

Conditional voluntary offer to the shareholders of Danske Andelskassers Bank A/S

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THIS DOCUMENT CONSTITUTES AN ANNOUNCEMENT ISSUED PURSUANT TO SECTION 4(1) OF DANISH EXECUTIVE ORDER NO. 1171 OF 31 OCTOBER 2017 ON TAKEOVER BIDS (THE DANISH TAKEOVER ORDER). THIS DOCUMENT IS NOT AN OFFER DOCUMENT.

Today, Spar Nord Bank A/S ("Spar Nord") resolved to submit a conditional voluntary offer to purchase all outstanding shares in Danske Andelskassers Bank A/S, CVR No. 31 84 32 29 (ISIN DK0060299063) ("DAB"). The shareholders of DAB are offered consideration in the form of one (1) share in Spar Nord of a nominal value of DKK 10 and a cash consideration of DKK 13.35 for nine (9) shares in DAB of a nominal value of DKK 2 (the "Offer"), which corresponds to DKK 7.75 per share in DAB (calculated on the basis of the closing price on 28 February 2019).

The offer represents a premium of about 19 % to the closing price on 28 February 2019 and a premium of about 105 % to the closing price on 25 September 2018, the day before Spar Nord acquired 27% of the shares in DAB. In the corresponding period, OMX Copenhagen Banks PI (index) fell by about 19 %. The offer price corresponds to a total valuation of DAB of DKK 1,127 million.

Background to the Offer

Spar Nord has been the largest single shareholder in DAB since 26 September 2018 with a current ownership interest of 30.89 %. Spar Nord's decision to acquire a major shareholding in DAB was driven mainly by the assessment that considerable value could be generated for the customers, shareholders and employees of both banks by combining DAB and Spar Nord.

Based on closer analysis and discussions with relevant stakeholders, Spar Nord continues to believe that a combination of the two banks would entail benefits for all parties considering the two banks' many similarities when it comes to business model, customer focus, culture and values, including their

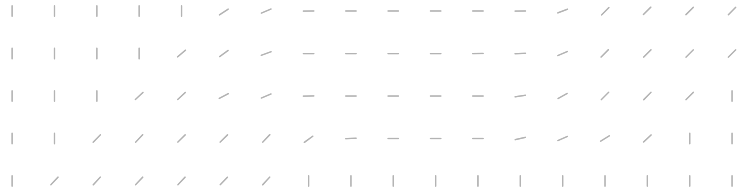
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01.03.2019



shared primary focus on private customers and small and medium-sized businesses in the local area.

Even though DAB has downsized its network of branches from 51 to 14 since 2010, Spar Nord believes the two banks still share the same commitment to providing personal advice out of physical local area branches combined with up-to-date digital offerings.

Moreover, both banks essentially work with the same partners in providing mortgage credit, asset management, insurance and pension products and, working together in the BEC data centre alliance, offer almost identical digital solutions to their customers.

In other words, since Spar Nord intends to maintain its geographical presence in the local areas in which DAB is currently present and to retain current customer-adviser relations, a combination would, for all practical purposes, entail quite insignificant changes for DAB's customers.

It is noted also that a recent image rating survey (Wilke, October 2018) ranked Spar Nord higher than any other bank in the three regions in which DAB is present. Against this background, Spar Nord is confident it will be able to meet the expectations of DAB's customers.

Another important reason why the two banks are considered a good match is their mutual commitment to playing an active role in the local community. Spar Nord is 19 %-owned by the Spar Nord Foundation, which, based on the annual dividends received from Spar Nord, provides financial support in excess of DKK 50 million to research, cultural and association activities in the local areas in which Spar Nord is represented. Two of DAB's largest shareholders are foundations which share the Spar Nord Foundation's commitment to making a positive difference in the local area but which have not been able to make any donations since the foundations – for a number of years – have not received any dividends from DAB. The Spar Nord Foundation's donations would also benefit new local areas in which Spar Nord intends to play an active role following a combination with DAB.

By the offer to receive one (1) share in Spar Nord of a nominal value of DKK 10 plus a cash consideration of DKK 13.35 for nine (9) shares in DAB of a nominal value of DKK 2, DAB's shareholders are offered the opportunity to acquire shares in a bank which traditionally pays out dividend.

From a general shareholder perspective, Spar Nord is confident that considerable synergies may be generated from carrying on the activities of the two banks from the same platform and that the Offer (based on consideration in Spar Nord shares) will result in DAB's shareholders getting a share in such synergies.

Spar Nord also places great emphasis on employee satisfaction, training, education and talent management and on creating career opportunities for the bank's employees. Based on previous bank combinations, Spar Nord



has gained considerable expertise and experience in integrating new employees and equipping them for new systems and products. Any staff adjustments will be implemented with the utmost respect for the circumstances of each individual employee.

Against this background, it is Spar Nord's overall assessment that a combination would create value for all stakeholders.

Main elements of the Offer

Subject to fulfilment of certain conditions, the shareholders of DAB will be offered one (1) share in Spar Nord of a nominal value of DKK 10 plus a cash consideration of DKK 13.35 for nine (9) shares of a nominal value of DKK 2 in DAB.

The offer represents a premium of about 19 % to the closing price on 28 February 2019 and about 105 % to the closing price on 25 September 2018, the day before Spar Nord acquired 27% of the shares in DAB. In the corresponding period, OMX Copenhagen Banks PI (index) fell by about 19 %.

The offer may be raised if Spar Nord gains access to conducting a due diligence, and such due diligence does not identify any additional (significant) impairment relative to DAB's most recently published financial statements.

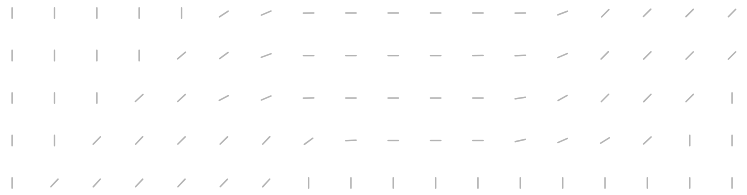
The Offer, which will be announced in an offer document in four weeks, at the latest, is subject to fulfilment of the below conditions.

Conditions for completion of the Offer

The completion of the Offer is conditional:

- i. on Spar Nord's due diligence team and an independent financial adviser, observing due confidentiality, gaining access immediately after publication of the offer document to carrying out credit due diligence procedures in respect of DAB; and
- ii. on the independent financial adviser, who will be a state-authorised public accountant certified according to the standards from the Danish FSA, based on the conclusions of such due diligence procedures, finding that any additional impairment losses relating to DAB's customer exposures will not exceed DKK 250 million.

The completion of the Offer is also conditional on fulfilment of a number of conditions which Spar Nord considers to be ordinary.



Funding

The Offer will be financed by issuing new shares in Spar Nord pursuant to the authority of the board of directors under article 3(3) of Spar Nord's articles of association and by using existing financial resources.

Spar Nord's current shareholding in DAB

As at the date of this company announcement, Spar Nord owns [44.9 million] shares in DAB, corresponding to 30.89 % of the total share capital and voting rights in DAB.

Offer procedure and offer period

The Offer will be conducted in accordance with Danish law, and the terms and conditions of the Offer will be set out in an offer document which will be published by Spar Nord not later than four (4) weeks from the date of this announcement.

The offer period for the Offer is expected to commence as soon as possible and not later than four (4) weeks from the date of this announcement and to expire four weeks after publication of the offer document.

The detailed terms and conditions of the Offer, including instructions on how to accept the Offer, will be set out in the offer document.

Spar Nord reserves the right to extend the offer period from time to time in accordance with the terms and conditions of the Offer.

Regulatory approval

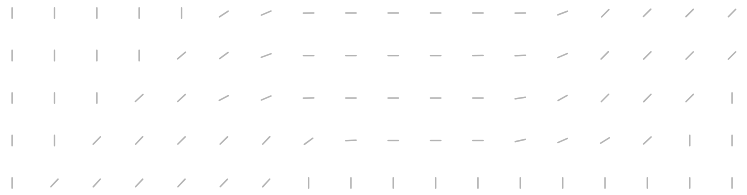
No other regulatory approvals than those of the Danish Financial Supervisory Authority and the Danish Competition and Consumer Authority are expected to be required.

Statement by the board of directors

Under section 22 of the Danish Takeover Order, the board of directors of DAB must within the first half of the initial offer period after publication of the final offer document publish a statement concerning the Offer.

Versions

This announcement has been prepared in a Danish-language and an English-language version. In the event of any discrepancy between the English-language version and the Danish-language version, the Danish-language version will prevail.



Advisers

Spar Nord has appointed Carnegie Investment Bank as financial advisers and Accura Advokatpartnerselskab as legal advisers.

Important information

This announcement does not constitute an offer or invitation to purchase any securities in DAB or a solicitation of an offer to buy any securities pursuant to the Offer or otherwise. At the present point in time, a takeover bid for the shares in DAB has not been made. DAB's shareholders are recommended to read the Offer Document and related documents when published as they will contain important information.

Additional information

Should you have any questions in connection with this announcement, please contact Lasse Nyby, Chief Executive Officer, at tel. +45 9634 4011, or Ole Madsen, Senior Vice President, Communication & Innovation, at tel. +45 9634 4010.

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Senior Vice President, Communication & Innovation