SAS cancels noteholders’ meetings as required conversions under the recapitalisation plan are not expected to be approved – process continues with initiation of noteholder discussions

SAS AB (publ) (the “Company” or “SAS”) has today decided to cancel the noteholders’ meetings for holders of the MSEK 2,250 senior unsecured fixed rate bond due November 2022 (ISIN SE0010520338) (the “Bonds”) and the MSEK 1,500 subordinated perpetual floating rate capital securities (ISIN SE0012193910) (the “Existing Hybrid Notes”) that were scheduled to be held on 17 July 2020.

SAS has concluded that the majority required for the respective conversions cannot be expected to be obtained, based on information from Intertrust (Sweden) AB, as agent for the holders of the Bonds and the Existing Hybrid Notes (the “Agent”), regarding the number of holders of Bonds and Existing Hybrid Notes who have announced that they will vote against the proposals. As a result thereof, SAS has decided to instruct the Agent to cancel the noteholders’ meetings and no early bird fee will be payable, as set out in the summons, since no conversion will be consummated.

As previously announced by SAS, the Swedish and Danish governments have required, as a condition to their capital injections, burden sharing measures to be implemented. This condition remains an important cornerstone of the recapitalisation plan approved by the Board of Directors of SAS. The Company will seek to enter into discussions with representatives of the holders of the Bonds and the Existing Hybrid Notes in order to find a solution that satisfies this condition and is satisfactory to the European Commission. SAS will announce further details on the outcome of such discussions as soon as possible.

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This is information that SAS AB is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was submitted by Michel Fischier for publication on 10 July 2020 at 08:00 a.m. CEST.
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In the United Kingdom, this press release is directed only at, and communicated only to, persons who are qualified investors within the meaning of article 2(e) of the Prospectus Regulation (2017/1129) who are (i) persons who fall within the definition of “investment professional” in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”), or (ii) persons who fall within article 49(2)(a) to (d) of the Order, or (iii) persons to whom it may otherwise be lawfully communicated (all such persons referred to in (i), (ii) and (iii) above together being referred to as “Relevant Persons”). This press release must not be acted on or relied on by persons in the UK who are not Relevant Persons.

This press release contains forward-looking statements that reflect SAS’ current view of future events as well as financial and operational development. Words such as “intend”, “assess”, “expect”, “may”, “plan”, “estimate” and other expressions involving indications or predictions regarding future development or trends, not based on historical facts, identify forward-looking statements and reflect SAS’ beliefs and expectations and involve a number of risks, uncertainties and assumptions which could cause actual events and performance to differ materially from any expected future events or performance expressed or implied by the forward-looking statement. The information contained in this press release is subject to change without notice and, except as required by applicable law, SAS does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it and nor does it intend to. You should not place undue reliance on forward-looking statements, which speak only as of the date of this press release. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.