Press Release
04 November 2026 16:27:00 GMT

Íslandsbanki hf.: Announcement on repurchase of own shares through reverse auction

The Annual General Meeting of Íslandsbanki hf. ("Íslandsbanki" or the "Bank"), which was held on 19 March 2026, authorised the Bank's Board of Directors to acquire, during a period of 18 months from its approval, up to 10% of the issued share capital of the Bank for the purposes of setting up a formal share repurchase programme or to offer shareholders to sell their shares to the Bank.

The Bank has, on the basis of the aforementioned authorisation, decided to make an offer to the Bank's shareholders to buy back their shares through a reverse auction (the "Repurchase"), for the total market value of up to ISK 3,000 million, with the purpose of reducing the Bank's share capital or to fulfil the Bank's obligations under the stock option plan with its employees, and for incentive payments, in accordance with the Bank's Remuneration Policy.

The maximum accepted price for each share shall not exceed the price in the last independent trade or highest current independent purchase bid in the trading systems where the shares are traded, whichever is higher.

Kvika banki hf. ("Kvika banki") manages the Repurchase. The Repurchase will be conducted as a reverse auction carried out through a Dutch auction method i.e., all accepted offers will be offered to shareholders at the highest accepted price. All shareholders of Íslandsbanki hf. registered in the Bank's share register at the close of business today, 4 November 2026, can make an offer to sell their shares to the Bank through Kvika banki.

In the event that the demand in the Repurchase exceeds the maximum total purchase price referred to above, the Bank will purchase shares from participating shareholders on a pro rata basis, in proportion to their respective shareholdings. Íslandsbanki reserves the right to accept or reject any offer in whole or in part.

Offers shall be submitted to Kvika banki by email to midlun@kvika.is, marked "Íslandsbanki Repurchase", before 08.30 a.m. GMT on 5 November 2026.

Results of the Repurchase will be announced through Nasdaq Iceland to the market before 09.30 a.m. GMT on 5 November 2026. Settlement date of accepted offers is 9 November 2026.

At the close of business on 3 November 2026, Íslandsbanki held 112,381,005 own shares, equivalent to 6.41% of the Bank's issued share capital.

The Repurchase is carried out in accordance with the applicable law, including the Act on limited liability companies No. 2/1995, Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse, Commission Delegated Regulation (EU) 2016/1052, the Act on Measures Against Market Abuse No. 60/2021 and Rules No. 1290/2025 on the same subject. The approval of the Financial Supervisory Authority of the Central Bank of Iceland for the Bank's repurchase of own shares has been obtained.

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This announcement is released by Íslandsbanki hf. and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR), encompassing information relating to the Repurchase described above. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Ellert Hlöðversson, CFO of Íslandsbanki hf.

Attachments

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