

NOT FOR PUBLICATION IN THE USA, CANADA, AUSTRALIA, JAPAN OR SWITZERLAND OR ANY OTHER JURISDICTION WHERE ISSUANCE OF THE SHARE OFFER WOULD CONSTITUTE A VIOLATION OF THE LAWS OF SUCH JURISDICTION

Company announcement no. 6/2018

Holbæk, 22 March 2018

Sparekassen Sjælland-Fyn publishes prospectus regarding the pre-emption rights issue

In accordance with previous announcements by Sparekassen Sjælland-Fyn A/S of its plans to optimize and future-proof its capital resources, the Board of Directors of Sparekassen Sjælland-Fyn A/S (“Sparekassen Sjælland-Fyn” or “Sparekassen”) has today decided to exercise its authority under clause 4.1 of Sparekassen’s Articles of Association to increase Sparekassen’s share capital. This will take place by means of an offer for up to 4,343,743 new shares (“the Shares Offered”) in the nominal amount of DKK 10 each with a pre-emption right for Sparekassen’s current shareholders at a price of DKK 105 per share in the nominal amount of DKK 10 each (“the Share Issue”). In this connection, Sparekassen publishes a prospectus (“the Prospectus”) as well as a final timeline for the Share Issue.

- The pre-emption rights issue takes place granting Sparekassen’s current shareholders a pre-emption right for shares at a subscription price of DKK 105 per share in the nominal amount of DKK 10 each;
- Upon full subscription, gross proceeds from the pre-emption rights issue will amount to DKK 456,093,015;
- The new shares may be subscribed for in the period from 09:00 a.m. Danish time on 5 April 2018 to 05:00 p.m. Danish time on 18 April 2018;
- Sparekassen has received advance and guarantee commitments for subscription for the entire Share Issue.

Subscription may take place by exercising the subscription rights allocated through VP Securities A/S at 06:00 p.m. Danish time on 4 April 2018 by any party registered with VP Securities A/S as a shareholder of Sparekassen. One (1) subscription right is allocated per existing share as subscription will require three (3) subscription rights for each Share Offered. The last day for trading in the Sparekassen Sjælland-Fyn share (SPKSJF, ISIN DK0060670776), including subscription rights, will be Wednesday, 28 March 2018.

Reason for the Share Issue and application of proceeds

The reason for the Share Issue is that Sparekassen wants to improve and optimise the composition of its capital resources, which includes increasing Sparekassen’s common equity tier 1 capital.

By carrying out the pre-emption rights issue, gross proceeds will amount to up to DKK 456,093,015. The estimated net proceeds (gross proceeds less estimated expenses to be paid by Sparekassen in connection with the Share Issue) are expected to be approx DKK 438m.

The net proceeds from the Share Issue are, for example, to support Sparekassen's expected growth, including that resulting from the implementation of its strategy, "New Ways", and prepare Sparekassen for the increased capital and eligible liabilities requirements in the years ahead. Furthermore, Sparekassen intends some of the net proceeds – combined with a planned raising of new hybrid core capital and new supplementary capital in the period from June to October 2018 – to form the basis for repayment of Sparekassen's current hybrid core capital of DKK 520m and supplementary capital of DKK 118m, which both have their first call date in October 2018, provided that the Danish Financial Supervisory Authority approves this.

Advance commitments, guarantee and market maker

Two of Sparekassen's current shareholders, Fonden for Sparekassen Sjælland and Sydbank A/S, have submitted binding advance commitments subject to fulfilment of certain conditions regarding the exercise of 1,509,999 shares in total of the subscription rights allocated to or acquired by them, involving subscription for a total of 503,333 Shares Offered, equivalent to a total subscription amount of DKK 52,849,965, which accounts for 11.59% of the Shares Offered. As stated in the company announcement of 14 December 2017, major shareholders (including Sydbank) who, between them, hold approximately 30% of the shares in Sparekassen have indicated to Sparekassen that they intend to maintain, as a minimum, their ownership interest in connection with the Share Issue.

The members of Sparekassen's Board of Directors and Executive Board who hold shares in Sparekassen have indicated their intention of participating in the Share Issue by exercising the subscription rights granted to them.

In addition, Sparekassen Sjælland-Fyn A/S has entered into an underwriting agreement with Sydbank A/S on the subscription for, under certain conditions, up to 4,065,714 shares in case any shares remain. The overall Share Issue is therefore subject to the advance commitments provided or the guarantee undertaken by Sydbank A/S.

Sydbank A/S, who is the market maker in Sparekassen's shares, will quote the prices of the subscription rights in connection with the Share Issue under the market-making agreement.

Terms of the Share Issue

Share Issue

The Share Issue will be for up to 4,343,743 shares in the nominal amount of DKK 10 each, with a pre-emption right for Sparekassen's current shareholders.

Subscription price

The subscription price will be DKK 105 (cash) per share in the nominal amount of DKK 10 each.

Subscription ratio

The pre-emption rights issue will be carried out at a subscription ratio of 3:1, i.e. that all of Sparekassen's current shareholders that are registered with VP Securities A/S as shareholders of Sparekassen at 06:00 p.m. Danish time on 4 April 2018 under ISIN code DK0060670776 will be granted one (1) subscription right per existing share in the nominal amount of DKK 10 each as subscription for each Share Offered will require the exercise of three (3) subscription rights.

Until 05:00 p.m. Danish time on 28 March 2018, the Sparekassen Sjælland-Fyn share will be traded under the permanent ISIN code admitted for trading on Nasdaq Copenhagen (SPKSJF, ISIN DK0060670776), including subscription rights.

Subscription period

The subscription period for the Shares Offered will be from 09:00 a.m. Danish time on 5 April 2018 to 05:00 p.m. Danish time on 18 April 2018.

Exercise of subscription rights

Subscription right holders intending to exercise subscription rights allocated or acquired must do so through their account-holding institution or other financial intermediary in accordance with such institution's or such intermediary's rules. The time for when announcement of the exercise of subscription rights is to take place will depend on the holder's agreement with and the rules and procedures of the relevant account-holding institution or other financial intermediary, and such time may be earlier than the time of expiry of the subscription period. Once a holder has exercised their subscription rights, the exercise cannot be recalled or changed.

Any subscription rights not having been exercised before the subscription period expires will be invalid and of no value, and any holders of such subscription rights will not be entitled to any compensation.

Subscription for remaining shares

Shares Offered that have not been subscribed for by Sparekassen's shareholders by exercising their subscription rights or by other investors under acquired subscription rights before the subscription period expires may, without compensation to any holders of non-exercised subscription rights, be subscribed for by Sparekassen's shareholders and other investors, including the guarantor who, prior to expiry of the subscription period, has provided a binding commitment to subscribe for the remaining shares at the subscription price. Should the binding commitment for subscription exceed the number of remaining shares, an allocation will take place based on a key to be determined by the Board of Directors. Allocation will take place based on the binding commitments received and not considering whether such commitments were provided by current shareholders or other investors.

Trade in subscription rights

The subscription rights have been approved and are expected to be admitted for trading on Nasdaq Copenhagen under ISIN code DK0060950384. The subscription rights may be traded in the period from 09:00 a.m. Danish time on 3 April 2018 to 05:00 p.m. Danish time on 16 April 2018. Until 05:00 p.m. Danish time on 28 March 2018, the Sparekassen Sjælland-Fyn share will be traded (SPKSJF, ISIN DK0060670776), including subscription rights.

Payment and delivery

Subscription for the Shares Offered may take place by exercising the subscription rights against cash payment of the subscription price equivalent to DKK 105 per Share Offered, free of charges, settlement will take place on 25 April 2018. After having paid the subscription price, investors will be granted temporary shares on their accounts with VP Securities A/S under the temporary ISIN code DK0060950467. The temporary shares will not be admitted for trading and official listing on Nasdaq Copenhagen under the temporary ISIN code. Thus, the temporary ISIN code has solely been registered with VP Securities A/S for the purpose of subscribing for new shares. The Shares Offered will obtain rights in Sparekassen Sjælland-Fyn from the date of registration of the capital increase with the Danish Business Authority.

Trade in and official listing of Shares Offered

The Shares Offered will be registered under the temporary unlisted ISIN code (ISIN DK0060950467). After the completion of the Share Issue, the Shares Offered will be registered with the Danish Business Authority, presumably on 25 April 2018, and as soon as possible after that, the Shares Offered will be admitted for trading and official listing on Nasdaq Copenhagen under the permanent ISIN

code for Sparekassen's existing shares (SPKSJF, ISIN DK0060670776), with the expected first day of trading and official listing being 26 April 2018.

Cancellation or recall of the Share Issue

Sparekassen Sjælland-Fyn may recall the Share Issue at any time before the capital increase related to the Shares Offered is registered with the Danish Business Authority. Should the Share Issue be recalled, this will be announced as soon as possible through Nasdaq Copenhagen.

Any trade in Shares Offered and/or subscription rights prior to the execution of the Share Issue and the admission for trading and official listing on Nasdaq Copenhagen will be at one's own risk.

Should the Share Issue not take place, any subscription rights as may have been exercised will automatically be cancelled. The subscription amount of the Shares Offered will be reimbursed (net of any transaction costs) through VP Securities to the last owner registered for the Shares Offered at the recall date. All subscription rights will become void, as will the Shares Offered, whereby investors who might have acquired subscription rights and/or Shares Offered may incur a loss.

However, subscription rights transacted during the trading period will not be affected should the Share Issue not be completed. This entails that investors acquiring subscription rights will incur a loss equivalent to the purchase price of the subscription rights and any transaction costs.

Similarly, if the Share Issue is not completed, the Shares Offered will not be issued. However, any transactions in the Shares Offered will not be affected, and investors registered as holders of the Shares Offered will obtain reimbursement of the subscription amount of the Shares Offered (net of any transaction costs). Sparekassen cannot be held accountable for any losses that investors might sustain due to any recall of the Share Issue, including any transaction costs or loss of interest income from the amount repaid.

Expected timeline

22 March 2018	Publication of Prospectus
28 March 2018	Last day of trading in Sparekassen's existing shares under the permanent ISIN code, including subscription rights (assuming trading at ordinary value for two (2) trading days)
3 April 2018	First day of trading in Sparekassen's existing shares under the permanent ISIN code, excluding subscription rights (assuming trading at ordinary value for two (2) trading days)
3 April 2018	Start of trading period for subscription rights
4 April 2018	Date of granting subscription rights to existing shareholders under the permanent ISIN code
5 April 2018	Start of subscription period for the Shares Offered
16 April 2018	Closing of trading period for subscription rights
18 April 2018	Closing of subscription period for the Shares Offered
23 April	Allocation of remaining shares and publication of results of the Share Issue
25 April	Settlement and registration of the Shares Offered in Sparekassen with the Danish Business Authority

26 April	First day of trading in the Shares Offered
30 April 2018	Integration of the temporary ISIN code for the Shares Offered with the permanent ISIN code for Sparekassen's existing shares

Prospectus

Subject to some restrictions, the Prospectus may be ordered from:

Sparekassen Sjælland-Fyn A/S
Isefjords Alle 5
DK-4300 Holbæk
Phone: +45 59 48 11 11
E-mail: ir@spks.dk

Subject to some restrictions, the Prospectus may also be obtained from Sparekassen Sjælland-Fyn's website: www.spks.dk. Except for the information included in the Prospectus by reference, the content of Sparekassen's website does not constitute any part of the Prospectus.

Yours faithfully

Lars Petersson
CEO

Thomas Kullegaard
Chairman

Additional information:

Public Relations and Executive Advisor Morten Huse Eikrem-Jeppesen, phone +45 53 85 07 70
Investor Relations Manager Jan Justesen, phone +45 59 48 10 47

CEO Lars Petersson

This announcement does not constitute a prospectus. The Prospectus, the subscription rights and the Shares Offered have not and will not be approved by supervisory authorities in jurisdictions other than Denmark. No person should buy or subscribe for shares in Sparekassen Sjælland-Fyn A/S unless this takes place based on information in the Prospectus published by Sparekassen Sjælland-Fyn A/S in connection with the Share Issue. This announcement does not constitute an offer to buy or an invitation to offer to buy shares issued by Sparekassen Sjælland-Fyn A/S in any jurisdiction where such offer or sale would be unlawful, and the information therein must neither directly nor indirectly be distributed to or published in such jurisdictions.

The issuer of the securities has not registered and does not intend to register such securities or portions thereof in the USA, Canada, Australia, Japan or Switzerland or in any other other jurisdiction and does not intend to perform any public offering of the securities in the USA, Canada, Australia, Japan or Switzerland or in jurisdictions other than Denmark.

This announcement must not be distributed or in any other manner be made available to, the Shares Offered must neither directly nor indirectly be offered or sold, and the subscription rights must neither directly nor indirectly be exercised or in any other manner be offered or sold in the USA, Canada, Australia, Japan or Switzerland or any jurisdiction other than Denmark, unless such distribution, such offer, such sale or such exercise is permitted under applicable law of the relevant jurisdiction, and Sparekassen Sjælland-Fyn A/S has received satisfactory documentary evidence thereof.

The Prospectus, the Share Issue, the subscription rights and the Shares Offered have not been approved, rejected or recommended by the US Securities and Exchange Commission or other US supervisory authorities. The subscription rights and the Shares Offered have not been and will not be registered under the US Securities Act of 1933 with subsequent amendments (“Securities Act”) or securities laws of single states in the USA. Any assignment of the subscription rights and any offer and/or sale of the Shares Offered are not permitted except through an offer or a sale under Regulation S of the Securities Act.

In any EEA member country besides Denmark which has implemented Directive 2003/71/EC (which together with all implementing measures in the individual EEA members states is referred to as “the Prospectus Directive”), the information and documents contained in the following websites are solely directed at and are solely addressed to investors in the relevant EEA member state who satisfy the criteria for being exempt from the obligation to publish a prospectus, including qualified investors as defined in the Prospectus Directive as implemented in the relevant EEA member state.