



Press Release

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Arion Bank hf.: Share buy-back authorized by the Financial Supervisory Authority of the Central Bank of Iceland

On 1 July 2024 the Financial Supervisory Authority of the Central Bank of Iceland granted Arion Bank authorisation of an amount up to ISK 7.5 billion to buy back own shares and reduce its share capital.

In line with Arion Bank's request a part of the aforementioned buyback authorisation, amounting to ISK 5 billion or 38.46 million shares, is subject to the condition that it can only be used to buy back shares, in amount equal to the additional share capital, resulting from a share issuance due to exercise of outstanding warrants ARIONW24 (ISIN IS0000032761) in August 2024. As a result, any buyback based on the conditional authorisation, will not affect the share capital of the Bank, as it nets against such increased share capital. The amount of the conditional buy-back authorisation, which exceeds the issued share capital, resulting from exercise of the Warrants ARIONW24 in the last exercise period in August 2024, is automatically cancelled.

The buy-back can be set up as a formal share repurchase program for own shares in Iceland and SDR's issued in Sweden and/or as an offering to shareholders generally to sell their shares to the Company, e.g. through auction, provided equal treatment of shareholders is ensured should such offer be made.

The Bank currently holds 44,260,187 of own shares and SDRs, representing 3.03% of issued shares in the Bank.

The Bank's dividend policy allows for a pay-out ratio of approximately 50% of net earnings attributable to shareholders but at the same time the bank strives to distribute additional excess capital to shareholders, through special dividend payments and repurchases of its own shares.

The Board of Directors of Arion Bank has approved buy-back of own shares in accordance with above and authorised the management of Arion Bank to decide on timing and execution of any share buy-back.



For any further information please contact:

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Attachments

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