



Press Release

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Arion Bank: Further buybacks under a Buyback Program

Reference is made to a press release from Arion Bank hf. (Arion Bank), published on 5 September 2022 whereby it was announced that the Financial Supervisory Authority of the Central Bank of Iceland (the FSA) had authorized Arion Bank to initiate buyback of Arion Bank shares and SDRs in Iceland and Sweden. Further reference is also made to a press release published by Arion Bank on 13 December 2022 regarding the launch of a round of repurchases under the Bank's share buyback programmes for both markets.

Arion Bank's management has decided to instigate a buyback programme for the purposes of commencing a new round of share buybacks on Nasdaq Iceland on top of the previously announced and recently completed buyback rounds. This new buyback round will comprise the repurchase of Arion Bank shares for an aggregate consideration of up to ISK 1.5 billion, corresponding to the buyback of up to a maximum of 7,925,000 Arion Bank shares. The already announced and currently ongoing buyback programme of SDRs on Nasdaq Sweden will continue as announced. The purpose of the repurchase of Arion Bank shares and SDRs in both markets is primarily to reduce the Bank's share capital, in line with the Bank's applicable dividend policy, but also to enable the Bank to acquire shares for the purposes of honoring Arion Bank's employee share options issued under its employee share option programme.

The round for the repurchase of Arion Bank shares on Nasdaq Iceland announced hereby, will be managed by Landsbankinn hf. which, as previously announced, also manages the already ongoing repurchase round of SDRs on Nasdaq Stockholm. In performing the repurchase of Arion Bank shares and SDRs on the two markets, Landsbankinn will act and make trading decisions independently of and without influence from Arion Bank as to the timing of repurchases. The ongoing buyback programmes of Arion Bank shares and SDRs on Nasdaq Iceland and Nasdaq Stockholm will cease no later than 15 March 2023, and earlier if fully completed, with Arion Bank also retaining the right to discontinue either or both of the repurchase programmes at an earlier date.

Repurchases of Arion Bank shares and SDRs is divided between the Icelandic and Swedish markets. Following this announcement, the terms of the two currently active repurchase rounds provide for the aggregate repurchase, announced earlier, of up to 640,000 Arion Bank SDRs on Nasdaq Sweden, corresponding to 0.04% of the Bank's currently issued share capital (of which 345,987 SDRs have already been repurchased), and the aggregate repurchase of up to 7,925,000 Arion Bank shares on Nasdaq Iceland corresponding to 0.52% of the Bank's currently issued capital.



The total consideration for purchased SDRs in Sweden under the ongoing repurchase programme shall furthermore not exceed the equivalent of ISK 100,000,000 and the total consideration for purchased shares on Nasdaq Iceland under the repurchase round announced today shall not exceed ISK 1,500,000,000, representing a maximum total consideration for both buyback programmes of ISK 1,600,000,000. Prior to the buyback of Arion Bank shares on Nasdaq Iceland commencing on the basis of the decision announced today (with repurchases of SDR in Sweden continuing) the Bank currently holds a total of 51,883,448 of its own shares and SDRs, representing around 3.44% of the Bank's issued share capital.

The daily volume limit for repurchases on each of the two markets shall be 25% of the average daily trading turnover 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 repurchases may only be entered into by way of orders submitted within the range of prices then applying to Arion Bank SDRs on Nasdaq Stockholm. The term "range of prices" refers 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 of 1 February 2021 and 12 January 2023 as regards supplement D. On Nasdaq Iceland the repurchase price for Arion Bank shares shall not be higher than the price of the last independent trade or the highest current independent bid, whichever is higher, applicable to such shares, in accordance with Commission delegated regulation no. (EU) 2016/1052 of 8 March 2016 ("the Safe Harbour Regulation") as enacted in Iceland.

The repurchase of Arion Bank shares and SDRs is carried out in accordance with applicable law and regulation in Iceland and Sweden, including Regulation No. 596/2014 of the European Parliament and of the Council on market abuse ("MAR"), the Safe Harbour Regulation, Icelandic acts on limited liability companies, No. 2/1995 and Act No. 60/2021 on measures against market manipulation and rules no. 320/2022 on measures against market manipulation which, inter alia, adopted the Safe Harbour Regulation into Icelandic law. Repurchase transactions in both markets will be publicly disclosed in accordance with applicable law and regulation in Iceland and Sweden, respectively.

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Attachments

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