



Press Release

16 July 2021 08:23:00 GMT

Arion Bank: Share Buy-Back Program launching

As previously announced in a press release on 2 July 2021, The Financial Supervisory Authority of the Central Bank of Iceland has authorized Arion Bank to initiate share buy-back programs in Iceland and Sweden amounting up to total 63,000,000 shares or ISK 8 billion, representing around 3.8% of share capital. The purpose of the share buy-back is to reduce the Bank's share capital (in line with the Bank's Dividend Policy).

As authorized by the Board of Directors of the Bank, management has now decided to launch 50% of authorized buy-back as of 29 July 2021. Arion Bank will thus purchase up to 31,500,000 shares for the total amount of ISK 4 billion, representing 1.9% of the Bank's share capital (the Program).

The Program will be managed by Kvika banki hf. with respect to both the Icelandic and Swedish markets. The Program will be launched on 29 July 2021. Kvika will act and make trading decisions independently and without influence from the Bank with regards to the timing of purchases. The Program will end no later than 16 March 2022. However, the Bank retains the right to discontinue the Program at any time.

The Bank may purchase up to 31,500,000 shares/SDRs in total under the Program, corresponding to 1.90% of its current issued share capital. The repurchase authorisation will be divided up between the Icelandic and Swedish markets. Consequently, up to 2,520,000 SDRs may be repurchased in Sweden, corresponding to 0.15% of the current issued capital, and up to 28,980,000 shares repurchased in Iceland, corresponding to 1.75% of the Bank's current issued capital. The total consideration for purchased SDRs shall not exceed ISK 320,000,000 in Sweden and ISK 3,680,000,000 for purchased shares in Iceland (ISK 4,000,000,000 total). The Bank currently holds a total of 64,408,724 million of own shares and SDRs.

The daily volume limit on each market will be 25% of the average daily trading volume of the Bank's SDRs or shares on Nasdaq Stockholm and Nasdaq Iceland during the 20 trading days preceding the date of the purchase. On Nasdaq Stockholm purchases may only be affected through orders within the band of prices applying on Nasdaq Stockholm. The range of prices pertains to the range between the highest purchase price (best bid) and the lowest selling price (best offer) prevailing and disseminated by Nasdaq Stockholm from time to time, in accordance with Part H of Supplement D of the Nasdaq Nordic Main Market Rulebook for Issuers of Shares, effective as from 1 February 2021. On Nasdaq Iceland the purchase price shall not be higher than the price of the last



independent trade or the highest current independent bid, whichever is higher, on Nasdaq Iceland in accordance with Icelandic regulation No. 630/2005. Transactions under the Program shall be publicly disclosed in accordance with applicable law and regulation in Iceland and Sweden respectively.

The Program will be carried out in accordance with applicable law and regulation in Iceland and Sweden, as the case may be, including Regulation No. 596/2014 of the European Parliament and of the Council on market abuse ("MAR"), Commission delegated regulation (EU) 2016/1052 of 8 March 2016, Icelandic acts on limited liability companies, No. 2/1995 and on securities transactions, No. 108/2007, and Icelandic regulation on insider information and market manipulation, No. 630/2005.

For any further information please contact:

Theodór Friðbertsson, Head of Investor Relations at Arion Bank, ir@arionbanki.is, tel. +354 856 6760 or Haraldur Guðni Eiðsson, Head of Corporate Communications, haraldur.eidsson@arionbanki.is, tel. +354 856 7108.

Attachments

[Arion Bank: Share Buy-Back Program launching](#)