

OFFER DOCUMENT

10 November 2020

MANDATORY TAKEOVER BID

SAMHERJI HOLDING EHF.

TO

**THE SHAREHOLDERS OF
EIMSKIPAFÉLAG ÍSLANDS HF.**

MANDATORY TAKEOVER BID - EIMSKIPAFÉLAG ÍSLANDS HF.

 BELJANDI



CONTENTS

PAGE

1	Introduction.....	3
2	Submission of Mandatory Offer.....	5
3	Terms and Conditions of the Offer	5
4	Information on Eimskip	7
5	Share Capital and Shareholders of Eimskip	8
6	Key Financials	9
7	Share price	12
8	Disclosure Requirements.....	12
9	Information on the Offeror	13
10	Managers of the Offer Process.....	14
11	Offeror's Plans for Eimskip	14
12	Report of Eimskip's Board of Directors.....	14
13	Acceptance Procedure	14
14	Invalidation of Offer	15
15	Miscellaneous.....	16
16	Governing Law and Jurisdiction	16

1 Introduction

1.1 Important notice concerning this Offer

This Offer Document contains important information that should be read carefully before making any decision regarding the Takeover Bid (hereinafter "**Offer**").

No party may provide information or make statements in connection with this Offer on behalf of the Offeror, Samherji Holding ehf., Reg. No. 701012-0110, Glerárgata 30, 600 Akureyri (hereinafter referred to as "**Samherji Holding**" or "**the Offeror**"), or parties related to the Offeror, other than those specified in this Offer Document. Any such information or statements which may be provided or given cannot be relied upon.

The making of this Offer shall under no circumstances be interpreted to imply that no changes have occurred in the circumstances of the Offeror or Eimskipafélag Íslands hf., Reg. No. 690409-0460, Sundabakki 2, 104 Reykjavík (hereinafter referred to as "**Eimskip**" or "**the Company**"), from the date of this Offer Document or that the information contained in this Offer Document is accurate after the date of this Offer Document.

Beljandi ehf., Reg. No. 490413-1890, and Corporate Finance of Landsbankinn hf., Reg. No. 471008-0280, have been engaged as Managers for the takeover offer on behalf of Samherji Holding (hereinafter referred to as "**the Managers**").

Neither the Offeror nor parties related to the Offeror or the Managers have agreed to pay any benefits, compensation or other payments to the Board of Directors or management of Eimskip in connection with this Offer.

1.2 Governing law

The Offer described in this Offer Document is made based on the Offeror's mandatory takeover obligation under Act No. 108/2007, on Securities Transactions, as subsequently amended (hereinafter referred to as the "**AST**"). The Offer and its acceptance are subject to Icelandic law and the jurisdiction of Icelandic courts.

The Offer applies to shares issued by Eimskip. Shares issued by Eimskip are listed on the main list of NASDAQ Iceland hf. (hereinafter referred to as "**NASDAQ Iceland**"). The Offer is subject to the information disclosure obligation provided for in the AST.

This Offer is not aimed at shareholders whose participation in the Offer would result in any sort of obligation to prepare and publish a different type of Offer Document, an obligation to register or other action than is required under Icelandic law. The Offer is not aimed, either directly or indirectly, at shareholders who are domiciled in any jurisdiction where the presentation of this Offer or its acceptance is contrary to applicable law; furthermore this Offer Document may not be distributed in such jurisdictions. Any person who receives this Offer Document is deemed to have obtained the necessary

authorisations from the supervisory authorities and information on any restrictions that may apply to the person in question and to comply with such restrictions.

1.3 Changes to the Offer Document

Should the Offeror make any changes to the terms and conditions of the Offer, as specified in this Offer Document, such changes will be made public as provided for in the third paragraph of Art. 107 and Art. 114 of the AST.

1.4 Language

The Offer Document has been prepared in Icelandic and translated into English. Should there be any discrepancy, only the Icelandic version is authentic. The Financial Supervisory Authority of the Central Bank of Iceland (hereinafter referred to as "**FME**") has confirmed this Offer Document as provided for in the second paragraph of Art. 113 of the AST.

1.5 Forward-looking statements

The Offer Document may include information about future events, including statements on future results, growth or other forecasts of developments and benefits associated with the Offer. Such information can usually, but not always, be identified by words and phrases such as "*expected*", "*it is assumed*", "*plans*", "*anticipates*", "*intends*", "*proposes*" or similar words and phrases. By its nature, such information is subject to risk and uncertainty, as it concerns future events. There is no guarantee that such information will prove correct eventually, as it depends on various criteria, many of which are not under the control of the Offeror or Eimskip.

1.6 Binding acceptance

Shareholders' attention is drawn to the fact that, if they accept this Offer, this constitutes a binding and irrevocable acceptance, except in those cases specifically described in this Offer Document.

1.7 Disclaimer of liability

The information on Eimskip that appears in this Offer Document is based on publicly available information. The Offeror, together with parties connected to the Offeror or Managers, bears no responsibility for ensuring such information is accurate, exhaustive or not misleading. Nor does the Offeror, together with parties connected to the Offeror or Managers, bear any responsibility if Eimskip has not fulfilled its ongoing disclosure obligations concerning aspects which may affect the significance or reliability of the information presented in this Offer Document.

2 Submission of Mandatory Offer

On 21 October 2020, the Offeror purchased 550,000 shares in Eimskip or 0.29% of the company's issued share capital, cf. the flagging by the Offeror that same day. The shares were purchased at a price of ISK 175 per share. Following the said purchase, the Offeror holds voting rights for 56,630,000 shares in Eimskip, or 30.28% of the votes in the company.

As the Offeror has acquired more than 30% of the voting rights in Eimskip, the Offeror makes this Offer, as provided for in the AST, to Eimskip's shareholders, on the terms and conditions laid down in this Offer Document. This Offer includes all outstanding shares not owned by the Offeror or held as own shares by Eimskip.

This Offer is based on a mandatory takeover offer obligation and made in accordance with provisions of Art. 100 and Chapters X and XI of the AST.

3 Terms and Conditions of the Offer

The following information applies to the Offer, its terms and conditions and the process that must be followed to accept the Offer.

Company	This Offer applies to shares in Eimskipafélag Íslands hf., Reg. No. 690409-0460, Sundabakki 2, 104 Reykjavík, Further information on Eimskip and its operations can be found on the company's website, www.eimskip.is .
Offeror	The Offeror is Samherji Holding ehf., Reg. No. 701012-0110, Glerárgata 30, 600 Akureyri
Offerees	This Offer is addressed to all Eimskip's shareholders other than the Offeror and Eimskip.
Shares and Voting Rights of Offeror	Prior to the Offer, the Offeror exercises voting rights for 56,630,000 shares in Eimskip, or 30.28% of votes in the company, and controls 31.31% of the company's active votes, i.e. votes taking into account Eimskip's own shares.
Offer Price	Eimskip's shareholders are offered ISK 175 for each share in Eimskip with a nominal value of ISK 1.00 (one Icelandic <i>króna</i>). The Offer Price is equal to the highest price that the Offeror has paid for shares in Eimskip in the last six (6) months before the offer obligation arose and is also higher than the closing price of shares in Eimskip on the last trading day before the takeover

	<p>offer obligation arose. Furthermore, the Offer Price is higher than the offer price proposed to make to shareholders when the Offeror's takeover obligation arose on 10 March 2020, cf. the flagging by Samherji Holding on the same day.</p> <p>The Offer Price will be paid to those Eimskip shareholders who have accepted the Offer in a valid manner.</p> <p>The Offer Price will be paid in cash.</p>
Offer Period	<p>The Offer shall be valid for four (4) weeks, from 9:00 am on 10 November 2020 until 5:00 pm on 8 December 2020. Acceptance of the Offer must be received by 5:00 pm on 8 December 2020.</p> <p>The Offeror reserves the right to accept acceptance forms which may be received after the above deadline.</p> <p>Eimskip's shareholders are responsible for ensuring acceptance forms are received in time.</p> <p>The period of validity may be extended as provided for in the AST.</p>
Results of the Offer	<p>The results of the Offer will be made public in the news system of NASDAQ Iceland and on the Eimskip website (www.eimskip.is) within three (3) business days of the end of the offer period, cf. the first paragraph of Art. 109 of the AST.</p>
Financing of the Offer	<p>The Offeror will finance the Offer with equity. Landsbankinn hf., Reg. No. 471008-0280, Austurstræti 11, 155 Reykjavík (hereinafter "the Guarantor"), has guaranteed the payment provided for in the Offer in accordance with Art. 103 of the AST.</p>
Acceptance Procedure	<p>Those Offerees wishing to accept the Offer must fill in and sign the acceptance form, which is sent to all shareholders listed in Eimskip's shareholder register on the last business day prior to the date of this Offer. The Offer does not apply to those shareholders in Eimskip registered in Eimskip's shareholder register after the above time limit.</p>

	<p>Acceptance of the Offer is binding and non-revocable. Offerees who have accepted the Offer may not sell or assign, either directly or indirectly, their shares in Eimskip to third parties.</p> <p>The completed and signed acceptance form must be delivered to the Managers, addressed to: Landsbankinn hf. Corporate Finance, Hafnarstræti 5, 101 Reykjavík, marked "Takeover Offer for Eimskip" and/or a scanned copy sent to the e-mail address: eimskip@landsbankinn.is.</p>
<p>Delivery and Payment</p>	<p>Payment to Offerees who have accepted the Offer will be made in cash in Icelandic <i>krónur</i>, paid into the bank account specified on the acceptance form.</p> <p>Payment will be made to those Offerees who have accepted the Offer no later than five (5) business days following the expiry of the period of validity of the Offer.</p> <p>Payment to the Offeree is subject to the condition that the acceptance form has been filled in properly, in the Offeror's estimation at any given time, that the shareholder holds the specified bank account, that the Offeree's shares are in the custody of the account operator specified, and that the shares are free of liens or encumbrances according to their registration with the NASDAQ CSD securities depository. The Offeror reserves the right to obtain confirmation that the shares are free of liens and encumbrances before making payment.</p> <p>If the shares are subject to liens or encumbrances, the Offeror reserves the right to reject the acceptance form.</p> <p>The Offeror will acquire voting rights for the assigned shares once settlement has been made and the Offeror has been registered as the shareholder in Eimskip's shareholder register.</p>

4 Information on Eimskip

Eimskip is a leading transportation company in the North Atlantic with connections to international markets and is specialised in worldwide freight forwarding services, with the vision of providing excellence in transportation solutions and services. Eimskip

specializes in shipping, logistics and supply chain management and offers its customers solutions on land, sea and air with special emphasis on the handling and storing of any type of temperature-controlled cargo, frozen or chilled and dry cargo.

Eimskip was founded in 1914 and is a publicly traded company with its shares listed at Nasdaq Iceland. Eimskip runs a network of 57 offices in 18 countries on four continents, operates 20 vessels, and has about 1,700 full-time equivalents.

The shares in Eimskip are traded on the Main Market Nasdaq Iceland under the stock ticker EIM. The shares are electronically registered with Nasdaq CSD and have the ISIN number IS0000019800.

5 Share Capital and Shareholders of Eimskip

Eimskip's issued share capital is ISK 187,000,000 nominal value, divided into 187,000,000 shares, each with a nominal value of ISK 1.00. As of 31 October 2020, Eimskip held 6,132,757 own shares.

As of 31 October 2020, Eimskip's shareholders numbered 733. Below is a list of Eimskip's 20 largest shareholders, as published on Eimskip's website, www.eimskip.is, on 31 October 2020:

	Shareholder	% of shares	Nominal value
1.	Samherji Holding ehf.	27.35%	51,150,000
2.	Pension Fund of Commerce	14.56%	27,235,070
3.	Gildi - Pension Fund	14.11%	26,393,639
4.	Birta Pension Fund	6.02%	11,265,146
5.	Pension Fund for State Employees (LSR) A-division	5.55%	10,385,000
6.	Stapi Pension Fund	5.15%	9,631,897
7.	Global Macro Absolute Return Ad	3.87%	7,239,370
8.	Eimskipafélag Íslands hf.	3.28%	6,132,757
9.	Arion Bank hf.	3.12%	5,830,000
10.	Almenni Pension Fund	1.93%	3,611,558
11.	Pension fund Söfnunarsjóður lífeyrisréttinda	1.77%	3,302,823
12.	Global Macro Portfolio	1.60%	2,989,145
13.	Pension Fund for State Employees (LSR) B-division	1.51%	2,826,060
14.	Kvika hf.	1.51%	2,819,223
15.	Lífeyrissjóður Vestmanneyja (pension fund)	0.80%	1,497,800
16.	Akta Stokkur	0.75%	1,399,627
17.	Sjóvá Insurance hf.	0.66%	1,235,653
18.	Pension Fund Lífsverk	0.63%	1,173,115
19.	ÍV Stokkur	0.35%	660,000
20.	Vörður Insurance hf.	0.32%	604,075
	Other shareholders	5.14%	9,618,042
	Total	100.00%	187,000,000

6 Key Financials

On 27 February 2020, Eimskip published its annual report, on a consolidated basis, for the year 2019. The consolidated financial statements can be found on Eimskip's website, www.eimskip.is and the NASDAQ Iceland website, <http://www.nasdaqomxnordic.com/>.

Eimskip's income statement, balance sheet and cash flow statement are shown below, as published in its consolidated financial statements for 2019 (amounts are in thousands of euros).

Consolidated Income Statement for the year 2019

	Notes	2019	2018
Revenue			
Operating revenue		678,965	687,613
Other revenue		629	1,541
	5	679,594	689,154
Expenses			
Operating expenses		487,427	502,375
Salaries and related expenses	6	131,618	137,541
	5	619,045	639,916
Operating profit, EBITDA		60,549	49,238
Depreciation, amortization and impairment	10-12,22	(47,027)	(32,548)
Results from operating activities, EBIT		13,522	16,690
Finance income		945	545
Finance expense		(6,057)	(5,382)
Net foreign currency exchange gain (loss)		325	(86)
Net finance expense	7	(4,787)	(4,923)
Share of loss of equity-accounted investees	14	(377)	(1,753)
Net earnings before income tax		8,358	10,014
Income tax	8	(7,351)	(2,612)
Net earnings for the year		1,007	7,402
Net earnings for the year attributable to:			
Equity holders of the Company		765	7,057
Non-controlling interest		242	345
		1,007	7,402
Earnings per share:			
Basic and diluted earnings per share (EUR per share)	9	0.0041	0.0378

Consolidated Statement of Financial Position as of 31 December 2019

	Notes	2019	2018
Assets:			
Property, vessels and equipment	10	226,243	245,895
Right-of-use assets	11,22	44,486	0
Intangible assets	12,13	66,227	67,870
Equity accounted investees	14	12,224	11,731
Finance assets		3,647	3,777
Deferred tax assets	15	2,885	5,899
Total non-current assets		355,712	335,172
Inventories		5,280	5,075
Vessels held for sale	22	14,907	0
Trade and other receivables	16,21	127,878	124,108
Cash and cash equivalents		20,737	21,941
Total current assets		168,802	151,124
Total assets		524,514	486,296
Equity:			
Share capital		1,137	1,165
Share premium		149,713	154,726
Reserves		18,151	18,317
Retained earnings		56,947	59,950
Total equity attributable to equity holders of the parent company	17	225,948	234,158
Non-controlling interest		4,920	4,768
Total equity		230,868	238,926
Liabilities:			
Loans and borrowings	18	152,452	130,860
Lease liabilities	19	30,496	0
Other long-term liabilities	26	4,500	5,025
Deferred tax liability	15	4,479	4,868
Total non-current liabilities		191,927	140,753
Loans and borrowings	18	10,552	28,733
Lease liabilities	19	10,763	0
Trade and other payables	20	80,404	77,884
Total current liabilities		101,719	106,617
Total liabilities		293,646	247,370
Total equity and liabilities		524,514	486,296

Consolidated Statement of Cash Flows for the year 2019

	Notes	2019	2018
Cash flows from operating activities:			
Net earnings for the year		1,007	7,402
Adjustments for:			
Depreciation, amortization and impairment	10-12,22	47,027	32,548
Net finance expense	7	4,787	4,923
Share of loss of equity-accounted investees	14	377	1,753
Change in deferred taxes	8,15	2,501	(407)
Other changes		(253)	(1,526)
		55,446	44,693
Changes in current assets and liabilities:			
Inventories		(186)	(1,169)
Trade and other receivables		(1,973)	(8,069)
Trade and other payables		5,970	312
Change in current assets and liabilities		3,811	(8,926)
Interest received		844	450
Interest paid		(5,954)	(5,489)
Taxes paid		(2,845)	(1,699)
Net cash from operating activities		51,302	29,029
Cash flows from investing activities:			
Acquisition of property, vessels and equipment	10	(33,786)	(42,886)
Acquisition of intangible assets	12	(2,983)	(2,239)
Proceeds from the sale of property, vessels and equipment		1,597	2,621
Investment in subsidiaries net of cash acquired		0	(3,543)
Investment in equity accounted investees		(894)	(3,026)
Investment in finance assets		(485)	(2,832)
Net cash used in investing activities		(36,551)	(51,905)
Cash flows from financing activities:			
Dividend paid to equity holders of the company		(4,748)	(10,360)
Purchased treasury shares		(5,041)	0
Dividend paid to non-controlling interest and other changes		(502)	(654)
Proceeds from non-current loans and borrowings	18	16,423	40,668
Repayment of non-current loans and borrowings	18	(8,704)	(9,023)
Repayment of lease liabilities	23	(13,076)	0
Short term borrowings, change		49	0
Net cash (used in) provided by financing activities		(15,599)	20,631
Changes in cash and cash equivalents		(848)	(2,245)
Cash and cash equivalents at the beginning of the year		21,941	23,169
Effects of exchange rate fluctuations on cash held		(356)	1,017
Cash and cash equivalents at year-end		20,737	21,941
Investing and financing activities not affecting cash flows:			
Acquisition of property, vessels, equipment and intangible assets (IAS 17)	10	0	(2,304)
Proceeds from non-current loans and borrowings		0	2,304
Acquisition of right-of-use assets (IFRS 16)	11	(16,830)	0
New or renewed leases	19	16,830	0
Trade and other receivables		(3,043)	0
Proceeds from non-current loans and borrowings		3,043	0

7 Share price

The table below shows the development of Eimskip's share price on NASDAQ Iceland during the period from 16 November 2012, when the shares were first admitted to trading on NASDAQ Iceland, until the last trading day before the obligation to make a takeover offer arose, i.e. 20 October 2020.

Market Price and Trading Volume



Source: keldan.is

8 Disclosure Requirements

Below is a summary of announcements published by Eimskip in the NASDAQ Iceland news system and on its own website (www.eimskip.is) during the period from 1 January 2020 up to and including the day the Offeror announced that it would submit this Offer (21 October 2020).

No.	Date	Subject
1.	06/01/2020	Eimskip: Transaction in relation to a share buy-back program
2.	13/01/2020	Eimskip: Transaction in relation to a share buy-back program
3.	17/01/2020	EIM: Information on former CEO's claim
4.	20/01/2020	Eimskip: Transaction in relation to a share buy-back program
5.	24/01/2020	Eimskip: Transaction in relation to a share buy-back program – repurchase is completed
6.	30/01/2020	EIM: Two verdicts from Court of Appeal
7.	30/01/2020	EIM: EBITDA result for 2019 below expectations
8.	18/02/2020	Björn Einarsson new Executive Vice President of Iceland Sales and Business management at Eimskip
9.	20/02/2020	Publishing of Eimskip's Consolidated Financial Statements 2019 and Q4 results
10.	27/02/2020	Eimskip: Results for the year 2019
11.	28/02/2020	EIM: Manager's Transaction
12.	02/03/2020	Eimskip: Changes in market making arrangements

13.	04/03/2020	Eimskip: Annual General Meeting 26 March 2020
14.	10/03/2020	Eimskip: Samherji Holding Major shareholders announcement
15.	10/03/2020	Samherji increases its shareholding in Eimskip
16.	12/03/2020	Eimskip: Notification regarding Market Making Agreements
17.	12/03/2020	Eimskip: AGM 2020 final agenda and proposals
18.	17/03/2020	Eimskip: Alteration of AGM agenda
19.	20/03/2020	Samherji Holding requests an exemption from mandatory bid obligation in Eimskip
20.	21/03/2020	Eimskip: Candidates to the Board of Directors at AGM 2020
21.	23/03/2020	Eimskip: Samherji Holding Major shareholders announcement
22.	23/03/2020	Eimskip: Information regarding the Annual General Meeting
23.	24/03/2020	EIMSKIP'S EBITDA GUIDANCE FOR 2020 WITHDRAWN
24.	25/03/2020	Eimskip - Annual Report 2019
25.	26/03/2020	Results of Eimskip's 2020 Annual General Meeting
26.	31/03/2020	Eimskip makes adjustments to its container sailing system
27.	31/03/2020	Samherji Holding granted an exemption from mandatory bid obligation in Eimskip
28.	07/04/2020	Eimskip: Date of transaction 7 April 2020
29.	28/04/2020	Streamlining and organizational changes at Eimskip
30.	29/04/2020	Eimskip dismisses civil action against the Icelandic Competition Authority
31.	30/04/2020	EIMSKIP: EBITDA results for Q1 below expectations
32.	12/05/2020	Publishing of Eimskip's first quarter 2020 results
33.	19/05/2020	EIMSKIP: RESULTS FOR THE FIRST QUARTER 2020
34.	29/05/2020	Eimskip and Royal Arctic Line co-operation commences in June
35.	04/06/2020	Eimskip: Notification regarding Market Making Agreements
36.	17/08/2020	EIMSKIP: Information regarding Q2 results
37.	27/08/2020	EIMSKIP: RESULTS FOR THE SECOND QUARTER 2020
38.	01/09/2020	Eimskip: Stapi major shareholder announcement
39.	25/09/2020	Announcement from Eimskip
40.	30/09/2020	Announcement from Eimskip
41.	08/10/2020	Eimskip Makes Adjustments to Its Container Sailing System
42.	20/10/2020	Eimskip: Information regarding Q3 results
43.	21/10/2020	Eimskip: Samherji Holding Major shareholder announcements
44.	21/10/2020	Samherji Holding increases its stake in Eimskip
45.	21/10/2020	Correction: Eimskip: Samherji Holding Major shareholder announcements - published 21.10.20 11:19 GMT

9 Information on the Offeror

The Offeror is Samherji Holding. Samherji Holding manages investments in international companies in the fisheries sector, in addition to its holding in Eimskip. The largest owners

of Samherji Holding are Kristján Vilhelmsson, Þorsteinn Már Baldvinsson and Helga Steinunn Guðmundsdóttir.

No party is considered to be acting in concert with the Offeror, in the sense of Art. 100 of the AST. In the event a subsidiary of Samherji Holding is established, which will partly or wholly manage holdings in Eimskip, it will be considered a party acting in concert, cf. Art. 100 of the AST.

10 Managers of the Offer Process

The Offeror has engaged Beljandi ehf., Kalkofnsvegur 2 (5th floor Hafnartorg), 101 Reykjavík, and Corporate Finance of Landsbankinn hf., Hafnarstræti 5, 101 Reykjavík, to manage the Offer process on its behalf. Further information is available from the e-mail address eimskip@landsbankinn.is or by phone +354 410 4040.

11 Offeror's Plans for Eimskip

The Offeror intends to continue to operate Eimskip as a transport company in the North Atlantic. The Offeror thus has no plans to alter Eimskip's principal operations or the location of its establishments, nor does the Offeror envisage that the takeover will affect the jobs of managers or employees or their working conditions. No changes to the Offeror's activities are planned.

The Offeror does not intend to delist Eimskip's shares from NASDAQ Iceland.

12 Report of Eimskip's Board of Directors

Pursuant to the fifth and sixth paragraphs of Art. 104 of the AST the Board of Directors of Eimskip shall draw up and make public a report setting out its reasoned opinion of the Offer and its terms and conditions. The Board's report must be made public at least one week prior to the expiry of the validity of the Offer, cf. the eighth paragraph of Art. 104 of the AST. Individual members of the Board of Directors shall also disclose whether they or their financially linked persons intend to accept the Offer, if applicable. If the Board of Directors of Eimskip receives in time an opinion from employees' representatives concerning the effect of the Offer on the employment of Eimskip's personnel, that opinion shall be appended to the Board's report.

If the directors, or parties acting in concert with them as referred to in Art. 100 of the AST, are parties to an Offer or ineligible in other respects to discuss the Offer, and as a result the Board of Directors does not have a quorum, the Board of Directors shall have an independent financial undertaking assess the Offer and its terms and conditions.

13 Acceptance Procedure

A shareholder who intends to accept the Offer must follow the procedure described below:

- a. deliver the properly completed and signed acceptance form to the Managers for the Takeover Offer, addressed to: Landsbankinn hf. Corporate Finance, Hafnarstræti 5, 101 Reykjavík, marked "**Takeover Offer for Eimskip**" and/or send a scanned copy to the e-mail address: eimskip@landsbankinn.is; and
- b. pay the required fee in accordance with the tariff of the relevant account operator for the delivery and assignment of the shares from the shareholders' custody account.

The Offer Document, together with the acceptance form and envelope for reply, will be sent to Offerees by mail. The Offer Document and acceptance form will also be available from the Managers and on their websites (www.landsbankinn.is) / (www.beljandi.is). Furthermore, the Offer Document will be available on Eimskip's website (www.eimskip.is) and in the NASDAQ Iceland news system.

The properly completed acceptance form must be received by the Managers by 5:00 pm on 8 December 2020. Each shareholder intending to accept the Offer is responsible for the proper delivery of the acceptance form.

By submitting a properly completed and signed consent form, the shareholder authorises the Managers (or a party acting on behalf of the Offeror) to issue instructions to the shareholder's account operator/financial undertaking, for the purpose of assigning the shares to the Offeror.

Acceptance of the Offer is binding and non-revocable. Offerees who have accepted the Offer may not sell or assign, either directly or indirectly, their shares in Eimskip to third parties. The Offeror reserves the right to decide whether acceptance forms that have not been properly completed nevertheless constitute acceptance of the Offer.

14 Invalidation of Offer

In accordance with Art. 106 of the AST, this Offer may become invalid if:

- a. this is justified for legal reasons; or
- b. the approval of public authorities regarded as necessary for the transfer of ownership of the shares has not been obtained when the period of validity of the Offer expires or the transfer has been rejected during the Offer period.

Pursuant to Art. 105 of the AST, an offer which has been made public cannot be revoked unless justified by *force majeure* and if such is approved by FME.

This Offer is not conditional and will not be revoked or invalidated except in accordance with the above.

15 Miscellaneous

As shares in Eimskip have been admitted to trading on NASDAQ Iceland, under Art. 122 of the AST Eimskip shall immediately publish all insider information in the NASDAQ Iceland news system as soon as possible and on a non-discriminatory basis; from that time forth such information shall be considered public.

The Offeror encourages Offerees to acquaint themselves with all news and announcements concerning Eimskip that have (or will be following the publication of this Offer Document) published in the news system of NASDAQ Iceland, <http://www.nasdaqomxnordic.com/news>, and/or on Eimskip's website, www.eimskip.is.

IMPORTANT NOTICE TO OFFEREES

The Managers of the Offer Process are under no obligation to assess whether the transaction described in this Offer Document is suitable for the Offerees. The provisions of Art. 16 of the AST therefore do not apply to this transaction. This Offer Document does not contain any advice as to whether the Offerees shall accept the Offer or not, and the Managers of the Offer process and the Offeror strongly encourage the Offerees to seek suitable specialist advice in relation to this Offer.

Acceptance of this Offer may result in tax consequences for the Offeree and such consequences may vary between Offerees. The Managers of the Offer process and the Offeror strongly encourage the Offerees to seek specialist tax advice in relation to any tax consequences which may arise as a result of this Offer and acceptance of this Offer.

16 Governing Law and Jurisdiction

This Offer Document, the acceptance form and any agreements concluded between the Offeror and shareholders in Eimskip, are governed by Icelandic law. Any disputes which may arise concerning the substance of the Takeover Offer shall be resolved by the District Court of Reykjavik in Iceland.

Reykjavík, 10 November 2020

The Offeror:

Samherji Holding ehf.



SAMHERJI

Managers of the Offer process:

Beljandi ehf.

Landsbankinn hf. Corporate Finance

