

Ålandsbanken Abp announces a consent solicitation for its up to SEK 2,500,000,000 Covered Bond due 2022 issued under Ålandsbanken Abp's EUR 2,000,000,000 Medium Term Note and Covered Bond Programme and initiates a procedure in writing

17.08.2021

Ålandsbanken Abp
Inside Information
17 August 2021 - 10:00 EET

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Ålandsbanken Abp ("Ålandsbanken") announces a consent solicitation for its outstanding up to SEK 2,500,000,000 floating interest rate notes due 2022 (ISIN SE0010598474) (the "Notes") issued under Ålandsbanken's EUR 2,000,000,000 Medium Term Note and Covered Bond Programme to solicit consents, waivers and decisions to amend the terms and conditions of the Notes (the "Proposal") in relation to the contemplated issue of a standalone covered bond by Ålandsbanken as the initial issuer with terms and conditions allowing the standalone covered bond to be transferred to Borgo AB ("Borgo") as subsequent issuer at a later stage subject to the approval of Ålandsbanken and Borgo (the "New Covered Bond"). The New Covered Bond relates to a contemplated agreement between Ålandsbanken and Borgo, according to which Ålandsbanken will transfer its Swedish mortgage loans and SEK-denominated covered bonds it has issued to Borgo. Nordea Bank Abp and Danske Bank A/S will act as Joint Lead Managers and Bookrunners in the issuance of the New Covered Bond.

Ålandsbanken commences a consent solicitation process and initiates the procedure in writing (the "Procedure in Writing") for the noteholders to vote for or against the Proposal to amend the terms and conditions of the Notes by adding a call option according to which Ålandsbanken may redeem all, but not some only, of the outstanding Notes in full any time prior to the final maturity date at an amount equal to 100.800 per cent. of the nominal amount together with accrued but unpaid interest. Nordea Bank Abp (the "Tabulation Agent") is acting as the tabulation agent and solicitation agent in connection with this Procedure in Writing.

As compensation for the noteholders voting by 25 August 2021 (the "Early Deadline") in this Procedure in Writing, Ålandsbanken offers a fee of 0.30 per cent. (the "Consent Fee") for the aggregate nominal amount of the Notes voted for by each noteholder. The Consent Fee shall be paid to those noteholders from whom the Tabulation Agent has received a valid voting form in favour or

against the Proposal prior to the Early Deadline.

The payment of the Consent Fee is subject to (i) the Proposal being approved by a requisite majority of the noteholders participating in the Procedure in Writing and (ii) early redemption of the Notes by Ålandsbanken pursuant to the call option as set out in the terms and conditions of the consent solicitation.

For the avoidance of doubt, Ålandsbanken has no obligation to exercise the call option and it is in its sole discretion even if the Proposal has been approved.

Subject to satisfaction of certain requirements as set out in the terms and conditions of the consent solicitation, noteholders voting in favour of the Proposal no later than the Early Deadline are eligible to receive priority in the allocation of any new bonds under the New Covered Bond, subject to the terms and conditions of the New Covered Bond.

Noteholders shall return, as applicable, the voting form, as set out in Schedule 1 of the notice of Procedure in Writing (the "Notice of Procedure in Writing") annexed hereto, and, the power of attorney/authorisation set out in Schedule 2 of the Notice of Procedure in Writing annexed hereto or other sufficient evidence, if the Notes are held in custody other than by Euroclear Sweden AB, by scanned copy by e-mail to: nordealiabilitymanagement@nordea.com.

To be eligible to participate in the Procedure in Writing and receive the priority allocation of any new bonds under the New Covered Bonds and/or the Consent Fee a person must meet the criteria for being a noteholder on 25 August 2021 (the "Record Date"). This means that the person must be registered on a securities account with Euroclear Sweden AB, as a direct registered owner or authorised nominee with respect to one or several Notes. The Tabulation Agent must receive the completed voting form no later than 12:00 (CEST) on 1 September 2021 by email using the contact details set out below. Votes received thereafter may be disregarded.

The results of the Procedure in Writing will be published on the website of Ålandsbanken on 2 September 2021 at the latest.

The details of the terms and conditions of the consent solicitation are set out in the Notice of Procedure in Writing, which will be made available to noteholders and may be requested from Nordea Bank Abp as Tabulation Agent.

Tabulation Agent, Nordea Bank Abp, e-mail: Nordealiabilitymanagement@nordea.com,

Attention: Nordea Liability Management, tel. +45 6161 2996.

ÅLANDSBANKEN ABP

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Important Notice

In respect of the consent solicitation process, this announcement must be read in conjunction with the Notice of Procedure in Writing. If any noteholder is in any doubt as to the contents of this stock exchange release, the information contained in the Notice of Procedure in Writing or the action it

should take, such noteholder should seek its own financial and legal advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser.

Neither this announcement nor the Notice of Procedure in Writing constitutes an invitation to participate in the consent solicitation in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws.

In a number of jurisdictions, in particular in Australia, Canada, South Africa, Singapore, Japan and the United States, the distribution of this announcement or the Notice of Procedure in Writing may be subject to restrictions imposed by law (such as registration of the relevant offering documents, admission, qualification and other regulations). Persons into whose possession this announcement or the Notice of Procedure in Writing comes are required to inform themselves about, and to observe, any such restrictions. In particular, none of the securities referenced in this announcement, including the Notes, nor the Notice of Procedure in Writing have been registered or will be registered under the United States Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state of the United States and as any securities may not be offered or sold (and the consent solicitation is not being made) in the United States except pursuant to an exemption from registration under the Securities Act.

The consent solicitation is only being made outside the United States. Neither this announcement nor the Notice of Procedure in Writing is an offer to sell or the solicitation of an offer to buy any securities and shall not constitute an offer, solicitation or sale in the United States or any other jurisdiction in which such offering, solicitation or sale would be unlawful. This announcement or the Notice of Procedure in Writing must not be released or otherwise forwarded, distributed or sent, directly or indirectly, in whole or in part, in or into the United States or any jurisdiction where the distribution of these materials would breach any applicable law or regulation or would require any registration or licensing within such jurisdiction. Failure to comply with the foregoing limitation may result in a violation of the Securities Act or other applicable securities laws.

The information herein may contain forward-looking statements. All statements other than statements of historical facts included in the information are forward-looking statements. Forward-looking statements give Ålandsbanken's current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. These statements may include, without limitation, any statements preceded by, followed by or including words such as "expect", "aim", "intend", "may", "plan", "would", "could" and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond Ålandsbanken's control that could cause Ålandsbanken's actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Ålandsbanken's present and future business strategies and the environment in which it will operate in the future.

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ANNEX

NOTICE OF PROCEDURE IN WRITING

Attachment

- [Alandsbanken-Abp-Notice-of-Procedure-in-Writing-17-August-2021](#)