

## **Nordic Aviation Capital reaches Restructuring Support Agreement with majority of lenders to strengthen capital structure and position the Company for long-term growth and success**

- Restructuring will be implemented through a pre-arranged Chapter 11 process in U.S. Bankruptcy Court
- Provides for the injection of \$537 million of capital through a \$337 million equity rights offering and a \$200 million new revolving facility
- Company has obtained an additional \$170 million debtor in possession financing facility from existing creditors to help fund the Chapter 11 process
- The deleveraging resulting from the restructuring will place the Company in a strong financial position enabling it to continue global operations
- Company will continue to satisfy substantially all obligations to employees, customers and suppliers as leasing operations and aircraft deliveries will continue in the normal course

**Ireland – December 19, 2021** – Nordic Aviation Capital Designated Activity Company, together with its subsidiaries (“NAC” or the “Company”), the world’s largest regional aircraft lessor, today announced that it has entered into a Restructuring Support Agreement (the “RSA” or the “Agreement”) with its equityholders and lenders holding over 73% of NAC’s approximately \$6.3 billion in debt obligations (collectively, the “RSA Parties”). The terms of the RSA establish the framework for a consensual and comprehensive financial restructuring that will restructure the Company’s debt obligations, provide additional capital through a new equity rights offering, and best position NAC for future growth and success as global economic and industry conditions continue to improve. To implement the financial restructuring, the Company has filed voluntary petitions under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Virginia.

The RSA contemplates a consensual and comprehensive restructuring of the Company’s debt obligations (including the conversion of a substantial amount of the group’s debt to equity) with an infusion of \$537 million in additional capital through a \$337 million new equity rights offering and a new \$200 million revolving credit facility. The Company has obtained an additional \$170 million debtor in possession financing facility from its existing creditors to help fund operations during the Chapter 11 process. The additional capital will serve to support the Company’s liquidity position and its plans to pursue growth in purchasing aircraft. Additionally, the RSA provides the Company with a stable platform to allow NAC to continue satisfying substantially all of its obligations to its employees, customers, and suppliers, as well as provide lease management services and deliver aircraft throughout the Chapter 11 process.

In conjunction with the petitions, NAC has filed a series of motions, which, once approved by the Court, will enable the Company to operate its business in the ordinary course throughout the Chapter 11 process. These motions will also allow NAC to continue to honor obligations to its employees, customers, and suppliers on previously agreed upon schedules and terms.

Following its emergence from the Chapter 11 process, the reorganized NAC will be majority-owned by its largest creditors, who are committed to the Company’s long-term success and will invest substantial new equity capital in the business. Martin Moller, Founder of NAC, and the Company’s existing shareholders are supportive of this transition in ownership. A newly reconstituted Board of Directors will be appointed upon emergence.

“NAC is taking this proactive step in the U.S. because we believe it is the most efficient and effective way to implement a consensual and comprehensive financial restructuring,” said **Justin Bickle, Vice Chairman of NAC and Chairman of its Restructuring Committee**. “With the strong support we’ve received from our lenders to date, we are pleased to be entering the Chapter 11 process with a restructuring support agreement in place to implement the financial restructuring of the Group that will position NAC for future growth and success as industry conditions continue to improve.”

**Martin Moller, former Chairman and Founder of Nordic Aviation Capital**, commented “As my 30-year chapter with NAC comes to a close, I am comforted to see the significant support demonstrated by the lenders and their confidence in NAC’s business model. I have the utmost confidence in the Company’s resilience and ability to continue to serve customers in a sustainable manner throughout this process and beyond.”

**Norman C.T. Liu, President & CEO of NAC** said, “This is a positive first step to position NAC for longer term success and provides financial resources to develop the business. Our aim is to maintain our leadership position in regional aircraft leasing and expand into adjacent single aisle areas. During the Chapter 11 process, the NAC team will work hard to serve our many airline customers. I would also like to thank our employees for their dedication and our many business partners for their support”.

## **Additional Information**

Additional information about the Company’s Chapter 11 cases, including access to Court filings and other documents related to the restructuring process, is available at <https://dm.epiq11.com/nac> or by calling NAC’s restructuring information line at +1-503-597-7711 (international) or 1-855-654-0899 (toll free in the U.S.).

Kirkland & Ellis LLP is serving as the Company’s restructuring counsel, Clifford Chance and William Fry LLP are serving as legal counsel, Ernst & Young is serving as restructuring advisor, and Rothschild & Co is acting as investment banker.

## **About Nordic Aviation Capital**

NAC is the industry’s leading regional aircraft lessor serving almost 70 airlines in approximately 45 countries. NAC’s fleet of 475 aircraft includes ATR 42, ATR 72, De Havilland Dash 8, Mitsubishi CRJ900/1000, Airbus A220 and Embraer E-Jet family aircraft.

**For additional information, please visit us at [www.nac.dk](http://www.nac.dk)**

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