

The following is a non-certified English translation of the Company's French language note d'opération. In case of any inconsistencies between statements contained in this translation and the corresponding portions of the text that have been translated herein from the French language note d'opération, the text of the French document will prevail.



Air France-KLM

Limited company (*société anonyme*) with a Board of Directors and with registered share capital of €428,634,035
Registered office: 2, rue Robert Esnault-Pelterie - 75007 Paris, France
Paris Commercial and Trade Register 552 043 002

SECURITIES NOTE

Made publicly available in connection with:

- the issuance, without shareholders' preferential subscription rights by way of public offering and with a priority subscription period granted to existing shareholders on an irreducible and, partially, a reducible basis (*à titre irréductible et réductible*), of 186,086,956 new shares to be subscribed for in cash at a unit price of €4.84 as part of a capital increase of an aggregate amount (including issue premium) of €900,660,867.04 likely, in the event of full exercise of the extension clause, to be increased to a maximum aggregate amount (including issue premium) of €1,035,759,995.16, corresponding to a maximum number of 213,999,999 new shares; and
- the admission to trading on the Euronext Paris ("**Euronext Paris**") and Euronext Amsterdam ("**Euronext Amsterdam**") regulated markets of said new shares.

Priority subscription period: from April 13, 2021 to April 15, 2021 (inclusive)

Subscription period of the public offering: from April 13, 2021 to April 15, 2021 (inclusive)



The prospectus is composed of a securities note, a summary and a universal registration document filed with the French Financial Markets Authority (the "**AMF**") on April 7, 2021 under number D. 21-0270.

The prospectus was approved by the AMF as competent authority under Regulation (EU) 2017/1129. The AMF approves this prospectus after having verified the information it contains is complete, coherent and understandable.

The prospectus was approved on April 12, 2021 and is valid until the date of admission to trading of the securities offered, i.e. until April 22, 2021 and must, during this period and in accordance with Article 23 of Regulation (EU) 2017/1129, be supplemented by a supplement to the prospectus in the event of significant new facts or material errors or inaccuracies. The prospectus has the following approval no: 21-102.

This approval should not be considered as a favorable opinion on the issuer and on the quality of the financial securities covered by the prospectus. Investors are invited to make their own assessment of the opportunity of investing in the financial securities concerned.

The prospectus (the "**Prospectus**") approved by the AMF includes:

- Air France-KLM' (the "**Company**") universal registration document filed with the AMF on April 7, 2021 under no. D. 21-0270 (the "**Universal Registration Document**");
- this securities note (the "**Securities Note**"); and
- the summary of the Prospectus (included in the Securities Note).

Copies of the Prospectus are available free of charge at the registered office of the Company, 2, rue Robert Esnault-Pelterie - 75007 Paris, France. The Prospectus may also be consulted on the Company's website (www.airfranceklm.com) and on the website of the AMF (www.amf-france.org).

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

Crédit Agricole CIB

**DEUTSCHE
BANK**

HSBC

NATIXIS

Joint Lead Managers and Joint Bookrunners

Banco Santander

Société Générale

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GENERAL INFORMATION

In this Securities Note and in the summary of the Prospectus, the terms “**Air France-KLM**” and “**Company**” refer to the Company Air France-KLM. The terms “**Group**” and “**Air France-KLM Group**” refer to the Company and its consolidated subsidiaries.

Forward-looking Statements

The Prospectus contains statements regarding the prospects and growth strategies of the Group. These statements are sometimes identified by the use of the future or conditional tense, or by the use of forward-looking terms such as “considers”, “envisages”, “believes”, “aims”, “expects”, “believes”, “intends”, “should”, “anticipates”, “estimates”, “thinks”, “wishes” and “might”, or, if applicable, the negative form of such terms and similar expressions or similar terminology. Such information is not historical in nature and should not be interpreted as a guarantee of future performance. Such information is based on data, assumptions, and estimates that the Company considers reasonable. Such information is subject to change or modification based on uncertainties in the economic, financial, competitive or regulatory environments. The Group’s forward-looking statements speak only as of the date they are made. Absent any applicable legal or regulatory requirements, the Company expressly disclaims any obligation to release any updates to any forward-looking statements contained in the Prospectus to reflect any change in its expectations or any change in events, conditions or circumstances on which any forward-looking statement contained in the Prospectus is based. The Group operates in a rapidly evolving environment, notably in the context of the current health crisis related to the Covid-19. It is therefore unable to anticipate all risks, uncertainties or other factors that may affect its business, their potential impact on its business or the extent to which the occurrence of a risk or combination of risks could have significantly different results from those set out in any forward-looking statements, it being noted that such forward-looking statements do not constitute a guarantee of actual results.

Information on the Market and Competition

The Prospectus contains information relating to the Group’s markets and to its competitive position. Some of the information contained in the Prospectus is publically available information that the Company believes to be reliable, but which has not been verified by an independent expert. The Company cannot guarantee that a third party using different methods to collect analyse or compute market data would arrive at the same results. Given the rapidly evolving and dynamic market in which the Group operates, this information may prove to be incorrect or out-dated. As a result, the Group’s activities may evolve differently than described in the Prospectus.

Risk Factors

Investors should carefully consider the risk factors in chapter 3.1 “Risk Factors” of the Universal Registration Document and in section 2 of the Securities Note. The occurrence of all or any of these risks could have an adverse effect on the Group’s business, reputation, results of operation, financial condition or prospects. Furthermore, additional risks that have not yet been identified or that are not considered material by the Group at the date of the Prospectus could produce adverse effects.

Rounding

Certain figures (including data expressed in thousands or millions of euros or dollars) and percentages presented in the Prospectus have been rounded. Where applicable, totals presented in the Prospectus may differ slightly from those obtained by adding up the exact values (not rounded) of these figures.

SUMMARY OF THE PROSPECTUS

Prospectus approved on April 12, 2021 by the AMF under no. 21-102

Section 1 – Introduction

Name et and ISIN (International Securities Identification Number) code of the securities

Label for shares / ISIN Code: Air France-KLM / FR0000031122

Identity and contact details of the issuer, including its Legal Entity Identifier (LEI)

Corporate name / Registered office: Air France-KLM / 2, rue Robert Esnault-Pelterie - 75007 Paris, France

Place and registration number / LEI: Paris Commercial and Trade Register 552 043 002 / 969500AQW31GYO8JZD66

Identity and contact details of the competent authority that approved the Prospectus: French Financial Markets Authority (*Autorité des Marchés Financiers*) (the “AMF”) - 17 Place de la Bourse, 75002 Paris, France. The Company’s 2020 Universal registration document was filed with the AMF on April 7, 2021 under no. D. 21-0270.

Date of approval of the Prospectus / Warning to the reader: April 12, 2021 / this summary should be read as an introduction to the Prospectus. Any decision to invest in the securities offered to the public and for which an application is made for admission to trading on a regulated market should be based on a full consideration of the Prospectus by the investor. The investor may lose all or part of the invested capital. If a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor may, depending on the legislation of each Member State of the European Union or party to the European Economic Area, be required to bear the costs of translating the Prospectus prior to the commencement of judicial proceedings. Those who prepared the summary, including, its translation, may only be subject to civil liability insofar as the content of the summary is misleading, inaccurate or contradicts other parts of the Prospectus or if, when read together with the other parts of the Prospectus, it does not contain the key information that would help investors who are considering investing in these securities.

Section 2 – Key information about the issuer

2.1 – Who is the issuer of the securities?

- Corporate name / Registered office / Legal form / Applicable law / Country of origin: Air France-KLM / 2, rue Robert Esnault-Pelterie - 75007 Paris, France / Limited company (*société anonyme*) with a Board of Directors / French Law / France

Primary business activities: The Air France-KLM Group is one of the world leaders in air transport. Coordinated around the intercontinental hubs at Paris-Charles de Gaulle and Amsterdam Schiphol, its network is the largest between Europe and the rest of the world. With 546 aircraft in operation, the Air France-KLM Group carried 34.1 million passengers during the fiscal year ended December 31, 2020. The Company holds 100% of the capital and voting rights of Air France, 93.84% of the economical rights, 99.7% of the dividend rights and 49% of the voting rights of KLM; both of which are consolidated by the Company. In 2020, the Group’s activities are divided between the Systems activity (83.0% of the revenues), the Transavia activity (5.5% of the revenues) and the Maintenance activity (11.3% of the revenues).

Share ownership: As of December 31, 2020, the Company’s share capital amounts to €428,634,035, divided into 428,634,035 fully subscribed and paid-up ordinary shares with a par value of 1 euro each. On the basis of the information brought to the Company’s knowledge, the breakdown of the share capital and voting rights is as follows as of the date of the Prospectus:

	% of the capital	% of theoretical voting rights ⁽¹⁾
Number of shares and voting rights	428,634,035	646,643,183
French State	14.3%	18.9%
Dutch State ⁽²⁾	14.0%	18.6%
Delta Air Lines, Inc	8.8%	11.6%
China Eastern Airlines ⁽³⁾	8.8%	11.6%
Employees (<i>FCPE</i>)	3.7%	4.9%
Treasury stock	0.3%	0.4%
Others	50.1% ⁽⁴⁾	34.0%

(1) The theoretical voting rights calculation takes into account all the voting rights, including the double voting rights.

(2) By notice received on March 8, 2021, supplemented by a notice received on March 9, 2021, the Dutch State declared that on March 4, 2021, it had exceeded the threshold of 15% of the voting rights of the Company and that it held 60,000,000 shares of the Company representing 120,000,000 voting rights, i.e., 14.00% of the share capital and 18.56% of the voting rights of the Company.

(3) Through Eastern Airlines Industry Investment (Luxembourg) Company Limited.

(4) On February 8, 2021, Bank of America Coporation declared that it had exceeded the threshold of 7.19% of the share capital, corresponding to the consolidation of shares physically held but also, and for the most part, to the equity accounting of securities held through financial instruments. Excluding these instruments, Bank of America Coporation physically holds less than 5% of the capital of Air France-KLM and is therefore not represented in the shareholding chart above.

No shareholder controls the Company.

In the event where (i) no shareholders (other than the French State and China Eastern Airlines, which would subscribe to the Capital Increase in accordance with their Subscription Commitments described in section 4.1 below) subscribes to the Capital Increase, and (ii) the New Shares not subscribed for by the French State and China Eastern Airlines pursuant to their Subscription Commitments, i.e. 39,582,016 New Shares, being subscribed for by the investors in the context of the Public Offering and the Private Placement (excluding the Extension Clause), the distribution of the share capital and voting rights of the Company will be as follows:

	% of the capital	% of theoretical voting rights ⁽¹⁾
Number of shares and voting rights	614,720,991	832,730,139
French State	29.90%	29.43%
Dutch State ⁽²⁾	9.76%	14.41%
Delta Air Lines, Inc	6.10%	9.01%

China Eastern Airlines ⁽³⁾	10.00%	11.89%
Employees (FCPE)	2.58%	3.81%
Treasury stock	0.20%	0.28%
Others	41.5% ⁽⁴⁾	31.2%

(1) The theoretical voting rights calculation takes into account all the voting rights, including the double voting rights.

(2) By notice received on March 8, 2021, supplemented by a notice received on March 9, 2021, the Dutch State declared that on March 4, 2021, it had exceeded the threshold of 15% of the voting rights of the Company and that it held 60,000,000 shares of the Company representing 120,000,000 voting rights, i.e., 14.00% of the share capital and 18.56% of the voting rights of the Company.

(3) Through Eastern Airlines Industry Investment (Luxembourg) Company Limited.

(4) On February 8, 2021, Bank of America Corporation declared that it had exceeded the threshold of 7.19% of the share capital, corresponding to the consolidation of shares physically held but also, and for the most part, to the equity accounting of securities held through financial instruments. Excluding these instruments, Bank of America Corporation physically holds less than 5% of the capital of Air France-KLM and is therefore not represented in the shareholding chart above.

Key executives : Anne-Marie Couderc, Chairman of the Company's Board of Directors / Benjamin Smith, Chief Executive Officer of the Company

Statutory Auditors : Deloitte et Associés (6 place de la Pyramide, 92908 Paris-La Défense Cedex, France), member of the *Compagnie régionale des commissaires aux comptes de Versailles et du Centre*, represented by Guillaume Crunelle and Pascal Colin and KPMG Audit (CS60006 – 92066 Paris-La Défense Cedex), member of the *Compagnie régionale des commissaires aux comptes de Versailles et du Centre*, represented by Valérie Besson and Eric Dupré.

2.2 – What is the key financial information about the issuer?

Selected Group financial information

Selected financial information of the Group for the years ended December 31, 2020, 2019, and 2018.

The selected financial information below is extracted from the Company's consolidated financial statements (audited) for the years ended December 31, 2020, 2019, and 2018.

Selected financial information from the consolidated income statement

(In millions of euros, except net income per share in euros)	As of December 31		
	2020	2019	2018 restated ⁽¹⁾
Revenues	11,088	27,188	26,224
<i>Evolution</i>	(-59.2%)	(+3.7%)	(+1.4%)
Current operating income	-4,548	1,141	1,405
Income from operating activities	-6,000	1,010	1,393
Net income : Owners of the parent company	-7,078	290	420
Net income per share – Owners of the parent company	-16.56	0.64	0.92

(1) Restated for the treatment of customer compensation under IFRS 15 and for the application of the component approach for limited-life parts.

Selected financial information from the consolidated balance sheet

(In millions of euros)	As of December 31		
	2020	2019	2018 restated
Non-current assets	20,316	22,196	21,838
Current assets	9,895	8,539	7,799
Total Assets	30,211	30,735	29,637
Shareholders' equity (owners of the parent company)	-5,427	2,284	1,786
Shareholders' equity	-5,418	2,299	1,798
<i>Non-current financial debt</i>	14,171	6,271	5,733
Non-current liabilities	23,851	15,787	15,497
<i>Trade payables</i>	1,435	2,379	2,454
Bank overdrafts	1	4	5
Total Liabilities	35,629	28,436	27,839
Total Liabilities and Shareholders' equity	30,211	30,735	29,637
Net financial debt	11,049	6,147	6,164

Selected financial information from the cash flow statements

(In millions of euros)	As of December 31		
	2020	2019	2018 restated ⁽¹⁾
Net cash flows from operating activities	-2,826	3,895	3,798
Net cash flows from investing activities	-1,583	-3,318	-2,704
Net cash flows from financing activities	7,147	-447	-2,188
Change in net cash position	2,711	131	-1,087

(1) Restated for the treatment of customer compensation under IFRS 15 and for the application of the component approach for limited-life parts.

2.3 – What are the issuer's specific risks?

An investment in the Company's securities involves numerous risks and uncertainties related to the Group's activities that could result in the partial or total loss of their investment for investors, including the following:

Geopolitical and macro-economic risks

Impact of the COVID-19 epidemic

The current COVID-19 outbreak has had a significant adverse impact on the Group's activity, financial position and results during financial year ended December, 31 2020, with an operating income down by €5,689 million compared to the previous financial year, and is expected to continue to negatively impact the Group in the near future, in particular in a context where several countries in which the Group conducts its activities, including France and the Netherlands, have again taken lockdown measures at the end of 2020 and at the beginning of 2021, in light of the continuing spread of the pandemic. In 2020, the Group's passenger traffic (measured in thousands of passengers) fell by 67.3% compared to the previous year. In this context, besides setting up by Air France of a State-guaranteed loan (PGE) for a total amount of €4 billion and the granting of a €3 billion loan from the French State (entirely drawn down as at December 31, 2020) that brought its net debt to €11.0 billion as of December 31, 2020, the Group announced on April 6, 2021 a major recapitalization plan in an amount of €4 billion for its first stage, including the capital increase described in this summary, aimed at enabling the Group to strengthen its financial position and address the current crisis (*see section 4.2 below*). If this plan could not be implemented, it would have a significant adverse impact on its financial position and outlook. In view of the uncertainties inherent in any health crisis, the Group cannot guarantee that this situation will stabilize in the short term; the Group's baseline scenario is a return to pre-crisis capacity in 2024. Should this scenario fail to occur or occur only partially, the recapitalization plan announced on April 6, 2021 (including future additional recapitalization measures to be announced in this context) may not be sufficient to provide the Group with the liquidity and capital needed beyond twelve months to deal with a further and prolonged deterioration of the situation.

Terrorist attacks, threats of attack or geopolitical instability

Since 2016, the security situation resulting from terrorist attacks perpetrated in France, elsewhere in Europe and in the Group's operational zones, together with worldwide politico-security events (Middle Eastern and African countries) have all represented a range of security risks negatively impacting the Group. The occurrence of geopolitical instability, terrorist attacks or threats of attacks, closure of an airspace or military action could have a negative effect on both the Group's passenger traffic, and thus its revenues, and on the level of operating expenses.

Competition in the short, medium and long-haul air passenger transportation market

The air transport industry is extremely competitive. Since the liberalization of the European market and the signing of the various Openskies treaties, increased competition between carriers has led to a reduction in fares. This competitive pressure could be exacerbated due to the current health crisis and its long-term consequences, which are impacting the demand for air transport. During the recovery period, a misalignment between airlines' overcapacity and weak customer demand could lead to more aggressive pricing policies by airlines.

Cyclical nature of the air transportation industry

Local, regional and international economic conditions can have a significant negative impact on the Group's activities and, hence, on its financial results. In addition, the negative impact on the global economy of the current COVID-19 health crisis, combined with the traffic restrictions imposed by several countries, has led to a significant reduction in business and leisure transport flows, which has also impacted many companies within the supply chain such as travel agents, ground handling companies and other suppliers and subcontractors involved in engineering and maintenance. Airports are also bearing significant additional costs due to the health measures which are imposed by governments and may lead to increased airport charges, affecting the profitability of the Group.

Trend in the oil price

The fuel bill is one of the largest cost items for airlines making oil price volatility a risk for the air transportation industry. For the year ended December 31, 2020, aircraft fuel costs amounted to €2,392 million, down 57% compared to the previous year, due in particular to the significant reduction in activity due to the impact of the health crisis. This has also led to the derivative positions contracted by the Group prior to the crisis exceeding the actual exposure, thus resulting in an over-hedging situation. At December 31, 2020, the impact of over-hedging amounts to €595 million, of which €589 million have already been paid and €6 million relate to the period from January 2021 to March 2021.

Risks relating to the air transportation activity

Risks related to airline safety

Accident risk is inherent to air transportation. The materialization of this risk could have a significant negative impact on the Group's reputation and legal or financial consequences. In the context of the Covid-19 pandemic, the risks related to airline safety may increase as a result notably of the decrease of employees activity, of integration and the respect of sanitary measures, of partial availability of the fleet and infrastructures.

Acceptability of the growth of air transportation

The Group is having to contend with ever-increasing public pressure at both local and global level, and which condemns the industry's impacts on the environment (especially in the context of the health crisis, which questions economic growth and globalization in the light of environmental concerns) and has to comply with numerous environmental legislations. This requires the industry to fully embrace sustainability as part of the necessary evolution of its business and value creation model in the post-Covid-19 era. In this respect, the actions implemented by the Group to limit and reduce its impact on the environment have a direct influence on its ability to manage and develop its activities in the different regions of the world and over the long term. The Group has also agreed to implement environmental measures in return for the financial support measures granted by the French and Dutch governments in 2020 (such as, for France, the commitment to review the scope of the Group's domestic connections in order to reduce the environmental footprint of its activities, taking into account in particular the existence of rail alternatives when they are less than 2:30 hours).

Risks related to the Group's processes

Cyber criminality

Like any company that makes extensive use of modern communication and information processing techniques, including revenue management systems and reservation systems (including Altea), the Group is exposed to the threats of cyber-criminality.

Financial market risks

Liquidity risks

In the context of the health crisis linked to the COVID-19 pandemic, which has strongly affected the Group's activities, the Group has taken various measures to strengthen its liquidity, including, with regard to Air France, the implementation of a state-guaranteed loan (PGE) for a total amount of €4 billion (fully drawn down as of December 31, 2020) and a loan from the French State of €3 billion (fully drawn down loan as of December 31, 2020). With regard to KLM, the measures mainly relate to, a revolving credit facility of €2.4 billion guaranteed by the Dutch State (drawn down to €665 millions as of December 31, 2020) and a direct loan from the Dutch State of €1 billion (drawn down to €277 million as of December 31, 2020). As a result, the Group's net debt amounted to €11.0 billion as of December 31, 2020. As the public health crisis continues, particularly regarding the so-called "third wave", the conditions for a recovery remain uncertain, both in terms of the Group's air operations, but more generally in terms of the timeline for an economic and demand recovery. Furthermore, within a context of significant market volatility and in view of the situation of the Air France-KLM Group, the external financing conditions for the Group could be significantly more difficult than those it has experienced in the past. In this context, the Group announced on April 6, 2021 a major recapitalization plan in an amount of €4 billion for its first stage, including the capital increase described in this summary, aimed at enabling the Group to strengthen its financial position and address the current crisis. The completion of these transactions (including in the context of the other steps of the recapitalization plan) is essential for the continuity of the Group's activities; in case of non-achievement to do so, this could have a material adverse effect on the Group's financial position and the Group's activities continuity beyond twelve months. In addition, in the event of a further deterioration in the health and/or economic situation, these issues may not prove sufficient and the Group may therefore

be required to issue new equity and/or debt securities in order to further strengthen its financial structure.

Financing risks

The Group's strategy for financing its investments and aircraft could be affected, particularly in view of the application of prudential standards under which banks may reduce their balance sheets in the coming years and consequently make a more limited volume of lending available to borrowers. In addition, the impact of the Covid-19 pandemic has resulted in a more pressured fleet financing environment, where financing providers demand additional securities and charge higher interest rates, in a context where the renewal of the Group's fleet for the coming years is important, in particular due to its commitments to reduce CO2 emissions. The Group is also exposed to increased financing risk due to the impact of the Covid-19 pandemic on its financial situation, described in the paragraph "*Liquidity risks*" above.

Section 3 – Key information on the securities

3.1 – What are the main characteristics of the securities?

Nature and categories of the securities issued

The 186,086,956 new shares to be issued, which may be increased to 213,999,999 new shares in the event of full exercise of the Extension Clause (as defined below), (the "**New Shares**") as part of the capital increase without shareholders' preferential subscription rights by way of public offering and with a priority subscription period granted on an irreducible and, partially, a reducible basis (*à titre irréductible et réductible*) to shareholders (the "**Capital Increase**"), and for which admission to trading on the regulated markets of Euronext Paris ("**Euronext Paris**") and Euronext Amsterdam ("**Euronext Amsterdam**") is sought, will be ordinary shares of the same class as the Company's existing shares. The New Shares will be admitted to trading on Euronext Paris and Euronext Amsterdam, as from their issue, on the same listing as the existing shares under the same ISIN code FR0000031122.

Framework for the issue and for the public offering of the New Shares

The Capital Increase is part of the Group's recapitalization plan announced by the Group on April 6, 2021 (see section 4.2 below).

Currency, name and number of securities issued

Currency: Euro

Label for shares: Air France-KLM

Ticker: AF

Par value of shares: 1 euro (€)

Number of New Shares: 186,086,956, likely to be increased to 213,999,999 in the event of full exercise of the Extension Clause.

As of December 31, 2020, the Company's share capital amounted to €428,634,035, divided into 428,634,035 fully subscribed and paid-up ordinary shares, each with a par value of 1 euro.

Rights attaching to shares: The New Shares will bear current dividend rights and will entitle their holders, as from their issue, to all shareholders' rights provided for by the laws in force and by the Company's Articles of Association, in particular: (i) dividend rights and right to participate to the Company's profits, (ii) voting rights (it being specified that double voting rights are conferred to shares for which proof is provided of registration in the name of the same shareholder for at least two years) (iii) preferential right of subscription for shares of the same category and (iv) right to receive a share of any surplus in the event of liquidation of the Company.

Relative seniority of the securities in the issuer's capital structure in the event of insolvency: Not applicable.

Restriction on the free transferability of shares: The Articles of Association do not contain any clauses limiting the free transferability of the shares representing the Company's share capital, subject to certain statutory and regulatory provisions relating to changes in the breakdown in the share capital, including in particular the monitoring of share ownership, the registration and transfer of shares and the formal notice to sell.

Dividend policy: During the last three fiscal years, the Company has not distributed any dividend. The terms of the loan guaranteed by the French State (*Prêt Garanti par l'Etat*) and the loan granted by the French State granted in May 2020 include a prohibition on the distribution of dividends by the Company. In addition, the commitments made by the French State towards the companies Air France – KLM and Air France in connection with the prior approval of the Group's recapitalization measures include a prohibition on the payment of dividends until the reimbursement of the granted aid.

3.2 – Where will be the securities traded?

The New Shares will be the subject of an application for admission to trading on Euronext Paris (Compartment A) and Euronext Amsterdam. Their listing on Euronext Paris and Euronext Amsterdam is scheduled for April 22, 2021, on the same listing as the Company's existing shares. (ISIN code FR0000031122 and ticker: AF).

No other application for admission to trading on a regulated market will be made by the Company.

3.3 – Are the securities subject to a guarantee?

The issuance of the New Shares will be subject to a placement and underwriting agreement under the conditions described in section 4.2 of the summary of the Prospectus below. This guarantee does not constitute a performance guarantee (*garantie de bonne fin*) within the meaning of Article L. 225-145 of the French Commercial Code.

3.4 – What are the main risks specific to the securities?

The main risk factors related to New Shares are listed below:

- Shareholders that do not subscribe for New Shares during the priority subscription period will see their share in the Company's share capital diluted and the potential exercise of the Extension Clause would result in additional dilution for shareholders, whether or not they exercise their reducible subscription rights (which will be awarded in proportion to their requests and up to a limit of 5 times such requests on an irreducible basis (*à titre irréductible*)) within the priority subscription period (for illustrative purposes, a shareholder holding 1% of the share capital of the Company as at the date of the Prospectus and not participating in the Capital Increase would hold 0.67% of the share capital of the Company after completion of the Capital Increase and a shareholder holding 1% of the share capital of the Company as of the date of this Prospectus and not exercising its reducible subscription right (although having participated in the Capital Increase by exercising its irreducible subscription right) would hold 0.96% of the share capital of the Company following the Capital Increase). It is further noted that existing shareholders will not be granted transferable and negotiable preferential subscription rights in respect of the Capital Increase and the priority subscription period granted to shareholders is neither negotiable nor transferable;
- The market price of the Company's shares may fluctuate and fall below the New Shares' subscription price;
- Volatility and liquidity of the Company's shares may fluctuate significantly, in particular in the context of the Covid-19 pandemic; and

- Disposals of the Company's shares on the market or potentially dilutive capital transactions could occur, during or after the subscription period, and could have an unfavourable impact on the market price of the Company's shares; in particular, the Capital Increase and the issuance of the TSS (see paragraph 4.2 below) should be followed by other recapitalization measures (which may include the issuance of appropriate amounts of new equity and proportionate quasi-equity instruments). The objective will be to further strengthen the Group's equity and reduce its net debt/EBITDA ratio to approximately 2.0x by 2023, and which could take place between now and the shareholders' general meeting to be convened in 2022 to approve the financial statements for the year ending December 31, 2021, subject to context and market conditions.

Section 4 – Key information on the public offering and/or admission to trading on a regulated market

4.1 – Under what conditions and according to what schedule can I invest in this security?

Structure of the Issue of the New Shares: the issue of the New Shares shall be carried out by way of a capital increase without shareholders' preferential subscription right by way of a public offering and a priority subscription period on an irreducible and, partially, a reducible basis (*à titre irréductible et réductible*) granted to existing shareholders under the 19th resolution adopted by the Combined Ordinary and Extraordinary General Meeting of Air France-KLM shareholders held on May 26, 2020.

New Shares not subscribed for by the shareholders during the priority subscription period described below will be offered as part of a global offering (the "Offering"), comprising:

- a public offering in France (the "Public Offering"), principally intended for individual persons; and
- a private placement to institutional investors pursuant to a bookbuilding process as developed by professional practices, and including a placement in and outside France, excluding certain countries including the United States, Japan, South Africa and Australia (the "Private Placement").

Subscription price of the New Shares: €4.84 per New Share (i.e. 1 euro nominal value and 3.84 euro issue premium) (the "Subscription Price") to be fully paid up at the time of subscription, by payment in cash. The Subscription Price corresponds to the price of the New Shares offered under the priority subscription period and the Public Offering and is equal to the price of the New Shares determined under the Private Placement. The Subscription Price reflects (i) a discount of 9.98% to the company's volume weighted average share price over the last three trading days prior to and including April 12, 2021 and (ii) a discount of 8.85% to the closing price on April 12, 2021.

Preferential subscription rights: The shareholders decided to waive their preferential subscription rights.

Priority subscription period

Shareholders who have registered as shareholders by April 12, 2021 are entitled to a priority subscription period of three consecutive trading days, from April 13, 2021 until 17:00 (Paris time) on April 15, 2021 (inclusive). This priority subscription period is not transferable or negotiable.

During the priority subscription period, the Company's shareholders may subscribe for New Shares (i) by way of orders on an irreducible basis (*à titre irréductible*), up to an amount equal to their share in the Company's share capital and (ii) by way of orders on a reducible basis (*à titre réductible*) for a number of shares in excess of the number of shares to which they may subscribe on an irreducible basis (*à titre irréductible*), allocated proportionally to their applications on an irreducible basis (*à titre irréductible*) (within the limit of a ratio of 5 times their demand on an irreducible basis (*à titre irréductible*)) and, in any event, up to the limit of their applications.

Extension Clause: depending on demand under the Offering and during the priority subscription period (in particular if demand were to exceed the initial amount of the Capital Increase), the Company may, by decision of the Chief Executive Officer (*Directeur Général*) of the Company acting upon delegation of the Board of Directors, after consultation with the Global Coordinators (acting on behalf of the banking syndicate), issue, at a price equal to the Subscription Price, a maximum number of shares corresponding to 15% of the number of New Shares initially issued, i.e. a maximum number of 27,913,043 New Shares (the "Extension Clause") in order to meet in priority the orders on a reducible basis (*à titre réductible*) (which will be awarded in proportion to their requests and up to a limit of 5 times such requests on an irreducible basis (*à titre irréductible*)) that have not been served, the resulting balance being allocated to the Public Offering and the Private Placement. Shareholders having subscribed only on an irreducible basis will not be entitled to any allocation under the Extension Clause.

In the event of full exercise of the Extension Clause, the Capital Increase would be increased to a maximum aggregate amount (including issue premium) of €1,035,759,995.16, corresponding to a maximum number of 213,999,999 New Shares.

The decision to exercise the Extension Clause shall be taken by the Company, after consultation with the Global Coordinators (acting on behalf of the banking syndicate) at the latest at the time of the acknowledgement of the results of the Capital Increase scheduled no later than April 19, 2021 (according to the indicative timetable) and shall be mentioned in the press release published by the Company and posted on the Company's website and in the notice published by Euronext announcing the results of the Capital Increase.

Amount of the issuance: the total amount of the issuance, including the issue premium, amounts to €900,660,867.04 (of which €186,086,956.00 euros in par value and €714,573,911.04 in issue premium), which may be increased to €1,035,759,995.16 (of which €213,999,999.00 in par value and €821,759,996.16 in issue premium) in the event of full exercise of the Extension Clause.

Public Offering: The Offering will be open in France to the public, from April 13, 2021 until 17:00 (Paris time) on April 15, 2021 (inclusive). Individuals wishing to participate in the Public Offering must place their orders with an authorised financial intermediary in France no later than 17:00 (Paris time) on April 15, 2021.

Cancellation of subscription orders: Subscription orders received during the priority subscription period and the Public Offering cannot be cancelled.

Dividend rights of the New Shares: the New Shares will carry current dividend rights and will entitle their holders to receive all distributions decided by the Company as from their issuance.

Notifications to the subscribers of the New Shares: Shareholders who have placed subscription orders on an irreducible basis (*à titre irréductible*) within the priority subscription period are assured, subject to the effective completion of the Capital Increase, to receive the number of New Shares they will have subscribed for within the applicable time limits. Those having placed subscription orders on a reducible basis (*à titre réductible*) (which will be awarded in proportion to their requests and up to a limit of 5 times such requests on an irreducible basis (*à titre irréductible*)) will be informed of their allocation by their financial intermediary, it being specified that subscription orders on a reducible basis (*à titre réductible*) placed during the priority subscription period will be served in priority to subscription orders placed (i) in the context of the Public Offering, which will then be served in priority (ii) to subscription orders placed in the context of the Private Placement.

Subscription intentions of the Company's main shareholders or members of its administration, management or supervisory bodies or anyone intending to subscribe for more than 5% of the New Shares:

The French State, a member of the Board of Directors of the Company and shareholder holding 61,241,325 shares of the Company (i.e. 14.3% of the share capital) at the date of the Prospectus, undertook on April 12, 2021 to subscribe to 65.86% of the Capital Increase (excluding the exercise of the Extension Clause), i.e. 26,587,276 New Shares on an irreducible basis (*à titre irréductible*) and (ii) 95,972,975 New Shares on a reducible basis (*à titre*

réductible), so as to hold, after the completion of the Capital Increase, less than 29.9% of the Company's share capital (the “**French State's Subscription Commitment**”). The French State's Subscription Commitment will be terminated by the French State in the event that the placement and guarantee agreement with the Managers is terminated in accordance with its terms.

China Eastern Airlines, a shareholder holding 37,527,410 shares in the Company (i.e. 8.8% of the share capital) at the date of the Prospectus, agreed on April 2, 2021 to subscribe for a maximum number of New Shares corresponding to 12.87% of the Capital Increase (excluding the exercise of the Extension Clause) (i) on an irreducible basis, by subscribing for New Shares *pro rata* to its share in the Company's share capital for an amount of approximately €78.85 million and (ii) on a reducible basis, by subscribing for New Shares in an amount representing 4.11% of the Capital Increase (excluding the exercise of the Extension Clause) so as to hold, after completion of the Capital Increase, less than 10% of the Company's share capital (the “**CEA's Subscription Commitment**”, and together with the French State's Subscription Commitment, the “**Subscription Commitments**”). The CEA's Subscription Commitment will be terminated in the event that the placement and guarantee agreement with the Managers is terminated in accordance with its terms. In the context of the participation of China Eastern Airlines to the Capital Increase, both airline groups have decided to extend the scope of their partnership through the following measures: (i) an intensified commercial cooperation and an extended collaboration to non-commercial related activities (i.e. ground services, catering or maintenance) and (ii) an increased footprint on the Beijing market, with the Paris-Beijing and Amsterdam-Beijing routes joining the current Joint Venture existing between Air France-KLM and China Eastern Airlines when the conditions are satisfied.

The Dutch State, a shareholder holding 60,000,000 shares of the Company (i.e. 14.0% of the share capital) at the date of the Prospectus, has informed the Company of its intention not to participate in the Capital Increase.

Delta Air Lines, Inc., a member of the Board of Directors of the Company and a shareholder holding 37,527,410 shares of the Company (i.e. 8.8% of the share capital) at the date of the Prospectus, has informed the Company of its intention not to participate in the Capital Increase.

The Subscription Commitments cover a total of approximately 78.73% of the amount of the Capital Increase (excluding the exercise of the Extension Clause).

Countries in which the Public Offering will be open to the public: the Public Offering will be open in France only.

Offering restrictions: The distribution of the Prospectus and the sale and subscription for the New Shares may be subject to specific regulation in certain countries, including the United States of America, Canada, Australia or Japan.

Terms of payment of monies and financial intermediaries:

During the priority subscription period, subscriptions for the New Shares and payment of monies by shareholders may be submitted as follows:

Holders of administered registered shares or bearer shares: for shareholders whose existing shares are held in the form of administered registered shares or bearer shares, subscriptions to the New Shares and payment of monies may be submitted to the financial intermediaries who manage these accounts from April 13, 2021 until April 15, 2021 inclusive according to the indicative timetable.

Holders of direct registered shares: for shareholders whose shares are held in the form of direct registered shares, subscriptions and payment of monies may be submitted to Société Générale Securities Services until April 15, 2021 inclusive according to the indicative timetable.

Payment of the subscription price: each subscription must be accompanied by the payment of the subscription price in cash. Subscriptions which will not have been fully paid will automatically be cancelled without prior notice.

Centralizing agent which will prepare the deposit certificate confirming completion of the Capital Increase: Société Générale Securities Services.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners:

Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Continental Europe and Natixis

Settlement and delivery of the New Shares: According to the indicative timetable, the New Shares are expected to be registered in securities accounts and negotiable as from April 22, 2021. A request will be submitted for admission of the New Shares to the operations of Euroclear France, which will ensure the settlement-delivery between custodians. A request will also be submitted for admission of the New Shares to the operations of Euroclear Bank S.A./N.V., and Clearstream Banking, S.A. (Luxembourg).

Indicative timetable

April 12, 2021	Opening of the bookbuilding for the Private Placement / Closing of the bookbuilding for the Private Placement / Determination of the Subscription Price by decision of the Chief Executive Officer / Approval of the of the Prospectus by the AMF
April 13, 2021	Publication of a press release (before opening of the markets) announcing the Closing of the Private Placement, the Subscription Price, the availability of the Prospectus, and the opening of the priority subscription period and Public Offering / Notice published by Euronext announcing the opening of the priority subscription period and the Public Offering / Opening of the priority subscription period and Public Offering
April 15, 2021	Closing of the priority subscription period and of the Public Offering at 17:00 (Paris time)
April 19, 2021	Potential exercise of the Extension Clause / Publication of a press release by the Company announcing the results of the Capital Increase / Notice published by Euronext announcing the priority subscription period and the Public Offering results and admission of the New Shares to trading
April 22, 2021	Issuance and admission to trading on Euronext Paris and Euronext Amsterdam of the New Shares / Settlement and delivery of the New Shares

The public will be informed of any changes to the above indicative timetable by means of a press release disseminated by the Company and posted on its website and a notice disseminated by Euronext Paris and Euronext Amsterdam.

Dilution resulting from the Capital Increase:

Theoretical impact of the issue of New Shares on the share of shareholders' equity: the impact of the issue of New Shares on (i) the share of consolidated shareholders' equity per share and (ii) the ownership interest in the capital of a shareholder holding 1% of the Company's share capital prior to the issue of New Shares (calculations based on the consolidated shareholders' equity as shown in the consolidated financial statements as of December 31, 2020 and on the number of shares representing the Company's share capital as of December 31, 2020) is as follows:

Share of consolidated shareholders'	Share of share capital (as %)

	equity per share (in euros)		Non-diluted basis	Diluted basis ⁽¹⁾
	Non-diluted basis	Diluted basis ⁽¹⁾		
Prior to the issue of the New Shares	-12.64	-10.77	1,00 %	0.94
Following the issue of 186,086,956 New Shares (i.e. a subscription of the Capital Increase at 100%)	-7.35	-6.25	0.70	0.67
Following the issue of 213,999,999 New Shares (i.e. a subscription of the Capital Increase at 100% and in the event of full exercise of the Extension Clause)	-6.82	-5.79	0.67	0.64

(1) In the event of the conversion into new shares of the outstanding bonds convertible into and/or exchangeable for new and/or existing shares issued by the Company in 2019

Estimated total expenses related to the Capital Increase: the expenses related to the Capital Increase are approximately € million (financial intermediaries, legal and administrative costs) (excluding the exercise of the Extension Clause).

Expenses charged to the investor by the Company: not applicable.

4.2 – Why is this prospectus being prepared?

This Prospectus is prepared in connection with the Public Offering and the issuance and admission to trading on Euronext Paris and Euronext Amsterdam of the New Shares.

Use and estimated net amount of the proceeds from the issuance of the New Shares: the net proceeds from the issuance of the New Shares will be allocated to strengthen the shareholders' equity of Air France. Air France will use the allocated amount to strengthen its liquidity and to finance its general corporate needs in the context of the Covid-19 crisis. The net amount of the proceeds from the issuance of the New Shares is estimated at €892.7 million (which may be increased to €1,025.8 million in the event of full exercise of the Extension Clause).

In the context of the recapitalization plan, the Company will also proceed with the issue of undated deeply subordinated notes (recorded as equity in the Company's consolidated financial statements) for a total amount of €3 billion, subscribed in full by the French State by way of set-off on claims it holds on the Company pursuant to the shareholders' loan granted in May 2020, fully drawn for the amount of €3 billion (the "TSS").

This issue will be composed of three tranches with a perpetual maturity and a nominal amount of €1 billion each, with respective redemption options (Non Call) at 4, 5 and 6 years, and bearing interest at 7.00%, 7.25% and 7.50% respectively until these dates. Interest on the TSS will be capitalized.

These initial interest rates of each tranche of the TSS will be revised on the first early redemption date at the option of the Company of the relevant tranche and every 5 years thereafter, on the basis of the 5-year Euribor mid-swap rate increased by the initial margin retained for the initial fixed interest rate and the applicable Step-Up margin.

The interest rate would also be adjusted by applying the Step-Up margins from the first early redemption date: (i) for the 4-year TSS: 1.50% as of the fifth year then 3.00% as of the eighth year onwards, (ii) for the 5-year TSS: 0.75% from sixth year then 2.75% from the eighth year onwards and (iii) 6-year TSS: 0.50% from the seventh year then 2.50% from the eighth year onward.

In addition, in certain limited cases, the Company may be able, at its sole discretion, to redeem in full the TSS remaining outstanding, failing which the applicable interest rate shall be increased by an additional margin of 5.50% *per annum* from the date of occurrence of any such events. Such interest rate adjustments shall be cumulative, provided, however, that the cumulative adjustments shall not exceed 11.00% *per annum*. It is specified that in the event that the interest rate resulting from the above principles is lower than the minimum rate provided for by the decision of the European Commission of April 5, 2021 authorizing the subscription of the TSS by the French State, the applicable rate will be equal to the latter rate.

The Company would be granted with the option to defer the payment of interest, in whole or in part, at the Company's option, the payment of interest being nevertheless mandatory in the event of payment of dividends or repurchase of equity securities, subject to certain conditions.

As announced by the Company on April 6, 2021, the Capital Increase and the issuance of the TSS are expected to be followed by other recapitalization measures (which may include the issuance of appropriate amounts of new equity and proportionate quasi-equity instruments), the objective of which will be to further strengthen the Group's equity and reduce its net debt/EBITDA ratio to approximately 2.0x by 2023, and which could take place between now and the shareholders' general meeting to be convened in 2022 to approve the financial statements for the year ending December 31, 2021, subject to context and market conditions.

The issuance of the TSS and the participation of the French State in the Capital Increase were therefore notified by the French authorities to the European Commission, which approved them under the State Aid rules. This decision provides for certain commitments made by the French State towards Air France-KLM and Air France, relating in particular to the allocation by Air France of take-off and landing slots to competitors at Orly airport, as well as other general commitments in the context of the European Commission's State aid Temporary Framework (notably limitation of acquisitions and prohibition of share buybacks and dividend distributions or restrictions on management compensation, as long as the support measures have not been redeemed) (the "Temporary Framework") to ensure compliance with competition rules.

In this context, the French State will have to submit an exit strategy to the European Commission within a delay of 12 months. The exit of the French State could, among other things, take the form, with respect to the TSS, of their redemption by sale on the market, and/or their direct redemption or by way of set-off (*compensation de créance*) against equity securities, and/or securities giving access to the capital), as mentioned in the press release of April 6, 2021. With respect to the shares subscribed in the context of the Capital Increase, they will be sold by the French State at market conditions. In accordance with the provisions of the Temporary Framework, if these Covid-19 recapitalization measures notified by the French State for the benefit of Air France and the Company (in respect of hybrid instruments and capital issuance) are not significantly reduced at the end of a six-year period, alternative measures with respect to Air France will have to be notified by the French State to the European Commission.

As a reminder, the consequences of the Covid-19 pandemic on the Group's activities and results had a significant negative impact on its cash flows: the Group thus generated an adjusted free cash flow from operating activities of -€5.7 billion in 2020, representing a decrease of €5.3 billion compared to 2019.

Underwriting and placement: the issuance of the New Shares is subject to a placement and underwriting agreement entered into on April 12, 2021 between the Company, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Bank Continental Europe and Natixis as Global Coordinators, Joint Lead Managers and Joint Bookrunners (together, the "Underwriters"), and Banco Santander and Société Générale as Joint Lead Managers and Joint Bookrunners (and together with the Underwriters, the "Managers"). Pursuant to this placement and underwriting agreement, the Underwriters have, severally but not jointly, undertaken to subscribe for New Shares not subscribed for at the end of the subscription period, in such a way that the Capital Increase (excluding the Extension Clause), after taking into account the Subscription Commitments, is fully subscribed.

This placement and underwriting agreement does not constitute a performance guarantee (*garantie de bonne fin*) within the meaning of Article L. 225-145 of the French Commercial Code.

This agreement may be terminated by the Underwriters on behalf of the Managers at any time up to (and including) the settlement and delivery date, under certain conditions and certain circumstances, in particular upon the occurrence of inaccuracy or breach of the representations and warranties of the

Company, in the event of failure to meet the usual conditions precedent, of a significant adverse change in the situation of the Company and its subsidiaries or the occurrence of significant national or international events. In the event of termination of the placement and underwriting agreement in accordance with its provisions, the Capital Increase will then be cancelled.

Company's lock-up commitment: from the signature of the placement and underwriting agreement until the expiration of a period of 90 calendar days following the date of settlement and delivery of the New Shares, subject to certain exceptions.

Lock-up commitment by the French State: from the AMF approval of the Prospectus until the expiration of a period of 90 calendar days, following the date of settlement and delivery of the New Shares, subject to certain customary exceptions.

Lock-up commitment by China Eastern Airlines: from the AMF approval of the Prospectus until the expiration of a period of 90 calendar days, following the date of settlement and delivery of the New Shares, subject to certain customary exceptions.

Lock-up commitment by the Dutch State: from the AMF approval of the Prospectus until the expiration of a period of 90 calendar days, following the date of settlement and delivery of the New Shares, subject to certain customary exceptions.

Lock-up commitment by Delta Airlines: from the AMF approval of the Prospectus until the expiration of a period of 90 calendar days, following the date of settlement and delivery of the New Shares, subject to certain customary exceptions.

Principal conflicts of interest related to the issuance of the New Shares: the Managers and/or certain of their affiliates have rendered and/or may render in the future, various banking, financial, investment, commercial or other services to the Company or Group companies, their shareholders or their corporate officers, in connection with which they have received or may receive compensation. In this respect, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Bank plc, Natixis, Banco Santander and Société Générale are lenders in the context of the State-guaranteed loan (*Prêt Garanti par l'Etat*) for a total amount of €4 billion subscribed by the Company in April 2020. Crédit Agricole Corporate and Investment Bank also acts as financial advisor to the French State.

1. PERSON RESPONSIBLE OF THE PROSPECTUS

1.1 Person responsible for the prospectus

Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM.

1.2 Attestation by the person responsible for the prospectus

« I hereby certify that the information contained in this Prospectus is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import. »

April 12, 2021

Mr. Benjamin Smith, Chief Executive Officer of Air France-KLM

1.3 Expert report

Not applicable.

1.4 Third party information

Not applicable.

1.5 Approval of the competent authority

The prospectus was approved by the AMF as competent authority under Regulation (EU) 2017/1129.

The AMF approves this prospectus after having verified the information it contains is complete, coherent and understandable, in accordance with Regulation (EU) 2017/1129.

This approval should not be considered as a favorable opinion on the issuer or on the quality of the financial securities covered by the Prospectus.

Investors are invited to make their own assessment as to the opportunity of investing in the financial securities concerned.

2. RISK FACTORS RELATED TO THE OFFERING

In addition to the risk factors relating to the Group and its business described in chapter 3.1 “Risk factors” of the Universal Registration Document, investors are invited to consider the following risk factors, as well as other information contained in the Prospectus, before making an investment decision. There are risks involved with investing in the Company’s shares. Material risks that the Company has identified as at the date of the AMF approval of the Prospectus are those described in the Universal Registration Document and those described below. The risk factors described below are specific to the New Shares. Other risks that the Group is not aware of as at the date of the Prospectus or that it determines to be immaterial as at this same date may also exist and may also adversely affect it.

In accordance with the provisions of Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, the risk factors considered to be the most important (marked with an asterisk) as of the date of this Prospectus are presented first within each of the risk categories mentioned below.

Shareholders that do not subscribe for shares during the priority subscription period will see their share in the Company’s share capital diluted and the potential exercise of the Extension Clause will result in additional dilution for shareholders whether or not they exercise their subscription rights on a reducible basis (which will be awarded in proportion to their requests and up to a limit of 5 times such requests on an irreducible basis (*à titre irréductible*)) during the priority subscription period*

Shareholders who have placed a subscription order within the priority subscription period, which relates to the initial amount of the Capital Increase, may subscribe (i) on an irreducible basis (*à titre irréductible*) up to the amount of their share in the Company's share capital and (ii) on a reducible basis (*à titre réductible*) to a number of shares greater than the number of shares to which they may subscribe on an irreducible basis (*à titre irréductible*), allocated proportionally to their requests on an irreducible basis (*à titre irréductible*), within the limit of a ratio of 5 times their demand on an irreducible basis (*à titre irréductible*), and, in any event, within the limit of their requests, it being specified that subscription orders on a reducible basis (*à titre réductible*) placed during the priority subscription period will be served in priority to subscription orders placed (i) in the context of the Public Offering and which will then be served in priority (ii) to subscription orders placed in the context of the Private Placement. If shareholders do not subscribe for shares during the priority subscription period granted to them, their shareholding percentage in the Company's share capital and voting rights will be reduced. Moreover, shareholders will not be granted transferable and negotiable preferential subscription rights in connection with the Capital Increase and the priority subscription period granted to shareholders is neither negotiable nor transferable.

For information purposes, a shareholder holding 1% of the Company's share capital as at the date of this Prospectus and not participating in the Capital Increase would hold 0.67% of the share capital following the completion of the Capital Increase (the reader is invited to refer to section 9.2 “*Impact of the issue on the position of shareholders*” of the Securities Note).

Furthermore, in the event of oversubscription of the Capital Increase, the Company, after consultation with the Joint Global Coordinators (acting on behalf of the banking syndicate), may decide to increase, within the limit of 15%, the number of New Shares initially issued, in order to satisfy, as a matter of priority, orders on a reducible basis (*à titre réductible*) that could not be served, the resulting balance being allocated to the Public Offering and the Private Placement. Thus, any shareholder, whether or not exercising its subscription rights on a reducible basis (*à titre réductible*) during the priority subscription period may be partially diluted in this operation.

For information purposes, a shareholder holding 1% of the share capital of the Company as at the date of this Prospectus and not exercising its right to subscribe on a reducible basis (*à titre réductible*) (although having participated in the Capital Increase by exercising its right to subscribe on an

irreducible basis (*à titre irréductible*)) would hold 0.96% of the share capital of the Company after completion of the Capital Increase.

The market price of the Company's shares may fluctuate and fall below the New Shares' subscription price*

The market price of the Company's shares during the subscription period may not reflect the market price of the Company's shares as at the date on which the New Shares are issued.

The Company's shares may trade at less than the market price prevailing at the time the operation is launched.

There is no guarantee that the market price of the Company's shares will not drop below the New Shares' subscription price.

Furthermore, there is no guarantee that investors will be able to sell their Company shares for the same price or a higher price than the New Shares' subscription price, after the said New Shares are subscribed for.

Volatility and liquidity of the Company's shares may fluctuate significantly, in particular in the context of the Covid-19 pandemic*

Stock markets have experienced substantial fluctuations over recent years, which have often not correlated at all with a publicly-traded company's results. Market fluctuations and the economic environment may increase the volatility of the Company's shares.

The market price of the Company's shares as well as the liquidity of the market for the Company's shares may fluctuate substantially in reaction to various factors and events, including the risk factors described in the Universal Registration Document, which are included in the Prospectus. In particular, the Covid-19 pandemic and its impact on the Group's financial situation and activities have increased the volatility of the Company's share price since the beginning of 2020 (over the course of 2020, the Air France - KLM share price fell by more than 50%, with daily price variations of more than 10% on certain days) and, in view of the uncertainties as to the duration and extent of the pandemic, this volatility could persist in the future.

The Company's shares may be sold on the market, or potentially dilutive capital transactions could occur during or after the subscription period which may have an adverse impact on their market price

A market sell-off of the Company's shares, or the completion by the Company of potentially dilutive capital transactions, or an anticipation that such sale or transactions may take place during and/or after the subscription period, may have an adverse impact on the market price of the Company's shares. In particular, the Capital Increase and the issuance of the TSS should be followed by other recapitalization measures (which may include the issuance of appropriate amounts of new equity and proportionate quasi-equity instruments), whose objective will be to further strengthen the Group's equity and to reduce its net debt/EBITDA ratio to approximately 2.0x by 2023, and that could occur until the shareholders' meeting convened in 2022 to approve the financial statements for the year ending December 31, 2021, subject to context and market conditions. The Company cannot anticipate potential impacts on the Company's share price of such sales or transactions.

The placement and underwriting agreement may be terminated, in which case the Capital Increase shall be cancelled

The placement and underwriting agreement of the issue may be terminated by the Underwriters on behalf of the Managers (as these terms are defined in section 5.4.1.) at any time up to (and including)

the settlement and delivery date, under certain conditions and under certain circumstances, including upon the occurrence of a material adverse event.

In the event of termination of the placement and underwriting agreement in accordance with its provisions, the Capital Increase shall then be cancelled and all subscription orders would lapse.

Transactions involving the Company's shares may, subject to certain exceptions, be subject to the French financial transaction tax, with the exclusion of the subscription of New Shares

The Company's shares fall under the scope of the French tax on financial transactions as defined in Article 235 ter ZD of the French General Tax Code (the "CGI") (the "French FTT"), which applies, under certain conditions and subject to certain exceptions, to the acquisition of equity securities listed on a regulated market when such securities are issued by a French company with a stock market capitalisation exceeding €1 billion as at 1 December of the year preceding the taxation year. A list of companies that fall under the scope of the French FTT is published annually. The Company is listed as a company that falls under the scope of the French FTT for the year 2021. As a result, the French FTT will be due at a rate of 0.3% of the acquisition price of the Company's equity securities by their purchasers on the secondary market (subject to certain exceptions). However, the French FTT will not be applicable to the subscription of the New Shares in the context of the Capital Increase.

The French FTT could increase the transaction fees related to purchases and sales of the Company's shares and could reduce market liquidity for the Company's shares. Shareholders in the Company and investors are advised to contact their usual tax advisor to learn more about the potential consequences of the French FTT for their investment, in particular concerning the subscription, purchase, holding, and transfer of the New Shares of the Company.

Transactions involving the Company's shares could be subject to European financial transaction tax, if adopted, with the exception of transactions carried out on the primary market

On 14 February 2013, the European Commission published a proposed directive for a common European financial transaction tax between Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "Participating Member States"), which would replace the French FTT and apply, subject to certain conditions, to transactions involving the Company's shares, excluding transactions on the primary market if it is adopted and implemented into French national law. Since then, Estonia announced its decision not to participate in the negotiations.

In view of the lack of agreement in the negotiations on the proposed 2013 Directive, the Participating Member States (excluding Estonia) agreed to continue negotiations on a new proposal (the "European FTT") based on the French model, which would apply to listed shares of European companies with a stock market capitalisation exceeding €1 billion on December 1 of the year preceding the taxation year. According to this new proposal, the applicable tax rate would be at least 0.2%. Transactions carried out on the primary market should be excluded. This new proposal could be subject to changes before its adoption, the timing of which remains uncertain.

Other Member States may decide to participate and/or some of the Participating Member States (in addition to Estonia which already quit the negotiations) may decide to withdraw.

The mechanism for the application and collection of the European FTT is not yet known, but if this new proposal or any other similar tax were to be adopted, these taxes could increase the transaction fees related to purchases and sales of the Company's shares and could reduce liquidity for the Company's shares in the market.

Shareholders in the Company and investors are advised to contact their usual tax advisor to learn more about the potential consequences of the European FTT.

3. KEY INFORMATION

3.1 Net working capital statement

The Company certifies that, from its point of view, the Group's net consolidated working capital, before the issuance of the New Shares, is sufficient to meet its obligations over the twelve months following the date of approval of the Prospectus by the AMF.

3.2 Consolidated shareholders' equity and debt

In accordance with point 3.2 of Annex 11 of the Commission delegated (EU) regulation 2019/980 of March 14, 2019 and the recommendations of the European Securities Market Authority (ESMA) of March 2021 (ESMA32-382-1138, paragraphs 166 *et seq.*), the table below presents the (unaudited) consolidated shareholders' equity and consolidated net financial debt as of February 28, 2021 prepared under IFRS.

<i>(in millions of euros)(IFRS)</i>	As of February 28, 2021
1. Shareholders' equity and debt	
Current debt (including the current portion of non-current debts)	2,047
Guaranteed	0
Secured.....	1,642
Unguaranteed / unsecured	405
Non-current debt (excluding the current portion of non-current debts)	16,798
Guaranteed	4,694 ⁽¹⁾
Secured.....	6,355
Unguaranteed / unsecured	5,749 ⁽²⁾
Group share shareholders' equity⁽³⁾⁽⁴⁾	(5,427)
Capital.....	429
Legal reserve and issue premium	70
Other reserves.....	(5,926)
2. Analysis of the net financial indebtedness	
A. Cash.....	1,480
B. Cash equivalents	3,961
C. Investment securities	597
D. Liquidity (A+B+C)	6,038
E. Current financial debts (including debt instruments, but excluding the current portion of non-current financial indebtedness).....	-
F. Current portion of non-current financial indebtedness.....	2,047
G. Current financial indebtedness (E+F)	2,047
H. Net current financial indebtedness (G-D).....	(3,991)
I. Non-current financial indebtedness (excluding current portion and debt instruments).....	14,583
J. Debt instruments.....	2,215
K. Non-current suppliers and other creditors	1,315
L. Non-current financial indebtedness (I+J+K).....	18,113
M. Total financial indebtedness (H+L).....	14,122

(1) Includes all amounts drawn down under (i) the €4 billion loan (fully drawn down as of February 28, 2021) granted to the Company by nine French and foreign financial institutions, with a 90% guarantee from the French State (*Prêt Garanti par l'Etat*) and (ii) the €2.4 billion revolving credit facility granted to KLM, with a 90% guarantee from the Dutch State (drawn down to €665 million as of February 28, 2021).

(2) Includes all amounts drawn under (i) the shareholder loan granted by the French State to the Company in the amount of €3 billion (fully drawn as of February 28, 2021) and (ii) a direct

loan of €1.0 billion granted by the Dutch State to KLM (drawn for €277 million as of February 28, 2021).

- (3) *Group share shareholders' equity extracted from the consolidated financial statements as of December 31, 2020 that has been audited by the Company's statutory auditors*
- (4) *Group share shareholders' equity including the Group's net income and other comprehensive income as of December 31, 2020 but excluding the Group's net income and other comprehensive income for the period from January 1, 2021 to February 28, 2021.*

At December 31, 2020, there were no indirect or contingent liabilities other than the off-balance sheet commitments disclosed in note 38.1 "Commitments made" to the consolidated financial statements for the financial year ended December 31, 2020 included in the Universal Registration Document. As of February 28, 2021, there has been no significant change in these liabilities compared to December 31, 2021.

3.3 Interest of natural persons and legal entities involved in the Offering

Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Bank Continental Europe, Natixis, Banco Santander, Société Générale and/or certain of their affiliates have rendered and/or may render in the future, various banking, financial, investment, commercial or other services to the Group, their affiliates, shareholders or corporate officers, in connection with which they have received or may receive compensation. In this respect, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Bank plc, Natixis, Banco Santander and Société Générale are lenders in the context of the State-guaranteed loan (*Prêt Garanti par l'Etat*) for a total amount of €4 billion subscribed by the Company in April 2020. Crédit Agricole Corporate and Investment Bank also acts as financial advisor to the French State.

3.4 Reasons for the Offering and use of proceeds

The net proceeds from the issuance of the New Shares will be allocated to strengthen the shareholders' equity of Air France. Air France will use the allocated amount to strengthen its liquidity and to finance its general corporate needs in the context of the Covid-19 crisis. The net amount of the proceeds from the issuance of the New Shares is estimated at €892.7 million (which may be increased to €1,025.8 million in the event of full exercise of the Extension Clause).

In the context of the recapitalization plan, the Company will also proceed with the issue of undated deeply subordinated notes (recorded as equity in the Company's consolidated financial statements) for a total amount of €3 billion, subscribed in full by the French State by way of set-off on claims it holds on the Company pursuant to the shareholders' loan granted in May 2020, fully drawn for the amount of €3 billion (the "TSS").

This issue will be composed of three tranches with a perpetual maturity and a nominal amount of €1 billion each, with respective redemption options (Non Call) at 4, 5 and 6 years, and bearing interest at 7.00%, 7.25% and 7.50% respectively until these dates. Interest on the TSS will be capitalized.

These initial interest rates of each tranche of the TSS will be revised on the first early redemption date at the option of the Company of the relevant tranche and every 5 years thereafter, on the basis of the 5-year Euribor mid-swap rate increased by the initial margin retained for the initial fixed interest rate and the applicable Step-Up margin.

The interest rate would also be adjusted by applying the Step-Up margins from the first early redemption date:

- 4-year TSS: 1.50% as of the fifth year then 3.00% as of the eighth year onwards;
- 5-year TSS: 0.75% from sixth year then 2.75% from the eighth year onwards;
- 6-year TSS: 0.50% from the seventh year then 2.50% from the eighth year onward.

In the event of:

- (i) a third party, acting alone or in concert, holds more than 30% of the share capital of Issuer;

(ii) non-approval by the shareholders' general meeting of a project of issuance of shares (or any other securities giving right to shares of the Issuer), submitted by the board of directors of the Issuer, enabling the French State to convert in shares of the Company all or part of the TSS held by the French State ; or

(iii) implementation by the Issuer, without prior consent of the French State, of an issuance of shares (or other securities giving right to shares of the Company), except if such issuance of shares (or other securities giving right to shares of the Company) is realised with preferential subscription rights or with priority subscription period and that the French State is able to subscribe such shares (or other securities giving right to shares of the Issuer) by way of set-off (*compensation de créances*) with the TSS,

The Company may, at its sole discretion, redeem in full the TSS remaining outstanding, failing which the applicable interest rate shall be increased by an additional margin of 5.50% *per annum* from the date of occurrence of any of the events referred to in (i), (ii) or (iii). Such interest rate adjustments shall be cumulative, provided, however, that the cumulative adjustments shall not exceed 11.00% *per annum*.

It is specified that in the event that the interest rate resulting from the above principles is lower than the minimum rate provided for by the decision of the European Commission of April 5, 2021 authorizing the subscription of the TSS by the French State, the applicable rate will be equal to the latter rate.

The Company would be granted with the option to defer the payment of interest, in whole or in part, at the Company's option, the payment of interest being nevertheless mandatory in the event of payment of dividends or repurchase of equity securities, subject to certain conditions.

These TSS may be converted by way of set-off (*compensation de créances*) in the context of future issuances of quasi-capital securities or capital increases.

As announced by the Company on April 6, 2021, the Capital Increase and the issuance of the TSS Notes are expected to be followed by other recapitalization measures (which may include the issuance of appropriate amounts of new equity and proportionate quasi-equity instruments), the objective of which will be to further strengthen the Group's equity and reduce its net debt/EBITDA ratio to approximately 2.0x by 2023, and which could take place between now and the shareholders' general meeting to be convened in 2022 to approve the financial statements for the year ending December 31, 2021, subject to context and market conditions.

The issuance of the TSS and the participation of the French State in the Capital Increase were therefore notified by the French authorities to the European Commission, which approved them under the State Aid rules. This decision provides for certain commitments made by the French State towards Air France-KLM and Air France, relating in particular to the allocation by Air France of take-off and landing slots to competitors at Orly airport, as well as other general commitments in the context of the European Commission's State aid Temporary Framework (notably limitation of acquisitions and prohibition of share buybacks and dividend distributions or restrictions on management compensation, as long as the support measures have not been redeemed) (the "**Temporary Framework**") to ensure compliance with competition rules.

In this context, the French State will have to submit an exit strategy to the European Commission within a delay of 12 months. The exit of the French State could, among other things, take the form, with respect to the TSS, of their redemption by sale on the market, and/or their direct redemption or by way of set-off (*compensation de créance*) against equity securities, and/or securities giving access to the capital), as mentioned in the press release of April 6, 2021. With respect to the shares subscribed in the context of the Capital Increase, they will be sold by the French State at market conditions. In accordance with the provisions of the Temporary Framework, if these Covid-19 recapitalization measures notified by the French State for the benefit of Air France and the Company (in respect of hybrid instruments and capital issuance) are not significantly reduced at the end of a six-year period, alternative measures with respect to Air France will have to be notified by the French State to the European Commission.

As a reminder, the consequences of the Covid-19 pandemic on the Group's activities and results had a significant negative impact on its cash flows: the Group thus generated an adjusted free cash flow from operating activities of -€5.7 billion in 2020, representing a decrease of €5.3 billion compared to 2019.

(See also paragraph “*Highlights of the beginning of the 2021 financial year*” of the Universal Registration Document for a description of the recapitalization plan).

4. INFORMATION ON SECURITIES TO BE OFFERED AND ADMITTED TO TRADING

4.1 Type, category and dividend entitlement date for securities offered and admitted to trading

The New Shares (the “**New Shares**”) will be ordinary shares of the same class as the Company's existing shares. They will bear current dividend rights and will entitle their holders, as from their issue, to all distributions decided by the Company as from that date.

The New Shares will be admitted to trading on the Euronext Paris and Euronext Amsterdam regulated markets, as from April 22, 2021. They will be negotiable, as from this date, on the same listing as the existing shares, under the ISIN code FR0000031122.

Label for shares: Air France-KLM

ISIN Code: FR0000031122

Ticker: AF

Stock market venue: Euronext Paris and Euronext Amsterdam

Compartment: A

ICB sector classification: Airlines

ICB Classification: 40501010 Airlines

LEI: 969500AQW31GYO8JZD66.

4.2 Applicable law and court jurisdiction

The New Shares will be issued in the framework of French law. In the event of a dispute, the competent courts will be those having jurisdiction over the Company's registered office if the Company is the defendant and will be appointed according to the type of dispute, unless otherwise provided for in the French Code of Civil Procedure and/or the French Commercial Code.

4.3 Share form and registration

The New Shares may be held as either registered shares or bearer shares, according to the shareholder's choice, and will be dematerialised (articles 9.2 et seq. of the Company's Articles of Association nevertheless set out the conditions under which a shareholder may be required to register (*au nominatif*) its shares (see section 4.5 of the Securities Note)).

In accordance with Article L. 211-3 of the French Monetary and Financial Code, the shares must be registered in a securities account held by the Company or by an authorised intermediary, as the case may be.

Consequently, the rights of shareholders will be represented by registration in a securities account opened in their name in the registers of:

- Société Générale Securities Services (32, rue du Champ de Tir - CS 30812 - 44308 NANTES CEDEX 3), appointed by the Company for the custody of pure registered New Shares;
- a certified intermediary of their choice and Société Générale Securities Services (32, rue du Champ de Tir - CS 30812 - 44308 NANTES CEDEX 3), appointed by the Company for the custody of administered registered New Shares;
- a certified intermediary of their choice for bearer New Shares.

In accordance with Articles L. 211-15 and L. 211-17 of the French Monetary and Financial Code, the New Shares shall be transferred via account-to-account transfer and the ownership of the New Shares shall become effective upon their registration in the acquirer's securities account.

A request will be submitted for admission of the New Shares to the operations of Euroclear France, which will clear transactions between custodians. A request will also be submitted for admission of the New Shares to the operations of Euroclear Bank S.A./N.V., and Clearstream Banking SA (Luxembourg).

According to the indicative timetable, the Company's New Shares are expected to be registered in securities accounts as from April 22, 2021.

4.4 Currency

The New Shares are issued in euros (€).

4.5 Rights attaching to the New Shares

As from their issue, the New Shares will be subject to all provisions of the Company's Articles of Association and to the laws and regulations in force. Under current French legislation and in accordance with the Company's Articles of Association, the main rights attaching to the New Shares are presented below:

Dividend right – Right to a share of the Company's profits

As from their issue, the New Shares will carry current dividend rights and will entitle their holders to receive all distributions decided by the Company as from that date. Company shareholders are entitled to a share of its profit under the conditions defined in Articles L. 232-10 et seq. of the French Commercial Code.

The general meeting deliberating on the year's financial statements may grant a dividend to all shareholders (Article L. 232-12 of the French Commercial Code).

Moreover, interim dividends may be distributed before the approval of the year's financial statements (Article L. 232-12 of the French Commercial Code).

The general meeting may offer all shareholders, for all or part of the dividends or interim dividends distributed, a choice between payment of the dividends or interim dividends in cash or their payment in shares issued by the Company (Articles L. 232-18 et seq. of the French Commercial Code).

The payment of dividends must take place within a maximum period of nine (9) months after the end of the fiscal year. An extension of this time period may be granted by court decision. (Article L. 232-13 of the French Commercial Code).

Any action against the Company for the payment of dividends owed on the shares will lapse after a period of five years from their due date.

Voting rights

The voting rights attached to the shares are proportional to the share of capital they represent. Each share entitles its holder to one vote (Article L. 225-122 of the French Commercial Code).

As an exception to the above provisions, a double voting right is automatically granted to fully paid-up shares that have been held in registered form and under a single shareholder name for at least two years, under the conditions prescribed by the laws and regulations in force.

Without prejudice to the obligations of notification provided for in Article L. 233-7 of the French Commercial Code, any natural or legal person, acting solely or in concert, who comes to hold, either directly or indirectly, at least 0.5% of share capital or voting rights or a multiple of this percentage

shall, within 4 trading days of crossing the threshold, inform the Company, by registered letter with acknowledgment of receipt, of this crossing of shareholding thresholds.

The disclosure provided for in the preceding paragraph must be renewed each time a new 0,5% threshold is crossed up to the threshold of 50% of the Company's share capital or voting rights.

The declarations mentioned in the two preceding paragraphs are made in the event that the above-mentioned thresholds are crossed upwards or downwards.

For the purpose of determining the thresholds provided for in this Article, the shares and voting rights defined by the provisions of Article L.233-9 of the French Commercial Code and those of the AMF's General Regulations relating thereto are assimilated to the capital and voting rights mentioned in the first paragraph.

Failure to comply with declarations of crossing legal or statutory thresholds will result in the deprivation of voting rights in accordance with Article L.233-14 of the French Commercial Code at the request of one or more shareholders who together hold at least 0.5% of the Company's share capital.

Preferential right of subscription to securities of the same category

The shares carry preferential rights of subscription in the event of capital increases. Proportionally to the number of shares they hold, shareholders have a preferential right to subscribe for shares issued in cash in the context of a capital increase immediately or in the future. Throughout the subscription period, this right shall be negotiable when detached from negotiable shares. Otherwise, it may be transferred under the same conditions as the share itself. Shareholders may individually waive their preferential rights of subscription (Articles L. 225-132 and L. 228-91 to L. 228-93 of the French Commercial Code).

Right to receive a share of any surplus in the event of liquidation

Any shareholder equity remaining after repayment of the nominal value of the shares shall be shared between shareholders in the same proportion as their shareholding in the Company's share capital (Article L. 237-29 of the French Commercial Code).

Share buyback and conversion clauses

The Articles of Association do not include any share buyback or conversion clauses.

Identification of shareholders

The Company may, at its own expense and at any time, ask the central securities depository in charge of the account for the issuing of its shares, as the case may be: the name, nationality, date of birth or year of incorporation and address of the owners of securities that confer, immediately or in the future, voting rights at its shareholders' meetings, along with the number of equity securities held by each of them, and, where applicable, any restrictions thereof.

Based on the list provided by the central securities depository, the Company may, either directly or through said central securities depository, subject to the same conditions and sanctions, request from the listed persons whom the Company believes could be registered on behalf of third parties, for the identity of the owners of the securities and the number of securities held by each.

As long as the Company believes that certain holders whose identity has been disclosed to it are acting on behalf of third party owners of the securities, it is entitled to ask such holders to disclose the identity of the owners of such securities, as well as the quantity of securities held by each of them (articles L. 228-2 et seq. of the French Commercial Code).

Provisions relating to changes in the shareholder structure

Articles 9 et seq. of the Company's Articles of Association implement the provisions of Articles L.360-2 and R.360-1 et seq. of the French Civil Aviation Code (*Code de l'Aviation Civile*) and L.6411-2 et seq. of the French Transport Code (*Code des Transports*) relating to changes in the ownership structure of air transport companies whose securities are admitted to trading on a regulated market.

1. Monitoring of shareholders – registration of shares

Articles 9.2 et seq. of the Company's Articles of Association set out the conditions under which a shareholder may be required to register the shares he holds.

Accordingly, under the terms of Article 9.2 of the Company's Articles of Association, any shareholder, whether acting alone or in concert, coming to own a number of shares or voting rights in the Company equal to or greater than 5% of the total number of shares or voting rights, is required to transfer these securities to registered form within the legal limit of no more than four stock market trading days as of the date on which the threshold is crossed.

This obligation to register shares applies to all shares already held and those that may be acquired beyond this threshold, as long as the said shareholder holds a stake greater than or equal to this threshold.

In addition, in accordance with Article 9.3 of the Company's Articles of Association, the Board of Directors may decide to reduce the mandatory registered shareholding threshold described above from 5% to 10,000 shares, if it appears, in light of the shareholder identification procedure, the 40% share capital or voting right threshold has been crossed by shareholders other than French shareholders (including individuals who are French nationals or nationals of Member States of the European Union and States party to the European Economic Area agreement or any other agreement having the same scope in the area of air transport and legal entities or other entities and groupings whose interests are not majority owned or effectively controlled, directly or indirectly, by individuals other than French nationals) (together, the “**European Nationals**”).

Finally, in accordance with Article 9.4 of the Company's Articles of Association, the Board of Directors must require all of the Company's shares to be held in registered form if it appears, in light of the shareholder identification procedure, that shareholders other than European nationals hold, directly or indirectly, more than 45% of the Company's share capital or voting rights.

2. Approval clause

In accordance with Article 11 of the Company's Articles of Association, when, based on the information available to it, the Board of Directors notes that more than 45% of the Company's capital or voting rights are held, directly or indirectly, by shareholders other than European Nationals, it may decide that any acquisition of shares by a third party or a shareholder that would result in the acquirer is required to report the crossing of the threshold of 0.5% of the Company's capital or voting rights, or any multiple thereof, as described in the “Voting Rights” section above, to the Board of Directors for approval under the conditions and in accordance with the procedure provided for by law.

3. Formal notice to sell

Article 15 of the Company's Articles of Association provides that if shareholders other than European nationals cross the threshold of 45% of the share capital or voting rights, the Company may give formal notice to some of its shareholders to sell all or part of their shares; priority is given to shareholders other than European nationals.

4.6 Authorisations

4.6.1 Delegation of authority of the Combined Ordinary and Extraordinary Shareholders' Meeting of May 26, 2020

The Shareholders' Meeting has delegated authority to the Board of Directors to issue ordinary shares and/or securities granting immediate or deferred rights to equity securities, without shareholders' preferential subscription rights but with a priority subscription period, by adopting the following resolution:

Nineteenth resolution (Delegation of authority granted to the Board of Directors for a 26-month term, for the purpose of issuing ordinary Company shares and securities granting access to other Company capital securities to be issued or granting the right to the allocation of debt securities, by way of public offerings other than public offerings referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, without shareholders' preferential subscription rights but with a mandatory priority subscription period, within a limit not to exceed a nominal amount of €214 million (delegation to be used outside the context of a public tender offer))

The Shareholders' Meeting, deliberating in accordance with the quorum and majority conditions required at extraordinary shareholders' meetings, having read both the report of the Board of Directors and the Statutory Auditors' special report, and in accordance with the provisions of articles L. 225-1 29 et seq., L. 225-135, L. 225-36, and L. 228-91 et seq. of the French Commercial Code:

1. Delegates its authority to the Board of Directors, with the ability to subdelegate under the conditions provided for by law, for the purpose of deciding on the issuance, by way of public offerings in France and/or internationally other than public offerings referred to in Article L. 411-2, 1° of the French Monetary and Financial Code, in one or several installments, and in the amounts and at the times it shall determine:

(i) of ordinary Company shares;

(ii) of securities, including debt securities, granting access to Company capital securities to be issued; and

(iii) of securities that are capital securities granting access to other Company capital securities or granting the right to the allocation of debt securities; of any kind, whether in return for payment or free of charge, it being specified that the subscription of shares and other securities may be made either in cash or by offsetting against certain, liquid and payable claims.

2. Decides that any issuance of preferential shares and securities granting access to preferential securities is expressly excluded;

3. Decides that the public offerings made pursuant to this resolution could be combined, in the context of a single issuance or several issuances carried out simultaneously, with public offerings referred to in Article L. 411-2, 1° of the French Financial and Monetary Code;

4. Decides that these capital increase transactions can be carried out at any time, except in the case of a takeover bid launched by a third party for the Company's securities for the duration of such offer period;

5. Decides that:

(a) the maximum nominal amount of the capital increases that could be carried out pursuant to this delegation cannot exceed an aggregate nominal amount of €214 million, it being specified that:

(i) this amount will be deducted from the aggregate nominal cap of €214 million indicated under the terms of the 18th Resolution of this Shareholders' Meeting, and

- (ii) this aggregate nominal amount does not take into account the adjustments that could potentially be applied in accordance with applicable legal and regulatory provisions and, as the case may be, with contractual stipulations providing for other adjustment cases, in order to protect the rights of holders of securities or other rights granting access to the share capital;
- (b) the maximum nominal value of the securities representing debt securities that could potentially be issued pursuant to this delegation cannot exceed €1 billion or the equivalent value thereof in the case of an issuance in a foreign currency or unit of account established by reference to several currencies, it being specified that:
 - (i) this amount will be deducted from the aggregate nominal cap of €1 billion indicated under the terms of the 18th Resolution of this Shareholders' Meeting, and
 - (ii) this amount is independent and separate from the amount of the debt securities discussed in Article L. 228-40 and paragraph 3 of Article L. 228-92 of the French Commercial Code, the issuance of which would be decided on or authorized by the Board of Directors, in accordance with the provisions of the Articles of Association or Article L. 228-40 of the French Commercial Code;

6. Decides, as appropriate, that the €214 million nominal cap for the capital increase indicated under the terms of this resolution supersedes the €64 million nominal cap indicated under the terms of the 20th resolution of the Combined Ordinary and Extraordinary Shareholders' Meeting dated May 28, 2019, whenever reference is made to such nominal cap;

7. Decides to withdraw shareholders' preferential subscription rights to the shares and securities that could potentially be issued pursuant to this delegation;

8. Acknowledges that this delegation implies ipso jure that the shareholders must waive their preferential subscription rights to the shares to which the securities that may be issued pursuant to this delegation grant a right;

9. Decides to grant shareholders a mandatory priority subscription period, not giving rise to the creation of negotiable rights, and exercisable in proportion to the number of shares held by each shareholder and, as the case may be, on a reducible basis (*à titre réductible*), and therefore delegates to the Board of Directors the power to set the duration and the terms and conditions of such period in accordance with legal and regulatory provisions;

10. Decides that:

– the issuance price of the shares will be at least equal to the lowest price authorized under applicable regulations on the issuance date or, currently, the volume-weighted average price of the share over the course of the last three stock market trading sessions preceding the beginning of the public offering, to which a maximum 10% discount could be applied, after this amount is corrected, as the case may be, in order to take into account the difference in benefit dates;

– the issuance price of the other securities will be such that the amount immediately received by the Company plus, as the case may be, the amount that could be immediately received by the Company is, for each share issued as a result of the issuance of these securities, at least equal to the minimum issuance price defined in the preceding paragraph.

11. Decides that if the amount subscribed has not absorbed the entire issuance, the Board of Directors may use one and/or the other of the mechanisms below, in accordance with applicable law and in the order that it shall consider appropriate: – limit the issuance to the amount of subscriptions under the condition that such subscription amount reaches no less than three quarters of the planned issuance; – freely allocate all or part of the unsubscribed securities; – offer to the public, in France or abroad, all or part of the unsubscribed shares;

12. Grants all powers to the Board of Directors, with the power to subdelegate under the conditions set by law, to implement this delegation and, in particular, to set the issuance terms and conditions, the nature and characteristics of the securities issued, the terms and conditions of allocation of the capital securities to which these securities grant a right, as well as the dates upon which the allocation rights may be exercised, at its own initiative, deduct the costs of the capital increases from the related premiums and withhold from this amount the amounts necessary for the allocation to the legal reserve, proceed with all adjustments aimed at taking into account the impact of transactions on the Company's share capital, confirm the realization of the capital increases, make the related changes to the Articles of Association, accomplish the required formalities, implement all agreements in order to, in particular, successfully complete all of the planned issuances or postpone them and, generally, do all that is necessary;

13. Decides that this delegation terminates the delegation granted under the 20th Resolution of the Combined Ordinary and Extraordinary Shareholders' Meeting dated May 28, 2019.

4.6.2 Board of Directors of the Company that decided on the issue

In accordance with the delegation of authority granted under the nineteenth resolution of the Company's combined general meeting of shareholders held on 26 May 2020, the Company's Board of Directors, on April 5, 2021, decided (i) on the principle of the issue of New Shares without shareholders' preferential subscription rights and with a priority subscription period granted to existing shareholders on an irreducible and reducible basis (*à titre irréductible et réductible*), as part of a capital increase of an aggregate amount of approximately €186 million, this nominal amount being susceptible to be increased to a maximum of €214 million in case of exercise in full of the Extension Clause and (ii) gave comprehensive powers to the Chief Executive Officer in order to carry out and realize and, as the case may be, postpone, this capital increase by issue of New Shares within the limits of Article L. 225-129-4 of the French Commercial Code authorising the subdelegation.

4.6.3 Decisions of the Chief Executive Officer

In accordance with the delegation of authority granted under the 19th resolution of the Company's combined general meeting of shareholders held on 26 May 2020 and by the Company's Board of Directors on April 5, 2021, on April 12, 2021 within the limits of Article L. 22-10-49 of the French Commercial Code authorising the subdelegation, the Company's Chief Executive Officer (i) decided to issue New Shares without shareholders' preferential subscription rights and with a priority subscription period granted to existing shareholders on an irreducible and reducible basis (*à titre irréductible et réductible*) of a number of 186,086,956 New Shares, which may be increased to 213,999,999 New Shares in the event of full exercise of the extension clause, to be subscribed for in cash and to be issued as part of a capital increase of an aggregate amount of €900,660,867.04 (including the issue premium), which may be increased to €1,035,759,995 in the event of full exercise of the Extension Clause, and (ii) set the terms and conditions for the issue of the New Shares, as described in the Prospectus.

4.7 Planned share trading admission date and settlement-delivery

The settlement and delivery date for New Shares is expected to be April 22, 2021, in accordance with the indicative timetable.

4.8 Restrictions on the free transferability of shares

The Articles of Association do not contain any clauses limiting the free transferability of the shares representing the Company's share capital, subject to the implementation of the provisions relating to changes in the shareholder structure, including in particular the monitoring of share ownership, the registration and transfer of shares and the formal notice to sell, pursuant to the provisions of Articles L.360-2 and R.360-1 et seq. of the French Civil Aviation Code (*Code de l'Aviation Civile*) and

L.6411-2 et seq. of the French Transport Code (*Code des Transports*) relating to changes in the shareholder structure of air transport companies whose shares are admitted to trading on a regulated market (see section 4.5 of the Securities Note).

4.9 French regulations on public offerings

The Company is subject to applicable French laws and regulations covering public offerings and in particular mandatory public offers, public buy-back offers and squeeze-outs.

4.9.1 Mandatory public offer

Article L. 433-3 of the French Monetary and Financial Code and Articles 234-1 et seq. of the AMF General Regulations lay down the conditions for filing a mandatory public offer in compliance with AMF requirements, for all shares and securities providing access to the share capital or voting rights of a company whose shares are admitted to trading on a regulated market.

4.9.2 Public buy-back offer and squeeze-out

Article L. 433-4 of the French Monetary and Financial Code and Articles 236-1 et seq. (public buy-back offer), and Articles 237-1 et seq. (squeeze-out) of the AMF General Regulations lay down the conditions for filing a public buy-back offer and squeeze-out of minority shareholders of a company whose shares are admitted to trading on a regulated market.

4.10 Public takeover bids initiated by third parties on the Company's equity during the last financial year and the financial year in progress

No public takeover bid was launched by a third party against the Company's equity during the last financial year or the financial year in progress.

4.11 Tax consequences in relation to New Shares

The information contained in the Securities Note is only a summary of the main impacts of French tax regarding withholding taxes (*retenue et prélèvement à la source*) on dividends paid by the Company with respect to New Shares which may apply, under the current French tax legislation and subject to the possible application of international tax treaties, to (i) shareholders who are not tax residents in France, who will hold shares in the Company other than through a fixed base or a permanent establishment in France (4.11.1.) and (ii) to certain shareholders who are tax residents in France (4.11.2.)

The rules mentioned below may be impacted by possible changes in laws or regulations (include where appropriate a retroactive effect), or by a change in their interpretation by the French tax administration. At all events, this information is not intended to constitute a complete analysis of the tax consequences which may apply to shareholders. These persons must ensure from their usual tax advisers that the tax legislations are applicable to their particular case.

Non-French tax residents must also comply with the tax legislation applicable in their State of residence, as amended by the international tax treaty signed between France and that State.

It is specified, as the case may be, that withholdings and deductions at source described in the following paragraphs will in no event be borne by the Company.

4.11.1 Withholding tax on dividends paid to shareholders who are not resident of France for tax purposes

Subject to the possible application of international tax treaties, the dividends distributed by the Company are, in principle, subject to withholding tax, taken by the paying entity of the dividends, where (i) the shareholder's tax residence within the meaning of Article 4B of the French General Tax

Code (the “CGI”) as amended by the applicable international tax convention or the shareholder’s registered office of the beneficiary is outside France and (ii) ownership of the shares is not linked to a fixed base or a stable establishment subject to taxation in France. Subject to the following developments, the rate of this withholding tax is set at:

- 12.8 % when the beneficiary is a natural person;
- 15% when the beneficiary is an organisation based in an EU Member State or in a State party to the Agreement on the European Economic Area which has entered into an administrative assistance convention aimed at combating tax evasion and fraud, if it had its headquarters in France, would be taxed in accordance with the special regime provided for in Article 206 (5) of the CGI (which refers to bodies generically designated as “Non-for-profit organization”), as interpreted by the administrative guidelines (BOI-IS-CHAMP-10-50-10-40-20130325, n° 580 et seq.) and by the applicable jurisprudence; and
- at the standard corporate tax rate provided for in the first sentence of the second paragraph of Article 219, I of the CGI set at (i) 28% for fiscal years beginning on or after January 1, 2020, (ii) 26.5% for fiscal years beginning on or after January 1, 2021, and (iii) 25% for fiscal years beginning on or after January 1, 2022, in other cases.

However, regardless of the place of tax residence, the head office of the beneficiary or its status, subject to the provisions of international tax treaties, dividends paid outside France in a non-cooperative State or territory within the meaning of Article 238-0 A of the CGI (“NCSTs”), other than those mentioned in 2° of 2 *bis* of article 238-0 A of the CGI, shall be subject to a 75% withholding tax. Notwithstanding the foregoing, the 75% withholding tax shall not apply if the debtor proves that the distributions in such State or territory were not to permit tax evasion nor did they have such an effect by permitting localization in such a NCST. The list of NCSTs is published by ministerial decree and updated at least once a year. The last update of the list of NCSTs was carried out by the decree of January 6, 2020 and is composed of the following States and territories: Anguilla, Bahamas, British Virgin Islands, Panama, Seychelles, and Vanuatu, as well as the following States and territories referred to in 2° of 2 *bis* of article 238-0 A of the CGI: Fiji, Guam, American Virgin Islands, Oman, American Samoa and Trinidad and Tobago.

The withholding tax is not applicable under certain conditions:

- i. to shareholders legal persons beneficial owners of dividends:
 - (a) having their place of effective management in a EU member State or in another State which is party to the Agreement on the European Economic Area and has entered into an administrative assistance convention aimed at combating tax evasion and fraud and not be considered, under the terms of a double taxation agreement with a third State, as having its tax residence outside the European Union or the European Economic Area;
 - (b) having one of the forms listed in Part A of Annex I to 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 or an equivalent form when the company has its place of effective management in a State which is party to the Agreement on the European Economic Area;
 - (c) holding directly and uninterruptedly for at least two years in full or bare ownership 10% (or 5% when such legal entities hold equity interests meeting the conditions provided for in Article 145 of the CGI and are deprived of any possibility of charging the withholding tax) at least of the share capital of the legal person distributing the dividends, or undertaking to retain such participation

uninterruptedly for a period of at least two years and appointing, as in the case of turnover taxes, a representative who is responsible for payment of the withholding tax in the event of failure to comply with this undertaking; and

- (d) being subject, in the Member State of the European Union or in the State party to the Agreement on the European Economic Area where it has its place of effective management, to the corporate tax of that State, without the possibility of an option or of being exempt;
 - (e) it being specified that this exemption does not apply to dividends distributed as part of an arrangement or series of arrangements which, having been set up in order to obtain, as a main purpose or as one of the main purposes, a tax advantage that defeats the object or purpose of Article 119 ter of the CGI, is not genuine in view of all the relevant facts and circumstances.
- ii. pursuant to Article 119 *bis* 2 of the CGI, to collective investment undertakings constituted on the basis of a foreign law situated in a EU Member State or in another State or territory which has entered into an administrative assistance convention aimed at combating tax evasion and fraud, and which (i) raise capital from a certain number of investors with a view to investing it, in accordance with a defined investment policy, in the interest of these investors, (ii) have characteristics similar to those of collective investment undertakings under French law meeting the conditions set forth in Article 119 *bis*, 2 of the CGI and (iii) meet the conditions set forth in the administrative doctrine BOI-RPPM-RCM-30-30-20-70-20200812; or
 - iii. pursuant to Article 119 *quinquies* of the CGI applicable to shareholders legal persons located in a EU Member State or in another State or territory which has entered into an administrative assistance convention aimed at combating tax evasion and fraud which justify to the debtor or to the person who ensures the payment of the income that they meet, for the fiscal year in which they receive the income, the following conditions:
 - (a) their registered office and, where applicable, the permanent establishment in the result of which the income is included are located in a EU Member State or in another State party to the Agreement on the European Economic Area which has entered into an administrative assistance convention aimed at combating tax evasion and fraud and a mutual assistance agreement on recovery with a scope similar to that provided for in Council Directive 2010/24/EU of March 16, 2010 on mutual assistance for the recovery of claims relating to taxes, duties and other measures and is not uncooperative within the meaning of Article 238-0 A of the CGI or in a State that is not a member of the European Union or that is not a State party to the Agreement on the European Economic Area that has concluded the aforementioned agreements with France, provided that such State is not uncooperative within the meaning of Article 238-0 A of the CGI and that the shareholding held in the distributing company or organization does not allow the beneficiary to participate effectively in the management or control of such company or organization;
 - (b) their tax result or, where applicable, those of the permanent establishment in whose result the income is included, calculated according to the rules of the State or territory where their headquarters or the permanent establishment is located, is in deficit; and
 - (c) they are, at the date of collection of the income, subject of a comparable procedure to that mentioned in Article L. 640-1 of the Commercial Code or, in the absence of such a procedure, they are, at that date, in a situation of cessation

of payments and their recovery is manifestly impossible (Article 119 *quinquies* of the CGI); or

- iv. in application of the applicable international tax treaties, if any.

In addition, Article 235 *quater* of the CGI resulting from the Finance Act no. 2019-1479 for 2020, published in the Official Journal on December 28, 2019, provides for a mechanism to refund the withholding tax with a tax deferral applicable to shareholders who are legal entities or organizations (a) with a tax loss for the fiscal year in which the dividend is received, (b) whose registered office or permanent establishment in which the income and profits are included is located (x) in a EU Member State, (y) in another State party to the Agreement on the European Economic Area that is not a NCST and that has entered into an administrative assistance agreement with France to combat tax fraud and tax evasion and a mutual assistance agreement on recovery with a scope similar to that provided for in Council Directive 2010/24/EU of March 16, 2010 or (z) in a State that is not a member of the European Union and not a party to the Agreement on the European Economic Area but that has entered into the above-mentioned agreements with France, provided that this State is not a NCST and that the shareholding held in the distributing company does not allow the beneficiary to participate effectively in the management or control of this company or organization and (c) complying with the reporting obligations set forth in Article 235 *quater* of the CGI. The tax deferral ends in respect of the financial year during which the shareholder, a legal person, concerned becomes a beneficiary again, as well as in the cases set out in Article 235 *quater* of the CGI.

Finally, shareholders' attention is drawn to the fact that the French Finance Act no. 2018-1317 for 2019 published in the Official Journal on December 30, 2018 introduced an anti-abuse measure codified in Article 119 *bis* A of the CGI, effective July 1, 2019, providing for the application by the paying agent of the withholding tax applicable to dividends in the event of temporary sales of securities or similar transactions relating to the payment of dividends allowing non-resident shareholders of French companies to escape the withholding tax normally applicable. In this case, the withholding tax applies without the beneficiary being able to avail himself of the so-called "simplified" procedure in order to benefit from the more favorable provisions of the tax treaty that may be applicable. However, the text provides, under certain conditions, for a safeguard measure allowing to obtain the refund of all or part of the withholding tax thus levied if it provides evidence that this payment corresponds to a transaction that has mainly an object and effect other than to avoid the application of a withholding tax or to obtain the granting of a tax advantage.

It is the responsibility of the shareholders of the Company concerned to approach their usual tax adviser in order to determine whether they are likely to be subject to the NCSTs legislation and/or to be able to claim the right to benefit from a reduction or an exemption from the withholding tax, or to be applied the anti-abuse measure, as well as to know the practical procedures of application of the measures of reduction or exemption of withholding tax, including those set out in the administrative guidelines BOI-INT-DG-20-20-20-20120912 relating to the so-called "normal" or "simplified" procedures for reduction or exemption from withholding tax as regards international tax treaties and more generally to determine the applicable tax regime in view of their particular situation.

Non-French tax residents must also comply with the tax legislations in force in their State of residence in respect of dividends distributed by the Company, subject to the application as the case may be of the international tax treaty entered into between France and that State.

4.11.2 Withholding tax (*prélèvement à la source*) on dividends paid to shareholders whose tax residence is located in France

4.11.2.1 Shareholders who are individuals whose tax residence is located in France acting within the management of their private assets and outside equity savings plan

(1) *Non-dischargeable withholding tax (*prélèvement non libératoire*) of 12.8%*

In accordance with Article 117 quater of the CGI, subject to the following exceptions, French tax residents are subject to a non-dischargeable withholding tax at the rate of 12.8% on the gross amount of the distributed revenues. This withholding tax is levied by the paying establishment if it is established in France. Where the paying establishment is established outside France, the revenues are declared, and the corresponding tax paid, within the first 15 days of the month following the dividend payment in which the revenues are paid, either by the taxpayer himself or by the person who ensures the payment of the revenues, where it is established in a EU State Member or in another European Economic Area member State that has signed an administrative assistance convention against tax fraud and tax evasion and has been mandated for this purpose by the taxpayer.

However, in cases where the establishment paying the dividends is established in France, individuals belonging to a tax household (*foyer fiscal*) whose reference taxable income in the penultimate year, as defined in 1° of IV of Article 1417 of the CGI, is less than €50 000 for single, divorced or widowed taxpayers and €75 000 for taxpayers that are subject to joint taxation may claim exemption from this withholding under the conditions laid down in Article 242 *quater* of the CGI, i.e. by providing to the persons who ensure the payment of the distributed revenues, and not later than the 30th of November of the year preceding that in which the payment of the distributed revenues is made, a certification that their reference taxable income shown on the tax notice (*avis d'imposition*) issued in respect of the penultimate year preceding the year of payment the said revenues is lower than the thresholds mentioned above. However, taxpayers who acquire shares after the deadline for filing the aforementioned exemption application may, under certain conditions, file this exemption application with their paying institution upon the acquisition of such shares pursuant to paragraph 320 of the administrative guidelines(BOI-RPPM -CRM-30-20-10-20191220).

Where the paying agent is established outside France, only individuals belonging to a tax household whose reference taxable income of the penultimate year, as defined in 1° of IV of Article 1417 of the CGI, is equal to or greater than the amounts mentioned in the paragraph above shall be subject to this non-dischargeable levy of 12.8%.

The levy is not in full discharge of the income tax and, if applicable, of the exceptional contribution on high incomes (*contribution exceptionnelle sur les hauts revenus*). However, it can be offset against the income tax due for the year in which it is levied and any excess is refundable. Unless the taxpayer exercises an option to avoid the application of the flat-rate income tax at the rate of 12.8% applicable to income from transferable securities (with the exception of certain exempted income) and capital gains, in order for such income to be taken into account for the determination of the overall net income subject to the progressive scale of income tax, the rate of the 12.8% non-dischargeable withholding tax will correspond to the flat-rate income tax applicable to natural persons. The option for the progressive scale of income tax applies on an annual basis to all income from transferable securities and capital gains subject to the above-mentioned flat tax rate of 12.8% and realized in the same year.

In the event of payment of dividends outside France in an NCST other than those mentioned in 2° of 2 *bis* of the same Article 238 0 A of the CGI, regardless of the place of residence or status of the shareholder concerned, a withholding tax at the rate of 75% is applicable. Notwithstanding the foregoing, the 75% levy shall not apply if the debtor proves that the distributions in such State or territory were not to permit tax fraud nor did they have such an effect by permitting localization in NCSTs. The list of NCSTs is published by ministerial decree and may be updated at any time and in principle at least once a year.

(2) Social security levies

In addition, whether or not the withholding tax of 12.8% described above is applicable and whether or not the taxpayer has opted for taxation at the progressive income tax rate, the gross amount of dividends, if any, distributed by the Company will also be subject in full to social security levies at an overall rate of 17.2% (including the generalized social contribution (the “GSC”) (*contribution sociale généralisée* or *CSG*) at the rate of 9.2%). If dividends are subject to income tax at a flat rate of 12.8%, these social security levies are not deductible from taxable income. If taxpayers opt to subject these dividends to the progressive income tax scale, the GSC will be partially deductible, up to 6.8%, from the total taxable income in the year of its payment, while the balance of the social security levies will not be deductible from taxable income.

These social security levies are levied and collected in the same way as the 12.8% non-dischargeable withholding tax described above when applicable, it being recalled that when the paying establishment is established outside France, the taxpayer is in principle liable for the social security levies (unless a power of attorney is given under the conditions set forth above for the non-dischargeable withholding tax). Shareholders are invited to approach their usual tax advisor in order to determine the terms of payment of social security levies when the 12.8% withholding tax is not applicable.

(3) Exceptional contribution on high incomes (contribution exceptionnelle sur les hauts revenus)

An exceptional contribution is instituted for taxpayers liable for income tax whose reference taxable income exceeds certain limits. This contribution is calculated on the basis of the following rates:

- 3% on the fraction of reference taxable income greater than €250,000 and less than or equal to €500,000 for single, widowed, separated or divorced taxpayers, and on the fraction of reference taxable income greater than €500,000 and less than or equal to €1,000,000 for taxpayers subject to a common taxation; and
- 4% on the fraction of reference taxable income exceeding €500,000 for single, widowed, separated or divorced taxpayers and on the fraction of reference taxable income exceeding €1,000,000 for taxpayers subject to a common taxation.

The reference taxable income of the tax household referred to above is defined in accordance with the provisions of Article 1417, IV of the CGI, without application in particular of the quotient rules defined in Article 163-0 A of the CGI (Article 223 *sexies* of the CGI).

(4) General provisions

The shareholders concerned are invited to consult their usual tax advisor to determine the terms and conditions for the declaration and payment of the 12.8% withholding tax and social security levies applicable to dividends, as well as, more generally, the tax regime applicable to their particular situation (including, in particular, the regime applicable to dividends for income tax purposes, the opportunity for the taxpayer to opt or not for the progressive scale of income tax and the applicable tax regime in the event that the taxpayer decides to opt out of the application of the flat-rate tax at the rate of 12.8% for income tax and the terms and conditions for the application of the exceptional contribution on high incomes).

4.11.2.2 Shareholders who are legal entities subject to corporation tax in France (under standard conditions) whose residence is located in France

Dividends distributed by the Company to legal entities who are French tax residents will not, in principle, be subject to any withholding tax.

However, if the dividends paid by the Company are paid outside France in a NCST within the meaning of Article 238-0 A of the CGI other than those mentioned in 2° of 2 *bis* of Article 238-0 A of

the CGI, the dividends distributed by the Company are subject to a withholding tax at the rate of 75%. Notwithstanding the foregoing, the 75% withholding tax shall not apply if the debtor proves that the distributions in such State or territory were not to permit tax fraud nor did they have such an effect by permitting localization in a NCST (Articles 119 *bis*, 2 and 187 of the CGI).

Shareholders who are legal entities and French tax residents are advised to consult their usual tax advisor to determine the tax regime that will apply to their own situation.

4.11.2.3 Other shareholders

Shareholders of the Company subject to a different tax treatment than those described above; in particular taxpayers holding their shares as part of an equity savings plan (*Plan d'Epargne en Actions*) or as part of an employee savings or incentive plan whose transactions in securities exceed the simple portfolio management or who have registered their shares as assets on their commercial balance sheet should seek professional advice from their usual tax advisor as to tax regime applicable to their particular case.

5. Terms and conditions of the Offering

5.1 Terms and conditions of the Offering, indicative timetable and subscription request methods

5.1.1 Terms and conditions of the Offering

The Capital Increase will be carried out without shareholders' preferential subscription rights. The Company shareholders expressly waived their preferential right of subscription to New Shares at the combined general meeting of 26 May 2020 in the nineteenth resolution.

However, the Company shareholders will be granted a non-negotiable and non-transferable priority subscription period that will enable them to subscribe in priority to New Shares, by placing orders on an irreducible basis (*à titre irréductible*), under the terms set out in section 5.1.3.1 of the Securities Note.

In addition, during the priority subscription period, when submitting their orders on an irreducible basis (*à titre irréductible*), shareholders may submit orders on a reducible basis (*à titre réductible*) for the number of New Shares they wish in addition to the number of New Shares to which their irreducible subscription priority entitles them, in accordance with the conditions set forth in section 5.1.3.1 of the Securities Note.

In accordance with the terms set out in section 5.1.3.2 of the Securities Note, the New Shares not subscribed for, on an irreducible or reducible basis (*à titre irréductible et réductible*), by shareholders during the priority subscription period will be offered to the public in France as part of the Public Offering (as defined in paragraph 5.1.3.2 below), and to institutional investors in and outside of France (excluding certain countries) as part of the Private Placement (as defined in paragraph 5.1.3.2 below).

5.1.2 Amount of the Offering

5.1.2.1 Initial amount of the Capital Increase

The Capital Increase, including the issue premium, amounts to €900,660,867.04 (of which €186,086,956.00 in par value and €714,573,911.04 in issue premium) corresponding to the proceeds of the number of New Shares issued, i.e. 186,086,956 New Shares, multiplied by the subscription price of one New Share, i.e. €4.84 (consisting of €1 in par value and €3.84 in issue premium) (the "**Subscription Price**").

In accordance with the provisions of Article L. 225-134 of the French Commercial Code and pursuant to the decision of the Board of Directors of April 5, 2021, if the amount subscribed, both on an irreducible and reducible basis (*à titre irréductible et réductible*), has not absorbed the entire Capital Increase, the Chief Executive Officer may use, in accordance with applicable law and in the order that he shall consider appropriate, one and/or the other of the mechanisms below:

- freely allocate all or part of the unsubscribed issued shares among any persons at his discretion, or
- offer to the public, in France or abroad, all or part of the unsubscribed issued shares.

It should be noted, nonetheless, that the issuance of the New Shares is subject to the Subscription Commitments described in section 5.2.2 of the Securities Note and a guarantee from the Underwriters under the conditions described in section 5.4.4 of the Securities Note.

5.1.2.2 Extension Clause

Depending on demand under the Offering and during the priority subscription period (in particular if demand were to exceed the initial amount of the Capital Increase), the Company may, by decision of the Chief Executive Officer (*Directeur Général*) of the Company acting upon delegation of the Board of Directors, after consultation with the Global Coordinators (acting on behalf of the banking

syndicate), issue, at a price equal to the Subscription Price, a maximum number of shares corresponding to 15% of the number of New Shares initially issued, i.e. a maximum number of 27,913,043 New Shares (the “**Extension Clause**”) in order to meet in priority the orders on a reducible basis that have not been served (within the limit of a ratio of 5 times their demand on an irreducible basis (*à titre irréductible*)), the resulting balance being allocated to the Public Offering and the Private Placement. Shareholders having subscribed only on an irreducible basis will not be entitled to any allocation under the Extension Clause.

In the event of full exercise of the Extension Clause, the Capital Increase would be increased to a maximum aggregate amount (including issue premium) of €1,035,759,995.16, corresponding to a maximum number of 213,999,999 New Shares.

The decision to exercise the Extension Clause shall be taken by the Company, after consultation with the Global Coordinators (acting on behalf of the banking syndicate) at the latest at the time of the acknowledgement of the results of the Capital Increase scheduled no later than April 19, 2021 (according to the indicative timetable) and shall be mentioned in the press release published by the Company and posted on the Company's website and in the notice published by Euronext announcing the results of the Capital Increase.

5.1.3 Offering procedure and Offering period

5.1.3.1 Priority subscription period for shareholders

The Company's shareholders benefit from a priority subscription period based on orders on an irreducible and, partially, a reducible basis (*à titre irréductible et réductible*).

During the priority subscription period, shareholders may subscribe up to a proportionate amount in the Offering equal to their share in the Company's issued share capital, based on orders on an irreducible basis (*à titre irréductible*).

The aggregate amount of the Capital Increase (including issue premium), excluding the Extension Clause, represents €900,660,867.04, i.e. 186,086,956 New Shares.

Each shareholder may place a priority subscription order on an irreducible basis (*à titre irréductible*) in euros for a maximum amount corresponding to (i) €900,660,867.04 (amount of the Capital Increase excluding the exercise of the Extension Clause) multiplied by (ii) the number of shares in the Company that he or she holds, divided by (iii) 428,634,035 (the number of shares representing the Company's share capital).

For example, a shareholder holding 100 Company shares may place a priority subscription order on an irreducible basis (*à titre irréductible*) for a maximum amount of: €900,660,867.04 x (100 / 428,634,035) = €210.12.

The number of New Shares allocated to each shareholder will be equal to the amount of the priority subscription order placed by such shareholder during the priority subscription period, divided by the Subscription Price. This number will then be rounded down to the nearest whole number. However, any shareholder who is entitled to subscribe for less than one New Share in accordance with the foregoing will be allowed to subscribe for one New Share.

This priority subscription period entitlement is not transferable or negotiable, and will only be open to the Company's shareholders who are registered shareholders as of April 12, 2021. It may be exercised during three trading days, from April 13, 2021 to April 15, 2021 included at 17:00 (Paris time).

Shareholders wishing to subscribe for more than the number of New Shares to which they are entitled based on orders on an irreducible basis (*à titre irréductible*) during the priority subscription period will be able, at the same time as they place subscription orders on an irreducible basis (*à titre irréductible*), to place subscription orders on a reducible basis (*à titre réductible*) which will be allocated proportionally to their requests on an irreducible basis (*à titre irréductible*), within the limit

of a ratio of 5 times their demand on an irreducible basis (*à titre irréductible*), and, in any event, within the limit of their requests. Orders on a reducible basis (*à titre réductible*) placed during the priority subscription period are therefore likely not to be served or to be reduced.

By way of example, a shareholder holding 100 shares of the Company may place a priority subscription order on a reducible basis (*à titre réductible*) for a maximum amount of: $5 \times (900,660,867.04 \text{ euros} \times (100 / 428,634,035)) = 1,050.61 \text{ euros}$.

It is however specified that subscription orders on a reducible basis (*à titre réductible*) placed during the priority subscription period will be served in priority to subscription orders placed (i) in the context of the Public Offering, which will then be served in priority (ii) to subscription orders placed in the context of the Private Placement.

5.1.3.2 Offering

Offering

New Shares not subscribed for during the priority subscription period on a irreducible and reducible basis (*à titre irréductible et réductible*) are subject to a global offering (the “**Offering**”), comprising:

- a public offering in France, principally directed at individual persons (the “**Public Offering**”); and
- a private placement to institutional investors pursuant to a bookbuilding process as developed by market practice, and comprising a placement in France and outside France, excluding the United States of America, South Africa, Australia and Japan, in accordance with the regulations specific to each country where the placement will be carried out (the “**Private Placement**”).

Public Offering

The Public Offering will be open from April 13, 2021 to 17:00 (Paris time) on April 15, 2021, without the possibility of early closing. Persons wishing to place subscription orders for the Public Offering should contact their financial intermediary.

The orders must be placed for amounts denominated in euros (€).

The financial intermediaries must send, no later than on April 15, 2021 at 10:00 (Paris time), the subscription orders received in the context of the Public Offering to Société Générale Securities Services which will centralise the subscription orders.

Société Générale Securities Services will determine for each order-giver subscribing to the Public Offering the number of New Shares requested, which will correspond to the amount of the euro-denominated subscription order, divided by the Subscription Price and rounded down to the nearest whole number.

Private Placement

The Private Placement took place on April 12, 2021.

5.1.3.3 Indicative timetable for the Capital Increase

April 5, 2021	Meeting of the Board of Directors subdelegating to the Chief Executive Officer the authority to decide and implement the Capital Increase.
April 6, 2021	Publication of a press release related to the recapitalization plan.

April 12, 2021	<p>Decision of the Chief Executive Officer of the Company to launch the Capital Increase</p> <p>Publication of a press release announcing the launch of the Capital Increase</p> <p>Signature of the placement and underwriting agreement</p> <p>Opening of the bookbuilding for the Private Placement</p> <p>End of the bookbuilding for the Private Placement</p> <p>Determination of the Subscription Price by decision of the Chief Executive Officer</p> <p>Approval of the of the Prospectus by the AMF</p>
April 13, 2021	<p>Publication of a press release (before opening of the markets) announcing the end of the Private Placement, the Subscription Price, the availability of the Prospectus, and the opening of the priority subscription period and Public Offering</p> <p>Notice published by Euronext announcing the opening of the priority subscription period and the Public Offering</p> <p>Opening of the priority subscription period and Public Offering</p>
April 15, 2021	<p>Closure of the priority subscription period and of the Public Offering at 17:00 (Paris time)</p>
April 19, 2021	<p>Potential exercise of the Extension Clause</p> <p>Publication of a press release by the Company announcing the results of the Capital Increase</p> <p>Notice published by Euronext announcing the priority subscription period and Public Offering results and admission of the New Shares to trading</p>
April 22, 2021	<p>Issuance and admission to trading on Euronext Paris and Euronext Amsterdam of the New Shares</p> <p>Settlement and delivery of the New Shares</p>

5.1.4 Termination or suspension of the Offering

The issuance of the New Shares is subject to an subscription commitment from the French State (the “**French State’s Subscription Commitment**”) which has undertaken to subscribe to 65.86% of the Capital Increase (excluding the exercise of the Extension Clause), i.e. (i) 26,587,276 New Shares for orders on an irreducible basis (*à titre irréductible*) and (ii) 95,972,975 New Shares for orders on a reducible basis (*à titre réductible*) so as to hold, after the completion of the Capital Increase, less than 29.9% of the Company's share capital.

The issuance of the New Shares is also subject to an subscription commitment from the China Eastern Airlines (the “**CEA’s Subscription Commitment**” and, together with the French State’s Subscription Commitment, the “**Subscription Commitments**”) which has undertaken to subscribe to New Shares up to a maximum of 12.87% of the Capital Increase (excluding the exercise of the Extension Clause) (i) for orders on an irreducible basis (*à titre irréductible*), by subscribing to New Shares in the amount of its shareholding for an amount of approximately €78.85 million and (ii) for orders on a reducible basis (*à titre réductible*), by subscribing to New Shares in the amount of 4.11% of the Capital Increase (excluding the exercise of the Extension Clause) so as to hold, after the completion of the Capital Increase, less than 10% of the Company's share capital.

The issuance of New Shares will be subject of a placement and underwriting agreement entered into on April 12, 2021 pursuant to which the Underwriters have, severally but not jointly, undertaken to

subscribe for New Shares not subscribed for at the end of the subscription period, in such a way that the Capital Increase (excluding the Extension Clause), after taking into account the Subscription Commitments (as defined in section 5.2.2 of the Securities Note), is subscribed in full. This placement and underwriting agreement does not constitute a performance guarantee (*garantie de bonne fin*) within the meaning of Article L. 225-145 of the French Commercial Code and may, under certain conditions, be terminated.

The Subscription Commitments may be terminated and the Company will cancel the Capital Increase on the settlement and delivery date if the placement and underwriting agreement is terminated.

In the event the placement and underwriting agreement is terminated or if the custodian certificate is not issued, this information shall be disclosed in a press release distributed by the Company and published on the Company's website, and in a notice issued by Euronext.

5.1.5 Reduction of orders

The Company's shareholders benefit from a priority subscription period based on orders on an irreducible basis (*à titre irréductible*), under the terms described in section 5.1.3.1 of the Securities Note. Subject to the rounding rule applicable to the number of New Shares to be issued, as provided for in section 5.1.3.1 of the Securities Note, their orders may not be reduced.

The Company's shareholders also benefit from a priority subscription period based on orders on a reducible basis (*à titre réductible*), under the terms described in section 5.1.3.1 of the Securities Note. In connection with their orders on a reducible basis (*à titre réductible*), the shareholders will be served in proportion to their requests on an irreducible basis (*à titre irréductible*), within the limit of a ratio of 5 times their demand on an irreducible basis (*à titre irréductible*), and, in any event, within the limit of their requests, without any allocation of fractions of New Shares resulting therefrom. Consequently, orders on a reducible basis (*à titre réductible*) may be subject to a partial or total reduction.

Subscription orders placed in the Public Offering and initial allocations made in the Private Placement could be reduced according to the size of the demand and the number of New Shares subscribed for by shareholders during the priority subscription period both on an irreducible and a reducible basis (*à titre irréductible et réductible*). Subscription orders placed will be processed in priority to orders placed in relation to the Private Placement. If the total number of shares requested in the Public Offering exceeds the number of securities that will be allocated to the Public Offering, the orders will be reduced proportionally.

5.1.6 Minimum and/or maximum amount of subscription

There is no minimum and/or maximum amount of subscription (however, see section 5.1.3.1 of the Securities Note for priority subscription orders by shareholders and the subscription orders on a reducible basis (*à titre réductible*)).

5.1.7 Cancellation of subscription orders

Subscription orders received during the priority subscription period and Public Offering cannot be cancelled.

5.1.8 Payment of funds and delivery methods for the New Shares

The orders of New Shares and payment of funds by shareholders whose shares are held in the form of administered registered shares or bearer shares may be submitted until April 15, 2021 (inclusive) with their authorised intermediary.

The orders of New Shares and payment of funds by shareholders whose shares are held in the form of direct registered shares may be submitted without charge until April 15, 2021 (inclusive) with Société Générale Securities Services.

Each order must be accompanied by the payment of funds. Orders for which no funds have been paid will be cancelled automatically without notice.

The amounts paid for orders and still available after the allocations are made, will be reimbursed without interest to subscribers by the authorised intermediaries that received them.

Monies in respect of orders will be held by Société Générale Securities Services, which will prepare the deposit certificate confirming completion of the Capital Increase.

Securities services (share registration, conversion to bearer shares) and financial services for the Company's shares are managed by Société Générale Securities Services (32, rue du Champ de Tir - CS 30812 - 44308 NANTES CEDEX 3).

The settlement and delivery date for New Shares is April 22, 2021 (according to the indicative timetable).

5.1.9 Publication of the results of the Offering

Following the subscription period referred to in section 5.1.3 of the Securities Note and after centralisation of the subscriptions, a Company press release announcing the result of the subscriptions will be distributed and posted online on the Company's website.

5.1.10 Preferential subscription right

The Capital Increase will be carried out without any shareholders' preferential subscription right by way of public offering and with a priority subscription period according to the terms described in section 5.1.3.1 of the Securities Note.

5.2 Plan for distribution and allocation of securities

5.2.1 Category of potential investors - Countries in which the Offering and the priority subscription period will be open - Restrictions on the Offering and the priority subscription period

Category of potential investors and countries in which the Offering will be open

During the priority subscription period, the Company's shareholders will be able to subscribe for New Shares according to the terms described in section 5.1.3.1 of the Securities Note. This priority subscription period is neither transferable nor negotiable and will only benefit the Company's shareholders who are registered as at April 12, 2021. It may be exercised during three trading days, from April 13, 2021 to April 15, 2021 included at 5:00 p.m. (Paris time).

New Shares not subscribed for during the priority subscription period will be the subject of a Public Offering in France and a Private Placement in France and outside France, excluding the United States of America, Japan, South Africa and Australia.

Countries in which the Public Offering will be opened

The Public Offering will be opened to the public in France.

Restrictions applicable to the Offering and the priority subscription period

The diffusion of the Prospectus, and the offering or subscription of the New Shares may be subject to specific regulations in some countries, including the United States of America. Persons in possession of the aforementioned documents must find out about any restrictions arising from local regulations and ensure compliance with such restrictions. The authorised intermediaries may not accept any

subscription from clients having an address located in a country which has established such restrictions, and the corresponding orders will be deemed null and void.

Any person (including trustees and nominees) receiving the Prospectus must not distribute or send it to such countries other than in compliance with applicable laws and regulations.

Any person who, for any reason whatsoever, sends or enables the sending of the Prospectus to such countries, must warn the recipient of the provisions in this section.

Generally, any person subscribing for New Shares outside France must check that such subscription does not violate applicable laws and regulations. The Prospectus and any other document relating to the Capital Increase may only be distributed outside France in compliance with the laws and regulations applicable locally, and may not constitute a subscription offer in countries where such an offer might violate the applicable laws and regulations.

Restrictions concerning countries in the European Economic Area (other than France)

In relation to each Member State of the European Economic Area (other than France) (the “**Relevant States**”) no action has been undertaken or will be undertaken that might enable a public offering of the Company’s New Shares requiring the publication of a prospectus in any of the Relevant States. Accordingly, New Shares may only be offered in the Relevant States:

- (i) to qualified investor as defined in the Prospectus Regulation;
- (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) per Relevant State; or
- (iii) in all other cases where the publication by the Company of a prospectus is not required under the provisions of Article 1(4) of the Prospectus Regulation,

provided that no such offer of New Shares referred to in paragraphs (i) to (iii) above requires the publication of a prospectus pursuant to Article 3(1) of the Prospectus Regulation or of a supplement pursuant to Article 23 thereof.

For the purposes of this provision, (i) the expression a “**public offering of New Shares**” in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the New Shares to be offered so as to enable an investor to decide to purchase the New Shares and (ii) the expression “**Prospectus Regulation**” refers to the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017.

These selling restrictions regarding the Relevant States is in addition to any other selling restrictions applicable in any Relevant State.

Restrictions concerning the United Kingdom

In the United Kingdom, the Prospectus is addressed and intended only (i) for persons located outside of the United Kingdom, (ii) for investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”), or (iii) for high net worth companies and any other person to whom the Prospectus may be addressed in accordance with the law, as referred to in Article 49(2) (a) to (d) of the Order (the persons referred to in paragraphs (i), (ii), and (iii) being together referred to as the “**Authorized Persons**”). The New Shares are intended only for Authorized Persons and any invitation, offer or any contract relating to the subscription, purchase or acquisition of the New Shares may only be addressed or entered into with Authorized Persons. Any person other than an Authorized Person must refrain from using or relying on the Prospectus and the information contained therein. Persons responsible for diffusing the Prospectus must comply with the legal conditions regarding the diffusion of the Prospectus.

Restrictions regarding the United States of America

The New Shares have not been and will not be registered within the meaning of the Securities Act of the United States of America, as amended (the “**U.S. Securities Act**”) or with any market authority of any State or other jurisdiction of the United States.

The New Shares may not and will not be offered, sold or delivered, directly or indirectly, in the United States of America, except pursuant to an exemption from or as part of an offer not subject to the registration requirements of the U.S. Securities Act and in accordance with any law or regulation applicable locally. The New Shares (i) will not be offered and sold in the United States of America and (ii) will not be offered or sold outside the United States of America, other than in compliance with Regulation S of the U.S. Securities Act (the “**Regulation S**”) as part of an “offshore transaction”, as this term is defined by Regulation S. Accordingly, investors in the United States of America may not participate in the Offering or subscribe for New Shares.

No envelope with subscription orders may be posted from the United States of America or sent in any other way from the United States of America, and any persons subscribing for New Shares and wishing to hold their New Shares directly must provide an address outside the United States of America.

Any person wishing to subscribe for New Shares shall be deemed to have declared, warranted and agreed, by accepting the delivery of the Prospectus and the delivery of the New Shares that it is subscribing for New Shares in an offshore transaction as defined by Regulation S. Authorised intermediaries may not accept the subscription for New Shares of clients having an address located in the United States of America, and said notifications will be deemed to be null and void.

The Company reserves the right to consider invalid any subscription form which (i) appears to the Company or one of its employees to have been signed or sent from the United States; (ii) does not include an assurance that the person accepting and/or renouncing the subscription form does not have an address located (and is not otherwise located) in the United States; or (iii) the Company considers would constitute a violation of legal or regulatory rules if the Company were to accept said subscription form; the Company will not be obliged to allocate or issue New Shares in response to such subscription forms.

Moreover, until the expiration of a 40-day period from the opening of the subscription period, any offering or sale of New Shares in the United States of America by a financial intermediary (whether or not it participates in the offer) may result in a violation of the registration requirements provided for in the U.S. Securities Act.

Restrictions concerning Canada

New Shares may not be offered, sold or acquired in Canada except in compliance with procedures and documentation approved by the Company for establishing eligibility and permitting participation.

Restrictions concerning Australia, South Africa and Japan

New shares may not be offered, sold or acquired in Australia, South Africa or Japan.

5.2.2 Subscription intentions of the Company’s main shareholders or members of its administration, management or supervisory bodies

Subscription commitment of the French State

The French State, a member of the Board of Directors of the Company and shareholder holding 61,241,325 shares of the Company (i.e. 14.3% of the share capital) at the date of the Prospectus, committed on April 12, 2021 to subscribe to 65.86% of the Capital Increase (excluding the exercise of the Extension Clause), i.e. 26,587,276 New Shares on a irreducible basis (*à titre irréductible*) and (ii) 95,972,975 New Shares on a reducible basis (*à titre réductible*), so as to hold, after completion of the

Capital Increase, less than 29.9% of the Company's share capital (the “**French State’s Subscription Commitment**”).

The French State's Subscription Commitment will be terminated in the event that the placement and guarantee agreement with the Managers is terminated in accordance with its terms.

China Eastern Airlines, a shareholder holding 37,527,410 shares in the Company (i.e. 8.8% of the share capital) as at the date of the Prospectus, agreed on April 2, 2021 to subscribe for a maximum number of New Shares corresponding to 12.87% of the Capital Increase (excluding the exercise of the Extension Clause) (i) on an irreducible basis, by subscribing for New Shares *pro rata* to its share in the Company’s share capital for an amount of approximately €78.85 million and (ii) on a reducible basis, by subscribing for New Shares in an amount representing 4.11% of the Capital Increase (excluding the exercise of the Extension Clause) so as to hold, after completion of the Capital Increase, less than 10% of the Company's share capital (the “**CEA’s Subscription Commitment**”, and together with the French State’s Subscription Commitment, the “**Subscription Commitments**”). The CEA's Subscription Commitment will be terminated in the event that the placement and guarantee agreement with the Managers is terminated in accordance with its terms.

In the context of the participation of China Eastern Airlines to the Capital Increase, both airline groups have decided to extend the scope of their partnership through (i) an intensified commercial cooperation and an extended collaboration to non-commercial related activities (e.g. ground services, catering or maintenance) and (ii) an increased footprint on the Beijing market, with the Paris-Beijing and Amsterdam-Beijing routes joining the current Joint Venture existing between Air France-KLM and China Eastern Airlines when the conditions are satisfied.

The Subscription Commitments cover a total of approximately 78.73% of the amount of the Capital Increase (excluding the exercise of the Extension Clause).

The Dutch State, a shareholder holding 60,000,000 shares in the Company (i.e. 14.0% of the capital) as at the date of the Prospectus, has informed the Company of its intention not to participate in the Capital Increase.

Delta Air Lines, Inc, a member of the Board of Directors of the Company and shareholder holding 37,527,410 shares of the Company (i.e. 8.8% of the share capital) as at the date of the Prospectus, has informed the Company of its intention not to participate in the Capital Increase.

The Company has no knowledge of the intentions of its other shareholders to subscribe to the Capital Increase.

5.2.3 Pre-allocation information

The subscription of New Shares is reserved as a priority to the Company’s existing shareholders with registered shares as of April 12, 2021, who may exercise this right under the terms and conditions described in section 5.1.3.1 of the Securities Note.

5.2.4 Notification to investors

Following the closing of the subscription period referred to in section 5.1.3 of the Securities Note, the number of New Shares issued will be disclosed to the public via a press release issued by the Company, which will also be posted on the Company’s website, and via a notice published by Euronext Paris and Euronext Amsterdam regarding the admission of the New Shares.

Shareholders having placed subscription orders on an irreducible basis (*à titre irréductible*) during the priority subscription period will receive a number of New Shares equal to the amount of their priority subscription order within the priority subscription period, divided by the Subscription Price, that number being rounded down to the nearest whole number, in accordance with the terms and conditions provided for in section 5.1.3.1 of the Securities Note. Subscribers having placed orders on a reducible basis (*à titre réductible*) during the priority subscription period will be served depending

on the securities remaining following subscriptions on an irreducible basis (*à titre irréductible*) by shareholders under the priority subscription period mechanism.

With respect to the priority subscription period, shareholders having placed subscription orders will be informed of their allocations by their financial intermediary.

With respect to the Public Offering, investors having placed subscription orders will be informed of their allocations by their financial intermediary.

With respect to the Private Placement, investors having placed subscription orders will be informed of their allocations by the Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners.

5.2.5 Extension Clause

See section 5.1.2.2 of the Securities Note.

5.3 Subscription Price

5.3.1 Setting of the Subscription Price

The Subscription Price is €4.84 per New Share. It was set at the end of the closing of the orders placed during the Private Placement. The Subscription Price corresponds to the price of the New Shares offered during the priority subscription period and the Public Offering and is equal to the price of the New Shares determined during the Private Placement.

The Subscription Price reflects (i) a discount of 9.98% over the volume-weighted average price of the Company's shares during the last three trading days before April 12, 2021 (inclusive) and (ii) a discount of 8.85% over the closing price on April 12, 2021.

When subscribing, the price of €4.84 per New Share subscribed, representing the entirety of the nominal amount and of the issue premium, should be fully paid.

Subscriptions which will not have been fully paid will automatically be cancelled without prior notice.

5.3.2 Process for the disclosure of the offer price

Not applicable.

5.3.3 Limitations or waiver of shareholders' preferential subscription rights

The Capital Increase will be carried out without shareholders' preferential subscription rights by way of public offering but will include a priority subscription period, in accordance with the terms and conditions provided for in section 5.1.3.1 of the Securities Note.

5.3.4 Price disparity

Not applicable.

5.4 Placement and underwriting

5.4.1 Contact information for the Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

Crédit Agricole CIB

12, place des Etats-Unis
CS 70052
92547 Montrouge
France

Deutsche Bank Aktiengesellschaft

Mainzer Landstr, 11-1
60329 Frankfurt am Main
Germany

HSBC Continental Europe

103, avenue des Champs-Élysées
75008 Paris
France

Natixis

30, avenue Pierre Mendès-France
75013 Paris
France

5.4.2 Contact information for the Joint Lead Managers and Joint Bookrunners

Banco Santander

S.A. Paseo de Pereda 9-12
39004 Santander
Espagna

Société Générale

29, boulevard Haussman
75009 Paris
France

5.4.3 Contact information for the institution responsible for securities, financial and custodian services

Subscription monies will be held by Société Générale Securities Services, which will prepare the deposit certificate confirming completion of the Capital Increase.

The Company's securities service (management of the Company's share register) and financial service (dividend payment) relating to Air France-KLM shares are provided by Société Générale Securities Services.

5.4.4 Underwriting – Lock-up commitment

Underwriting

The Capital Increase is subject to the Subscription Commitments described in section 5.2.2 of the Securities Note.

For New Shares not covered by the Subscription Commitments, a placement and underwriting agreement has been entered into on April 12, 2021 between the Company, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, HSBC Continental Europe and Natixis as global coordinators, joint lead managers and joint bookrunners (together, the “**Underwriters**”), and Banco Santander S.A. and Société Générale as joint lead managers and joint bookrunners (and together with the Underwriters, the “**Managers**”). Pursuant to the placement and underwriting agreement, the Underwriters have, severally but not jointly, undertaken to subscribe for New Shares not subscribed for at the end of the subscription period, in such a way that the Capital Increase (excluding the Extension Clause), after taking into account the Subscription Commitments (as defined in section 5.2.2 of the Securities Note), will be fully subscribed.

The placement and underwriting agreement contains a customary termination clause and may therefore be terminated by the Underwriters on behalf of the Managers, up to the settlement and delivery date (inclusive) of the issue of New Shares, in particular upon the occurrence of inaccuracy or breach of the representations and warranties of the Company or breach of the undertakings of the Company, in the event any of the conditions precedent has not been fulfilled on the settlement-delivery date or upon the occurrence of certain material events of such an importance that the placement or issue of the New Shares would be rendered impossible, or seriously compromised.

This placement and underwriting agreement does not constitute a performance guarantee (*garantie de bonne fin*) within the meaning of Article L. 225-145 of the French Commercial Code.

In the event of termination by the Underwriters of the placement and underwriting agreement as a result of an event referred to above, the Capital Increase will be canceled.

Lock-up commitments by the Company

Subject to the prior written consent of the Underwriters, acting on behalf of the Managers (which shall not be unreasonably withheld), the Company has undertaken to the Managers, as from the signing of the placement and underwriting agreement and for a period ending 90 days after the settlement-delivery date of the New Shares, that it will not issue, offer, pledge or sell, directly or indirectly, any shares, any other Company equity securities, or any securities giving access to its capital, or enter into any transactions on derivative instruments relating to such shares and securities giving access to the share capital of the Company or publicly announce its intention to carry out any such transaction or not to carry out any financial transaction which would have an equivalent effect. The Company has also undertaken to the Managers that each of its subsidiaries will comply with this lock-up commitment.

This undertaking has been given subject to the following main exceptions:

- the issue of the New Shares;
- the issue or delivery of new and/or existing shares of the Company to employees of the Company or its subsidiaries under existing or future free share allocation plans, pursuant to the authorizations granted by the Company's shareholders' meeting;
- the issue of new shares in connection with the issue of securities giving access to the Company's capital existing as of the date of the placement and underwriting agreement;
- the issue or delivery of new and/or existing shares of the Company to employees of the Company or its subsidiaries under existing or future share subscription or purchase option plans, pursuant to the authorizations granted by the Company's shareholders' meeting;
- the issuance of shares in connection with capital increases through the incorporation of reserves or additional issue premiums;
- the issue of shares in connection with the payment of dividends or interim dividends in shares;
- the issue of shares or other securities giving access to the capital in the context of a public offer for the Company's shares;
- purchases or sales of shares under a liquidity contract;
- the Company's equity securities that may be issued or tendered as part of a partial asset transfer, merger or offer to exchange securities or an acquisition or any external growth transaction financed in whole or in part by such Company equity securities, but only if the persons who would thus receive Company equity securities undertake to comply with this commitment, for the remaining term of the 90-day period set forth above; and

- shares transferred within the Group by the Company to one of its subsidiaries (provided that such subsidiaries undertake to comply with this commitment for the remaining term of the 90-day period set forth above and to transfer back immediately such shares as soon as such subsidiary ceases to be a subsidiary of the Company).

Lock-up commitments of the French State

From the approval of the Prospectus by the AMF until the expiration of a period of 90 calendar days following the date of settlement and delivery of the New Shares, subject to certain customary exemptions.

Lock-up commitments of China Eastern Airlines

From the approval of the Prospectus by the AMF until the expiration of a period of 90 calendar days following the date of settlement and delivery of the New Shares, subject to certain customary exemptions.

Lock-up commitments of the Dutch State

From the approval of the Prospectus by the AMF until the expiration of a period of 90 calendar days following the date of settlement and delivery of the New Shares, subject to certain customary exemptions.

Lock-up commitments of Delta Airlines

From the approval of the Prospectus by the AMF until the expiration of a period of 90 calendar days following the date of settlement and delivery of the New Shares, subject to certain customary exemptions.

5.4.5 Date of signing of the placement and underwriting agreement

The placement and underwriting agreement has been executed on April 12, 2021, according to the indicative timetable.

Settlement-delivery of the New Shares under this agreement is scheduled on April 22, 2021.

6. Admission to trading and trading methods

6.1 Admission to trading

The New Shares will be covered by an application for admission to trading on Euronext Paris and Euronext Amsterdam.

Such New Shares will be admitted to trading on Euronext Paris and Euronext Amsterdam from April 22, 2021. They will be traded on the same listing as the existing shares, under the ISIN code FR0000031122.

6.2 Other existing listing venues

Air France-KLM shares are admitted to trading on Euronext Paris and Euronext Amsterdam.

6.3 Simultaneous share offers

Not applicable.

6.4 Share liquidity contract

No liquidity contract relating to the Company's shares has been entered into as of the date of approval of the Prospectus by the AMF.

6.5 Stabilisation – Market intervention

Not applicable.

6.6 Overallotment option

Not applicable.

6.7 Extension Clause

See section 5.1.2.2 of the Securities Note.

7. SECURITY HOLDERS WHO WISH TO SELL SECURITIES

Not applicable.

8. EXPENSES RELATING TO THE CAPITAL INCREASE

Proceeds and expenses relating to the Capital Increase

Gross proceeds correspond to the number of New Shares to be issued multiplied by the Subscription Price. Net proceeds correspond to gross proceeds less the expenses mentioned below.

For information purposes, the gross proceeds of the Capital Increase, the expenses relating to the Capital Increase and the net proceeds of the Capital Increase are expected to be as follows:

Excluding exercise of the Extension Clause

- Gross proceeds of the Capital Increase: €900,660,867.04.
- Estimated expenses relating to the Capital Increase: approximately €8 million.
- Estimated net proceeds of the Capital Increase: approximately €892.7 million.

In the event of full exercise of the Extension Clause

- Gross proceeds of the Capital Increase: €1,035,759,995.16.
- Estimated expenses relating to the Capital Increase: approximately €10 million.
- Estimated net proceeds of the Capital Increase: approximately €1,025.8 million.

9. DILUTION

9.1 Impact of the issue on the share of shareholders' equity

For information purposes, the impact of the issue of New Shares on the Group share of consolidated shareholders' equity per Air-France KLM share (calculated on the basis of the consolidated shareholders' equity, Group Share at December 31, 2020 and the number of shares representing the share capital of Air-France KLM at December 31, 2020, after deduction of treasury shares), is expected to be as follows:

<i>(in euros (€) per share)</i>	Shareholders' equity per share at December 31, 2020 (on a non-diluted basis)	Shareholders' equity per share at December 31, 2020 (on a diluted basis)⁽¹⁾
Prior to the issue of the New Shares	-12.64	-10.77
Following the issue of 186,086,956 New Shares (i.e. a subscription of the Capital Increase at 100% without exercise of the Extension Clause)	-7.35	-6.25
Following the issue of 213,999,999 New Shares (i.e. a subscription of the Capital Increase at 100% and in the event of full exercise of the Extension Clause)	-6.82	-5.79

(1) Upon conversion into new shares of the outstanding bonds convertible into and/or exchangeable for new and/or existing shares issued by the Company in 2019 (the "OCEANE").

9.2 Impact of the issue on the position of the shareholders

For information purposes, the impact of the issue of the New Shares on the ownership interest of a shareholder holding 1% of the share capital of Air-France KLM prior to the issue of the New Shares and not subscribing for the New Shares is expected to be as follows (calculations based on the number of shares representing the Company's share capital at the date of the Prospectus):

<i>(as %)</i>	Shareholder's ownership interest (on a non-diluted basis)	Shareholder's ownership interest (on a diluted basis)⁽¹⁾
Prior to the issue of the New Shares	1,00 %	0.94
Following the issue of 186,086,956 New Shares (i.e. a subscription of the Capital Increase at 100% without exercise of the Extension Clause)	0.70	0.67
Following the issue of 213,999,999 New Shares (i.e. a subscription of the Capital Increase at 100% and in the event of full exercise of the Extension Clause)	0.67	0.64

(1) In the event of conversion into new shares of the outstanding OCEANE convertible bonds.

9.3 Impact of the issue on the Company's shareholder structure

On the basis of the information brought to the Company's knowledge, the breakdown of the share capital and voting rights is as follows as of the date of the Prospectus:

	% of the capital	% of theoretical voting rights ⁽¹⁾
Number of shares and voting rights	428,634,035	646,643,183
French State	14.3%	18.9%
Dutch State ⁽²⁾	14.0%	18.6%
Delta Air Lines, Inc	8.8%	11.6%
China Eastern Airlines ⁽³⁾	8.8%	11.6%
Employees (FCPE)	3.7%	4.9%
Treasury stock	0.3%	0.4%
Others	50.1% ⁽⁴⁾	34.0%

(1) The theoretical voting rights calculation takes into account all of the voting rights including the double voting rights.

(2) By notice received on March 8, 2021, supplemented by a notice received on March 9, 2021, the Dutch State declared that on March 4, 2021, it had exceeded the threshold of 15% of the voting rights of the Company and that it held 60,000,000 shares of the Company representing 120,000,000 voting rights, i.e., 14.00% of the share capital and 18.56% of the voting rights of the Company.

(3) Through Eastern Airlines Industry Investment (Luxembourg) Company Limited.

(4) On February 8, 2021, Bank of America Corporation declared that it had exceeded the threshold of 7.19% of the share capital, corresponding to the consolidation of shares physically held but also, and for the most part, to the equity accounting of securities held through financial instruments. Excluding these instruments, Bank of America Corporation physically holds less than 5% of the capital of Air France-KLM and is therefore not represented in the shareholding chart above.

For information purposes, on the basis of the information brought to the Company's knowledge, the impact of the issue on the Company's shareholder structure and voting rights (calculations based on the breakdown of capital and voting rights as of the date of the Prospectus) as it would emerge after completion of the Capital Increase would be as follows:

(i) In the event of non-exercise of the Extension Clause

Gross amount of the Capital Increase: €900,660,867.04

Number of New Shares Issued: 186,086,956

(a) In the event (i) no shareholders (other than the French State and China Eastern Airlines, which would subscribe to the Capital Increase in accordance with their Subscription Commitments as set out in section 5.2.2 of the Securities Note) subscribes to the Capital Increase and (ii) the New Shares other than those subscribed for by the French State and China Eastern Airlines pursuant to their Subscription Commitments, i.e. 39,582,016 New Shares, would be fully subscribed for by the investors in the context of the Public Offering and the Private Placement, then the distribution of the share capital and voting rights of the Company would be as follows:

-	% of the capital	% of theoretical voting rights ⁽¹⁾
Number of shares and voting rights	614,720,991	832,730,139
French State	29.90%	29.43%
Dutch State ⁽²⁾	9.76%	14.41%
Delta Air Lines, Inc	6.10%	9.01%
China Eastern Airlines ⁽³⁾	10.00%	11.89%
Employees (FCPE)	2.58%	3.81%
Treasury stock	0.20%	0.28%
Others	41.46% ⁽⁴⁾	31.18%

(1) The theoretical voting rights calculation takes into account all of the voting rights including the double voting rights.

(2) By notice received on March 8, 2021, supplemented by a notice received on March 9, 2021, the Dutch State declared that on March 4, 2021, it had exceeded the threshold of 15% of the voting rights of the Company and that it held 60,000,000 shares of the Company representing 120,000,000 voting rights, i.e., 14.00% of the share capital and 18.56% of the voting rights of the Company.

(3) Through Eastern Airlines Industry Investment (Luxembourg) Company Limited.

(4) On February 8, 2021, Bank of America Corporation declared that it had exceeded the threshold of 7.19% of the share capital, corresponding to the consolidation of shares physically held but also, and for the most part, to the equity accounting of securities held through financial instruments. Excluding

these instruments, Bank of America Corporation physically holds less than 5% of the capital of Air France-KLM and is therefore not represented in the shareholding chart above.

(ii) In the event of full exercise of the Extension Clause

Gross amount of the Capital Increase: €1,035,759,995

Number of New Shares Issued: 213,999,999

(a) In the event no shareholders (other than the French State and China Eastern Airlines, which would subscribe to the Capital Increase in accordance with their Subscription Commitments as set out in section 5.2.2 of the Securities Note) subscribes to the Capital Increase, 146,504,940 New Shares being subscribed for by the French State and China Eastern Airlines pursuant to their Subscription Commitments and the balance, i.e. 67,495,059 New Shares, being subscribed for by the investors in the context of the Public Offering and the Private Placement, the distribution of the share capital and voting rights of the Company would be as follows:

-	% of the capital	% of theoretical voting rights ⁽¹⁾
Number of shares and voting rights	642,634,034	860,643,182
French State	28.60%	28.47%
Dutch State ⁽²⁾	9.34%	13.94%
Delta Air Lines, Inc	5.84%	8.72%
China Eastern Airlines ⁽³⁾	9.57%	11.50%
Employees (FCPE)	2.47%	3.68%
Treasury stock	0.19%	0.27%
Others	44.00% ⁽⁴⁾	33.41%

(1) The theoretical voting rights calculation takes into account all of the voting rights including the double voting rights.

(2) By notice received on March 8, 2021, supplemented by a notice received on March 9, 2021, the Dutch State declared that on March 4, 2021, it had exceeded the threshold of 15% of the voting rights of the Company and that it held 60,000,000 shares of the Company representing 120,000,000 voting rights, i.e., 14.00% of the share capital and 18.56% of the voting rights of the Company.

(3) Through Eastern Airlines Industry Investment (Luxembourg) Company Limited.

(4) On February 8, 2021, Bank of America Corporation declared that it had exceeded the threshold of 7.19% of the share capital, corresponding to the consolidation of shares physically held but also, and for the most part, to the equity accounting of securities held through financial instruments. Excluding these instruments, Bank of America Corporation physically holds less than 5% of the capital of Air France-KLM and is therefore not represented in the shareholding chart above.

(b) In the event 50% of the Company's shareholders exercise their subscription rights on an irreducible basis (*à titre irréductible*) during the priority subscription period (including the French State and China Eastern Airlines, which would subscribe to the Capital Increase in accordance with their Subscription Commitments as set out in section 5.2.2 of the Securities Note), 196,669,012 New Shares being subscribed for during the priority subscription period and pursuant to the Subscription Commitments, the balance, i.e. 17,330,987 New Shares, being subscribed for by the investors in the context of the Public Offering and the Private Placement, the distribution of the share capital and voting rights of the Company would be as follows:

-	% of the capital	% of theoretical voting rights ⁽¹⁾
Number of shares and voting rights	642,634,034	860,643,182
French State	28.60%	28.47%
Dutch State ⁽²⁾	9.34%	13.94%
Delta Air Lines, Inc	5.84%	8.72%
China Eastern Airlines ⁽³⁾	9.57%	11.50%
Employees (FCPE)	2.47%	3.68%
Treasury stock	0.19%	0.27%
Others	44.00% ⁽⁴⁾	33.41%

(1) The theoretical voting rights calculation takes into account all of the voting rights including the double voting rights.

(2) By notice received on March 8, 2021, supplemented by a notice received on March 9, 2021, the Dutch State declared that on March 4, 2021, it had exceeded the threshold of 15% of the voting rights of the Company and that it held 60,000,000 shares of the Company representing 120,000,000 voting rights, i.e., 14.00% of the share capital and 18.56% of the voting rights of the Company.

(3) *Through Eastern Airlines Industry Investment (Luxembourg) Company Limited.*

(4) *On February 8, 2021, Bank of America Corporation declared that it had exceeded the threshold of 7.19% of the share capital, corresponding to the consolidation of shares physically held but also, and for the most part, to the equity accounting of securities held through financial instruments. Excluding these instruments, Bank of America Corporation physically holds less than 5% of the capital of Air France-KLM and is therefore not represented in the shareholding chart above.*

10. ADDITIONAL INFORMATION

10.1 Advisors connected to the Offering

Not applicable.

10.2 Parties responsible for auditing the financial statements

Principal Statutory Auditors

Deloitte et Associés

(Member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre*)

6 place de la Pyramide, 92908 Paris-La Défense Cedex, France

Represented by Pascal Colin and Guillaume Crunelle

Date of first mandate: September 25, 1998

Renewed for six fiscal years at the Annual Shareholders' Meeting of May 19, 2016

KPMG Audit

Department of KPMG SA

(Member of the *Compagnie Régionale des Commissaires aux Comptes de Versailles et du Centre*)

Tour EQHO, 2 avenue Gambetta - CS60006 - 92066 Paris-La Défense Cedex

Represented by Valérie Besson and Eric Dupré

Date of first mandate: September 25, 2002

Renewed for six fiscal years at the Annual Shareholders' Meeting of May 26, 2020

Alternate Statutory Auditors

BEAS

7/9 Villa Houssaye - 92200 Neuilly-sur-Seine

Date of first mandate: September 25, 1998

Renewed for six fiscal years at the Annual Shareholders' Meeting of May 19, 2016

Salustro Reydel

Tour EQHO, 2 avenue Gambetta - CS60006 - 92066 Paris-La Défense Cedex

Date of first mandate: May 26, 2020

Appointed for the first time at the Shareholders' Meeting of May 26, 2020

10.3 Other information verified by the Statutory Auditors

Not applicable.

10.4 Updated Company information

The Company hereby confirms that the information meeting the requirements of Article 7 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse, which may have been given on a confidential basis, has been published subsequently to the market with the aim of restoring equal access to information related to the Group among investors.