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## **Republic of Iceland launches cash tender offer**

16 May 2023. The Republic of Iceland (the "**Offeror**") announces today an invitation (such invitation, the "**Offer**") to holders of its €500,000,000 0.100 per cent. Notes due 20 June 2024 (ISIN: XS2015295814) (of which €500,000,000 in aggregate nominal amount is outstanding as at the date hereof) (the "**Notes**") to tender their Notes for purchase by the Offeror for cash.

The Offer is being made on the terms and subject to the conditions contained in the tender offer memorandum dated 16 May 2023 (the "**Tender Offer Memorandum**") prepared by the Offeror in connection with the Offer, and is subject to the offer and distribution restrictions set out below and as more fully described in the Tender Offer Memorandum. Noteholders are advised to read carefully the Tender Offer Memorandum for full details of, and information on the procedures for participating in, the Offer.

Copies of the Tender Offer Memorandum are (subject to distribution restrictions) available from the Tender Agent as set out below. Capitalised terms used but not otherwise defined in this announcement shall have the meaning given to them in the Tender Offer Memorandum.

A summary of certain terms of the Offer appear below:

<b>Description of the Notes</b>	<b>ISIN / Common Code</b>	<b>Outstanding nominal amount</b>	<b>Reference Rate</b>	<b>Fixed Spread Amount</b>	<b>Amount subject to the Offer</b>
€500,000,000 0.100 per cent. Notes due 20 June 2024	XS2015295814 / 201529581	€500,000,000	Interpolated Mid- Swap Rate	- 45 basis points	Any and all

### **Rationale for the Offer**

The rationale of the Offer is to proactively manage upcoming debt repayments.

### **Purchase Price and Accrued Interest**

The Offeror will pay for any Notes validly tendered and accepted for purchase by the Offeror pursuant to the Offer a purchase price to be determined in the manner described in the Tender Offer Memorandum by reference to a yield which is equal to the sum of the fixed spread of -45 basis points (the "**Fixed Spread Amount**") and the Interpolated Mid-Swap Rate at or around the Pricing Time, expressed as a percentage and rounded to the third decimal place (with 0.0005 being rounded upwards) (the "**Purchase Price**"). Specifically, the Purchase Price will equal (a) the value of all remaining payment of principal and interest on the Notes, up to and including the scheduled maturity date of the Notes, discounted to the Settlement Date at a discount rate equal to the yield, minus (b) the Accrued Interest.

The Offeror will also pay, on the Settlement Date, Accrued Interest in respect of any Notes accepted for purchase pursuant to the Offer.

Notes purchased by the Offeror pursuant to the Offer will be immediately cancelled. Notes which have not been validly tendered and accepted for purchase pursuant to the Offer will remain outstanding after the Settlement Date.

### **Acceptance and no scaling**

If the Offeror decides to accept valid tenders of Notes pursuant to the Offer, the Offeror will accept for purchase all of the Notes that are validly tendered in full, with no *pro rata* scaling.

### **Tender Instruction**

In order to participate in the Offer, Noteholders must validly tender their Notes for purchase by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Tender Agent by 5.00 p.m. (CEST) on 23 May 2023 (the "**Expiration Deadline**").

Tender Instructions will be irrevocable except in the limited circumstances described in the Tender Offer Memorandum.

Tender Instructions must be submitted in respect of a minimum nominal amount of no less than €100,000, being the minimum denomination of the Notes, and may be submitted in integral multiples of €1,000 thereafter.

Tender Instructions which relate to a nominal amount of Notes of less than €100,000 will be rejected.

### **Indicative Timetable for the Offer**

<b>Events</b>	<b>Times and Dates</b>
<i>Commencement of the Offer</i>	Tuesday, 16 May 2023
<i>Expiration Deadline</i>	5.00 p.m. (CEST) on Tuesday, 23 May 2023
<i>Pricing Time</i>	At or around noon (CEST) on Wednesday, 24 May 2023
<i>Announcement of Acceptance and Results</i>	As soon as reasonably practicable after the Pricing Time
<i>Settlement Date</i>	Expected to be Friday, 26 May 2023

*The Offeror may, in its sole discretion, extend, re-open, amend, waive any condition of or terminate the Offer at any time (subject to applicable law and as provided in the Tender Offer Memorandum) and the above times and dates are subject to the right of the Offeror to extend, re-open, amend, waive any condition of and/or terminate the Offer.*

*Noteholders are advised to check with any bank, broker or other intermediary through which they hold Notes by when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer by the deadlines set out above. The deadlines set by any such intermediary and each Clearing System for the submission and withdrawal of Tender Instructions will be earlier than the relevant deadlines above.*

Unless stated otherwise, announcements in connection with the Offer will be made (i) by publication through RNS and (ii) by the delivery of notices to the Clearing Systems for communication to Direct Participants. Such announcements may also be made on the relevant Reuters Insider Screen and/or by the issue of a press release to a Notifying News Service. Copies of all such announcements, press releases and notices can also be obtained upon request from the Tender Agent, the contact details for which are set out below. Significant delays may be experienced where notices are delivered to the Clearing Systems and Noteholders are urged to contact the Tender Agent for the relevant announcements during the course of the Offer. In addition, Noteholders may contact the Dealer Managers for information using the contact details set out below.

Noteholders are advised to read carefully the Tender Offer Memorandum for full details of, and information on the procedures for, participating in the Offer.

Barclays Bank Ireland PLC and Citigroup Global Markets Limited are acting as Dealer Managers for the Offer and Citibank, N.A., London Branch is acting as Tender Agent.

Questions and requests for assistance in connection with the Offer may be directed to the Dealer Managers.

#### THE DEALER MANAGERS

##### **Barclays Bank Ireland PLC**

One Molesworth Street  
Dublin 2  
D02 RF29  
Ireland

Attention: Liability Management Group  
Email: [eu.lm@barclays.com](mailto:eu.lm@barclays.com)

##### **Citigroup Global Markets Limited**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

Telephone: +44 20 7986 8969  
Attention: Liability Management Group  
Email: [liabilitymanagement.europe@citi.com](mailto:liabilitymanagement.europe@citi.com)

Questions and requests for assistance in connection with the delivery of Tender Instructions may be directed to the Tender Agent.

#### THE TENDER AGENT

##### **Citibank, N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

Telephone: +44 20 7508 3867  
Attention: Exchange Team  
Email: [citiexchanges@citi.com](mailto:citiexchanges@citi.com)

#### DISCLAIMER

This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to the Offer. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own financial and legal advice, including as to any tax consequences, from its broker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Notes for purchase pursuant to the Offer. Each of the Dealer Managers is acting exclusively for the Offeror and no one else in connection with the arrangements described in this announcement and the Tender Offer Memorandum and will not be responsible to anyone other than the Offeror for providing the protections afforded to customers of the Dealer Managers or for advising any other person in connection with the Offer. None of the Offeror, the Dealer Managers and the Tender Agent, nor any of their respective directors, employees or affiliates, makes any recommendation as to whether Noteholders should tender Notes for purchase pursuant to the Offer.

#### OFFER AND DISTRIBUTION RESTRICTIONS

##### **Italy**

None of the Offer, this announcement, the Tender Offer Memorandum or any other document or materials relating to the Offer have been submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* ("CONSOB") pursuant to Italian laws and regulations. The Offer is being carried out in Italy as exempted Offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial**

**Services Act**") and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended. Accordingly, Noteholders or beneficial owners of the Notes that are located in Italy can tender Notes for purchase pursuant to the Offer through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Offer.

### **United Kingdom**

The communication of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offer is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials may be exempt from the restriction on financial promotion under section 21 of the FSMA pursuant to Article 34 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("**Financial Promotion Order**") or on the basis that any such communication is only directed at and may only be communicated to persons to whom these documents and/or materials may lawfully be communicated in accordance with the Financial Promotion Order.

### **France**

This announcement, the Tender Offer Memorandum and any other offering material relating to the Offer may be distributed in France only to qualified investors (investisseurs qualifiés) as defined in Article 2(e) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Neither this announcement, the Tender Offer Memorandum, nor any other such offering material has not been and will not be submitted for clearance to, nor approved by the *Autorité des Marchés Financiers*.

### **General**

Nothing in this announcement or the Tender Offer Memorandum or the electronic transmission thereof constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Offer will not be accepted from any Noteholder) in any circumstances in which such offer or solicitation is unlawful. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer and either of the Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in such jurisdiction, the Offer shall be deemed to be made by such Dealer Manager or affiliate, as the case may be, on behalf of the Offeror in such jurisdiction.

Each holder of Notes participating in the Offer will be deemed to give certain representations in respect of the jurisdictions referred to above and generally as set out in the Tender Offer Memorandum. Any tender of Notes for purchase pursuant to the Offer from a Noteholder that is unable to make these representations will not be accepted. Each of the Offeror, the Dealer Managers and the Tender Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Offeror determines (for any reason) that such representation is not correct, such tender may be rejected.