

# Annual General Meeting at P/F BankNordik, Thursday March 21. 2019

**BANKNORDIK**

February 28, 2019

## **Proposal from the Board of Directors – agenda item 6 b:**

### **Proposal by the Board of Directors to amend the Articles of Association**

The Board of Directors proposes to reduce BankNordik's share capital by DKK 8.000.000 nominally from DKK 200.000.000 to DKK 192.000.000 by cancelling part of BankNordik's holding of own shares.

The reduction of the share capital is legally considered as a distribution to the shareholders as the amount of the capital reduction has been paid out to BankNordik's shareholders as payment for shares acquired by BankNordik. If the proposal is adopted, BankNordik's holdings of own shares will be reduced by 400.000 shares of DKK 20 each.

Those shares have been bought back under the BankNordik share buy-back programmes which have been carried out in the periods from 30 May 2016 to 30 December 2016, from 27 February 2018 to 31 May 2018, and from 6 August 2018 to 21 February 2019, for a total purchase price of DKK 39.604.828. This implies that, in addition to the nominal amount of the capital reduction, DKK 31.604.825 has been distributed to the shareholders, see section 188[1] [2] of the Faroese Companies Act. The reduction of the share capital is thus carried out at a premium, as the reduction is effected at a price of 117.19 [rounded], corresponding to the average price paid for the shares.

Consequently, the Board of Directors proposes that article 4.1 of the Articles of Association be amended as follows, effective from the date of completion of the capital reduction:

*"4.1. The share capital of the Bank is DKK 192 million, divided into shares of DKK 20."*

### **Board of Directors**