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**Íslandsbanki hf. announces results of its Tender Offer for its
€300,000,000 0.750 per cent. Senior Preferred Sustainability Notes due 25 March 2025**

26 March 2024. Íslandsbanki hf. (the **Offeror**) announces today the results of its invitation to holders of its outstanding €300,000,000 0.750 per cent. Senior Preferred Sustainability Notes due 25 March 2025 (ISIN: XS2411447043) (the **Notes**) to tender any and all of their Notes for purchase by the Offeror for cash (such invitation, the **Offer**), subject to the satisfaction (or waiver) of the New Financing Condition.

The Offer was announced on 19 March 2024 and was made on the terms and subject to the conditions contained in the tender offer memorandum dated 19 March 2024 (the **Tender Offer Memorandum**) prepared by the Offeror. Capitalised terms used in this announcement but not defined have the meaning given to them in the Tender Offer Memorandum.

The Expiration Deadline for the Offer was 5.00 p.m. (CET) on 25 March 2024.

As at the Expiration Deadline, the Offeror had received valid tenders of €73,622,000 in aggregate nominal amount of the Notes for purchase pursuant to the Offer. The Offeror announces that, subject to the satisfaction (or waiver) of the New Financing Condition, it has decided to accept for purchase all Notes validly tendered pursuant to the Offer.

The Purchase Price the Offeror will pay for those Notes purchased pursuant to the Offer is 96.578 per cent. of their nominal amount, and the Offeror will also pay Accrued Interest in respect of such Notes.

A summary of the results of the Offer appears below:

Aggregate nominal amount tendered and accepted for purchase pursuant to the Offer	1 Year Euro Mid- Swap Rate	Purchase Spread	Purchase Yield	Purchase Price
€73,622,000	3.640 per cent.	70 bps	4.340 per cent.	96.578 per cent.

Subject to the satisfaction (or waiver) of the New Financing Condition, settlement of the purchase of the relevant Notes pursuant to the Offer is expected to take place on 27 March 2024, after which €226,378,000 in aggregate nominal amount of the Notes will remain outstanding.

ABN AMRO Bank N.V. (Telephone: +31 20 3836928; Email: liabilitymanagement@nl.abnamro.com; Attention: Liability Management); **BofA Securities Europe SA** (Telephone: +33 1 877 01057; Email: DG.LM-EMEA@bofa.com; Attention: Liability Management Group), **Morgan Stanley Europe SE** (Telephone: +44 207 677 5040; Email: liabilitymanagement@morganstanley.com; Attention: Liability Management, Global Capital Markets) and **Nomura Financial Products Europe GmbH** (Telephone: +44 20 7103 2454; Email: liability.management@nomura.com; Attention: Liability Management) are acting as Dealer Managers for the Offer.

Kroll Issuer Services Limited (Telephone: +44 20 7704 0880; Attention: Alessandro Zorza; Email: islandsbanki@is.kroll.com; Offer Website: <https://deals.is.kroll.com/Islandsbanki>) is acting as Tender Agent for the Offer.

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 results of the Offer described above. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Ellert Hlöðversson, Chief Financial Officer at Íslandsbanki hf.

DISCLAIMER This announcement must be read in conjunction with the Launch Announcement and the Tender Offer Memorandum. No offer or invitation to acquire any securities is being made pursuant to this announcement. The distribution of this announcement and the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement and/or the Tender Offer Memorandum comes

are required by each of the Offeror, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.