Entity will reserve distributions of Contributed GUC Cash held by the GUC Entity and will issue in trust the corresponding amount of CVNs the holder of such Disputed Claim would have otherwise been entitled to receive in accordance with the Plans (the “**Reserved CVNs**”). GUCs who are or become Eligible CVN Holders may be entitled to receive Pro Rata distributions of Reserved CVNs following the Effective Date to the extent Disputed Claims are ultimately Disallowed. Please refer to section “Important Information—Disputed Claim Holding Period Trust for holder of certain Disputed Claims that have become Disallowed” for further details.

Holders of Disputed Claims as of the Effective Date are not entitled to receive distributions under the Chapter 11 Plan or the Swedish Plan, as applicable, of Contributed GUC Cash held by the GUC Entity and represented by CVNs until (and only to the extent that) any such Disputed Claim becomes Allowed.

If a Claim is Allowed in part and Disputed in part as of the Effective Date, the relevant holder of such Claim is entitled to receive distributions under the Chapter 11 Plan and Swedish Plan, as applicable, of Contributed GUC Cash held by the GUC Entity and represented by CVNs for the Allowed portion of such Claim.

A separate CVN Registration Form must be completed by a holder (an “**Account Holder**”) for each separate beneficial holding of/interest in an Allowed General Unsecured Claim entitled to receive CVNs or a Disputed Claim that, if Allowed, would be entitled to receive CVNs under the Plans. If a GUC is appointing a Nominated Recipient to receive the CVNs, the relevant GUC and

the Nominated Recipient must complete the form set out in Part 3 (*Appointment of Nominated Recipient*) hereof, to be delivered to Kroll as part of this CVN Registration Form.

INSTRUCTIONS FOR THE COMPLETION AND SUBMISSION OF THIS CVN REGISTRATION FORM

This CVN Registration Form is divided into four parts as summarized below.

Before any part of this CVN Registration Form is completed, you should read this document and the Chapter 11 Plan and, in particular, Section 5.4 of the Chapter 11 Plan.

In accordance with the Chapter 11 Plan, each holder of an Allowed General Unsecured Claim in (i) Classes 3, 4, and 5 with respect to SAS AB and the Consolidated Debtors and (ii) Classes 3 and 5 with respect to the Gorm Blue Entities, as well as to holders of undisputed general unsecured claims in the Swedish Plan must submit a Validly Completed (as defined below) CVN Registration Form to receive the CVNs. Holders of Disputed Claims can submit a Validly Completed CVN Registration Form but will receive their CVNs only if their Disputed Claims become Allowed.

In this CVN Registration Form:

- “Account Holder”** means a person with a beneficial interest in any global note held through and shown on, and transferred only through, records maintained in book-entry form by the Clearing Systems and their respective nominees and successors, acting through themselves or any common depositary;
- “Allowed Claim Holding Period”** means the period of nine months following the Effective Date (unless such date is extended by mutual agreement of the parties to the Allowed Claim Holding Period Trust Deed);
- “Allowed Claim Holding Period Trustee”** means GLAS Trustees Limited or any additional or replacement trustee appointed in accordance with the relevant Holding Period Trust Deed;
- “Allowed Claim Holding Period Trust Deed”** means the trust deed to be entered into by SAS AB, the GUC Entity, and the Holding Period Trustee, for the purpose of creating the trust for any CVN Beneficiaries;
- “Allowed Claim HPT Termination Date”** means the first anniversary of the date of the Allowed Claim Holding Period Trust Deed (unless such date is extended by mutual agreement of the parties thereto);
- “Claim”** means (i) a “claim,” as defined in section 101(5) of the Bankruptcy Code, against any Debtor, or (ii) a claim against SAS AB affected by the Swedish Reorganization;

“Clearing Systems”	means either or both of Euroclear and Clearstream and each of their respective nominees and successors, and any other system designed for similar or analogous purposes, as appropriate;
“Clearstream”	means Clearstream Banking S.A., as currently in effect, or any successor securities clearing agency;
“CVN Account Holder Letter”	means an account holder letter substantially in the same form as Schedule 2 to the relevant Holding Period Trust Deed;
“CVN Beneficiary”	means any GUC who is or becomes an Eligible CVN Holder as of the Effective Date that has not received CVNs on the Issue Date, including those who are neither a Disqualified Person nor an Ineligible Person but have not received CVNs on the Issue Date due to a failed trade on the Clearing Systems for whatever reason;
“CVN Transfer Request”	means a written request from an HPT Beneficiary to the Holding Period Trustee to transfer that HPT Beneficiary’s CVNs that have been issued and transferred on the Issue Date to the Holding Period Trust to that HPT Beneficiary (or its Nominated Recipient, as applicable), in substantially the same form as Schedule 1 to the relevant Holding Period Trust Deed;
“CVNs”	means the contingent value right notes issued by the GUC Entity pursuant to the terms and conditions thereof (the “T&Cs”);
“Disputed”	means a Claim that is neither (i) Allowed nor Disallowed or (ii) held by a Person or Entity against whom or which any of the Debtors or Reorganized Debtors has commenced a proceeding, including an objection to such Claim
“Disputed Claim Holding Period”	means the period of two years and nine months following the Effective Date (unless such date is extended by mutual agreement of the parties to the Disputed Claim Holding Period Trust Deed);
“Disputed Claim Holding Period Trustee”	means GLAS Trustees Limited or any additional or replacement trustee appointed in accordance with the Disputed Claim Holding Period Trust Deed;
“Disputed Claim Holding Period Trust Deed”	means the trust deed to be entered into by SAS AB, the GUC Entity, and the Holding Period Trustee, for the purpose of creating the trust with respect to any Reserved CVNs;

“Disputed Claims HPT Termination Date”	means the third anniversary of the date of the Disputed Claim Holding Period Trust Deed (unless such date is extended by mutual agreement of the parties thereto);
“Disqualified Person”	means any GUC who fails to deliver the CVN Registration Form and any supporting documentation reasonably requested by the Debtors prior to the Effective Date;
“Eligible CVN Holders”	means holders of certain Allowed General Unsecured Claims, as well as holders of undisputed general unsecured claims in the Swedish Reorganization, that are entitled to receive distributions of Contributed GUC Cash held by the GUC Entity and represented by CVNs, including, for the avoidance of doubt, any holders of certain Disputed Claims that have become Allowed;
“Euroclear”	means Euroclear Bank SA/NV, or any successor securities clearing agency;
“Holding Period Trustee”	means either the Allowed Claim Holding Period Trustee or the Disputed Claim Holding Period Trustee;
“HPT Beneficiary”	means any CVN Beneficiary or Reserved CVN Beneficiary;
“Ineligible Person”	means any GUC who is or becomes an Eligible CVN Holder and who: <ul style="list-style-type: none"> (a) (x) is not a “U.S. person” (as defined in Section 902(k)(1) of Regulation S of the U.S. Securities Act of 1933, as amended from time to time (the “Securities Act”)), and (y) is not a “Qualified Purchaser” (as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940 , as amended from time to time (the “Investment Company Act”)); or (b) is entitled to less than the Minimum Denomination of CVNs;
“Issue Date”	means the date on which the CVNs will be issued, which is expected to be after the Effective Date and which will be determined at a later stage;
“Minimum Denomination”	means the minimum denomination of EUR 1.00 in principal amount of CVNs;

“Nominated Recipient”	means any person, who is not an Ineligible Person, appointed by a GUC who is or becomes an Eligible CVN Holder to receive its distributions of CVNs;
“Plans”	means the Chapter 11 Plan and the Swedish Plan;
“Registration Form”	means the Registration Form for Distribution of New Shares and CVNs Under Chapter 11 Plan and Swedish Plan, to which this CVN Registration Form is appended;
“Reserved CVN Beneficiary”	means (i) a holder of a Disputed Claim that would otherwise be entitled to receive CVNs under the Plans if such Disputed Claim is Allowed after the Effective Date or (ii) any GUC who is or becomes an Eligible CVN Holder solely with respect to such holder’s right to receive Reserved CVNs after any Disputed Claims are Disallowed;
“Reserved CVNs”	means any CVNs issued by the GUC Entity on account of Disputed Claims as of the Effective Date;
“Swedish Plan”	means the plan of reorganization (as amended) filed by SAS AB within the Swedish Reorganization;
“Swedish Reorganization”	means the Swedish reorganization of SAS AB under the Swedish Company Reorganization Act (<i>Sw. lag (2022:964) om företagsrekonstruktion</i>) with Case No. Å 5580-24; and
“Validly Completed”	means, in relation to a CVN Registration Form, a CVN Registration Form which, to the satisfaction of SAS AB (acting reasonably): <ul style="list-style-type: none"> (a) has had each relevant part and section thereof completed in full, including the elections in respect of the CVNs; (b) gives all required authorisations, confirmations and undertakings in the form requested therein; and (c) is executed in Part 4 (<i>Investor Questionnaire</i>) by the GUCs and (if applicable) its Nominated Recipient.

IMPORTANT INFORMATION

Effective Date:

- This CVN Registration Form must be submitted to Kroll by no later than the Effective Date as set forth in the Registration Form by GUCs;
- As soon as possible after the Effective Date, SAS AB or an agent on its behalf will provide each GUC who is or becomes an Eligible CVN Holder who (a) is not a Disqualified Person or an Ineligible Person and (b) has returned a Validly Completed CVN Registration Form with (i) all information necessary to settle the CVNs on the Issue Date and (ii) any other documents related to the CVNs, as applicable.

Issue Date:

- On the Issue Date, the CVNs will be issued and distributed to each GUC who is or becomes an Eligible CVN Holder who (a) is not a Disqualified Person or an Ineligible Person, (b) has returned a Validly Completed CVN Registration Form and (c) has completed any subsequent instruction to receive the CVNs.

It is highly recommended that the completed CVN Registration Form is printed or saved as a PDF document after submission. Original paper copies of the CVN Registration Form are not required and should not be sent to Kroll as set forth in the Registration Form.

The CVNs will be issued and delivered on the Issue Date to you or your Nominated Recipient, provided that:

- you are a holder of an Allowed General Unsecured Claim as of the Effective Date;
- if you have not Validly Completed a CVN Registration Form by the Effective Date, all of your CVNs will be issued and transferred on the Issue Date to the Holding Period Trust;
- if you have Validly Completed a CVN Registration Form by the Effective Date but are a U.S. person unable to rely on any exemptions and are unable to, or fail to, designate a Nominated Recipient who is able to make the certifications in the CVN Registration Form, your CVNs will be issued and transferred on the Issue Date to the Holding Period Trust;
- any distributions of CVNs to GUC who is or becomes an Eligible CVN Holders that Validly Completed a CVN Registration Form(s) or subsequently distributed by the Holding Period Trustee must not be below the Minimum Denomination. If you have Validly Completed a CVN Registration Form by the Effective Date but you would be entitled to CVNs below their Minimum Denomination, your CVNs will be issued and transferred on the Issue Date to the Allowed Claim Holding Period Trust; and
- if you have Validly Completed a CVN Registration Form by the Effective Date and you are neither a Disqualified Person nor a Ineligible Person but delivery of your CVNs has not been completed due to a failed trade on the Clearing Systems for whatever reason, your

CVNs will be issued and transferred on the Issue Date to the Allowed Claim Holding Period Trust.

Allowed Claim Holding Period Trust for GUCs who are or become Eligible CVN Holders

If you (i) have not Validly Completed a CVN Registration Form by the Effective Date; (ii) have Validly Completed a CVN Registration Form by the Effective Date but are a U.S. person unable to rely on any exemptions and are unable to, or fail to, designate a Nominated Recipient who is able to make the certifications in the CVN Registration Form, (iii) have Validly Completed a CVN Registration Form by the Effective Date but you would be entitled to CVNs below their Minimum Denomination or (iv) have Validly Completed a CVN Registration Form by the Effective Date and you are neither a Disqualified Person nor a Ineligible Person but delivery of your CVNs has not been completed due to a failed trade on the Clearing Systems for whatever reason, your CVNs will be issued and transferred on the Issue Date to the Allowed Claim Holding Period Trustee and the Allowed Claim Holding Period Trustee will hold such CVNs in bare trust for your benefit in accordance with the Allowed Claim Holding Period Trust Deed until the earlier of the release of such CVNs being authorized in accordance with the Allowed Claim Holding Period Trust Deed or the end of the Allowed Claim Holding Period.

After the Effective Date but before the end of the Allowed Claim Holding Period, you, as CVN Beneficiary, may make a CVN Transfer Request to the Allowed Claim Holding Period Trustee to receive your CVNs that were issued and transferred on the Issue Date to the Allowed Claim Holding Period Trustee, provided that, among other things: (i) you are not an Ineligible Person; (ii) you have delivered to the Holding Period Trustee a completed and signed Transfer Request, CVN Account Holder Letter along with any know-your-customer and other additional information, representations or undertakings as the Allowed Claim Holding Period Trustee may reasonably request; (iii) you have provided any indemnification and/or security that the Allowed Claim Holding Period Trustee may in its discretion and for its own account (acting reasonably) require for any liability which it may incur in complying with your Transfer Request; (iv) you have delivered evidence satisfactory to the Allowed Claim Holding Period Trustee that you were a GUC who was an Eligible CVN Holder as at the Effective Date (or has legally and validly purchased such CVN Beneficiary's rights to its CVNs following the Effective Date); (v) the transfer of CVNs does not violate any restrictions set forth in that certain GUC Entity Governance Agreement entered into as of the Effective Date, by and between SAS AB and the GUC Entity, as described in the Chapter 11 Plan; and (vi) you are not a sanctioned person and such transfer is not in breach of any law or regulation; all in accordance with the terms of the Allowed Claim Holding Period Trust Deed.

At the end of the Allowed Claim Holding Period, but before the Allowed Claim HPT Termination Date, the Allowed Claim Holding Period Trustee shall, as soon as reasonably practicable, use reasonable best efforts within a reasonable period of time, to sell or otherwise dispose of any CVNs still being held in bare trust for the benefit of CVN Beneficiaries. The Allowed Claim Holding Period Trustee shall hold any proceeds from such sale or disposition in bare trust for each CVN Beneficiary until the Allowed Claim HPT Termination Date. After such sale or disposition has been completed but before the Allowed Claim HPT Termination Date, the Allowed Claim Holding Period Trustee will transfer your Pro Rata share of proceeds from

such sale or disposition to you, provided that you have furnished all information required by the Allowed Claim Holding Period Trustee (acting reasonably) in accordance with the terms of the Allowed Claim Holding Period Trust Deed.

To the extent that the Allowed Claim Holding Period Trustee for any reason is not able, after having used reasonable best efforts and consulted with the GUC Entity, to sell any portion of the CVNs still being held in bare trust for the benefit of CVN Beneficiaries prior to the Allowed Claim HPT Termination Date, then the Allowed Claim Holding Period Trustee shall transfer any CVNs still being held in bare trust for the benefit of CVN Beneficiaries by the Allowed Claim Holding Period Trustee on the Allowed Claim HPT Termination Date by way of gift to the GUC Entity for cancellation.

From and after the Allowed Claim HPT Termination Date, each Eligible CVN Holder as of the Effective Date who has not claimed its CVNs will have no entitlement to such CVNs previously held on its behalf by the Allowed Claim Holding Period Trustee, and on the Allowed Claim HPT Termination Date, the Allowed Claim Holding Period Trustee shall transfer any remaining and unclaimed proceeds from the sale or disposition of any CVNs by way of gift to SAS AB.

Holders of Disputed Claims

Disputed Claim Holding Period Trust for holders of certain Disputed Claims as of the Effective Date

If your Claim is Disputed as of the Effective Date, Reserved CVNs on account of such Disputed Claim will be issued and transferred on the Issue Date to the Disputed Claim Holding Period Trustee and the Disputed Claim Holding Period Trustee will hold such Reserved CVNs in bare trust for your benefit in accordance with the Disputed Claim Holding Period Trust Deed until the earlier of the release of such Reserved CVNs being authorized in accordance with the Disputed Claim Holding Period Trust Deed or the end of the Disputed Claim Holding Period.

If a Disputed Claim is Allowed after the Effective Date but before the end of the Disputed Claim Holding Period, you, as Reserved CVN Beneficiary, will receive the Reserved CVNs that were issued and transferred on the Issue Date to the Disputed Claim Holding Period Trustee on account of such Disputed Claim, provided that, among other things: (i) you are not an Ineligible Person; (ii) you have delivered to the Holding Period Trustee a completed and signed CVN Account Holder Letter (the contents of which will be substantially similar to the ones of this CVN Registration Form) along with any know-your-customer and other additional information, representations or undertakings as the Disputed Claim Holding Period Trustee may reasonably request; (iii) the transfer of CVNs does not violate any restrictions set forth in that certain GUC Entity Governance Agreement entered into as of the Effective Date, by and between SAS AB and the GUC Entity or the Chapter 11 Plan; and (iv) you are not a sanctioned person and such transfer is not in breach of any law or regulation; in each case in accordance with the terms of the Disputed Claim Holding Period Trust Deed.

At the end of the Disputed Claim Holding Period, but before the Disputed Claim HPT Termination Date, the Disputed Claim Holding Period Trustee shall, as soon as reasonably practicable, use

reasonable best efforts within a reasonable period of time, to sell or otherwise dispose of any Reserved CVNs, with respect to any corresponding Disputed Claims that have been Allowed, still being held in bare trust for the benefit of Reserved CVN Beneficiaries that were not able to receive such Reserved CVNs in accordance with the terms of the Disputed Claim Holding Period Trust Deed. The Disputed Claim Holding Period Trustee shall hold any proceeds from such sale or disposition in bare trust for each Reserved CVN Beneficiary with respect to any corresponding Disputed Claims that have become Allowed until the Disputed Claim HPT Termination Date. After such sale or disposition has been completed but before the Disputed Claim HPT Termination Date, the Disputed Claim Holding Period Trustee will transfer your Pro Rata share of proceeds from such sale or disposition to you, provided that you have furnished all information required by the Disputed Claim Holding Period Trustee (acting reasonably) in accordance with the terms of the Disputed Claim Holding Period Trust Deed.

To the extent that the Disputed Claim Holding Period Trustee for any reason is not able, after having used reasonable best efforts and consulted with the GUC Entity, to sell any portion of the Reserved CVNs with respect to any corresponding Disputed Claims that have become Allowed still being held in bare trust for the benefit of Reserved CVN Beneficiaries prior to the Disputed Claim HPT Termination Date, then the Disputed Claim Holding Period Trustee shall transfer any Reserved CVNs still being held in bare trust for the benefit of Reserved CVN Beneficiaries with respect to any corresponding Disputed Claims that have become Allowed by the Disputed Claim HPT Termination Date by way of gift to the GUC Entity for cancellation.

From and after the Disputed Claim HPT Termination Date, each of the Reserved CVN Beneficiaries will have no entitlement to the Reserved CVNs previously held on its behalf by the Disputed Claim Holding Period Trustee, and on the Disputed Claim HPT Termination Date, the Disputed Claim Holding Period Trustee shall transfer any remaining and unclaimed proceeds from the sale or disposition of any Reserved CVNs by way of gift to SAS AB.

Disputed Claim Holding Period Trust for holder of certain Disputed Claims that have become Disallowed

If a Claim is Disputed as of the Effective Date and is subsequently Disallowed, Reserved CVNs on account of such Disputed Claim will be held by the Disputed Claim Holding Period Trustee in bare trust for the benefit of GUCs who are or become an Eligible CVN Holders (including, for the avoidance of doubt, any holders of certain Disputed Claims that have become Allowed) as set forth in the Plans in accordance with the Disputed Claim Holding Period Trust Deed effective from the date any such Disputed Claim is Disallowed until the earlier of the release of such Reserved CVNs being authorized in accordance with the Disputed Claim Holding Period Trust Deed (but not before the Final Disallowance Date (as defined below)) or the end of the Disputed Claim Holding Period (all such Reserved CVNs being held in trust for the benefit of GUCs who are or become Eligible CVN Holders, including, for the avoidance of doubt, any holders of certain Disputed Claims that have become Allowed, the “**Unallocated Reserved CVNs**”).

After the date on which the last Disputed Claim that would otherwise be entitled to receive distributions of Contributed GUC Cash in the form of CVNs becomes Allowed or Disallowed

(the “**Final Disallowance Date**”) but before the end of the Disputed Claim Holding Period, Reserved CVN Beneficiaries will receive their Pro Rata share of Unallocated Reserved CVNs, provided that, with respect to each of such GUCs who are or become Eligible CVN Holders, among other things: (i) each of such party is not an Ineligible Person; (ii) each of such party has delivered any know-your-customer and other additional information, representations or undertakings as the Disputed Claim Holding Period Trustee may reasonably request; (iii) the transfer of Unallocated Reserved CVNs does not violate any restrictions set forth in that certain GUC Entity Governance Agreement entered into as of the Effective Date, by and between SAS AB and the GUC Entity or the Chapter 11 Plan; and (iv) each of such party is not a sanctioned person and such transfer is not in breach of any law or regulation; in each case in accordance with the terms of the Disputed Claim Holding Period Trust Deed.

At the end of the Disputed Claim Holding Period, but before the Disputed Claim HPT Termination Date, the Disputed Claim Holding Period Trustee shall, as soon as reasonably practicable, use reasonable best efforts within a reasonable period of time, to sell or otherwise dispose of any Unallocated Reserved CVNs still being held in bare trust for the benefit of Reserved CVN Beneficiaries. The Disputed Claim Holding Period Trustee shall hold any proceeds from such sale or disposition in bare trust for each Reserved CVN Beneficiary until the Disputed Claim HPT Termination Date. After such sale or disposition has been completed but before the Disputed Claim HPT Termination Date, the Disputed Claim Holding Period Trustee will transfer the relevant share of proceeds from such sale or disposition to the Reserved CVN Beneficiaries, provided that such Reserved CVN Beneficiaries have furnished all information required by the Disputed Claim Holding Period Trustee (acting reasonably) in accordance with the terms of the Disputed Claim Holding Period Trust Deed.

To the extent that the Disputed Claim Holding Period Trustee for any reason is not able, after having used reasonable best efforts and consulted with the GUC Entity, to sell any portion of the Unallocated Reserved CVNs still being held in bare trust for the benefit of Reserved CVN Beneficiaries prior to the Disputed Claim HPT Termination Date, then the Disputed Claim Holding Period Trustee shall transfer any Unallocated Reserved CVNs still being held in bare trust for the benefit of Reserved CVN Beneficiaries by the Disputed Claim Holding Period Trustee on the Disputed Claim HPT Termination Date by way of gift to the GUC Entity for cancellation.

From and after the Disputed Claim HPT Termination Date, each Reserved CVN Beneficiary will have no entitlement to the Unallocated Reserved CVNs previously held on its behalf by the Disputed Claim Holding Period Trustee, and on the Disputed Claim HPT Termination Date, the Disputed Claim Holding Period Trustee shall transfer any remaining and unclaimed proceeds from the sale or disposition of any Unallocated Reserved CVNs by way of gift to SAS AB.

By delivering this CVN Registration Form, the signatory/ies confirm(s) and warrant(s) that it is/they are a person(s) who, in accordance with the laws of the relevant jurisdiction, is/are acting under the authority of the GUC and is/are duly authorized to deliver this CVN Registration Form.

This CVN Registration Form and any non-contractual obligations arising out of or in relation to this CVN Registration Form shall be governed by, and interpreted in accordance with, English law.

Summary of the Contents of this CVN Registration Form

Part 1: GUC and Account Holder Administrative Information

This part must be completed in all cases by each GUC. If the Account Holder is different from the GUC, the name and details of the GUC on whose behalf this CVN Registration Form is being submitted are required as well. If an Account Holder is submitting this CVN Registration Form for multiple GUCs, a **separate CVN Registration Form** must be completed by an Account Holder in respect of each GUC.

If the Account Holder and the GUC are the same person or legal entity, any references in this CVN Registration Form to an “Account Holder” and “GUC” shall be treated as interchangeable.

Part 2: CVNs

This part must be completed by a GUC or its Account Holder on its behalf in order to receive its CVNs to the extent such GUC is an Eligible CVN Holder as of the Effective Date.

Part 3: Appointment of a Nominated Recipient

This part must only be completed by a GUC or its Account Holder on its behalf if it intends to appoint a Nominated Recipient (who must be eligible to make the certifications in Part 4 (*Investor Questionnaire*)) to receive any of its CVNs. The CVNs will not be transferred to any GUC or Nominated Recipient who is not an able to make the certifications in Part 4.

Part 4: Investor Questionnaire

This part must be completed and signed in all cases by the GUC and its Nominated Recipient (if appointed) if the GUC or its Nominated Recipient (if appointed) wishes to receive any of its CVNs, provided such GUC is an Eligible CVN Holder as of the Effective Date.

If a GUC, provided it is an Eligible CVN Holder as of the Effective Date, or its Nominated Recipient wishes to receive any of its CVNs on the Issue Date, it must ensure that the Investor Questionnaire is Validly Completed, executed, and received by Kroll by the Effective Date as set forth in the Registration Form.

Part 1
GUC Details

(this refers to you as holder of certain General Unsecured Claims)

Name of GUC

.....

Address of GUC

.....

Jurisdiction of incorporation/country of residence:

.....

Domicile (if different to jurisdiction of incorporation/country of residence):

.....

Telephone number (with country code):

.....

Email address:

.....

Principal contact person:

.....

ONLY FOR GUCs INCORPORATED, RESIDENT OR DOMICILED IN THE EUROPEAN ECONOMIC AREA OR IN THE UNITED KINGDOM: Are you a “retail investor” (definition below) in your jurisdiction of incorporation, country of residence or country of domicile? (Yes or No):

For the purposes of this paragraph, the expression “retail investor” means, (x) in the European Economic Area, a person who is one (or more) of the following: (i) a “retail client” as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of the Directive 2016/97/EU, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a “qualified investor” as defined in Regulation (EU) 2017/1129 (as amended) or (y) in the United

Kingdom, a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a “qualified investor” as defined in Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Clearing System Account Holder Administrative Details
(this refers to the person with a Euroclear/Clearstream account)

YOU ARE REQUIRED TO COMPLETE THIS SECTION IN ORDER TO RECEIVE CVNs

Full name of Account Holder:

.....

Is the Account Holder a member of Euroclear or Clearstream?

(Please state “Euroclear” or “Clearstream”, as applicable, below)

.....

Account Number of Account Holder or Participant at Clearing System:

.....

Telephone number (with country code):

.....

Email address:

.....

Principal contact person:

.....

Part 2
CVNs

CVNs — Securities Confirmations

By ticking the box below, the GUC, or its Account Holder on its behalf, expressly acknowledges and confirms that the GUC can receive and is eligible to receive (or intends its Nominated Recipient to receive, and confirms that its Nominated Recipient is eligible to receive) the CVNs allocated to it:

- as a U.S. person but the GUC falls under the following exemption(s):**
 - is a “Qualified Purchaser” (as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940 , as amended from time to time (the “Investment Company Act”))
- as a non-U.S. person**

By ticking the applicable boxes above, the GUC or its Account Holder on its behalf, expressly confirms, represents and warrants to SAS AB that:

in the case of ticking the “CVNs as a U.S. person” box, the GUC (or its Nominated Recipient), gives the confirmations, acknowledgements, representations, warranties and undertakings set out in Section 1 (*US Persons*), Section 3 (*Qualified Purchaser*) and Section 4 (*Not a Qualified Purchaser*), as applicable, of Part 5 hereof;

in the case of ticking the “CVNs as a non-U.S. person” box, the GUC (or its Nominated Recipient) gives confirmations, acknowledgements, representations, warranties and undertakings set out in Section 2 (*Not a US Person*) of Part 5 hereof.

Part 3

Appointment of Nominated Recipient

If you wish to appoint a Nominated Recipient to receive your CVNs, please complete the following details in respect of the Nominated Recipient.

IMPORTANT NOTE: The Nominated Recipient for any CVNs must hold an account in either Euroclear or Clearstream and must be able to make the confirmations in Part 4.

NOMINATED RECIPIENT DETAILS

Name of Nominated Recipient

.....

Address of Nominated Recipient

.....

Jurisdiction of incorporation/country of residence:

.....

Domicile (if different to jurisdiction of incorporation/country of residence):

.....

Telephone number (with country code):

.....

Email address:

.....

Principal contact person:

.....

ONLY FOR NOMINATED RECIPIENTS INCORPORATED, RESIDENT OR DOMICILED IN THE EUROPEAN ECONOMIC AREA OR IN THE UNITED KINGDOM: Are you a “retail investor” (definition below) in your jurisdiction of incorporation, country of residence or country of domicile? (Yes or No):

For the purposes of this paragraph, the expression “retail investor” means, (x) in the European Economic Area, a person who is one (or more) of the following: (i) a “retail client” as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of the Directive 2016/97/EU, as amended, where that customer would not

qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a “qualified investor” as defined in Regulation (EU) 2017/1129 (as amended) or (y) in the United Kingdom, a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “EUWA”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “FSMA”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a “qualified investor” as defined in Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

NOMINATED RECIPIENT’S CLEARING SYSTEM ACCOUNT HOLDER DETAILS

Full name of Nominated Recipient’s Account Holder:

.....

Is the Nominated Recipient’s Account Holder a member of Euroclear or Clearstream?

(Please state “Euroclear” or “Clearstream”, as applicable, below)

.....

Account Number of Nominated Recipient’s Account Holder or Participant at Clearing System:

.....

Telephone number (with country code):

.....

Email address:

.....

Principal contact person:

.....

Part 4
Investor Questionnaire

To be completed by the GUC and, if applicable, its Nominated Recipient.

If no Investor Questionnaire is Validly Completed and submitted to Kroll by the Effective Date, the GUC, provided it is an Eligible CVN Holder as of the Effective Date, or its Nominated Recipient will not receive its CVNs and its CVNs will be transferred to the Holding Period Trust.

Name: _____

1. U.S. Person. Please provide the following information regarding your status as a “U.S. person” (as defined in Regulation S promulgated by the United States Securities and Exchange Commission (the “SEC”) pursuant to the United States Securities Act of 1933, as amended (the “Securities Act”) (the definition of which is set forth in Annex A attached hereto)). Please check the applicable statement or statements.

(a) Are you a natural person resident in the United States?

Yes No

(b) Are you a partnership or corporation organized or incorporated under the laws of the United States?

Yes No

(c) Are you an estate of which any executor or administrator is a U.S. person?

Yes No

(d) Are you a trust of which any trustee is a U.S. person?

Yes No

(e) Are you an agency or branch of a foreign entity located in the United States?

Yes No

(f) Are you a non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person?

Yes No

(g) Are you a discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States?

Yes No

(h) Are you a partnership or corporation (i) organized or incorporated under the laws of any foreign jurisdiction and (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, and (iii) are not organized or incorporated, and owned, by accredited investors (as defined in Regulation D promulgated by the SEC pursuant to the Securities Act) who are not natural persons, estates or trusts?

Yes No

2. Not a U.S. Person. If you did not answer YES to any question in sub-clauses (a) through (h) in Question 1 above, or are otherwise not a U.S. person as expressly listed in 17 CFR § 230.902(k)(2) (a copy of which is reproduced on Annex A attached hereto), please indicate this in the space provided below.

I am not a U.S. Person (as defined in Regulation S promulgated by the SEC pursuant to the Securities Act).

Only fill out Questions 3 and 4 if you are a “U.S. person” under Question 1:

3. Qualified Purchaser. Please provide the following information regarding your status as a “*qualified purchaser*” (as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, as amended (the “Investment Company Act”) (the definition of which is set forth in Annex B attached hereto)). Please check the applicable statement or statements.

(a) Are you a natural person (including a person who holds a joint, community property, or other similar shared ownership interest in an issuer that is excepted under 15 USC § 80a-3(c)(7) of the Investment Company Act with that person’s qualified purchaser spouse) who owns not less than \$5,000,000 in investments, as defined by the SEC?

Yes No

(b) Are you a company that owns not less than \$5,000,000 in investments and that is owned directly or indirectly by or for 2 or more natural persons who are related as siblings or spouse (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations, or trusts established by or for the benefit of such persons?

Yes No

(c) Are you an entity or a natural person of a type not listed above, but otherwise listed in 15 USC § 80a-2(a)(51), as reproduced in Annex B herein?

Yes No

4. Not a Qualified Purchaser. If you did not answer YES to any question in sub-clauses (a) through (c) in Question 3 above, or are otherwise not a Qualified Purchaser as expressly set forth in 15 USC § 80a-2(a)(51)(C) (a copy of which is reproduced on Annex B attached hereto), please indicate this in the space provided below.

- I am not a Qualified Purchaser (as defined in Section 2(a)(51)(A) of the Investment Company Act).

By signing and returning this Investor Questionnaire, the undersigned GUC or Nominated Recipient represents, warrants, acknowledges and agrees as follows:

1. The undersigned GUC or Nominated Recipient understands and acknowledges that the CVNs have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any other applicable securities laws and that the CVNs are being offered for resale in transactions not requiring registration under the U.S. Securities Act or any other securities laws, and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the U.S. Securities Act or any other applicable securities laws, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraphs (4) and (5) and below.
2. The undersigned GUC or Nominated Recipient is not an “affiliate” (as defined in Rule 144 under the U.S. Securities Act) of the Issuer, is not acting on behalf of the Issuer and is purchasing the CVNs outside the United States in an offshore transaction in accordance with Regulation S or otherwise pursuant to any other available exemption from the registration requirements of the U.S. Securities Act.
3. The undersigned GUC or Nominated Recipient acknowledges that none of the Issuer and any person representing the Issuer has made any representation to such undersigned GUC or Nominated Recipient with respect to the Issuer or the offer or sale of any of the CVNs. The undersigned GUC or Nominated Recipient has had access to such financial and other information concerning the Issuer and the CVNs as such undersigned GUC or Nominated Recipient has deemed necessary in connection with its decision to purchase any of the CVNs, including an opportunity to ask questions of, and request information from, the Issuer.
4. The undersigned GUC or Nominated Recipient is purchasing the CVNs for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case, for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act or the securities laws of any other jurisdiction, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its control and

subject to its ability to resell such CVNs to persons who are not U.S. persons in offshore transactions pursuant to Regulation S or any other exemption from registration available under the U.S. Securities Act, or in any transaction not subject to the U.S. Securities Act.

5. If the undersigned GUC or Nominated Recipient is a U.S. person, such undersigned GUC or Nominated Recipient acknowledges that (i) the Issuer has not registered as an investment company pursuant to the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”); (ii) to rely on Section 3(c)(7) of the Investment Company Act, the Issuer must have a “reasonable belief” that all holders of the CVNs which are U.S. persons (including any subsequent transferees) are “qualified purchasers”, as defined in Section 2(a)(51)(A) of the Investment Company Act (the “Qualified Purchasers”), at the time of their acquisition of the CVNs and (ii) the Issuer will establish a reasonable belief for purposes of Section 3(c)(7) based upon the representations deemed made by the purchasers of the CVNs and the covenants and undertakings of the Issuer referred to below.
6. The undersigned GUC or Nominated Recipient acknowledges that any CVNs will bear a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS IN THE UNITED STATES AND HAS BEEN INITIALLY PLACED PURSUANT TO EXEMPTIONS FROM THE SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED, AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT AS PERMITTED BY THIS LEGEND. THE HOLDER HEREOF, BY ITS ACCEPTANCE OF THIS SECURITY, REPRESENTS, ACKNOWLEDGES AND AGREES THAT IT WILL NOT REOFFER, RESELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY, EXCEPT (X) IN COMPLIANCE WITH THE SECURITIES ACT AND OTHER APPLICABLE LAWS (I) TO A TRANSFEREE OUTSIDE THE UNITED STATES, THAT IS NOT KNOWN TO BE A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) AND THAT IS PURCHASING THIS SECURITY IN AN OFFSHORE TRANSACTION COMPLYING WITH THE PROVISIONS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT OR (II) IN THE UNITED STATES TO A TRANSFEREE THAT IS A QUALIFIED PURCHASER, AND (Y) (1) UPON DELIVERY OF ANY CERTIFICATIONS, OPINIONS AND OTHER DOCUMENTS THAT THE ISSUER MAY REQUIRE AND (2) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. FURTHER, NO PURCHASE, SALE OR TRANSFER OF THIS SECURITY MAY BE MADE, UNLESS SUCH PURCHASE, SALE OR TRANSFER WILL NOT RESULT IN (I) THE ASSETS OF THE ISSUER CONSTITUTING “PLAN ASSETS” WITHIN THE MEANING OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (“ERISA”), THAT ARE SUBJECT TO PART 4 OF SUBTITLE B OF TITLE I OF ERISA OR SECTION

4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED OR (II) THE ISSUER BEING REQUIRED TO REGISTER AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT. EACH PURCHASER OR TRANSFEREE OF THIS SECURITY WILL BE REQUIRED TO REPRESENT OR WILL BE DEEMED TO HAVE REPRESENTED THAT (I) IT IS NOT AND IS NOT USING ASSETS OF A PLAN THAT IS SUBJECT TO TITLE 1 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE AND (II) IF IT IS A U.S. PERSON, THAT IT IS A “QUALIFIED PURCHASER”.

THIS SECURITY IS NOT TRANSFERABLE, EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN TO THE TRANSFEREE.

If the undersigned GUC or Nominated Recipient purchases the CVNs, such undersigned GUC or Nominated Recipient will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these CVNs as well as to holders of these CVNs.

7. The undersigned GUC or Nominated Recipient acknowledges that the registrar of the CVNs will not be required to accept for registration or transfer any CVNs acquired by such undersigned GUC or Nominated Recipient except upon presentation of evidence satisfactory to the Issuer and the CVNs registrar that the restrictions set forth therein have been complied with.
8. The undersigned GUC or Nominated Recipient acknowledges that the Issuer and others will rely upon the truth and accuracy of its acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by its purchase of the CVNs is no longer accurate, such undersigned GUC or Nominated Recipient shall promptly notify the Issuer. If such undersigned GUC or Nominated Recipient is acquiring any CVNs as a fiduciary or agent for one or more investor accounts, it represent that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.
9. The undersigned GUC or Nominated Recipient understands that no action has been taken in any jurisdiction (including the United States) by the Issuer that would result in a public offering of the CVNs or the possession, circulation or distribution of any other material relating to the Issuer or the CVNs in any jurisdiction where action for such purpose is required.
10. The undersigned GUC or Nominated Recipient agrees that it is aware of, will comply with, and give to each person to whom it transfers the CVNs notice of, any restrictions on the transfer of such CVNs as set forth in the Ts&Cs of the CVNs, including that (i) the CVNs

are not intended to be transferred or re-sold or otherwise made available to and should not be transferred or re-sold or otherwise made available to any “retail investor” in the European Economic Area (“**EEA**”) or in the United Kingdom; (ii) no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) in the EEA or for transferring or re-selling the CVNs or otherwise making them available to “retail investors” in the EEA has been prepared and therefore transferring or re-selling the CVNs or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation; and (iii) no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (as defined below) (the “**U.K. PRIIPs Regulation**”) in the United Kingdom or for transferring or re-selling the CVNs or otherwise making them available to “retail investors” in the United Kingdom has been prepared and therefore transferring or re-selling the CVNs or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the U.K. PRIIPs Regulation For the purposes of this paragraph, the expression “retail investor” means, (x) in the EEA, a person who is one (or more) of the following: (i) a “retail client” as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of the Directive 2016/97/EU, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a “qualified investor” as defined in Regulation (EU) 2017/1129 (as amended) or (y) in the United Kingdom, a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a “qualified investor” as defined in Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Name _____

(Signature)

By:

Title:

Dated:

ANNEX A – Regulation S Definition of US Person
(17 CFR § 230.902)

(k) U.S. person.

(1) “U.S. person” means:

- (i)** Any natural person resident in the United States;
- (ii)** Any partnership or corporation organized or incorporated under the laws of the United States;
- (iii)** Any estate of which any executor or administrator is a U.S. person;
- (iv)** Any trust of which any trustee is a U.S. person;
- (v)** Any agency or branch of a foreign entity located in the United States;
- (vi)** Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (vii)** Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
- (viii)** Any partnership or corporation if:
 - (A)** Organized or incorporated under the laws of any foreign jurisdiction; and
 - (B)** Formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Regulation D promulgated by the SEC pursuant to the Securities Act) who are not natural persons, estates or trusts.

(2) The following are not “U.S. persons”:

- (i)** Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;
- (ii)** Any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if:
 - (A)** An executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and
 - (B)** The estate is governed by foreign law;
- (iii)** Any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person;

(iv) An employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

(v) Any agency or branch of a U.S. person located outside the United States if:

(A) The agency or branch operates for valid business reasons; and

(B) The agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and

(vi) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

(l) **United States.** “United States” means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

ANNEX B – Investment Company Act of 1940 Definition of Qualified Purchaser
(15 USC § 80a-2(a)(51))

(51) (A) “Qualified purchaser” means—

(i) any natural person (including any person who holds a joint, community property, or other similar shared ownership interest in an issuer that is excepted under section 80a–3(c)(7) of this title with that person’s qualified purchaser spouse) who owns not less than \$5,000,000 in investments, as defined by the Commission;

(ii) any company that owns not less than \$5,000,000 in investments and that is owned directly or indirectly by or for 2 or more natural persons who are related as siblings or spouse (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations, or trusts established by or for the benefit of such persons;

(iii) any trust that is not covered by clause (ii) and that was not formed for the specific purpose of acquiring the securities offered, as to which the trustee or other person authorized to make decisions with respect to the trust, and each settlor or other person who has contributed assets to the trust, is a person described in clause (i), (ii), or (iv); or

(iv) any person, acting for its own account or the accounts of other qualified purchasers, who in the aggregate owns and invests on a discretionary basis, not less than \$25,000,000 in investments.

(B) The Commission may adopt such rules and regulations applicable to the persons and trusts specified in clauses (i) through (iv) of subparagraph (A) as it determines are necessary or appropriate in the public interest or for the protection of investors.

(C) The term “qualified purchaser” does not include a company that, but for the exceptions provided for in paragraph (1) or (7) of section 80a–3(c) of this title , would be an investment company (hereafter in this paragraph referred to as an “excepted investment company”), unless all beneficial owners of its outstanding securities (other than short-term paper), determined in accordance with section 80a–3(c)(1)(A) of this title , that acquired such securities on or before April 30, 1996 (hereafter in this paragraph referred to as “pre-amendment beneficial owners”), and all pre-amendment beneficial owners of the outstanding securities (other than short-term paper) of any excepted investment company that, directly or indirectly, owns any outstanding securities of such excepted investment company, have consented to its treatment as a qualified purchaser. Unanimous consent of all trustees, directors, or general partners of a company or trust referred to in clause (ii) or (iii) of subparagraph (A) shall constitute consent for purposes of this subparagraph.