



Press Release
05 June 2024 15:44:00 GMT

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

The Annual General Meeting of Íslandsbanki hf. (the "Bank"), which was held on 21 March 2024, 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 purpose is to reduce the Bank's share capital. Announcement was made on 22 March 2024 on the further implementation of an ISK 5 billion share repurchase programme relating to own shares, which is currently ongoing.

As announced in parallel to Íslandsbanki's 4Q23/2023 Full Year results the Bank has planned for additional distribution of excess capital in the amount of ISK 10 billion. The Bank has already purchased its own shares amounting to ISK 1,200 million through a reverse auction process which was announced on 6 May 2024. The Bank has now decided to make a new offer to the Bank's shareholders to buy back their shares in the Bank through a reverse auction, for the total market value of up to ISK 3,000 million (the "Repurchase").

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

Fossar fjárfestingarbanki hf. (Fossar) manages the Repurchase. The Repurchase will be a reverse auction carried out through a Dutch auction method i.e., 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, 5 June 2024, can make an offer to sell their shares to the Bank through Fossar Capital Markets.

In the event the demand during the Repurchase exceeds the maximum total purchase price according to the above, the Bank will buy pro rata to the shareholdings of the participating shareholders. Íslandsbanki reserves the right to accept or reject any offer in whole or in part.

The Repurchase is carried out in accordance with the applicable law, including Act on Limited Liability Companies No. 2/1995 and Regulation No. 596/2014 of the European Parliament and the Council on market abuse (MAR), cf. Act on Measures Against Market Abuse No. 60/2021, implementing MAR into Icelandic legislation. The approval of the Financial Supervisory Authority of the Central Bank of Iceland for the Bank's repurchase of own shares has been obtained.

Offers shall be submitted to Fossar Capital Markets, which will also provide answers to questions that may arise, through email at markadsviðskipti@fossar.is, with the subject "Íslandsbanki Repurchase" before 08.30 GMT on 6 June 2024.



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Results of the Repurchase will be announced through a regulatory release to the market before 09.30 a.m. GMT on 6 June 2024. Settlement date of accepted offers is Monday, 10 June 2024.

According to an announcement made on 3 June 2024, the Bank owned 54,362,258 own shares after purchase in week 22 under the ongoing share repurchase programme.

MAR legend - Share buyback

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 buyback described above. For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Ellert HIöðversson, CFO of Íslandsbanki hf.

For further information please contact:

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Attachments

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