

# KALPALÓN

**Company Description | August 2019**

Listing of shares on Nasdaq First North Iceland



**NASDAQ FIRST NORTH DISCLAIMER**

First North is an alternative marketplace operated by an exchange within the Nasdaq Group Inc. Companies on First North are not subject to the same rules as companies on the regulated main market. Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a Company on First North may therefore be higher than investing in a company on the main market. All Companies with shares traded on First North have a Certified Adviser who monitors that the rules are followed. The Exchange approves the application for admission to trading.



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**KVIKA BANKI HF.**

Certified Adviser to Kaldalón in relation to its listing on First North Iceland



## 1. General information

### 1.1. The Company

This Company Description (hereafter referred to as the **“Company Description”**) has been prepared by Kaldalón hf., reg. no. 490617-1320, address at Borgartún 25, 105 Reykjavík, an Icelandic public limited company (hereafter referred to as the **“Company”**, **“Kaldalón”** or the **“Issuer”**) in relation to a proposed listing of Kaldalón’s shares (hereafter referred to as the **“Shares”**) on the Nasdaq First North Iceland market (hereafter referred to as **“First North”** or **“First North Iceland”**).

### 1.2. Reasons for Trading on First North

Kaldalón continuously strives to ensure the highest possible quality in all operations, both in production of housing, as in all external communication and financial reporting. The Company’s board believes that a listing of the Company's shares is another important milestone for Kaldalón and its operations. With continued demand, a strong financial position, well reputed partners and a well-established process for concept and project development, the Company considers good conditions for continued strong growth. A First North listing is expected to support this growth by strengthening the Company's opportunities to receive funding at better rates, to contribute to an increased interest in the Shares and the Company among investors, as well as among customers, media and other stakeholders.

Additionally, a First North listing provides increased liquidity in the trading of the Shares, which is advantageous for existing shareholders. Overall, Kaldalón’s board of directors assesses that a First North listing of the Company's Shares will benefit the Company's future development and it is on those grounds that the company has applied for admission of trading of the Company's preference shares on First North Iceland.

### 1.3. Important Information for Investors

Prospective investors in the Company should carefully consider all information provided in the Company Description, particularly the Risk Factors in chapter 2, describing certain risks associated with an investment in Kaldalón. The Company Description shall not in any way be viewed as a recommendation or solicitation to buy, hold or sell any security, including but not limited to the Company’s shares, or to take any investment decision. Prospective investors are solely responsible for any investment decision taken based on the information in the Company Description.

This Company Description is prepared solely in connection with the listing of the Company’s shares on First North Iceland and may not be used for any other purpose. Copyright of this Company Description and its contents is the property of the Company. No part of this Company Description may be reproduced, distributed or copied in any manner without the prior written approval of the Company. The prohibition to reproduce, distribute or copy applies regardless of the nature of the information at issue and the purpose of the reproduction, distribution or copy. Despite the aforementioned, the information in the Company Description may be copied for private and non-commercial purpose.

Copies of this Company Description may not be distributed or sent, directly or indirectly, into the United States, the United Kingdom, Canada, Australia, South Africa, Japan or any jurisdiction where its distribution or publication would be unlawful.

#### *Approximation of numbers*

Quantitative values in this Company Description (e.g. monetary values, percentages etc.) are presented with such precision that is deemed by the Company to be sufficient to convey adequate and appropriate information on the relevant matter. Some quantitative values have been rounded up to the nearest reasonable decimal or integer value to avoid excessive detail. As a result, certain values presented as percentages do not necessarily add up to 100% because of approximation.

#### *Information from third parties*

The Company Description contains historical and future oriented information. In cases where the information has been obtained from third parties, the Company is responsible for ensuring that such information has been reproduced correctly. To the best of the Company's knowledge, no information has been omitted in such a way that could make the information incorrect or misleading in relation to the original sources. However, the Company has not verified the figures, or other information that has been obtained from third parties. As a result, the Company's Board of Directors does not accept any responsibility for the completeness or accuracy of such information that is presented in the Company Description. This should be taken into consideration when reading such information.

#### *Completeness of information*

When it comes to evaluating Kaldalón as an investment opportunity, the risk factors listed in this Company Description are the most important ones, in the opinion of the Board of Directors and management of the Company. However, other risk factors might influence the operations and financial results of the issuer. This should be taken into consideration when evaluating Kaldalón as an investment opportunity.

### **1.4. Dating of Information and Updates**

This Company Description is based on information available at 30.06.2019 unless otherwise stated. Financial information is based on information available in the Company's financial statements for the period 1 January 2017 to 31 December 2018. Any relevant and significant changes from this time will be addressed and indicated where applicable.

Certain information contained in this Company Description, including any information on the Company's plans or future financial or operating performance and other statements that express the Company's management's expectations or estimates of future performance, constitute forward-looking statements (when used in this document, the words "anticipate", "believe", "estimate" and "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements). Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. The Company cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the

Company to be materially different from the Company's estimated future results, performance or achievements expressed or implied by those forward-looking statements.

The Company will update the information contained in this Company Description only to such extent, at such intervals and by such means as required by the applicable law or the Nasdaq First North Nordic – Rulebook, dated 1 January 2019 (hereafter referred to as the “**First North Rulebook**”) or considered necessary and appropriate in the Company's sole discretion.

### 1.5. First North Iceland and Certified Adviser

First North Iceland is a multilateral trading facility operated by Nasdaq Iceland hf. It does not have the same legal status as a regulated market. Companies on First North Iceland are regulated by First North Iceland's rules and laws on securities transaction no. 108/2007, but not by the same legal requirements set for companies admitted to trading on a regulated market. An investment in a company traded on First North Iceland generally involves more risk than an investment in a company on a regulated market. Nasdaq Iceland hf. approves applications regarding admission to trading. Nasdaq Iceland hf. is responsible for checking that both companies and Certified Advisers comply with First North Iceland's rules as well as monitoring the trading on First North Iceland.

Kvika banki hf., reg. no. 540502-2930, Borgartún 25, 105 Reykjavík (hereafter referred to as the “**Certified Adviser**” or “**Kvika**”), which is a member of and has an agreement with Nasdaq Iceland hf., is the Certified Adviser for the Company in its application and listing process on the First North market. Kvika holds a full banking license under the Act on Financial Undertakings, no. 161/2002 and is regulated by the Icelandic Financial Supervisory Authority. The Issuer has chosen to be fully Exchange-monitored after the shares have been admitted to trading, meaning that it will not have a Certified Adviser on a continuous basis.

### 1.6. Market Making

The Company has entered into market making contracts with Arion Banki hf., reg. no. 581008-0150, Borgartúni 19, 105 Reykjavík and Kvika banki hf., reg. no. 540502-2930, Borgartúni 25, 105 Reykjavík who will, according to contracts, place bids and offers for certain amounts with a fixed spread between the bid and offer prices.

Arion banki will have bids and offers amounting to at least Icelandic króna (hereafter referred to as “**ISK**”) 2,5 million at market value at any given time, and a maximum trade per day of ISK 15 million. The maximum spread between bid and ask offers is 2.5%, but if the intraday price change is more than 10%, the spread is allowed to be increased to maximum of 4%.

Kvika banki will have bids and offers amounting to at least ISK 3 million at market value at any given time, and a maximum trade per day of ISK 50 million. The maximum spread between bid and ask offers is 2.0%, but if the intraday price change is more than 10%, the spread is allowed to be increased to maximum of 4%.

### 1.7. Taxation Issues in Iceland


The Company's Shares might be subject to taxation in Iceland in accordance with effective tax legislation at any given time. Capital gains arising from the sale or disposal of Kaldalón's



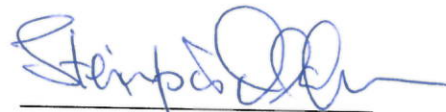
Shares are generally subject to tax in Iceland. Furthermore, in the event that dividends are paid in respect of the Shares, the Company is obligated to withhold taxes on such payments. Foreign parties should establish whether a double taxation treaty is in force between their country of residency and Iceland in order to determine their tax liability in Iceland. In addition, limited liability companies residing within the European Economic Area, EFTA and the Faroe Islands can apply to have withholding tax on dividends reimbursed by filing an Icelandic tax return for the year in which the withholding is incurred. Prospective investors are strongly advised to seek independent legal and tax advice regarding sale or purchase of Shares in the Company.

#### 1.8. Liability Statement of the Board of Directors

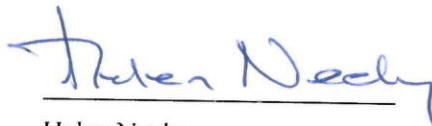
The members of the board of directors of the Company declare that, to the best of their knowledge, the information provided in the Company Description is accurate and that, to the best of their knowledge, the Company Description is not subject to any omissions that may serve to distort the picture the Company Description is to provide. Moreover, to the best of their knowledge, relevant information from minutes of board meetings and auditors' records is included in the Company Description.



Þorarinn A. Sævarsson,  
Chairman



Steinþór Ólafsson,  
Board member



Helen Neely,  
Board member

## 1.9. Liability Statement of Kvika

Kvika as the Certified Adviser to Kaldalón, expressly disclaims any liability based on the information contained in this Company Description or individual parts thereof and will not accept any responsibility for the correctness, completeness or import of such information. No information contained in this Company Description or disseminated by the Company may be construed to constitute a warranty or representation, whether express or implied, made to any third parties by any person other than the Company.

### 1.10. Potential Conflicts of Interest

It should be noted that the Issuer has entered into an Asset Management Agreement with GAMMA Capital Management hf., reg. no. 530608-0690, address at Garðastræti 37, 101 Reykjavík (hereafter referred to as “**GAMMA**” or the “**Asset Management Party**”). GAMMA is a subsidiary of Kvika which is the Issuer’s Certified Adviser managing the admission of its shares to trading on the First North market and has assisted the Issuer in the preparation of this Company Description.

It could be argued that conflicts of interest may arise in such situations, but, in accordance with the statement made by the Board of Directors in chapter *1.8 Liability Statement of the Board of Directors*, the information in this Company Description is, to the best of the Board of Directors’ knowledge, factual and contains no omission likely to affect its import.

Additionally, Kvika and members of the Board of Directors own shares in the Issuer. Furthermore, Kaldalón’s managing director owns warrants issued by Kaldalón. Several of these individuals have contributed to the preparation of this Company Description and the admission of Kaldalón’s shares to trading on the First North market.

Further, Kaldalón has outsourced its compliance measures to GAMMA’s compliance department via a service agreement.

The Board of Directors is not aware of any other potential conflicts of interest between the duties of the members of the Board of Directors or members of the Issuer’s management team to the Issuer and their private interests or other duties.

### 1.11. Investor Examination and Analysis

By acquiring any shares or otherwise engaging in transactions depending on the value of such shares, investors agree that they are relying on their own examination and analysis of this Company Description (including the financial information that forms an indispensable part of this Company Description) and any information on the Company that is available in the public domain. They also acknowledge the risk factors that may affect the outcome of such transaction (as presented under “Risk Factors” below).

In the case of a dispute related to this Company Description, under certain circumstances, courts other than the Icelandic courts may have jurisdiction, and consequently a need may arise for the plaintiff to bear relevant state fees and translation costs in respect of this Company Description or other relevant documents.

## 2. Risk Factors

The following overview of risk factors is based on what the Company, at its own discretion, considers to be of importance in relation to its present and future operations. While the Company considers the following to be a fair, full and comprehensive disclosure of all relevant risk factors, this overview is not a substitute for the rest of the Company Description and should not be perceived as such. A full and accurate assessment of the Company's operations may only be made based on the entire Company Description.

Additional risks and uncertainties not presently known to the Company or the Board of Directors or, that they currently deem immaterial may also impair the Kaldalón's business operations. The business, financial condition or result of operations of the Company could be materially and adversely affected by any of these risks. The trading price of Kaldalón's Shares could decline due to any of these risks and investors could lose all or part of their investment.

The risk factors below are not ranked in any specific order.

### 2.1. Equity Investment Risks

Equity investments involve a variety of risks. Examples of such risk factors that may have a considerable effect on the price of Kaldalón's Shares, and thereby on the investment value, are market risk and liquidity risk. In addition, it must be kept in mind that shares are a subordinated claim on the assets of companies. That means that in the event of a company's liquidation, the shareholders receive what is left after all other claims have been met.

Investors should bear in mind that even though stocks can provide a good return in general, there is always a risk that an investment in the stock of individual companies will decline in value. In many countries, stocks have yielded better returns than bonds over long periods. Nonetheless, bonds have outperformed equities for long periods and return on equities has even been negative. Those who intend to invest in the Company need to be aware that there is no guarantee of a return on the investment in the future. Therefore, diversification of risk is suggested for those who intend to invest in equities.

#### 2.1.1. *Market risk*

The Shares will be listed on Nasdaq First North Iceland and may, therefore, be impacted by events that affect the Icelandic equity market in general, such as macro-economic, political or other news-driven events. The price of Kaldalón's Shares may fluctuate due to these factors.

#### 2.1.2. *Liquidity risk*

There has been no trading with the Company's Shares prior to the proposed listing on First North Iceland and it is not possible to predict how the liquidity of the Shares will develop and how active the trading will be. Inactive trading may result in difficulties for shareholders when it comes to selling shares. Prior to listing the Company entered into market making contracts which will oblige the market makers to put forth a minimum amount of bids and offers, with a maximum spread. The intention of these market making contracts is to improve the liquidity of the Shares.



### 2.1.3. *Denomination of shares*

The share capital of the Company is denominated and traded in Icelandic króna. An investor in the Shares of the Company will therefore be exposed to ISK risk. The ISK exchange rate may fluctuate significantly without such fluctuations being offset by corresponding changes in the share price of the Company.

### 2.1.4. *Ownership risk*

Shareholder ownership structure can be a risk factor for investors. Lack of leading investors or concentrated ownership are examples of circumstances that can have negative effects on liquidity, price formation or shareholder control, among other things. The Company's ownership structure is fairly distributed. As of the date of this Company Description, 3 shareholders hold more than 10% of Kaldalón's share capital, as further described in chapter 7. *Share capital and shareholders.*

### 2.1.5. *Dividend policy risk*

Kaldalón intends to retain its earnings for at least a three-year period from the date of this Company Description. The funds will be utilized to fund the Company's future growth opportunities, both intrinsic and external growth. This policy will be periodically reviewed, taking into account investment opportunities for the Company, investor feedback and changing market circumstances.

## 2.2. **Issuer and Market Specific Risks**

### 2.2.1. *Macroeconomic factors*

The real estate market is to a large extent affected by macroeconomic factors such as, inter alia, the general economic development, growth, employment trends, level of production of new premises and residential properties, changes in infrastructure, population growth, inflation and interest rate levels. If one or more of these factors would have a negative development, this could have a material negative impact on the Company's operations, earnings and financial position. Market disruption in the real estate market where the Company is active and an economic downturn in the global market as a whole may affect the Company and the Company's customers' financial position. Furthermore, deterioration in the global economy, decreased liquidity in the Icelandic market for residential properties or decreased demand for the Company's products or services may also have a material negative impact on the Company's operations, earnings and financial position.

### 2.2.2. *Geographic concentration risk*

The Company primarily has its operations in the greater Reykjavík area of Reykjavík, Kópavogur, Hafnarfjörður, Garðabær, Mosfellsbær, Seltjarnarnes and Kjósarhreppur (hereafter referred to as the **"Capital Area"**). As of 31.12.2018, 100% of the Company's portfolio was concentrated to the Capital Area. Kaldalón is not limited to investments in any specific area but strives to concentrate its portfolio in popular/valuable locations. The Company is therefore highly dependent upon the development of and would be affected to a greater extent by changes in, the housing market in the Capital Area. A negative development of the housing market in

this specific area may have a material negative impact on the Company's operations, earnings and financial position.

### *2.2.3. The Company's possibilities to allocate housing*

The Company's operations largely consist of managing and participating in property development projects, primarily with the purpose to create residential housing in Iceland's Capital Area. This means that willingness as well as ability to pay for housing is crucial for the Company's operations, performance and financial condition. The willingness to pay for housing is among other things dependent on to what extent apartments correspond to the market demand, activity on the housing market, and the general developments of price trends in housing and demographic factors, such as moving to and from the Capital Area. The willingness to pay for housing is also affected by, inter alia, the availability and cost of alternative housing.

The ability to pay for housing is affected by the salary development, employment, tax and fee levels and other factors that generally affect the household economy. The ability to pay is also affected by the possibility for households to make interest deductions, obtain debt financing, mortgage interest rates, as well as the statutory, or by the banks applied, rules for maximum leverage and debt repayments. It is possible that regulatory changes aimed at reducing the total household borrowing is implemented, which could affect the ability to pay for housing negatively.

If customer's willingness or ability to pay for housing decreases, this could have a material negative impact on the Company's operations, earnings and financial position.

### *2.2.4. Certain risks relating to the business model and the projects*

The business that the Company is operating, and the types of projects carried out by the Company are generally associated with a large number of risks, such as the risk of faulty construction, risk for delays on completion, operating risks, risks relating to permissions, environmental risks, political risks, site risks etc. In the event the Company's projects are delayed, this may also lead to partners and others with whom the Company has entered into agreements, regarding, among other things, real estate development or land designation, claiming damages or contractual penalty from the Company.

Moreover, in these types of projects the construction costs may escalate during the time of the project, due to e.g. miscalculations with regard to the budget, unexpected delays in delivery of material, construction challenges or other factors outside the Company's control. Since the Company usually uses turnkey fixed-price construction contracts, the contractor is usually liable for such cost overruns. However, the turnkey fixed-price construction contracts lead to a greater counterparty risk (as described in Section Credit and counterparty risk below), e.g. in the event the contractor ends up in financial difficulties and is unable to complete the construction. Misjudging with respect to investment decisions, mismanagement of projects and failure to comply with relevant laws and regulations are additional risks (although not a comprehensive list of such) associated with the Company's business model and the projects.

The Company has only a small core organization, its only employee being its Managing Director, and outsources various day to day management to GAMMA via an asset management contract. One of the main risks of outsourcing is the choice of counterparty as is noted in the

chapter Credit and Counterparty risk. Other risks include a loss of oversight and less control over processes and procedures.

Additionally, the Company outsources several external services and therefore incurs an operational risk in the choice of counterparties such as real estate agents, consultants, architects, project managers and etc. Since selling is sometimes based on renderings, great demands are placed on the skill and competence of real estate agents. The choice of architect and in some cases a project manager is also a critical factor in the projects, as is the form of construction contract and construction contractor. Deficient project management and bad sourcing documentation can lead to increased costs for alterations and additional work. Rising materials prices may also render projects more expensive to a varying degree depending on construction contract form.

Furthermore, most construction contracts are linked to the Icelandic building cost index, as calculated and published by the National Statistical Institute of Iceland. Fluctuations in the index that are not counteracted by rising real estate prices can negatively affect the Company's construction costs.

If one or several of the above factors would develop negatively or if any of the described risks would materialize, it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.5. Sale and other transactional related risks*

Sale of residential units involve uncertainties regarding, for instance, the price and possibility to successfully dispose of all residential units and that claims under the sale and purchase agreement may be directed against the Company due to disposals or the condition of the property. All residential units are sold under a traditional purchase agreement with standard terms as required by the Act on Vessels and Real Estate Agents, No. 70/2015.

The Company can also sell residential units in a bulk sale. In which case the Company might make a more thorough sale/purchase agreement and delivery description. Such an agreement traditionally includes several warranties provided by the Company, such as warranties with respect to the validity of contracts, environmental risks and delivery etc.

If the above factors would develop negatively or if any of the described risks would materialise, it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.6. Property risk*

Returns from the properties will depend largely upon the Company's ability to consummate the contemplated disposals of the properties and the costs and expenses incurred in the development of the properties as well as upon changes in their market value. The market value for properties are generally affected by overall conditions in the economy, such as growth in gross domestic product, employment trends, inflation and changes of interest rates. Property value may also be affected by competition from other property owners, or the perceptions of prospective buyers of the attractiveness, convenience and safety of the properties. If one or several of the above



factors would develop negatively, it could have a material negative impact on the Company's operations, earnings and financial position.

#### 2.2.7. *Environmental risk*

The main intake of the Icelandic Nature Conservation act no. 60/2013 is that each person and entity is obliged to take good care of the country's nature and show extreme caution so that it will not be spoiled. In construction, operations, and other activities that have an impact on nature, everything that can reasonably be expected to be done so that natural damage can be prevented must be done. The supervising agency for nature conservation is the Environment Agency of Iceland. Additionally, companies like Kaldalón must obtain permits, f.x. for the demolition of existing buildings, from local health and/or building inspectors. Requirements and/or delays in obtaining such permits could result in added costs and delays for the Company.

The responsibility with respect to contaminations and other environmental damage is, according to the current environmental laws and regulations, that the party responsible for the contamination bears the responsibility for eradicating, preventing and/or limiting the impact of the contamination to the extent that is not considered unfair in relation to the nature of the actions required and the contamination in question. The contaminating party is also liable for damages traced to the contamination. Kaldalón's main risks due to contamination arise from the risk of pre-existing contamination in the ground and contamination in water areas or groundwater occurring due to Kaldalón's operations during construction. Kaldalón makes every effort to prevent these risks from materializing and is mindful of them when purchasing plots.

Further, previous business operators may have carried out after-treatment of a property in an acceptable manner according to the need at that point of time. As a result of changed usage to residential purposes, the requirements for the Company may be higher, which means that the Company may have costs for after-treatment and cleaning-up in order to be able to use the property as desired. The Company has in some instances pre-empted such risks in their current operation by entering into contracts that the seller of land will be responsible for any after-treatment. However, there is no guarantee that Kaldalón will be able to make such a demand in all future land purchases.

Changed laws, regulations and requirements from authorities regarding environmental protection on the environmental area could result in increased costs for the Company with respect to cleaning-up or after-treatment regarding currently held or in the future acquired properties. Such changes could also result in increased costs or delays for the Company in order to be able to carry out the real estate development as desired by the Company.

Additionally, archaeology finds can result in significant delays of a building project. The risk of archaeology finds at Kaldalón's current building plots is estimated to be low as most of Kaldalón's plots have been surveyed in this regard as a part of the municipality zoning process.

Kaldalón holds a 50% share in concrete producer Steinsteypan hf., reg. no. 510515-1290, address at Koparhella 1, 221 Hafnarfjörður (hereafter referred to as "**Steinsteypan**") which holds several permits and licenses in relation to its operations. However, due to Steinsteypan's status as a limited liability company and its minimal effect in Kaldalón's portfolio, any

liabilities incurred would be of a reputational nature and would not significantly affect Kaldalón's financial position.

All previously described factors could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.8. Exploitation risk*

As the Company's main business is development of properties, the Company depends largely on the possibility to exploit land necessary for the property development. If the Company would not be able to exploit as much land area as necessary, it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.9. Risk relating to new zoning plans*

There is a risk that zoning plans necessary for the Company's projects will not be adopted as expected and planned for by the Company, where the Company does not f.x. receive the expected building volume and/or utilization rate, onerous conditions are added, or the Company does not receive a final approval of the zoning plans within the prescribed time period. If any of the described risks would materialize, it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.10. Global economic and market conditions*

Any market turbulence, in particular on the Nordic real estate market, or downturns in the global economy could affect the financial position of customers of the Company and potentially impact their ability to conduct business with the Company. Deterioration in the global economy or any decrease in demand for the Company's products and services may have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.11. Competitive landscape*

The Company operates on a competitive market. The Company's future possibilities to compete are, among other things, dependent upon the Company's ability to anticipate future market changes and trends, and to rapidly react on existing and future market needs, which may result in increased costs or require price reductions or changes of the Company's business model. Increased competition from existing and new market participants as well as deteriorated competition possibilities could have a material negative impact on the Company's operations, earnings and financial position.

If one or several of the above factors would develop negatively or if any of the described risks would materialize, it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.12. Key persons*

The Company has a relatively small organization and several activities are outsourced to GAMMA. The Company's future development is therefore highly dependent on the skill, experience and engagement of GAMMA's asset management team and other key employees. These employees have a comprehensive knowledge of the Company and the industry in general.

Therefore, it is important for the Company's future business activities and development that it is able to retain the services of GAMMA or a similarly capable team. If the Company should become unable to retain or recruit such employees, it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.13. Negative publicity*

The Company's reputation is important for its business. Should the Company's reputation be damaged, the Company's customers and other stakeholders could lose confidence in the Company. For instance, should the Company or any of the members of its senior management team take an action that conflicts with the Company's values, or should any of the Company's projects not meet the market's expectation, the Company's reputation could be at risk. Also, unjustified negative publicity could damage the Company's reputation. Reputation damage could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.14. Borrowing by the Company and interest risk*

The Company has incurred, and may further incur, financial indebtedness to finance its business operations. Interest-bearing and non-interest-bearing liabilities are present both in Kaldalón and in the Company's property-owning subsidiaries and associated companies. Counterparties are Icelandic commercial banks, customers, and institutional/private investors. In some cases, the loan agreements contain covenants stipulating that dividend payments and distribution of funds to shareholders are subject to lender approvals. In all projects financing the lenders have a right to receive repayment before the Company receives repayment, so-called subordination agreements.

Interest-bearing debts may generate interest costs which may be higher than the gains produced by the investments made by the Company. Borrowing money to make investments will increase the Company's exposure to the loss of capital and higher interest expenses. Interest on the Company's borrowings from time to time is subject to fluctuations in the applicable interest rates. Changes in interest rates may lead to changes in actual value, changes in cash flows and fluctuations in the Company's result, and if interest rate risks would materialize, it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.15. Insurance risk*

If the Company is unable to maintain its insurance cover on terms acceptable to it or if future business requirements exceed or fall outside the Company's insurance cover or if the Company's provisions for uninsured costs are insufficient to cover the final costs it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.16. Political risk*

The Company is subject to political risks since the local municipalities have the planning authority which means that the municipalities alone may decide which party that shall be able to exploit the relevant land area and what utilization rate is available to land owners for buildings. Shifts of power and/or the local opinion may hence affect the Company's ability to exploit its land.



Political risk is also present due to Icelandic building regulations set by the Iceland Construction Authority, governed by the Ministry for the Environment and Natural Resources, as per the Act on Construction no.160/2010. As all construction projects are subject the regulation, changes to the regulation can introduce onerous conditions that could increase costs and add complications to the Company's projects.

Additionally, new wage agreements were recently signed by representatives of various Icelandic unions and the Confederation of Icelandic Enterprise. In the wage agreements, named the Quality of Life Deal by the parties, emphasis was placed on the high price of housing in Iceland and the Icelandic government introduced various methods to assist people in purchasing their first apartment in order to assist in solving the negotiations. Similarly, Iceland's capital Reykjavík has recently addressed high housing costs by offering land at lower costs for low cost housing projects. A continued political emphasis on lowering the cost of housing, offering land on prime locations to non-profit organizations etc. could negatively affect the Company.

If the aforementioned or other changes in the political environment would occur, it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.17. Taxes, laws and charges*

The Company pays real estate taxes on all its properties. Changes in legislation, decisions from the tax authorities or if the Company's tax liabilities increase, could weaken the Company's present or previous tax situation. There is a risk that the Company's practice of the law may be incorrect or non-compliant or that laws and regulations change, also with potential retroactive effect.

A number of legislations and regulations, competition regulations, construction and environmental regulations, taxes and rules affect the business conducted by the Company. New or amended legislations and regulations could call for unexpected costs or impose restrictions on the development of the business operations or otherwise affect net sales.

If one or several of the above factors would develop negatively or if any of the described risks would materialize, it could have a material negative impact on the Company's operations, earnings and financial position.

#### *2.2.18. Ability to service debt*

The Company's ability to service its outstanding debts will depend upon, among other things, the Company's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond the Company's control. If the Company's operating income is not sufficient to service its current or future indebtedness, the Company will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. The Company may not be able to affect any of these remedies on satisfactory terms, or at all. If any of these risks would materialize, it could have a material negative impact on the Company's operations, earnings and financial position.

### 2.2.19. *Financing risk*

The Company's business is to a large extent financed through bank loans and construction loans and interest rates are not an insignificant cost item for the Company. A large portion of the Company's businesses consist of real estate development projects, which may be delayed or affected by unexpected or increased costs as a result of factors within or outside the Company's control. If such circumstances occur, it could result in projects not being completed before loans are due, or that such increased costs are not covered by the granted credit facilities. If the Company is not able to obtain financing with respect to acquisitions or development, extension or increase of existing financing or refinancing of previously received financing or is only able to obtain such financing on terms that are disadvantageous, it could have a material negative impact on the Company's operations, earnings and financial position. Negative market conditions in the housing market can prevent financing of new construction projects, such failure to secure financing can delay or cancel projects that could have material negative impact on the Company's operations, earnings and financial position.

### 2.2.20. *Credit and counterparty risk*

Where there is a risk for the Company's counterparties being unable to fulfil their financial obligations towards the Company, there is a credit risk. The Company's current and potential customers and other counterparties may get in a financial situation where they cannot pay the agreed fees or other amounts owed to the Company as they fall due or otherwise abstain from fulfilling their obligations. Also, the Company's use of turnkey fixed-price construction contracts as described above, entails a credit risk, inter alia, as the contractor may end up in financial difficulties and may then become unable to carry the increased costs. This could lead to delays and increased costs for the Company.

The Company's outsourcing of day to day management entails an operation risk as the counterparty might f.x. not uphold his contractual obligations, misuse or mistreat confidential information, lack resources, its employees not following instructions or not being sufficiently competent etc. If the Company's counterparties cannot fulfil their obligations towards the Company, it could have a material negative impact on the Company's operations, earnings and financial position.

### 2.2.21. *Contract risk*

Contract risk is present where the Company has by contract committed to withstand certain consequences should there be certain breaches of contract. Kaldalón and its subsidiaries and/or associated have various standard construction contracts in place in which the municipality in question is permitted to enforce fines in the case of predetermined milestones not being delivered within the agreed timeframe.

Additionally, Kaldalón has entered into a contract with Italian international contractor Rizzani de Eccher S.P.A. (hereafter referred to as "**Rizzani de Eccher**" or "**RDE**") which is further described in chapter 5.2.5 *Strategic Partnership*. Per the contract, Kaldalón can be held liable if Rizzani de Eccher's Icelandic subsidiary is not granted construction contracts as per the contract's conditions.

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#### 2.2.22. *Legal disputes*

Kaldalón has not encountered any legal disputes and the board does not foresee any such issues in the immediate future. However, the Company may in the future be involved in disputes or be subject to claims. Such disputes could be time consuming and result in costs, the size of which cannot always be foreseen. Disputes could, therefore, have a material negative impact on the Company's operations, earnings and financial position.

### 3. Definitions

The “Company”, “Kaldalón” or the “Issuer”	Kaldalón hf., reg. no. 490617-1320, address at Borgartún 25, 105 Reykjavík
“First North” or “First North Iceland”	The Nasdaq First North Iceland market
“GAMMA” or the “Asset Management Party”	GAMMA Capital Management hf., reg. no. 530608-0690, address at Garðastræti 37, 101 Reykjavík
“ISK”	Icelandic króna
“Net Asset Value” or “NAV”	The book value of the equity of the Company
“Rizzani de Eccher” or “RDE”	Rizzani de Eccher S.P.A.
“Steinsteypan”	Steinsteypan hf., reg. no. 510515-1290, address at Koparhella 1, 221 Hafnarfjörður
The “Articles of Association”	Kaldalón’s Articles of Association dated 29 July 2019
The “Asset Management Agreement”	Kaldalón’s Asset Management Agreement with GAMMA, most recently dated 18. June 2019
The “Board of Directors”	Kaldalón’s Board of Directors
The “Capital Area”	The greater Reykjavík area of Reykjavík, Kópavogur, Hafnarfjörður, Garðabær, Mosfellsbær, Seltjarnarnes and Kjósarhreppur
The “Certified Adviser” or “Kvika”	Kvika banki hf., reg. no. 540502-2930, address at Borgartún 25, 105 Reykjavík
The “First North Rulebook”	The Nasdaq First North Nordic – Rulebook, dated 1 January 2019
The “Investment Advisory Council ”	Kaldalón’s Investment Advisory Council
The “Investment Strategy”	Kaldalón’s Investment Strategy dated 18. June 2019
The “Operational Agreement”	Kaldalón’s Service Agreement with GAMMA, most recently dated 18. June 2019
The “Shares”	The Kaldalón’s shares

#### 4. Economic and Market Overview

The Icelandic economy is an open and developed economy, often grouped with neighbouring Scandinavia due to its free market economy combined with a welfare state. Iceland is the smallest economy among member countries of OECD with a GDP of USD 24.5 billion in 2017. Per capita, however, the country is a contender for the top 20 GDP's of the OECD countries, given its population of 350 thousand. In the first half of the twentieth century, Iceland was one of the least affluent countries in Western Europe but has seen tremendous growth over the decades and has consistently ranked among nations with the highest standard of living in the world. This success can be traced to attributes such as a strong institutional framework, skilled workforce, high degree of economic freedom and a sound democracy.

Small open economies tend to be more volatile than larger economies, due to a lack of diversification. Historically this has been the case for Iceland, which has experienced more pronounced business cycles than many other developed economies. The years surrounding the 2008 financial crisis were no exception. Economic growth was unparalleled among high income countries in the four years leading up to the crisis, at 6.5% per annum. Conversely, the economy suffered a contraction of over 10% in the two years following the onset of the crisis. Over the last few years, the Icelandic economy has, however, seen a robust economic recovery, with GDP growth averaging at around 4.3% per annum over the past five years.

As has been the case historically, the export sector has been the main driver of growth. However, the composition of the sector has changed over the years, with tourism now the biggest export pillar, followed by fisheries and energy-intensive industries. Prospects on GDP growth in 2019 are just about 1.8%, around 1 percentage point lower than earlier projections and The Central Bank of Iceland forecasts a smooth reduction in growth to a more sustainable level of around 2.7% going forward.

Similarly, the recovery has been strong in the domestic labour market, with unemployment close to Iceland's structural unemployment rate of around 2.5% (2.4% at the end of fourth quarter 2018). Alongside improved labour market conditions, the Icelandic economy has been in a deleveraging phase ever since the crisis. Private debt levels are now at lower levels than in 2003. Furthermore, the government budget deficit associated with the crisis recovery years has now been reversed, with a surplus reported since 2014. Gross public debt levels are around 40% of GDP, one of the lowest among developed economies today. In a similar vein, the current account balance reverted from a deficit in the years preceding the crisis to a surplus, driven by robust exports. The economy's net international investment position has dramatically improved and is today the most favourable it has been in decades, with Iceland now a net lender. The main driver of this turnaround was a settlement of the failed banks' estates in Iceland.

The Central Bank of Iceland operates an inflation targeting policy with a 2.5% inflation target. Given the economy's high dependency on trade, exchange rate pass through to inflation is significant. Consequently, price levels tend to fluctuate with the Icelandic króna. The recent rise in housing prices, for example, coupled with wage increases, has been countered by a stronger króna, resulting in below-target inflation for the past four years. As a result, the policy rate has been falling gradually over the past couple of years and is currently at 3.75%.



In May 2019 the Central Bank lowered policy rates by 0.5%, in part due to GDP growth outlook changing markedly since the Central Bank's last forecast. Output is now forecast to contract by 0.4% this year instead of rising by 1.8%, as was forecast in February. This deterioration in the outlook is due primarily to a contraction in tourism and reduced marine product exports because of a capelin catch failure. As a result, the positive output gap will close and a slack emerge in the near future. Inflation measured 3.1% in Q1/2019 but rose to 3.3% in April. At the February 2019 meeting of the Monetary Policy Committee the policy rate was left unchanged due to more easing in GDP growth than expected. Inflation expectations were also lower, although still over the benchmark, and therefore monetary tightening had increased in terms of real rates.

Key challenges for Iceland going forward will be to increase the diversification of its economy, specifically exports, and improve productivity in the domestic sector, which is low compared to neighbouring economies. The current government has placed an emphasis on infrastructure spending to meet demand by growing tourism and strengthening the education system and innovation to make the economy better equipped to meet challenges in the coming years.

For a more in-depth overview the "Icelandic Economy" publication, by the Iceland Chamber of Commerce ([chamber.is](http://chamber.is)), is recommended as well as the "Financial Stability" publications by the Central Bank of Iceland ([cb.is](http://cb.is)). Both are key sources here.

#### 4.1. The Housing Market in Iceland

Just over two-thirds of Iceland's population lives in the Greater Reykjavík Area which makes it by far Iceland's largest housing market. Additionally, about 78% of the population lived less than an hour drive from the capital in 2018<sup>1</sup>. Homeownership in Iceland is relatively high and measured at 72% in 2018 when measured by Statistics Iceland. Real estate represents a significant portion of total assets held by Icelandic households, contributing to 78% of their equity in 2018<sup>1</sup>.

Housing prices dropped substantially following the burst of the credit bubble in 2008 resulting in low production volumes of new residential properties. The accumulated shortage, a natural increase in population, dramatically increased purchasing power, tax incentives for first-time buyers, an increase in tourism (AirBnB) etc. has translated into 2016-2019 seeing the biggest increase in housing demand (and prices) since 2007. However, market analysts expect that the rate of increase in housing prices has now reached its peak and that prices will increase at a more sustainable rate in the coming years.

As the housing supply is highly inelastic, supply of new residential housing was initially slow to respond to increasing housing demand following low production volumes of new residential properties in the years after 2008. This resulted in short turnaround times on the real estate market and the number of housing units available for sale reaching historical lows. More recently, suppliers have been criticized for building large and expensive apartments at the cost of the more in-demand smaller affordable housing. The lack of affordable housing has also been contributed to city planning and zoning that focuses on the densification of central, and therefore more expensive, areas as well as building regulations requiring costly conditions to be met. The Federation of Icelandic Industries, which regularly estimates the accumulated

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<sup>1</sup> Statistics Iceland

demand of housing units and monitors units in progress, reported in early 2019 that of the 5,000 housing units currently under construction in the capital area, over 1,000 are located in the more expensive 101 postcode located in the centre of Reykjavik, indicating that an influx of affordable housing is not to be expected. The Federation expects just over 2,250 housing units to be completed in 2019. Those units will not nearly satisfy the accumulated existing demand of at least 5,000 housing units. The Housing Financing Fund and the Federation of Icelandic Industries forecast and is just above the yearly demand for new apartments for the next decades.

The main suppliers of new housing units in Iceland are large contractors that acquire land to construct and sell their own housing projects. Others are funds or real estate development companies that are traditionally founded around single projects and terminated once they have been completed. Kaldalón's strategy and objective is to become a leading real estate developer in Iceland with a unique portfolio of well-located building sites and to be able to fulfil the needs of buyers in the market for well designed and affordable housing.

The housing market faces two distinct risk factors going forward according to Gamma Capital Management's report on the Icelandic Real Estate Market. (i) a domestic shock, with a price increase in excess of what fundamentals warrant, causing inflation and a consequent tightening of monetary policy from the CBI, leading to less supply of credit etc; or alternatively (ii) a sudden external demand shock (e.g. due to deceleration in tourist arrivals), with a consequent collapse in expectations and less supply of credit.

#### 4.2. Infrastructure in Iceland

A report released by The Federation of Icelandic Industries and Association of Consultant Engineers estimates that ISK 372 billion is needed to repair infrastructure in Iceland.<sup>2</sup> Among the infrastructure considered in the report are sea ports, airports, roads, power plants, utility and waste infrastructure, and real estate owned by state and municipal governments. The estimated cost of repairs is equivalent to 11% of the value of the infrastructure.

The report estimates the total net asset value of the infrastructure to be ISK 3,493 billion. Calculated based on the purchase price or cost of comparable infrastructure with the same production or service capacity. However, the true value of the infrastructure may well be much higher when considering its contribution to economic activity.

Additionally, it is foreseen that in coming years there will be substantial investment in transportation infrastructure, hospitals, nursing homes and other public service buildings.

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<sup>2</sup> Innviðir á Íslandi, url: [https://www.si.is/media/\\_eplica-uppsetning/Innvidir-a-Islandi\\_skyrsla2017.pdf](https://www.si.is/media/_eplica-uppsetning/Innvidir-a-Islandi_skyrsla2017.pdf)

## 5. Business Description

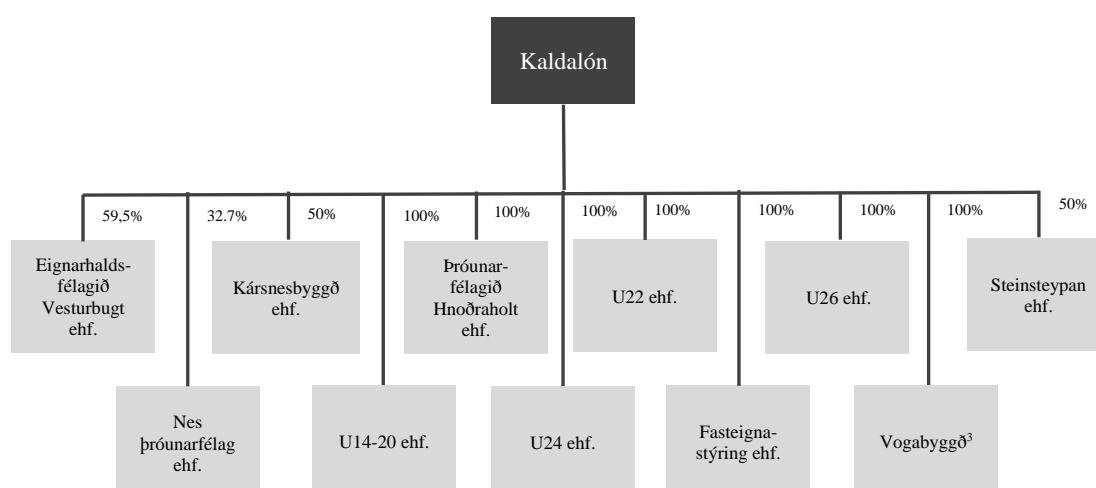
### 5.1. General Overview and History

Kaldalón is a real estate development company that acquires land and/or real estate projects in prime locations and sells them either fully or partially developed. Kaldalón has a unique portfolio of building plots in attractive locations in the capital area and aims to become a leading residential real estate developer in Iceland. The Company aims to maintain a healthy pipeline of attractive projects at any given time and firmly believes that location is a key success factor with a limited supply of well-located building plots in the Capital Area. At 31.12.2018 Kaldalón had shares in 9 projects in its portfolio with more than 850 housing units<sup>3</sup>. The Company is financed mainly by its own capital, internally generated funds, bank financing and financing from private/institutional investors.

The Company was established in 2017 when Kvika and private investors merged their land portfolios of well-located buildings sites in the Reykjavík capital area. The founding shareholders have also all invested further in the company by participating in share increase. The initial investment in the company was ISK 1.7 billion and has gradually increased to over ISK 3 billion. In the first operating year Kaldalón acquired a new project in Vogabyggð, became a principal investor in a new concrete factory and formed a strategic partnership with recognized international contractor Rizzani de Eccher.

### 5.2. Business Structure and Strategy

The Company consists of several SPV's, one for each of the Company's development projects. Each project is therefore independent of other projects in the Company and has its own corporate structure and financing. Some are wholly owned by Kaldalón while others are joint-ventures. The Company structure as at 31.12.2018 can be seen in the figure below :



<sup>3</sup> \*Total numbers, irrelevant of Kaldalón's share in each project

<sup>4</sup> The land in Vogabyggð has not yet been established in a separate SPV. All obligations are at the date of this Company Description held by Kaldalón. For further information see chapter 5.4 Kaldalón's Portfolio

### 5.2.1. *Day to day management*

Kaldalón's day to day management and activities are performed by the Company's Managing Director as well as GAMMA via asset management and service agreements. GAMMA provides Kaldalón with a team of specialists and other services as required while Kaldalón's only employee is its managing director, hired by Kaldalón's board of directors. Kaldalón's Articles of Association dated July 29 2019 and Investment Strategy dated June 18 2019 (hereafter referred to as the "Articles of Association" and "Investment Strategy", respectively) establish a framework for the operations and strategy of the company, supported by Kaldalón's Investment Advisory Council and Board of Directors.

Per articles 4.7 through 4.11 in the Company's Articles of Association the Managing Director administers the daily operation of the Company. Daily operations do not cover measures that are extraordinary or major. The Managing Director oversees the investigation of investment options, their original assessment, the analysis of the creditworthiness of companies, the preparation of investment decisions, the administration and sale of assets and implementation of investments. The managing director is supported in his day to day activities by GAMMA's team of specialists.

Once a case has been identified as a potential investment, fitting within the framework of the investment strategy, the managing director with support from GAMMA prepares the case following the Path of Investment as set out in Kaldalón's Investment Strategy and further described in chapter 5.2.4.

Once an investment has been completed by the Company, each SPV's operations are managed by Kaldalón's managing director with support from GAMMA.

### 5.2.2. *Asset management agreement*

The Company has entered into an Asset Management Agreement with GAMMA, most recently dated June 18 2019 (hereafter referred to as the "Asset Management Agreement") which is available in Appendix II to his Company Description. Additionally, the Company has entered into a separate service agreement with GAMMA for the oversight of daily operations such as accounting and other financial tasks (hereinafter named the "Operations Agreement"). As previously described in chapter 5.2.1 GAMMA's asset management team assists Kaldalón's managing director in various tasks as required and/or requested by Kaldalón's managing director such as:

- Provide research and analysis work for the investments undertaken by the Company.
- Provide investigations of investment options, the preparation of decisions on investment and the sale of assets and their disposal otherwise.
- See to it that the settlement of purchases and sales of investments is in accordance with the Company's agreements.
- To assess the value of the Company's asset portfolio and introduce such a valuation to the Managing Director, Board of Directors and Investment Advisory Council of the Company.
- To prepare a quarterly report for the Board, the Investment Advisory Council and the shareholders of the Company regarding the book value of the equity of the Company (hereinafter named "Net Asset Value" or "NAV"). The NAV of the Company shall accompany its annual accounts, based on the end of the 4<sup>th</sup> quarter in each instance,

checked at the end of the 2<sup>nd</sup> quarter and not audited but estimated at the end of the 1<sup>st</sup> and 3<sup>rd</sup> quarters.

- Prepare and present twice (2) a year to the Board, the Investment Advisory Council and to the shareholders of the Company a survey of the assets of the Company and other valuables in the asset portfolio. If law dictates that such a survey shall be sent more often to the Board and/or the shareholders of the Company, the Asset Management Party shall abide by such demands. The reports shall be sent no later than 30 April and 30 October each year, as applicable.
- Prepare and present once (1) a year to the Board, the Investment Advisory Council and the shareholders of the Company a report with a survey of the assets of the Company as well as other valuables in the asset portfolio with respect to the goals set out in the investment policy. The report shall be sent no later than 30 April each year.
- Prepare and present once (1) a year to the Board, the Investment Advisory Council and to the shareholders of the Company checked 6-month interim accounts of the Company. The interim accounts shall be sent within 90 days from the end of the relevant period of operation.
- Prepare and present once (1) a year to the Board, the Investment Advisory Council and the shareholders of the Company the audited annual accounts of the Company. The annual accounts shall be presented within 120 days from the end of the relevant year of operation.
- Assist the Managing Director and Board of Directors of the Company in summoning Board, shareholder and Investment Advisory Council meetings and, along with the Board and the Managing Director, oversee that the daily operations of the Company are in good order and in accordance with law.
- Attend all shareholder meetings of Kaldalón's subsidiaries and associates, appoint board members as Kaldalón's voting rights in each company permit and assist Kaldalón in any way possible to reach its goals as described in the Company's investment policy
- Manage Kaldalón's liquidity using deposits, money market deposits, money market funds and short-term bonds.
- Create securities accounts (VS accounts) in the name of the company for electronic registration, retrieve securities owned by the company to NASDAQ Securities Center hf. and receive any dividends and compensation shares
- Preserve financial instruments and other assets of the Company on its custody account, purchase and sell financial instruments and other funds and take measures necessary for the purchase and sale to proceed, i.a. to transfer financial instruments in the name of the company
- Ensure that a contract is made for the outsourcing of Kaldalón's compliance activities, in accordance with Art. Act no. 108/2007 on securities transactions.

The Asset Management Agreement states that The Company shall pay to GAMMA a fixed fee amounting to 1.5 % of Net Asset Value on an annual basis. The asset management fee shall be calculated quarterly and paid within 30 days from the end of each quarter.

Deducted from the fixed fee is the fee that Kvika has been paid on the basis of the Agreement on the oversight of the daily operations of the Company between the Company and GAMMA dated on the same date as the Operations Agreement. The fee according to the Operations Agreement amounts to ISK 150,000 plus VAT each month, is based on the consumer price



index for indexation and changes in direct proportion to the change in the reference index as of and including the date of signature of the Operations Agreement.

Additionally, the Company shall pay a performance-related asset management fee: Upon whichever comes first, (a) the winding-up of the Company (b) payment of dividend or (c) the cancellation of the Asset Management Agreement by the Company, without any major non-performance by the Asset Management Party, the Company shall pay to the Asset Management Party a performance-related fee as follows:

20% of the yield of shareholders of the paid-in or issued share capital in excess of the yield criterion over the lifetime of the Company. The yield criterion of shareholders has been attained when the Company's NAV has increased by at least 16% each year. The performance related fee shall be calculated on January 31 each year for the preceding year. The performance related fee shall be paid when shareholders distribute funds from the Company, whether the distribution is an allocation of dividends, a repayment due to a reduction in share capital or a reduction of the Company's reserve fund. The fee shall be settled before funds are distributed to shareholders. The fixed fee previously described is not deducted from the performance-related asset management fee. The formula for the calculation of the performance-related asset management fee is in Appendix II to the Asset Management Agreement in Appendix II to this Company Description. At the date of this Company Description there is no performance related fee payable by the Company.

### 5.2.3. *Investment strategy*

Kaldalón's operations are limited by the Company's Investment Strategy included in Appendix II.

The main emphasis of the Company in its investment is to purchase and finance real property development projects, and in addition, it is authorised to invest in companies operating in activity related to construction and developing and building infrastructure. The Company's shareholding in individual projects will be held in limited liability SPVs, which the Company will own in part or whole. The intention is that the indebtedness due to the investments of the Company will mostly be in individual subsidiaries however the Company is permitted to obtain funding via debt issuance. The Company will seek co-investors for individual projects if the Board of Directors of the Company as well as the Investment Advisory Council deem it favourable for the projects concerned.

Additionally, the Company is authorised to invest in the financing of companies in the construction industry with the purchase of claims and associated insurance rights, provided they have a good history of operations and a well-defined policy of exit from projects and/or with a strong cash flow. The Company may also invest in mortgage bonds and other debt instruments, including loan agreements.

The Company's Investment strategy is determined by the Board of Directors of the Company and confirmed by a shareholder meeting and can only be altered in that venue. The object of the Investment Strategy is to define the goal of the Company regarding investment options, risk management, the lifetime of assets and yield goals, with regard to risk and the saleability of

assets as well as framing the Company's Path of Investment as described in chapter 5.2.4 *Path of Investment*.

#### 5.2.4. *Path of investment*

A proposal on investments, sales of assets and/or another such disposition, including instances that include a possible conflict of interest in the case of the transactions of the Company or the counterparty of the Company with GAMMA, Kvika and/or any subsidiary and/or their staff and/or shareholders who own more than 10% of GAMMA's parent company Kvika, shall be presented to the Investment Advisory Council. The approval of the Investment Advisory Council is a precondition for the possibility of further developing such proposals.

The path of investments, the sale of assets and/or important measures concerning the assets of the Company shall take place in five principal steps:

- 1) The filtering and analysis of projects.
- 2) Presentation to the Investment Advisory Council.
- 3) A detailed presentation to the Board of Directors.
- 4) Preparation of an agreement.
- 5) Completion and implementation.

The filtering and analysis of projects: It is part of the role of the Asset Management Party to find and analyse investment options on behalf of the Board of Directors.

Presentation to the Investment Advisory Council: Proposals on investments, the sale of assets and/or their other disposition shall be presented to the Investment Advisory Council, which ascertains whether the investment is appropriate for the Company and aligns with its objects. If two out of three members of the Investment Advisory Council or their alternates approve the proposal, the Asset Management Party shall continue to be entrusted with the project, and thereafter, it is the responsibility of the Board of Directors of Kaldalón to bring it to conclusion.

Preparation of an Agreement: It is the role of the Asset Management Party to work on a further analysis of the project, procure outside expertise as applicable (due diligence, price assessment, documentation, etc.) and reach agreement on terms and conditions, subject to the approval of the Board of Directors.

Detailed presentation to the Board of Directors: The Asset Management Party presents an investment proposal along with an assessment of whether the investment will return a financial yield in accordance with yield goals and risk distribution. The Board of Directors makes a final decision on the project.

Completion and implementation: In connection with the investments of the Company, it is the role of the Asset Management Party to administer the finalisation of documents, look after the implementation, risk management and the provision of information to the Board of Directors.

The Board of Directors and/or the Asset Management Party can at any time present proposals on the sale of assets if the outlook is that the investment is not reaching its objects and/or if a favourable offer is being made for the assets of the Company.

### 5.2.5. Strategic partnership

Kaldalón has established a strategic partnership with Rizzani de Eccher, an international construction and engineering company with a successful track-record in the field of construction of infrastructure and large-scale real estate projects, carried out nationally and internationally. RDE generated 85% of its revenues abroad in 2017 and has been gradually expanding its presence in the European market, incl. Denmark and Luxembourg.

The Company and RDE have entered into a framework agreement wherein Kaldalón committed to secure the award of several construction projects owned and being developed directly or indirectly by Kaldalón to RDE given that their bid is equal or below a fixed rate per type of m<sup>2</sup> according to Kaldalón's budget..

Rizzani has established a subsidiary in Iceland under the name Rizzani de Eccher Ísland ehf., made possible by the construction volumes committed by Kaldalón in order for RDE to have the scale to be competitive in terms of price and quality. Kaldalón and RDE have agreed on terms for possible reciprocal investment between the two companies, with Kaldalón gaining a right to invest in Rizzani's Icelandic vehicle and Rizzani investing in Kaldalón, aligning the interests of the two partners

### 5.3. Kaldalón's Portfolio

The Company's construction portfolio as at 31.12.2018 is located 100% in the Capital Area. At 31.12.2018 Kaldalón's portfolio consisted of 9 residential projects with expected total development rights, irrelevant of Kaldalón's share in each project, equivalent to 736 housing units and 5,889 commercial m<sup>2</sup> in addition to development rights in Hnoðraholt, which is an area in Garðabær that is currently undergoing zoning plans as a new residential area. With the current portfolio, management believes that the company has a construction pipeline until 2024 and will continue to maintain a portfolio of valuable projects to grow once current projects are completed and/or divested. An overview of Kaldalón's construction portfolio at each time can be accessed on the Company's website: [www.kaldalon.is/projects](http://www.kaldalon.is/projects). The following table and discussion shows the estimated parameters of each project as at the date of the Company Description and can still change to some extent in the time between planning and final completion of each project.

SPV	Kaldalón %	Project	Housing Units*	Resid. m <sup>2</sup> *	Comm. m <sup>2</sup> *	Book value 31.12.2018***
Nes þróunarfélag hf.	32,7%	Bakkabraut 9	119	14,026	460	201,316,840
Kársnesbyggð ehf.	49.99%	Hafnarbraut 9, Hafnarbraut 13-15	78	8,109	1,260	435,544,596
U14-20 ehf.	100%	Urriðaholt 14-20	38	4,150	449	178,519,838
U22 ehf.	100%	Urriðaholtsstræti 22	17	2,017	213	187,100,337
U24 ehf.	100%	Urriðaholtsstræti 24	18	2,038	210	130,202,138
U26 ehf.	100%	Urriðaholtsstræti 26	16	1,373	112	83,642,382
Vesturbugt ehf.	59.5%	Hlésgata 1&2	176	14,550	3,185	197,001,700
Þróunarfélagið Hnoðraholt ehf.	100%	Hnoðraholt	Undergoing zoning plans			1,233,302,063
Vogabyggð**	100%	Kjalarvogur 10	274	27,460	0	110,806,800
<b>Total</b>			<b>736</b>	<b>73,723</b>	<b>5,889</b>	<b>3.527,847,895</b>

\* Total numbers, irrelevant of Kaldalón's share in each project

\*\* The land in Vogabyggð has not yet been established in a separate SPV. All obligations are at the date of this Company Description held by Kaldalón

\*\*\* Equity and shareholder loans from Kaldalón

**Nes þróunarfélag** is an SPV formed around seaside building plot by the harbour in Kópavogur. City planning allows for 120 apartments and 1.000 m<sup>2</sup> of commercial space on the site. The design phase is well underway and construction phase is in preparation with the aim of construction commencing in September 2019. Nes Þróunarfélag is a joint venture with two private investors.

**Kársnesbyggð** is a joint venture with investment company Íslensk Fjárfesting ehf. where Kaldalón holds a 49,99 % share. The construction phase is ongoing and is expected to be completed in beginning of 2020. The first phase of the building has been put on the market with sales well under way and at satisfactory prices levels.

**U 14-20 ehf.** is building 38 apartments in Urriðaholt 14-20 in Garðabær. The building as a whole has been presold as part of a transaction where Kaldalón acquired land in Vogabyggð in Reykjavík. The construction phase is currently ongoing and is expected to be completed in 2019. The Vogabyggð project is currently held by U14-20 ehf. due to the nature of the transaction, however, the asset and all obligations are held by Kaldalón as can be seen in the Company's financial statements for 2018.

**Vogabyggð** is project with 4 plot and 4 buildings with possibility of the fifth building, total of 27.460 m<sup>2</sup> or 273 apartments. The plan is to start construction in the fall of 2019 on the first plot and build the remaining in sequence. The land in Vogabyggð has not yet been established in a separate SPV.

**U22 ehf.** is building 17 apartments in Urriðaholtsstræti 22 in Garðabær. The building as a whole has been presold in transaction where Kaldalón bought Steindórsreit (Grandatorg), a building site in west side of Reykjavík. This transaction was completed in early 2019 and therefore is not reflected in Kaldalón's financial statements for 2018. The construction phase in Urriðaholt 22 commenced in the beginning of May and is to be completed in late 2020.

**U24 ehf.** is building 18 apartments in Urriðaholtsstræti 24 in Garðabær. The construction phase started in May 2019 and is expected to be completed in beginning of 2021.

**U26 ehf.** is building 16 apartment ins Urriðaholtsstæti 26 in Garðabær. The construction phase will start in June 2019 and is expected to be completed in 2021.

**Vesturbugt** is a joint-venture construction project of 176 apartment and approximately 3,000 m<sup>2</sup> of commercial area by the old harbour in Reykjavik. Vesturbugt's partner in the venture is Sundaborg ehf. The purchase of the land from the city of Reykjavík will be paid with 4,010 m<sup>2</sup> of residential apartments and 170 underground parking spaces. Preparation for the construction phase is currently ongoing and construction financing is being prepared but has not been finalized. In March 2019 the commencement of the construction was delayed by 6 months, until October 2019, due to unfavourable market conditions in the Reykjavik city center and financing issues. Kaldalón is currently working towards solving those issues and plans to start construction in October 2019 as agreed.

**Þróunarfélagið Hnoðraholt** owns 5 hectares of land in Garðabær, located in the middle of the Capital Area. Local zoning is currently in a planning phase and it is expected to be completed late 2019 or in the beginning of 2020. The land is in a central location that is currently being developed by the municipality.

### 5.3.1. *Project Schedule and Expected Timeline*

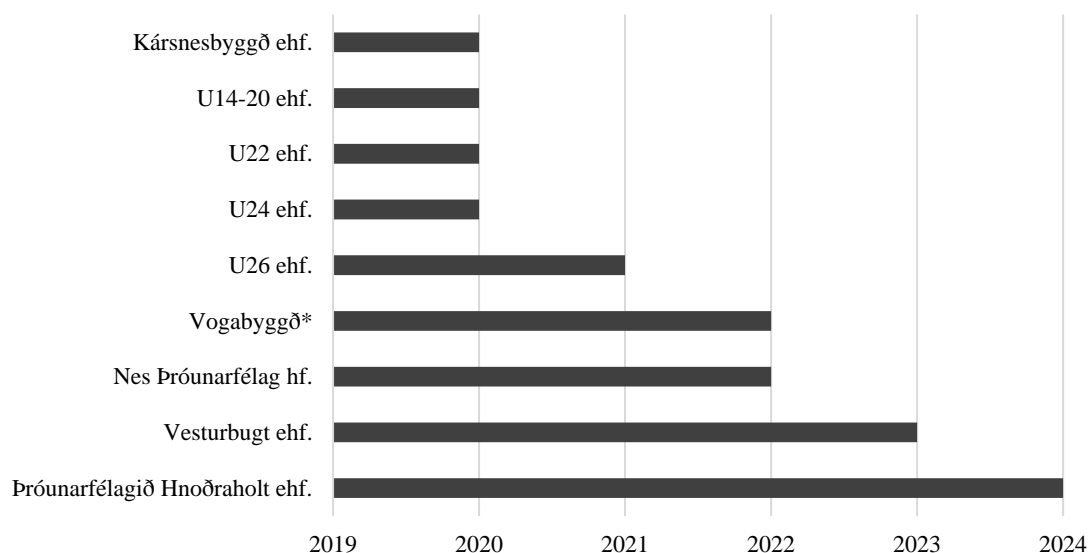
The estimated project schedule and current expected timeline of Kaldalón's portfolio can be seen in the tables below.

Project schedule	Start	Expected completion
Kársnesbyggð ehf.	2017	2020
U 14-20 ehf.	2018	2020
U 22 ehf.	2019	2020
U 24 ehf.	2019	2020
U 26 ehf.	2019	2021
Nes Þróunarfélag hf.	2019	2022
Vesturbugt ehf.	2019	2023
Vogabyggð*	2019	2022
Þróunarfélagið Hnoðraholt ehf.	2020	2024

The land in Vogabyggð has not yet been established in a separate SPV. All obligations are at the date of this Company Description held by Kaldalón

At the date of this Company Description construction is ongoing in Kársnesbyggð ehf., U14-20 ehf., U22 ehf., U24 ehf. and U26 ehf.

### Expected Timeline



\*The land in Vogabyggð has not yet been established in a separate SPV. All obligations are at the date of this Company Description held by Kaldalón

### 5.3.2. *Investments in construction-related activities*

Kaldalón co-founded concrete producer Steinsteypan in 2018 with partners that have longstanding experience and knowledge of operating concrete plants. The plant is situated on a 16,000m<sup>2</sup> industrial site in the municipality of Hafnarfjörður and began production late summer 2018.



The investment is partially of a strategic nature as the concrete production market in Iceland has historically been dominated by two large producers that partially control prices and delivery times. With growing construction volumes demand has increased which presented an opportunity for a new market participant. In the first months of production sales have been according to expectations. Supply to Kaldalón's projects has just began and is estimated to significantly increase volumes.

Kaldalón's investment in Steinsteypan is equally intended to establish a strategic partnership as well as an effort to support and participate in Icelandic infrastructure investment.

Kaldalón is also the sole owner of Fasteignastýring ehf., a company currently with limited operation and only used for special administrative projects.

### 5.3.3. *Valuation of projects*

Kaldalón owns shares in several companies that have been purchased and/or founded between 2017 and 2019. In all of them, development is carried out, which consists of the development of real estate and real estate companies, with the exception of Steinsteypan ehf. which manages an operation of concrete plants and Fasteignastýring ehf. which is not in operation.

Kaldalón hf. values the companies based on several factors. In cases where design, earthwork or street construction fees have been paid, the cost is capitalized and added to the purchase price of the land. For cases where construction work is started with plinths, progress is estimated according to project and cost estimation and the project's overall contribution is estimated according to estimated sale price minus project and cost estimates. Estimated sale price is based on the valuation of a certified real estate agents. Fair value increase at each time is expected to be the total contribution from the project after taxes, and after 25% allowance. U 14-20 ehf., Kárnesbyggð ehf. and U22 ehf. are the only companies that are evaluated in such a way at 30.6.2018.

At 30.6.2018 the fair value of the companies U24 ehf., U26 ehf., Þróunarfélagið Hnoðraholt ehf. and Vesturbugt eignarhaldsfélag ehf. is estimated from the original purchase price plus the construction cost that has been incurred. The fair value of the companies Steinsteypan ehf. and Nes Þróunarfélag hf. is estimated from the original price plus construction cost, which have been incurred along with the revaluation of the company's land. Revaluation of land is based on an independent real estate agent's assesment. Kaldalón's land in Vogabyggð and "Steindórsreitur" by Grandatorg are recognized at cost.

The most important factor in assessing Kaldalón hf.'s assets is land prices. A 10% increase or decrease in the market value of land has a significantly higher effect on Kaldalón's equity than a 10% increase or decrease in margins of construction projects.

In practice, Construction projects are therefore initially valued in Kaldalón's balance sheet at their purchase price plus any construction costs incurred and capitalized. Once construction commences and foundations have been set, each project's contractor will issue monthly invoices based on their estimate of the percentage of construction completed. These invoices and the claims of construction completed are then reviewed by the project's construction financier, traditionally a commercial bank, who then issues payment from the project's construction financing line of credit. Following each payment, a corresponding capitalization

is made to the asset in the project's accounts, and therefore ultimately Kaldalón's, thus expanding the book value of each project and investment assets in total.

The amount to be capitalized is calculated from the project's estimated profits. Each project has a budget and a divestment plan that are continuously updated as the project progresses. The difference between the two at each time represents the project's estimated profits. The capitalization is calculated by dividing the estimated value by the amount of project completed and subtracting a safety provision. Example: Once a contractor invoices a project with a certified 10% of the construction completed, 10% of the estimated profits, minus a certain safety provision, are capitalized minus 20% due to taxing of the expected profit.

This method creates a more even balance sheet increase instead of making a large jump in value at the end of the construction period

## 6. Corporate Governance

### 6.1. Articles of Association

The Company's Articles of Association, which were valid on the date that this Company Description was issued, were accepted on July 29 2019 and are replicated in full in their agreed form in Appendix I.

### 6.2. Board of Directors

Kaldalón's board of directors consists of three main members and one alternate member elected at an Annual General Meeting for a period of one year.

#### **Pórarinn A. Sævarsson, Chairman**

Pórarinn var elected to the Board in 2018. Pórarinn is the owner and director of investment company Loran ehf. which invests in real estate, listed and unlisted equities. He is also a partner and director of Sentor ehf., the franchise holder for real estate agency Remax in Iceland where Pórarinn is a certified real estate agent.

Pórarinn has over 20 years of experience in the real estate market, ranging from the purchase, sale, transformation and development of properties. He is also an investor in various advisory-, start-up- and technology businesses. Pórarinn is currently a board member of listed company Skeljungur hf. in addition to Loran ehf., Sentor ehf., IREF ehf., Einbýli ehf., RPF ehf., Iceland Rent ehf. and Smárahvammur ehf. Pórarinn owns shares in Kaldalón as specified in chapter 7.2. He has not been involved in bankruptcy, liquidation or similar procedure nor fraud or other financial crime related convictions or on-going procedures in the last five years as specified in article IX of chapter 3.2 of the First North Nordic Rulebook.

#### **Helen Neely, Board member**

Helen Neely was elected to the Board in March 2019. Helen is CEO and owner of Konkrit ehf, which she founded in 2016. Before 2016 she was partner, CFO, COO and board member in ÞG Verktakar ehf, Einingaverksmiðjan ehf and Arcus ehf in Iceland and Sp/f Tgverk and Sp/f Lövebetong in the Faroe Islands. Helen graduated with an MBA degree from Reykjavik University in 2011.

Helen has served on the board of various firms such as Ásbrú ehf, ÞG Verktakar ehf, Einingaverksmiðjan ehf, Bræðurnir Ormsson ehf and Sp/f Lövebetong in the Faroe Islands. Helen does not own shares in Kaldalón and is an independent Board member. Helen has not been involved in bankruptcy, liquidation or similar procedure nor fraud or other financial crime related convictions or on-going procedures in the last five years as specified in article IX of chapter 3.2 of the First North Nordic Rulebook.

#### **Steinþór Ólafsson, Board member**

Steinþór Ólafsson was elected to the Board of Directors of Kaldalón in February 2019. Steinþór is an engineer from the University of Southern California and currently works as an independent consultant. Previously, Steinþór was the Managing Director of Sæplast ehf. and was among the owners of Slippstöðin in Akureyri,

Steinþór is a board member of Marás Vélar ehf., Nitro Sport ehf., Artic Sport ehf and Grána ehf. Steinþór owns shares in Kaldalón as specified in chapter 7.2. He has not been involved in bankruptcy, liquidation or similar procedure nor fraud or other financial crime related convictions or on-going procedures in the last five years as specified in article IX of chapter 3.2 of the First North Nordic Rulebook.

#### **Gunnar Hendrik Gunnarsson, Alternate member**

Gunnar was elected as an alternate member of the Board of Directors in 2019. Gunnar is the owner and director of investment company Investar ehf. which invests in real estate as well as listed and unlisted equities. He is also the director of GG optic ehf., and a day to day operational manager of the real estate company Trausttak ehf.

Gunnar has extensive experience in the real estate market, ranging from marketing, sale, transformation and development. He sits in the marketing advisory council of Kringlan as well as a sit in board member in Kringlan.

Gunnar is a board member of GG optic ehf., Smárahvammur ehf., A.M.W. ehf., Augað ehf., Dual ehf., HIM ehf., Prooptik ehf., Trausttak ehf., Investar ehf., RES ehf., and and alternate board member of Þróunarfélagið Hnoðraholt. Gunnar owns shares in Kaldalón as specified in chapter 7.2. He has not been involved in bankruptcy, liquidation or similar procedure nor fraud or other financial crime related convictions or on-going procedures in the last five years as specified in article IX of chapter 3.2 of the First North Nordic Rulebook.

### **6.3. Investment Advisory Council**

The role of the Investment Advisory Council is to consider all investments as well as proposals on the sale of assets and their other disposal, with a special emphasis on potential conflicts of interest, before they are taken under consideration by the Board of Directors in accordance with the Path of Investment as is further described in chapter 5.2.4 *Path of Investment*. Per Kaldalón's Articles of Association the Board of Directors of the Company is not authorised to make decisions on the investment options of the Company, a sale of asset or their other handling as covered in clause 4.16 of the Articles of Association except with the prior consent of two out of three members of the Investment Advisory Council or their alternates.

The Investment Advisory Council, under the remit of the Board of Directors, sets internal rules that cover the main guidelines on investments and the sale of assets; the organisation of meetings, including the appointment of the Chairman of the Investment Advisory Council; and criteria on when there is a danger of conflicts of interest and how such instances shall be treated.

The Investment Advisory Council consists of three principal members and one alternate, elected at the Annual General Meeting for a term of one year.

**Gunnar Sverrir Harðarson**

Gunnar Sverrir var elected to the Investment Advisory Council in 2018. He is the owner and director of investment company Premier eignarhaldsfélag ehf. which invests in real estate as well as listed and unlisted equities. He is also a partner and director of Sentor ehf., the franchise holder for real estate agency Remax in Iceland where Gunnar Sverrir is a certified real estate agent.

Gunnar Sverrir has over 20 years of experience in the real estate market, ranging from the purchase, sale, transformation and development of properties. He is currently on the Board of Directors of Premier eignarhaldsfélag ehf. and Sentor ehf., Gunnar Sverrir owns shares in Kaldalón as specified in chapter 7.2. He has not been involved in bankruptcy, liquidation or similar procedure nor fraud or other financial crime related convictions or on-going procedures in the last five years as specified in article IX of chapter 3.2 of the First North Nordic Rulebook.

**Davíð Freyr Albertsson**

Davíð Freyr was elected to the Investment Advisory Council in 2018. He is a construction engineer with an M.Sc. in civil engineering from Georgia Tech University. Davíð has over 20 year of experience in construction- and real estate projects and is currently managing his own investments through investment companies DFT ehf. and Umbra ehf. Previously Davíð was CEO of SMI ehf and an engineer at VSÓ Verkfræðistofa.

Davíð sits on the Board of Directors of Umbra ehf., SMI Balkan ehf., Icelandic Provisions in the US and its subsidiaries and various holding companies. He is also an alternate member on the board of Uniconta Ísland ehf. Davíð owns shares in Kaldalón as specified in chapter 7.2. He has not been involved in bankruptcy, liquidation or similar procedure nor fraud or other financial crime related convictions or on-going procedures in the last five years as specified in article IX of chapter 3.2 of the First North Nordic Rulebook.

**Jón Skaftason**

Jón was elected to the Investment Advisory Council in 2019. Jón has an Mag. Jur., in law from the University of Iceland, an LLM degree from the University College in London and is a certified district court attorney in Iceland. He is the CEO and director of investments at 365 Invest and is chairman of the boards of 101 Copenhagen and Norr11. He is also on the board of Torg, the publisher of media outlet Fréttablaðið, and various holding companies.

Jón has not been involved in bankruptcy, liquidation or similar procedure nor fraud or other financial crime related convictions or on-going procedures in the last five years as specified in article IX of chapter 3.2 of the First North Nordic Rulebook.

**6.4. Managing Director**

Kaldalón's only employee and senior manager is its Managing Director

**Jónas Þór Þorvaldsson**

Jónas became Kaldalón's managing director in 2019. He was previously the managing director of real estate development companies Festir fasteignaþróunarfélag hf. from 2015-2018, Landfestar hf. from 2008-2014, Stoðir hf. from 2000-2007 and Atlas ejendomme a/s from 2005-



2007. He has a BFA in filmmaking from the California College of the Arts and a candidate degree in mechanical engineering from the University of Iceland.

Jónas has extensive experience in real estate development both as a managing director and board member and has been involved in various large-scale planning and development projects in the Capital Area such as Skuggahverfið, Norðurbakki and Vogabyggð. He is currently on the Board of Directors of JPB ehf.

Jónas owns 75,000 shares in Kaldalón. Additionally, he has purchased warrants in the Company, as is further described in chapter 7.3 *Warrants*. Jónas has not been involved in bankruptcy, liquidation or similar procedure nor fraud or other financial crime related convictions or on-going procedures in the last five years as specified in article IX of chapter 3.2 of the First North Nordic Rulebook.

### **6.5. GAMMA's team servicing Kaldalón**

GAMMA has a diverse team of real estate specialists and support staff. The team regularly involved in the Issuer's activities includes the following specialists:

#### **Ásgeir Baldurs, Chief Investment Officer**

Ásgeir has more than 15 years of experience in management and as a chairman of numerous companies in Iceland and abroad. Ásgeir was a managing director and CEO of Vátryggingafélag Íslands hf., a chairman of Frumherji hf. and Viking Redningstjeneste AS in Norway. He was also a consultant and owner of the consulting company Expectus ehf. Ásgeir holds a BSc in Business Administration from JW University and an MBA degree from the University of Iceland. Ásgeir has been with Kvik, GAMMA's parent company for over 4 years as a director of Alternative Investments and in corporate finance.

#### **Jón Þór Gunnarsson, Civil Engineer**

Jón Þór has extensive experience as a consultant in the field of construction, design, planning and project management. Jón Þór worked from 2010-18 at engineering company Mannvit in project management, planning, design management, development of projects, contracts and construction control. Jón Þór is a M.Sc. in civil engineering from the Danish Technical University. Jón Þór has been with Kvik, GAMMA's parent company since 2018.

#### **Daníel Þór Magnússon, Fund Manager and analyst**

Daníel has extensive experience in real estate operations and finance and works as a specialist and fund manager of the real estate funds Fasteignaaúður II-VI which are operated by GAMMA. He has a B.Sc. in Business Administration from the University of Iceland and is a certified securities broker. Daníel has been with Kvik, GAMMA's parent company since 2017.

#### **Sveinn Hreinsson, Real Estate Specialist**

Sveinn has worked in the financial market since 2002, among others as a business manager at corporate banking with Sparisjóðabanki Íslands hf. and asset administration at Kvik bank. Sveinn has managed FÍ fasteignafélag slhf and Foss fasteignafélag slhf. along with real estate managed by Sparisjóðabanki Íslands hf. Sveinn is a Cand.oecon. in business administration from the University of Iceland. Sveinn has been with Kvik, GAMMA's parent company since 2014.

## 7. Share Capital and Shareholders

The share capital of Kaldalón at the date of this Company Description is ISK 3,641,570,537. The share capital is divided into shares of nominal value ISK 1, or a multiple of the amount shareholders hold in the Company in each instance. There are no restrictions on shareholders' rights to dispose of their Shares in the Company. For further information on the Company's Shares, a reference is made to Kaldalón's Articles of Association which can be found in Appendix I.

The Shares of the Company are registered electronically at Nasdaq CSD Iceland hf. in accordance with the Icelandic Act on Electronic registration of rights of title to securities No. 131/1997. The ISIN number for the Shares is IS0000029114.

At the date of this Company Description, Kaldalón's shareholders are 101, and the largest shareholder is RES 9 ehf. with a 13.4% share. Below is a list of shareholders holding 1% or more in the Company as at 27.08.2019:

Shareholder	Registration number	Number of shares	%
RES 9 ehf.	590318-0940	487,123,037	13.4%
Investar ehf	521112-1900	459,214,323	12.6%
RPF ehf.	510108-1160	386,982,504	10.6%
Kvika banki hf.	540502-2930	360,515,513	9.9%
Loran ehf.	411102-2030	346,688,303	9.5%
Premier eignarhaldsfélag ehf.	540201-2770	346,688,303	9.5%
24 Development Holding ehf.	510418-3870	300,000,000	8.2%
Kvika banki safnreikningur	570409-9990	199,999,999	5.5%
Vátryggingafélag Íslands hf.	690689-2009	150,000,000	4.1%
DFT ehf.	640114-0290	127,500,000	3.5%
GG optic ehf.	660606-0840	100,000,000	2.7%
Effekt ehf.	550296-2099	75,000,000	2.1%
Trausttak ehf.	560591-1289	55,075,000	1.5%
Total		3,394,786,982	93.2%

Additionally, it should be noted that Kaldalón currently holds 3.5% of own shares that will be allocated to market makers according to contracts and outstanding subscriptions in process of the being finalized.

### 7.1. Share increase allowances

Per article 2.9 in the Company's Articles of Association the Board of Directors is authorized to increase the share capital of the Company by up to ISK 4,000,000,000 – four thousand million – in nominal value. On the date of this Company Description ISK 358,429,463 remain of this authorisation which shall be in effect until 31 March 2021. Shareholders shall not have a priority right to new shares issued according to this provision.

### 7.2. Share ownership by stakeholders

The following lists the shareholdings of members of the Board of Directors, the Investment Advisory Council, Managing Director and Certified Adviser at the date of this Company Description:

Shareholder	Holding Company	Number of shares	%
Þórarinn A. Sævarsson		75,000	0.00%
	Loran ehf.	346,688,303	9.52%
	Iceland Rent ehf.	100,000	0.00%
	IREF ehf.	75,000	0.00%
	Einbýli ehf.	75,000	0.00%
Þórarinn A Sævarsson & Gunnar Sverrir Harðarson	RPF ehf.	386,982,504	10.63%
	Þrúðvangur 6 ehf.	100,000	0.00%
	Sentor ehf.	75,000	0.00%
Steinþór Ólafsson	Grána ehf.	20,000,000	0.55%
	Köfun ehf.	500,000	0.01%
Gunnar Hendrik Gunnarsson	Investar	459,214,323	12.61%
	GG optic	100,000,000	2.75%
	Trausttak ehf.	55,075,000	1.51%
Gunnar Sverrir Harðarson		346,688,303	9.52%
	Premier eignarhaldsfélag ehf	75,000	0.00%
Davíð Freyr Albertsson	DFT ehf.	202,500,000	5.56%
Kvika banki hf.		360,515,513	9.90%
Jónas Þorvaldsson		75,000	0.00%
Total		2,278,813,946	62.58%

### 7.3. Warrants

Per article 2.2 in the Company's Articles of Association the Board of Directors is authorized to issue warrants for ISK 180,000,000 in nominal value. Further, the Board of Directors is authorised to increase the share capital of the Company to serve issued warrants. This authorisation shall be in effect until 2024. Warrants shall be issued by the Board of Directors and shareholders shall not have a priority right to new shares issued according to this provision.

In August 2019 the board of directors issued warrants for ISK 180,000,000 in nominal value. The purchase price of the warrants was determined by using market standard methodology and a valuation from an independent appraiser. Should the owner of the warrants exercise their warrants, Kaldalón is obliged to issue new shares and sell to the warrant owners at a predefined price, hereafter referred to as the strike price.

An overview of the warrants issued in August 2019 and their exercise period is listed in the table below:

Issue date	Nominal amount	Purchase price of warrants	Strike price at expiry date	Exercise period
August 2019	30,000,000	2,112,000	$(1 + 7,5/100)^t$	August 2019 – June 2020
August 2019	30,000,000	2,112,000	$(1 + 7,5/100)^t$	July 2020– June 2021
August 2019	30,000,000	2,112,000	$(1 + 7,5/100)^t$	July 2021 – June 2022
August 2019	30,000,000	2,112,000	$(1 + 7,5/100)^t$	July 2022 – June 2023
August 2019	30,000,000	2,112,000	$(1 + 7,5/100)^t$	July 2023 – June 2024
August 2019	30,000,000	2,112,000	$(1 + 7,5/100)^t$	July 2024 – June 2025
	180,000,000	12,672,000		

The strike price at each time is calculated as  $(1 + 7,5/100)^t$  where t stands for time passed from the issue date (calculated by dividing the number of days by 30 days a month by 360).

In the event of share capital changes during the validity of the warrants, Kaldalón's Board of Directors shall, if appropriate, correct, either to increase or decrease, the number of warrant shares and / or the strike price, so that the value of unused warrants remains unchanged (or as possible). However, no adjustment is expected in connection with an increase in share capital through the subscription of new shares except, and to the extent that, remuneration for new shares clearly does not reflect their fair value in the opinion of the Board of Directors.

In the event of dividend payments during the validity of the warrants, the Board of Directors shall correct the strike price according to any unused warrants with a reduction. A new strike price shall then be based on the beneficiary having fully utilized the subscription right before dividend payment and receiving the dividend payment in proportion to his shareholding.

Any warrants not exercised during their exercise period may be exercised during other exercise periods until June 2025 at which time any unexercised warrants will be cancelled.

#### 7.4. Options

In July 2019 the Company issued options for ISK 315,000,000 in nominal value. Kaldalón is obliged to issue new shares and sell to the option owners at a predefined price, hereafter referred to as the strike price.

The strike price at the date of issue is 1 króna plus an annual yield for each month from the date of issue. The yield shall be the 1 month REIBOR, as determined at each time and registered by the Central Bank of Iceland, cf. Article 6 Central Bank Rules no. 805/2009 of 21 September 2009 on transactions in the interbank market in Icelandic krónur or subsequent rules, as well as a 5.00% premium. At the date of issue the 1-month REIBOR interest rate was set at 3.93% and therefore the total annual yield, including the premium of 5.00%, is a total of 8.93%. For further clarification based on unchanged REIBOR interest, the purchase price is as follows:

Month	Price incl.yield	Purchase Price
0	1	315,000,000
1	1.007153	317,253,323
2	1.014358	319,522,764
3	1.021614	321,808,440
4	1.028922	324,110,466
5	1.036282	326,428,959
6	1.043695	328,764,038
7	1.051161	331,115,820
8	1.058681	333,484,426
9	1.066254	335,869,975
10	1.073881	338,272,589
11	1.081563	340,692,389
12	1.0893	343,129,500
13	1.097092	345,584,044
14	1.10494	348,056,147
15	1.112844	350,545,933
16	1.120805	353,053,530

17	1.128822	355,579,065
18	1.136897	358,122,666
19	1.14503	360,684,463
20	1.153221	363,264,585
21	1.16147	365,863,163
22	1.169779	368,480,331
23	1.178147	371,116,220
24	1.186574	373,770,964
25	1.195063	376,444,699
26	1.203611	379,137,561
27	1.212221	381,849,685
28	1.220893	384,581,211
29	1.229626	387,332,276
30	1.238422	390,103,020
31	1.247281	392,893,585
32	1.256204	395,704,112
33	1.26519	398,534,744
34	1.27424	401,385,624
35	1.283355	404,256,898
36	1.292536	407,148,711

Additionally, according to the framework agreement between RDE and Kaldalón, RDE has the right and, if not exercised and at Kaldalón's discretion, the obligation to invest in Kaldalón. The right and/or obligation shall materialise upon an award by Kaldalón of certain construction projects to RDE and shall be completed in minimum two or maximum three tranches linked to the award of projects. The purchase price is a lump sum of 300,000,000 and RDE will obtain as many shares in Kaldalón as the purchase price can acquire at a valuation of 1x price to book value as emerging from the latest interim or annual financial statement of Kaldalón. Such payments shall be made by allocating a portion of the construction advance payments owed by Kaldalón and/or subsidiaries under the relevant construction contracts until the full purchase price for the shares has been paid.

Further, Kaldalón holds an option to purchase 10.0% of new shares in Rizzani de Eccher Ísland ehf. at a purchase price of 10% of the fully diluted (post share issuance) net assets of Rizzani de Eccher Ísland ehf. as of 31 March 2019. The options are conditional upon the framework agreement remaining in place between the parties.

## 8. Financial Overview

This section contains information on the Company's income statement and balance sheet covering the financial years 2017 and 2018. As the Company was founded on 12.05.2017 and began full operations in September 2017, 2018 is the Company's first full year of operations and therefore not completely comparable to the previous year's results.

The Financial Statements of Kaldalón are prepared in accordance with International Financial Reporting standards (IFRS). The Company is classified as an investment company according to IFRS. The company does not prepare consolidated accounts but assesses the assets of subsidiaries and associates at fair value and recognizes fair value changes in profit or loss.

The Company's Financial Statements for 2017 have been audited by KPMG ehf. and the Company's Financial Statements for 2018 have been audited by PricewaterhouseCoopers ehf. Both were signed with an unmodified opinion.

Following are the dates on which the Issuer intends to release its semi-annual and annual reports following listing as well as the next annual general meeting. As per the First North Rulebook, going forward the Issuer will publish a financial calendar prior to the start of each financial year. If any date specified in the calendar changes, the Issuer will publish a notice of the new date as soon as possible.

Publication of unaudited semi-annual Financial Statements	30 August 2019
Publication of audited annual Financial Statements	27 March 2020
Annual General Meeting	10 April 2020

It is recommended that investors review Kaldalón's annual accounts in its entirety, including all notes. The section below shows numbers from annual accounts in extract format, the audited annual accounts for the last two financial years are attached in appendix IV.

### 8.1. Working capital statement

It is the assessment of the management and Board of Directors, for and on behalf of the Company, that at the date of this Company Description the Company has sufficient working capital to fulfil its requirements for the next 12 months.

### 8.2. Significant developments after the latest reporting date

#### 8.2.1. "Steindórsreitur" (Grandatorg)

In April 2019 subsidiary U22 ehf. purchased a plot in west-Reykjavík named Steindórsreitur by Grandatorg. The purchase price will be paid by delivering a building of 17 apartments in Urriðaholt 22 once construction is completed. The Grandatorg plot, located on Sólvallagata 77, is a well-located building site with an approved zoning plan of 7,550 m<sup>2</sup> of residential space and 650 m<sup>2</sup> of commercial space above ground. Kaldalón is currently working with architects



on optimizing the planning and design of the buildings in order to meet the demand for housing in the area. The Grandatorg project is 100% owned by U22 ehf.

#### 8.2.2. *Share capital increase*

The share capital of Kaldalón has increased from 2,842 million ISK at 31.12.2018 to 3,642 million ISK at the date of this Company Description in three intervals. The number of shareholders has increased from 17 to over 100.

#### 8.2.3. *Other developments*

Kaldalón paid in full a loan of ISK 103 million which was due on 31.12.2019 and acquired additional debt of ISK 315 million in the form of a credit line with Kvika banki, creating headspace for any necessary bridge financing in its projects. The interest terms of the loan are REIBOR 1M with a 5% interest premium, payable in one payment on 15.9.2020. Concurrently, Kaldalón refinanced a ISK 327m loan held by Kvika banki hf. The loan is now due on 15.9.2020 and the principal and interests shall be paid in one on that day. The interest terms of the loan remain REIBOR 1M with a 4% interest premium.

During the year Kaldalón also obtained financing for its plot in Vogabyggð. The loan, amounting to ISK 403 million, is payable on 10.3.2021 in one payment of principal on 10.3.2021 and interest payments every six months, first payable on 10.9.2019, with interest terms of 6,15% variable interest and a 0,75% fixed interest premium.

Additionally, Kaldalón has accounted for progress in several projects, mainly Kársnesbyggð and U14-20, increasing assets listed as investment in subsidiaries by over ISK 450 million.

### 8.3. Income Statement

The Company's income statement for the years 2017-2018 can be found in the table below. As the Company was founded on 12.05.2017, 2018 is the Company's first full year of operations and therefore not completely comparable to the previous year's results.

	2018	2017
<b>Investment Income</b>		
Fair value change of shares in companies	451,315,336	41,109,543
Interest income	38,364,330	73,244
Interest expense	(14,247,402)	(77,283)
<b>Net investment income</b>	<b>475,432,264</b>	<b>41,105,504</b>
<b>Operating expenses</b>		
<i>Operating expenses</i>	<i>(87,081,140)</i>	<i>(17,172,625)</i>
<b>Total operating expenses</b>	<b>(87,081,140)</b>	<b>(17,172,625)</b>
<b>Profit for the year</b>	<b>388,351,124</b>	<b>23,932,879</b>
<i>All numbers in ISK</i>		

Between 2017 and 2018 Kaldalón's revenues and profit grew considerably, partly due to 2017 being the Company's first year of operations and 2018 therefore being the Company's first whole year. The method behind the fair value change in shares in Kaldalón's companies is further described in chapter 5.3.1 Valuation of projects. For developments since the latest reporting period see chapter 8.2 *Significant developments after the latest reporting date*.

#### 8.4. Balance Sheet

The table below shows the balance sheet as at 31.12. 2018 and 31.12.2017. As the Company was founded on 12.05.2017, 2018 is the Company's first full year of operations and therefore not completely comparable to the previous year's results.

<b>Assets</b>	<b>31.12.2018</b>	<b>31.12.2017</b>
Investment in subsidiaries	1,988,806,309	1,460,546,823
Investment in associates	483,726,203	432,401,757
Loans to related parties	1,132,935,678	51,369,000
Other receivables	3,077,234	14,648
Real estate and land	110,806,800	
Cash and cash equivalents	21,490,927	4,320,856
<b>Total assets</b>	<b>3,740,843,151</b>	<b>1,948,653,064</b>
<b>Equity</b>		
Share capital	2,842,720,837	1,854,172,350
Fair value account	492,424,879	41,109,543
Other equity	(80,140,876)	(17,176,664)
<b>Total equity</b>	<b>3,255,004,840</b>	<b>1,878,105,229</b>
<b>Liabilities</b>		
Debt to credit institutions	310,631,392	60,015,583
Debt to related parties	109,837,229	
Accounts payable	65,369,690	10,532,252
<b>Total liabilities</b>	<b>485,838,311</b>	<b>70,547,835</b>
<b>Total equity and liabilities</b>	<b>3,740,843,151</b>	<b>1,948,653,064</b>

*All numbers in ISK*

Between 2017 and 2018 Kaldalón's assets and liabilities increased by nearly ISK 2bn. Assets grew as investment in subsidiaries (development projects in SPV's) increased and loans were made to subsidiaries as a part of the equity contribution in construction projects. Share capital was increased by nearly ISK 1bn in 2018 due to growth opportunities and investor interest in the Company. For developments since the latest reporting period see chapter 8.2 *Significant developments after the latest reporting date*.

### 8.5. Transactions with related parties

Transactions between Kaldalón hf. and its owners and affiliates fulfill the requirements for the definition of transactions with related parties. The terms and conditions of these transactions were determined in accordance with market standards and practices. The following table shows the amount of these transaction and the position of assets and liabilities at year-end 2017 and 2018.

All below mentioned parties are subsidiaries or associates of the Company with the exemption of Kvika banki hf. which was Kaldalón's asset management party in 2017 and 2018 before transferring its duties to subsidiary GAMMA. No transactions that meet the definition of transactions with related parties occurred between members of the Board of Directors, Investment Advisory Board, their related parties or companies in their possession in 2017 nor 2018.

<b>2018</b>	<b>Income</b>	<b>Expense</b>	<b>Assets</b>	<b>Liabilities</b>
U22 ehf.....	3,703,307		98,526,307	
U24 ehf.....	1,869,238		40,487,238	
U26 ehf.....	1,380,999		22,373,999	
U14-20 ehf.....	17,585,093		770,411,201	
Próunarfélagið Hnoðraholt.....		(3,737,229)	0	(109,837,229)
Kársnesbyggð ehf.....	10,135,233		153,135,233	
Vesturbugt eignarhaldsfélag.....			48,001,700	
Kvika banki hf.....	2,623,793	(80,901,912)	21,490,927	(360,259,902)
<b>Total</b>	<b>37,297,663</b>	<b>(84,639,141)</b>	<b>1,154,426,605</b>	<b>(470,097,131)</b>

<b>2017</b>	<b>Income</b>	<b>Expense</b>	<b>Assets</b>	<b>Liabilities</b>
U22 ehf.....			17,123,000	
U24 ehf.....			17,123,000	
U26 ehf.....			17,123,000	
Kvika banki hf.....	73,244	(8,797,602)	4,320,856	(68,737,602)
<b>Total</b>	<b>73,244</b>	<b>(8,797,602)</b>	<b>55,689,856</b>	<b>(68,737,602)</b>

## 8.6. Capitalisation and Indebtedness

The tables below sets forth the capitalisation and indebtedness of Kaldalón as of 31 May 2019. The information has been extracted from the accounting records as of and for the period ended 31 May 2019 and should be read in conjunction with the Company's Financial Statements for the year ended 31 December 2018, together with the notes thereto.

### *Capitalisation*

	As of 31 May 2019
<b>Current debt</b>	
Secured.....	0
Unguaranteed/unsecured.....	74,975,824
<i>Total current debt</i>	<i>74,975,824</i>
<b>Non-current debt</b>	
Secured.....	825,154,796
Unguaranteed/unsecured.....	0
<i>Total non-current debt</i>	<i>825,154,796</i>
<b>Shareholders' equity</b>	
Share capital.....	3,201,746,355
Fair value account.....	554,682,713
Other equity.....	(138,443,108)
<i>Total equity</i>	<i>3,617,985,960</i>
<b>Total Capitalisation</b>	<b>4,518,116,580</b>

**Indebtedness**

	As of 31 May 2019
<b>Cash and equivalents</b>	
(A) Cash .....	30,775,836
(B) Cash equivalents.....	0
(C) Trading securities.....	0
<b>(D) Total liquidity (A) + (B) + (C)</b>	<b>30,775,836</b>
<b>(E) Current financial receivables</b>	<b>577,234</b>
 <b>Current debt</b>	
(F) Current bank debt.....	0
(G) Current portion of non-current debt.....	0
(H) Other current financial debt.....	(74,975,824)
(I) Total current debt (F) + (G) + (H)	(74,975,824)
<b>(J) Net Current Financial indebtedness</b>	<b>(43,622,754)</b>
 <b>Non-current debt</b>	
(K) Non-current bank loans.....	(825,154,796)
(L) Bonds issued.....	0
(M) Other non-current loans.....	(0)
<b>(N) Total non-current financial indebtedness (K) + (L) + (M)</b>	<b>(825,154,796)</b>
 <b>(O) Net financial indebtedness (J) + (N)</b>	<b>(858,302,958)</b>

Kaldalón's current debt consist of unguaranteed unsecured debt while its non-current debt is all secured long-term financing. In August 2019, the share capital of Kaldalón was increased by ISK 400 million and the company secured financing to meet short term liabilities and commitments to execute the company's plans. The issue of new shares and additional funding increased Kaldalón's non-current secured debt by ISK 600 million from the beginning of the year. Additionally, the board of Kaldalón has an unused authorization to issue new share capital of 358,429,463 ISK.

The nature of Kaldalón's projects is reflected in its balance sheet, as the company has partially financed multiple construction projects which are still incomplete and therefore have not begun to return cash to the company. Kaldalón expects to begin to receive cash flow from projects in Q1 2020.



## **9. Appendix I – Articles of Association**

### **9.1. English translation of Kaldalón's Articles of Association**

The following document is an English translation of Kaldalón's Articles of Association, reviewed and approved by the Company. In case of any discrepancy, the Icelandic version shall prevail.

### **9.2. Signed Articles of Association**

**JULY 2019**

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**ARTICLES OF ASSOCIATION**

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of  
**KALDALÓN HF.**

**1. Company name, domicile and purpose**

- 1.1. The company is a Public Limited Company and its name is Kaldalón hf.
- 1.2. The company's domicile is in Reykjavik.
- 1.3. The purpose of the company is investment activities in, among other things, real estate development, acquisitions, sales, management, holdings, administration and the development of real estate and infrastructure connected to real estate projects, various kinds of debt certificates, such as loan agreements and bonds, all in connection with real estate trading, real estate development, the development of infrastructure in connection with real estate projects or the financing of the construction of buildings and other related operations. The company is authorised to own shares in companies engaged in operations connected to the construction sector, such as mix plants.

**2. Share capital of the company**

Share capital – shares – subscription of new shares

- 2.1. The share capital of the company has a nominal value of ISK 3,641,570,537 – three billion, six hundred and forty one million, five hundred and seventy thousand and thirty seven krónur. The share capital is divided into shares of one króna or multiples of that amount, which shareholders own in the company at any given time.
- 2.2. The Board of Directors of the company is authorised to issue warrants for up to 180,000,000 new shares in the company. Notwithstanding the provisions of Art. 2.8, the Board of Directors is authorised for five years, until 4 June 2024, to implement the necessary increase in share capital in connection with the subscription to new shares on the basis of subscription rights. The Board of Directors determines who gets the right to subscribe to new shares and whether shareholders or others have pre-emptive rights. The Board of Directors decides on the sale price of subscription rights and details on their terms. Subscription rights that are issued in accordance with this authorisation shall be sold at fair value according to the valuation of impartial specialised parties.
- 2.3. No special rights are attached to the shares in the company.
- 2.4. There are no restrictions on the handling of shares in the company.

Share registry, calls to meetings and communication with shareholders

- 2.5. Shares in the company are electronic securities in accordance with Act no. 131/1997 on the Electronic Registration of Securities.
- 2.6. The Board of Directors of the company shall keep a share registry as the Act requires. According to the Act on the Electronic Registration of Securities, the share registry is full proof of ownership to shares in the company and shall grant rights in accordance with the company's Articles of Association.

- 2.7. Electronic communications of documents, letters of guarantee and/or electronic mail in communication between the company and its shareholders and other mandatory communications shall be used, in accordance with Act no. 2/1995 on Limited Liability Companies. A shareholders' meeting shall be convened with a notification to all shareholders sent by regular mail or email or through an advertisement in a daily newspaper or through the stock exchange's news system. Shareholders shall notify the Board of Directors of the company of the address and email address to which notifications and other communications should be sent and the shareholder is responsible for informing the board of any changes in address or email address. If a shareholder specifically requests written calls to meetings this shall be granted. An Annual General Meeting shall be convened with at least fourteen days' notice, but extraordinary meetings with at least seven days' notice.

*Increase / decrease in share capital*

- 2.8. The share capital of the company can be increased by a resolution passed at a shareholders' meeting and requires the same amount of votes that are required to amend these Articles of Association. Shareholders shall have pre-emptive rights for all the new shares in proportion to their holdings in the company.
- 2.9. Notwithstanding the provisions of Article 2.8, the Board of Directors of the company is authorised to increase the share capital of the company by a nominal value of up to ISK 4,000,000,000 – four thousand million<sup>1</sup>. The Board of Directors shall determine the price of new shares. The right to increase the share capital under these articles shall remain valid until 31 March 2021. Shareholders shall not have pre-emptive rights on new shares issued under this provision, but the Board of Directors shall be authorised to sell them to investors. Increases in these new shares are governed by the same provisions that apply to the share rights that are stipulated in these Articles of Association and the new shares confer rights in the company from the date of the decision of the Board of Directors to issue them, although never before the shares have been fully paid for. The new shares shall be paid for in cash, share capital and/or with claims in accordance with some kind of debt instrument, such as a loan agreement, depending on what the Board of Directors decides in each case. The Board of Directors of the company is authorised to amend these Articles of Association in accordance with the increase in share capital.
- 2.10. Only a shareholders' meeting is authorised to decide to lower the share capital and this requires the same proportion of votes as that required for amendments to these Articles of Association.

*Own Shares and pledging of collateral*

- 2.11. The company may not issue a loan in its shares. The company is authorised to buy its own shares to the extent permitted by the law. However, the company is not permitted to buy its own shares for a higher price than the amount of the last independent transaction or highest existing purchase bid in those trading systems in which the trading of the shares takes place, whichever is the highest. It is not permitted to exercise voting rights for the company's own shares.

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<sup>1</sup> At the date of these Articles of Association, on 29 July 2019, ISK 362,429,163 of the facility remains.

- 2.12. The company's assets may be pledged as collateral.

### **3. Shareholders' meetings**

- 3.1. The supreme authority in the affairs of the company, within the limits established by these Articles of Association and statutory law, is in the hands of legitimate shareholders' meetings.
- 3.2. Extraordinary meetings shall be held if the Board of Directors deems it necessary, or at the request of shareholders who control at least a twentieth of the company's share capital. The request for the meeting to be called shall be in writing and shall state the business of the meeting. The Board of Directors is then obliged to call a meeting within fourteen days of receiving the request. If the Board of Directors does not call the meeting after receiving such a request, the shareholders may seek the assistance of the Register of Limited Companies, pursuant to the provisions of Act no. 2/1995 on Public Limited Companies.
- 3.3. The notice of the meeting shall state the business of the meeting.
- 3.4. A shareholders' meeting is valid if it has been legitimately called and if it is attended by shareholders or their representatives who control at least half of the company's share capital.
- 3.5. The Board of Directors of the company is authorised to decide on the use of electronic media in connection with the participation of shareholders in shareholders' meetings and voting in accordance with Art. 80 of Act no. 2/1995 on Public Limited Companies.
- 3.6. One vote is attached to each króna of share capital. Decisions at shareholders' meetings shall be taken by majority vote unless otherwise stipulated in these Articles of Association or statutory law.

#### Amendments to the Articles of Association

- 3.7. Proposed amendments to the company's Articles of Association shall be submitted to a shareholders' meeting and only be valid if approved with the support of 2/3 of the cast votes, provided that shareholders controlling at least 2/3 of the shares represented in the meeting participate in the polling, unless otherwise specified in these Articles of Association.
- 3.8. Proposals for amendments to these Articles of Association or a merger with other companies cannot be discussed at shareholders' meetings unless they were mentioned in the call to the meeting.
- 3.9. The approval of all shareholders is required in order for decisions relating to the following amendments to the company Articles of Association to enter into force:
1. To curtail shareholders' rights to the payment of dividend or to other allocation from the company for the benefit of parties other than shareholders.
  2. To increase shareholders' liabilities toward the company.
  3. To substantially change the purpose of the company.

4. To limit shareholders' authority in the handling of their shares or to obligate shareholders to be subject to redemption of their shares without there being a dissolution of the company, beyond what is stipulated in these Articles of Association.
  5. To amend the provisions of Art. 3.7 of these Articles of Association.
  6. If the Articles of Association of the company are amended, the kind of trading restrictions that are imposed on shares in the company.
- 3.10. A decision relating to amendments of the company's Articles of Association which disturbs the judicial relationship between shareholders will only be valid provided those shareholders who are to be subject to the abridgement of rights vote for it.
- 3.11. Decisions to approve the investment policy of the company and decisions to amend it shall only be made at shareholders' meetings with the approval of shareholders who control at least 9/10 of the total share capital of the company.
- 3.12. A shareholder may have a representative attend a shareholders' meeting on his/her behalf. A representative shall submit a dated power of attorney in writing.
- 3.13. The power of attorney shall not be revoked and shall be valid with respect to the company once it has been submitted with the delivery of the meeting documents or after the shareholders' meetings, whichever comes first.
- 3.14. It is not possible to make final decisions at a shareholders' meeting on matters which have not been specified in an agenda unless this meets the approval of all the company's shareholders, but a resolution thereon may be made as guidance for the company's Board of Directors. Even if a matter has not been mentioned in an agenda, this will not prevent a decision to the effect that an extraordinary meeting be called to debate the matter, but an Annual General Meeting may also at all times deal with matters it is obliged to deal with, in accordance with the law or the company's Articles of Association.
- 3.15. Records of Minutes shall be kept and proceedings of the meeting entered into it.
- Annual General Meeting
- 3.16. An Annual General Meeting shall be held no later than four months from the end of each fiscal year.
- 3.17. The following items shall be on the AGM agenda:
- a) The Board of Directors shall explain the company's finances and operations over the past working year.
  - b) The Board of Directors' summary regarding the holdings of individual shareholders, their voting rights, changes during the year and comparable information on the company's group affiliations.
  - c) The annual accounts of the company for the past year shall be submitted for approval along with comments from the company's auditors or inspectors.
  - d) A decision shall be made regarding how to handle profits or losses and dividends.
  - e) Auditors shall be appointed.



- f) Election and composition of the Board of Directors, and Investment Advisory Council.
- g) Decisions shall be made regarding the fees of board members and auditors. A seat on the Investment Advisory Council does not entail a right to remuneration from the company.
- h) Proposals from the Board of Directors regarding the remuneration policy of the company.
- i) Discussions and voting on any other business legitimately raised.

#### **4. Board of directors, executive board and Investment Advisory Council**

##### Board of Directors

- 4.1. The Board of Directors shall comprise three members and one alternate, elected at an Annual General Meeting for a term of one year at a time.
- 4.2. The signature of a majority of board members is required to commit the company.
- 4.3. A quorum is constituted in the Board of Directors when a majority of board members or their alternates, attend a legitimately called meeting. Voting at board meetings shall be determined by a simple majority.
- 4.4. The Board of Directors of the company discusses specific investments of the company, the sale of assets and other measures at board meetings. The Board of Directors also makes decisions about the above at board meetings. All of the above board decisions shall be made in accordance with the company's existing investment policy at any given time, which has been approved by a shareholders' meeting in accordance with the provisions of Article 3.11.
- 4.5. Notwithstanding Art. 4.3 and 4.4, the Board of Directors is not authorised to make decisions regarding the company's investment options or the sale or other handling of assets which are covered by the provisions of these Articles of Association 4.15, without the consent of two out of three members of the Investment Advisory Council or their alternates, to refer the investment options to the board of Directors of the Company, pursuant to Art. 4.16 of the company's Articles of Association and investment policy.
- 4.6. Notwithstanding Art. 4.3 and **Error! Reference source not found.**, the approval of all board members is required to make decisions regarding the company's trading with asset management entities and related parties.

##### Executive management

- 4.7. The Board of Directors of the company shall appoint a managing director and decide on his/her terms of employment. It grants the power of attorney on behalf of the company.
- 4.8. The managing director is in charge of the day-to-day operations of the company. Daily operations do not extend to unusual or major arrangements. In that connection the managing director is authorised, with the approval of the Board of Directors, to make contracts with managing entities on behalf of the company regarding the day to day running of the company and other specified tasks.

- 4.9. The managing director is in charge of examining investment options, their initial evaluation, analysing the credit worthiness of companies, the preparation of investment decisions, the administration and sale of assets and follow-up on investments. The managing director shall also ensure that the company's books are kept in accordance with laws and customs and that the company's assets are handled in a secure manner.
- 4.10. The Board of Directors of the company is authorised to make contracts regarding asset management and other services on behalf of the company, with entities which the Board of Directors deems eligible, where agreements are negotiated with an asset management entity for it to perform tasks in the field of asset management for the company, in addition to other tasks, according to instructions from the company's managing director and in consultation with him/her.
- 4.11. The managing director is obliged to comply with all of the Board of Directors' legitimate instructions. The Managing Director shall grant auditors all necessary information on the operations of the Company which they might request and are entitled to receive by law.

*Investment Advisory Council*

- 4.12. A shareholders' meeting can decide to appoint an Investment Advisory Council. Its work and organisation shall then be governed by the following provisions of Art. 4.13 - 4.20.
- 4.13. The company's Investment Advisory Council shall comprise three full members and one alternate. Council members shall be elected by shareholders at an Annual General Meeting, with proportional elections between individuals for a period of one year at a time. Like elections to the Board of Directors of public limited companies, elections to the Investment Advisory Council are governed by Act no. 2/1995 on Public Limited Companies. The rights of shareholders to dismiss a member or members of the Investment Advisory Council and elect another/others instead are subject to the provisions of Art.64. of the Act on Public Limited Companies.
- 4.14. The Investment Advisory Council shall, on behalf of the board, set rules which establish the principal benchmarks for investments and the sale of assets, and the organisation of meetings, including the appointment of a chairperson of the Investment Advisory Council as well as criteria to identify when the risk of conflicts of interest is considered to exist and how to handle cases of this kind.
- 4.15. The role of the Investment Advisory Council is to discuss investments and the company's investment options, including with regard to potential conflicts of interest, before the decisions are processed by the Board of Directors, in accordance with the company's investment policy and the rules of procedure of the Investment Advisory Council at any given time. Investments and proposals for the sale of assets or other measures which exceed the benchmarks defined in the company's investment policy must be submitted to the Investment Advisory Council.

- 4.16. The approval of two of the three members of the Investment Advisory Council or their alternates is required to approve the referral of investments and sale of assets to the Board of Directors of the company, all according to the benchmarks defined in the investment policy of the company.
- 4.17. Notwithstanding the provisions of Art. 4.16, decisions at Investment Advisory Council meetings are taken by majority vote and proposals are defeated if the votes are equal.
- 4.18. The Investment Advisory Council shall elect a chairperson and vice-chairperson from among its members. A record of minutes shall be kept of meetings.
- 4.19. Other than the stipulations provided in these Articles of Association, the Investment Advisory Council shall agree on the rules of procedure of the council. The Investment Advisory Council shall convene at least twice a year, but otherwise as often as the Investment Advisory Council is convened, pursuant to Art. 4.15.
- 4.20. The managing director handles all the administration of the activities of the Investment Advisory Council, including the calling of meetings on behalf of the chairperson of the council.
- 5. Authorisation to issue bonds**
- 5.1. The company is authorised to issue bonds and/or any kind of debt certificates.
- 6. Auditing**
- 6.1. A chartered accountant or accounting firm shall be elected auditor at each Annual General Meeting of the company. The auditor shall examine the company's accounts for each year of operation and submit their results for the Annual General Meeting of the company. The auditor may not be a board member or employee of the company.
- 7. Annual accounts**
- 7.1. The financial year of the company shall be the calendar year.
- 7.2. The Board of Directors shall have completed the preparation of the annual accounts and submitted them to the auditors no later than one month before the Annual General Meeting. The annual accounts shall be accessible to all at the company's headquarters.
- 8. Allocation of dividends and reserve funds**
- 8.1. Only a shareholders' meeting has the authority to decide on the allocation of dividends, upon proposals from the Board of Directors. No decision can be made to allocate more dividends than the company's Board of Directors proposes or approves.
- 8.2. Payments of dividends shall be made no later than one month after the payment of dividends was approved, unless shareholders agree otherwise.

**9. Dissolution of the company and mergers**

- 9.1. Proposals on the dissolution and division of the company, or changes in the public limited company or a merger with another company/companies shall otherwise be treated in the same way as amendments to these Articles of Association.

**10. Other provisions**

- 10.1. Where the provisions of the present Articles of Association do not stipulate proceedings, the provisions of Act No. 2/1995 on Public Limited Companies shall be abided by.

***These Articles of Association were adopted at a Company Shareholders' Meeting in Reykjavík on 4 June 2019.***

As amended at a shareholders' meeting in Reykjavík on 18 August 2017.

As amended at a meeting of the Board of Directors on 23 October 2017.

As approved at a shareholders' meeting on 19 December 2017.

As approved at a shareholders' meeting on 28 December 2017.

As approved at a shareholders' meeting on 28 Feb 2018.

As amended on 2 March 2018, due to decisions made by the Board of Directors on 14 February 2018.

As amended on 12 June 2018, due to decisions made by the Board of Directors on 10 May 2018.

As amended on 23 October 2018, due to decisions made by the Board of Directors on 11 October 2018.

As amended at an Annual General Meeting of the company on 4 June 2019.

As amended at a meeting of the Board of Directors on 29 July 2019.

Correct Articles of Association certified by procuration holder

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**TEMPORARY PROVISIONS I <sup>2</sup>**  
**WITH THE ARTICLES OF ASSOCIATION OF KALDALÓN HF.**

- A.** Kaldalón hf. was initially founded as a Partnership Limited by Shares and as a dependent taxable party, but at a shareholders' meeting on 19 December 2017, the company was changed into a public limited company. With the change, the company will be a dependent taxable party in the operating year of 2017, but will become an independent taxable party from then onwards, i.e. as of 1 January 2018.

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<sup>2</sup> This temporary provision is part of Kaldalón hf.'s Articles of Association as amended on 19 December 2017.

JÚLÍ 2019

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SAMÞYKKTIR

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fyrir  
KALDALÓN HF.



**1. Nafn félagsins, heimili, varnarþing og tilgangur**

1.1. Félagið er hlutafélag og er nafn þess Kaldalón hf.

1.2. Varnarþing félagsins er í Reykjavík.

1.3. Tilgangur félagsins er fjárfestingastarfsemi, þ.m.t. fasteignaþróun, kaup, sala, rekstur, eignarhald, umsýsla og uppbygging fasteigna og innviða tengdum fasteignaverkefnum og fasteignafélaga, lánastarfsemi ásamt kaupum og sölu félaga, fjármálagerninga, ýmiss konar skuldaviðurkenninga, s.s. lánessamninga og skuldabréfa, allt í tengslum við fasteignaviðskipti, fasteignaþróun, uppbyggingu innviða í tengslum við fasteignaverkefni eða fjármögnun byggingaframkvæmda og annar skyldur rekstur. Félaginu er heimilt að eiga hlut í félögum í starfsemi tengdri byggingargeiranum, þ.m.t. í steypustöðvum.

**2. Hlutafé félagsins**

Hlutafé – hlutir – áskrift nýrra hluta

2.1. Hlutafé félagsins er kr. 3.641.570.537 – þrír milljarðar sexhundruð fjörutíu og ein milljón fimmhundruð og sjötíu þúsund fimmhundruð þrjátíu og sjö krónur að nafnverði. Hlutaféð skiptist í einnar krónu hluti eða margfeldi þeirrar fjárhæðar, sem hluthafar eiga í félaginu á hverjum tíma.

2.2. Stjórn félagsins er heimilt að gefa út áskriftarréttindi að allt að 180.000.000 nýjum hlutum í félaginu. Stjórn er jafnframt heimilt, þrátt fyrir ákvæði gr. 2.8., í fimm ár, til 4. júní 2024, að framkvæma nauðsynlega hlutafjárhækkun í tengslum við áskrift nýrra hluta á grundvelli áskriftarréttindanna. Stjórn ákveður hverjir fái rétt til áskriftar að nýjum hlutum en hvorki hluthafar né aðrir njóta forgangsréttar. Stjórn ákveður söluverð áskriftarréttindanna og nánari skilmála þeirra. Áskriftarréttindi sem gefin eru út samkvæmt heimild þessari skulu seld á gangvirði samkvæmt verðmati frá óháðum sérfróðum aðila.

2.3. Engin séraréttindi fylgja hlutum í félaginu.

2.4. Engar hömlur eru á meðferð hlutafjár í félaginu.

Hlutaskrá, fundarboðun og samskipti við hluthafa

2.5. Hlutabréf í félaginu eru rafbréf í samræmi við lög um rafræna eignaskráningu verðbréfa nr. 131/1997.

2.6. Stjórn félagsins skal halda hlutaskrá á þann hátt sem lög kveða á um. Hlutaskrá samkvæmt ákvæðum laga um rafræna eignaskráningu verðbréfa er fullgild sönnun fyrir eignarétti að hlutabréfum í félaginu og skal veita réttindi í samræmi við samþykktir félagsins.

2.7. Notast skal við rafræn skjalasamskipti, ábyrgðarbréf og/eða tölvupóst í samskiptum milli félagsins og hluthafa í tengslum við hluthafafundi og önnur lögboðin samskipti samkvæmt lögum um hlutafélög nr. 2/1995. Hluthafafundi skal boða með tilkynningu til hvers hluthafa með bréfi eða tölvupósti eða með auglýsingu í

dagblaði eða í fréttakerfi Kauphallar. Hluthafar skulu tilkynna stjórn félagsins heimilisfang og tölvupóstfang sem senda skal allar tilkynningar og önnur samskipti til og ber hluthafi ábyrgð á að senda til stjórnar allar breytingar sem verða á heimilisföngum og netföngum. Óski hluthafi sérstaklega eftir því að fá skriflegt fundarboð skal við því orðið. Til aðalfundar skal boðað með minnst fjórtán daga fyrirvara en aukafund með minnst sjö daga fyrirvara.

#### Hækkun / lækkun hlutafjár

- 2.8. Heimilt er að hækka hlutafé félagsins með ályktun hluthafafundar og þarf til hækkunarinnar sama magn atkvæða og til breytinga á samþykktum þessum. Hluthafar skulu hafa forgangsrétt að nýjum hlutum, útgefnum samkvæmt ákvæði þessu, í hlutfalli við skráða hlutafjáreign sína.
- 2.9. Þrátt fyrir ákvæði greinar 2.8 er stjórn félagsins heimilt að hækka hlutafé félagsins um allt að 4.000.000.000 króna – fjögur þúsund milljónir - að nafnverði<sup>1</sup>. Stjórn skal ákveða gengi nýrra hluta. Hækkunarheimild samkvæmt þessu gildir til 31. mars 2021. Hluthafar skulu ekki hafa forgangsrétt að nýjum hlutum, útgefnum samkvæmt ákvæði þessu, heldur skal stjórn heimilt að selja þá fjárfestum. Gilda um nýja hluti vegna þessarar hækkunar sömu ákvæði um réttindi hluta og kveðið er á um í þessum samþykktum að öðru leyti og bera nýir hlutir réttindi í félaginu frá og með ákvörðun stjórnar um útgáfu þeirra, þó aldrei fyrr en hlutir eru að fullu greiddir. Hina nýju hluti skal greiða fyrir með reiðufé, hlutafé og/eða með kröfum samkvæmt hvers konar skuldaviðurkenningum, þ.m.t. lánssamningum, eftir því sem stjórn ákveður hverju sinni. Stjórn félagsins er heimilt að breyta samþykktum þessum í samræmi við það sem leiðir af hlutafjárhækkun.
- 2.10. Hluthafafundi einum er heimilt að ákveða lækkun hlutafjár og þarf til þess sama atkvæðamagn og til breytinga á samþykktum þessum.

#### Eigin hlutir og veðsetning

- 2.11. Félagið má eigi veita lán út á hluti sína. Félaginu er heimilt að kaupa eigin hluti að því marki sem lög leyfa, félaginu er þó ekki heimilt að kaupa eigin hluti á hærra verði en nemur verði síðustu óháðu viðskipta eða hæsta fyrirliggjandi óháða kauptilboði í þeim viðskiptakerfum þar sem viðskipti með hlutina fara fram, hvort sem er hærra. Óheimilt er að neyta atkvæðisréttar fyrir þá hluti sem félagið á sjálft.
- 2.12. Heimilt er að veðsetja eignir félagsins.

### **3. Hluthafafundur**

- 3.1. Æðsta vald í öllum málefnum félagsins, innan þeirra takmarka sem samþykktir þessar og landslög setja, er í höndum lögmætra hluthafafunda.
- 3.2. Aukafundi skal halda ef stjórn telur þess þörf, eða að kröfu hluthafa sem ráða að minnsta kosti yfir einum tuttugasta hlutafjár í félaginu. Kröfu um að boðað verði til fundar skal gera skriflega og greina fundarefni. Ber stjórn þá að boða til fundar innan fjórtán daga frá því að krafa um fund berst. Ef stjórn félagsins skirrist við að

<sup>1</sup> Við dagsetningu samþykktu þessa, þann 29. júlí 2019, eru kr. 362.429.163 eftir af heimildinni.



boða fund þrátt fyrir móttöku slíkrar kröfu getur hluthafi leitað atbeina hlutafélagaskrár, sbr. ákvæði laga nr. 2/1995 um hlutafélög.

- 3.3. Fundarefnis skal getið í fundarboði.
- 3.4. Hluthafafundur er lögmætur ef hann er löglega boðaður og hann sækja hluthafar eða umboðsmenn þeirra sem hafa yfir að ráða helmingi hlutafjár í félaginu hið minnsta.
- 3.5. Félagsstjórn er heimilt að ákveða notkun rafrænna miðla í tengslum við þátttöku hluthafa í hluthafafundum og atkvæðagreiðslu samkvæmt 80. gr. a laga um hlutafélög nr. 2/1995.
- 3.6. Eitt atkvæði fylgir hverri krónu hlutafjár. Á hluthafafundi ræður afl atkvæða nema öðruvísi sé fyrir mælt í landslögum eða samþykktum þessum.

#### Breytingar á samþykktum

- 3.7. Breytingar á félagssamþykktum skulu bornar undir hluthafafund og þurfa þær að hljóta samþykki minnst 2/3 hluta greiddra atkvæða, svo og samþykki hluthafa sem ráða yfir minnst 2/3 hlutum þess hlutafjár sem farið er með atkvæði fyrir á hluthafafundinum, nema að annað sé tekið fram í samþykktum þessum.
- 3.8. Tillögur um breytingar á samþykktum félagsins eða um sameiningu þess við önnur félög eða fyrirtæki má ekki taka til meðferðar á fundum þess nema þess hafi verið getið í fundarboði.
- 3.9. Samþykki allra hluthafa þarf til þess að ákvarðanir um eftirtaldar breytingar á félagssamþykktum verði gildar:
  - 1. Að skerða rétt hluthafa til arðgreiðslu eða til annarrar úthlutunar úr hendi félagsins, öðrum en hluthöfum til hagsbóta.
  - 2. Að auka skuldbindingar hluthafa gagnvart félaginu.
  - 3. Að breyta tilgangi félagsins að verulegu leyti.
  - 4. Að takmarka heimild hluthafa til meðferðar á hlutum sínum eða skylda hluthafa til að þola innlausn á hlutum sínum án þess að um slit félagsins sé að ræða, umfram það sem fram kemur í samþykktum þessum.
  - 5. Að breyta ákvæði 3.7 í samþykktum þessum.
  - 6. Ef breyta á samþykktum félagsins er varðar hvers konar hömlur á viðskiptum með hluti í félaginu.
- 3.10. Ákvörðun um breytingu á félagssamþykktum, sem raska réttarsambandinu milli hluthafa, er aðeins gild að þeir hluthafar, sem sæta eiga réttarskerðingu, gjaldi henni jákvæði.
- 3.11. Ákvörðun um samþykki fjárfestingastefnu félagsins og ákvarðanir um breytingar á henni verða aðeins teknar á hluthafafundi með samþykki hluthafa sem ráða yfir að minnsta kosti 9/10 heildarhlutafjár í félaginu.
- 3.12. Hluthafi getur látið umboðsmann sækja hluthafafund fyrir sína hönd. Umboðsmaður skal leggja fram skriflegt og dagsett umboð.

- 3.13. Umboð verður ekki afturkallað svo gilt sé gagnvart félaginu eftir að því hefur verið framvísað við afhendingu fundargagna eða eftir setningu hluthafafundar hvort heldur sem fyrr er.
- 3.14. Mál, sem hafa ekki verið greind í dagskrá hluthafafundar, er ekki unnt að taka til endanlegrar úrlausnar á fundinum nema með samþykki allra hluthafa félagsins en gera má um þau ályktun til leiðbeiningar fyrir félagsstjórn. Þótt máls hafi ekki verið getið í dagskrá er það því ekki til fyrirstöðu að ákveðið sé að boða til aukafundar til að fjalla um málið, auk þess sem aðalfundur getur ávallt afgreitt mál sem skylt er að taka þar til meðferðar samkvæmt lögum eða félagssamþykktum.
- 3.15. Fundargerðabók skal haldin og í hana skráð það sem gerist á hluthafafundum.

#### Aðalfundur

- 3.16. Aðalfundur skal haldinn innan fjögurra mánaða frá lokum reikningsárs.
- 3.17. Á aðalfundum skulu tekin fyrir eftirfarandi mál:
- a) Stjórn félagsins skal skýra frá hag félagsins og rekstri þess á liðnu starfsári.
  - b) Samantekt stjórnar um hlutafjäreign einstakra hluthafa, rétt þeirra til að greiða atkvæði, breytingar á árinu og sambærilegar upplýsingar um samstæðutengsl félagsins.
  - c) Ársreikningur félagsins fyrir liðið starfsár skal lagður fram ásamt athugasemdum endurskoðenda eða skoðunarmanna félagsins til samþykktar.
  - d) Tekin skal ákvörðun um hvernig fara skal með hagnað eða tap, og um arð.
  - e) Endurskoðendur skulu kosnir.
  - f) Kosning og skipun stjórnar og fjárfestingar- og hagsmunaráðs.
  - g) Tekin skal ákvörðun um þóknun til handa stjórnarmönnum og endurskoðendum. Seta í fjárfestingar- og hagsmunaráði felur ekki í sér rétt til þóknunar af hendi félagsins.
  - h) Tillaga stjórnar um starfskjarastefnu félagsins.
  - i) Umræður og atkvæðagreiðslur um önnur málefni sem löglega eru upp borin.

### **4. Félagsstjórn, framkvæmdastjórn og fjárfestingar- og hagsmunaráð**

#### Stjórn

- 4.1. Stjórn félagsins skal skipuð þremur mönnum og einum varamanni, kjörnum á aðalfundi til eins árs í senn.
- 4.2. Undirskrift meirihluta stjórnarmanna þarf til að skuldbinda félagið.
- 4.3. Stjórn félagsins skal teljast ályktunarbær þegar meirihluti stjórnarmanna, eða varamenn þeirra, sækir fund sem löglega er til boðað. Einfaldur meirihluti atkvæða ræður úrslitum á stjórnarfundum.
- 4.4. Stjórn félagsins fjallar um einstakar fjárfestingar félagsins, sölu eigna og aðra ráðstöfun þeirra á stjórnarfundum. Stjórn tekur jafnframt ákvarðanir um framangreint á stjórnarfundum. Allar ákvarðanir stjórnar samkvæmt framangreindu skulu vera í samræmi við gildandi fjárfestingastefnu félagsins á



hverjum tíma, sem hluthafafundur hefur samþykkt í samræmi við ákvæði greinar 3.11.

- 4.5. Þrátt fyrir greinar 4.3 og 4.4 hér að ofan er stjórn félagsins óheimilt að taka ákvarðanir um fjárfestingakosti félagsins, sölu eigna eða aðra meðferð þeirra sem falla undir grein 4.15 þessara samþykkt, nema að undangengnu samþykki tveggja af þremur ráðsmönnum fjárfestingar- og hagsmunaráðs eða varamanna þeirra, um að vísa fjárfestingakosti áfram til stjórnar félagsins, sbr. gr. 4.16. samþykkt félagsins og fjárfestingastefnu félagsins.
- 4.6. Þrátt fyrir ákvæði greina 4.3 og 4.5 þarf samþykki allra stjórnarmanna til að taka ákvörðun um viðskipti félagsins við eignastýringaraðila og aðilum honum tengdum.

#### Framkvæmdastjórn

- 4.7. Stjórn félagsins ræður framkvæmdastjóra og ákveður starfskjör hans. Hún veitir og prókúruumboð fyrir félagið.
- 4.8. Framkvæmdastjóri annast daglegan rekstur félagsins. Hinn daglegi rekstur tekur ekki til ráðstafana sem eru óvenjulegar eða mikils háttar. Framkvæmdastjóra er í því sambandi heimilt, með samþykki stjórnar, að gera samning f.h. félagsins við rekstraraðila til að sjá um daglegan rekstur félagsins og önnur nánar tilgreind verkefni.
- 4.9. Framkvæmdastjóri hefur umsjón með athugun á fjárfestingarkostum, upphaflegu mati á þeim, greiningu á lánshæfi fyrirtækja, undirbúningi ákvarðana um fjárfestingar, umsýslu og sölu eigna, og eftirfylgni með fjárfestingum. Framkvæmdastjóri skal einnig sjá um að bókhald félagsins sé fært í samræmi við lög og venju og að meðferð eigna félagsins sé með tryggilegum hætti.
- 4.10. Stjórn félagsins er heimilt að gera samning um eignastýringu og aðra þjónustu, f.h. félagsins, við aðila sem stjórn metur hæfan til þess, þar sem samið er um að eignastýringaraðili skuli sinna verkefnum á sviði eignastýringar fyrir félagið, auk annarra verkefna, samkvæmt beiðni framkvæmdastjóra félagsins og í samstarfi við framkvæmdastjóra.
- 4.11. Framkvæmdastjóri er skyldur til að hlíta öllum lögmætum fyrirmælum stjórnar. Framkvæmdastjóra ber að veita endurskoðanda allar upplýsingar um rekstur félagsins sem hann kann að óska eftir og veita ber lögum samkvæmt.

#### Fjárfestingar- og hagsmunaráð

- 4.12. Hluthafafundur getur ákveðið að skipa félaginu fjárfestingar- og hagsmunaráð. Skal þá fara um störf þess og skipan samkvæmt eftirfarandi ákvæðum gr. 4.13 - 4.20.
- 4.13. Fjárfestingar- og hagsmunaráð félagsins skal skipað þremur aðalmönnum og einum til vara. Ráðsmenn skulu kosnir af hluthöfum á aðalfundi, með hlutfallskosningu milli einstaklinga, til eins árs í senn. Um kosningu í fjárfestingar- og hagsmunaráð gilda líkt og um kosningu stjórnar hlutafélaga væri að ræða, lög nr. 2/1995, um hlutafélög. Um rétt hluthafa til að víkja frá mönnum í fjárfestingar- og hagsmunaráði og kjósa annan/aðra í stað hans/þeirra gilda ákvæði 64. gr. laga um hlutafélög.

- 4.14. Fjárfestingar- og hagsmunaráð skal, í umboði stjórnar, setja sér reglur þar sem fram skulu koma helstu viðmið um fjárfestingar og sölu eigna, fyrirkomulag funda, þ.á m. um skipun formanns fjárfestingar- og hagsmunaráðs og viðmið um hvenær hætta á hagsmunaárekstrum telst vera fyrir hendi og hvernig skuli fara með slík tilvik.
- 4.15. Hlutverk fjárfestingar- og hagsmunaráðs er að fjalla um fjárfestingar og fjárfestingarkosti félagsins, þ. á m. með tilliti til hugsanlega hagsmunaárekstra, áður en þeir eru teknir til afgreiðslu í stjórn félagsins, í samræmi við fjárfestingarstefnu félagsins og starfsreglur fjárfestingar- og hagsmunaráðs á hverjum tíma. Skyld er að bera fjárfestingar sem og tillögur um sölu eigna og aðra ráðstöfun þeirra sem er yfir viðmiðum sem tilgreind eru í fjárfestingarstefnu félagsins undir fjárfestingar- og hagsmunaráð.
- 4.16. Samþykki tveggja af þremur ráðsmönnum fjárfestingar- og hagsmunaráðs eða varamanna þeirra þarf til þess að samþykkja að vísa tillögum um fjárfestingar og um sölu eigna þeirra til stjórnar félagsins, allt samkvæmt þeim viðmiðum sem tilgreind eru í fjárfestingastefnu félagsins.
- 4.17. Að undanskildu því sem fram kemur í gr. 4.16 ræður afl atkvæða úrslitum á fundum fjárfestingar- og hagsmunaráðs og tillögur falla á jöfnum atkvæðum.
- 4.18. Fjárfestingar- og hagsmunaráð skal kjósa sér formann og varaformann úr sínum hópi. Á fundum ráðsins skal rituð fundargerð um það sem fram fer.
- 4.19. Að öðru leyti en greinir í samþykktum þessum kemur fjárfestingar- og hagsmunaráð sér saman um starfsreglur ráðsins. Fjárfestingar- og hagsmunaráð skal koma saman minnst tvisvar sinnum á ári, en að öðru leyti eftir því sem kallað er til fjárfestingar- og hagsmunaráðsins sbr. gr. 4.15.
- 4.20. Framkvæmdastjóri annast alla umsýslu vegna starfa fjárfestingar- og hagsmunaráðsins, þ.m.t. að boða til funda í ráðinu f.h. formanns ráðsins.

## **5. Heimild til útgáfu skuldabréfa**

- 5.1. Félaginu er heimilt að gefa út skuldabréf og/eða hvers konar skuldaviðurkenningar.

## **6. Endurskoðun**

- 6.1. Á aðalfundi félagsins skal kjósa einn löggiltan endurskoðanda eða endurskoðendafélag fyrir félagið. Skal hann endurskoða reikninga félagsins fyrir hvert starfsár og leggja niðurstöður sínar fyrir aðalfund. Endurskoðanda má ekki kjósa úr hópi stjórnarmanna eða starfsmanna félagsins.

## **7. Ársreikningur**

- 7.1. Reikningsár félagsins skal vera almanaksárið.
- 7.2. Stjórn félagsins skal hafa lokið gerð ársreiknings og lagt fyrir endurskoðanda eigi síðar en einum mánuði fyrir aðalfund. Ársreikningur félagsins skal vera öllum aðgengilegur á starfsstöðvum félagsins.

## **8. Arðsúthlutun og varasjóðir**

- 8.1. Hluthafafundur getur einn tekið ákvörðun um úthlutun arðs, samkvæmt tillögum stjórnar. Ekki má ákveða að úthluta meiri arði en félagsstjórn leggur til eða samþykkir.
- 8.2. Arðgreiðslur skulu inntar af hendi eigi síðar en einum mánuði frá því að samþykkt var útgreiðsla arðs, nema hluthafafundur samþykki annað.
9. **Félagsslit og samruni**
- 9.1. Með tillögum um slit og skipti á félaginu að öðru leyti, breytingu í hlutafélag eða samruna við annað félag eða önnur félög skal fara sem og um breytingar á samþykktum þessum.
10. **Önnur ákvæði**
- 10.1. Þar sem ákvæði samþykktar þessa segja ekki til um hvernig með skuli farið skal hlíta ákvæðum laga um hlutafélög nr. 2/1995, svo og öðrum lagaákvæðum er við geta átt.

***Samþykktar þessar voru staðfestar á hluthafafundi félagsins í Reykjavík þann 4. júní 2019.***

Þannig breytt á hluthafafundi í Reykjavík þann 18. ágúst 2017.

Þannig breytt á stjórnarfundum í Reykjavík þann 23. október 2017.

Þannig samþykkt á hluthafafundi í Reykjavík þann 19. desember 2017.

Þannig samþykkt á hluthafafundi í Reykjavík þann 28. desember 2017.

Þannig samþykkt á hluthafafundi í Reykjavík þann 28. febrúar 2018.

Þannig breytt þann 2. mars 2018, vegna ákvörðunar sem tekin var á stjórnarfundum 14. febrúar 2018.

Þannig breytt þann 12. júní 2018, vegna ákvörðunar sem tekin var á stjórnarfundum 10. maí 2018.

Þannig breytt þann 23. október 2018, vegna ákvörðunar sem tekin var á stjórnarfundum 11. október 2018.

Þannig breytt á aðalfundi félagsins þann 4. júní 2019.

Þannig breytt á stjórnarfundum 29. júlí 2019.

Réttar samþykktir staðfestir prókúruhafi





**BRÁÐABIRÐGAÁKVÆÐI I <sup>2</sup>**  
**VIÐ SAMÞYKKTIR KALDALÓNS HF.**

- A. Kaldalón hf. var upphaflega stofnað sem samlagshlutafélag með ósjálfstæða skattaðild, en á hluthafafundi þann 19. desember 2017 var félaginu breytt í hlutafélag. Breytingin felur í sér að félagið er ósjálfstæður skattaðili á rekstrarárinu 2017, en verður sjálfstæður skattaðili þaðan í frá, eða frá og með 1. janúar 2018.

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<sup>2</sup> Bráðabirgða ákvæði þetta er hluti af samþykktum Kaldalóns hf. eins og þeim var breytt þann 19. desember 2017.

**10. Appendix II – Asset Management Agreement and Investment Strategy****10.1. English translation of Kaldalón's Asset Management Agreement and Investment Strategy**

The following document is an English translation of Kaldalón's Asset Management Agreement and Investment Strategy, reviewed and approved by the Company. In case of any discrepancy, the Icelandic version shall prevail.

**10.2. Signed Asset Management Agreement and Investment Strategy**

**JUNE 2019**

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**ASSET MANAGEMENT AGREEMENT**

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between  
**KALDALÓN HF.**  
and  
**GAMMA CAPITAL MANAGEMENT HF.**

**THIS AGREEMENT** is made on \_\_\_\_June 2019 between the following parties:

- (a) Kaldalón hf., ID no. 490617-1320, Borgartún 25, Reykjavík (**“Kaldalón”** or **“the Company”**); and
- (b) GAMMA CAPITAL MANAGEMENT HF. ID no. 530608-0690, Garðastræti 37, 101 Reykjavík (**“GAMMA”** or **“the Asset Management Entity”**).

## **1. INTRODUCTION**

- 1.1. The Company is a Public Limited Company and its purpose is to invest in, including among other things, real estate development, acquisitions, sales, management, holdings, administration and the development of real estate and infrastructure connected to real estate projects, a variety of debt certificates, such as loan agreements and bonds, all in connection with real estate trading, real estate development, the development of infrastructure in connection with real estate projects or the financing of the construction of buildings and other related operations. The Company invests in shareholdings in companies that own plots of land and other real estate and is engaged in the development and expansion of these assets, covering everything from registered plots to fully constructed real estate, in addition to which the Company is authorised to invest in companies in the construction industry, as well as operations linked to the construction industry and the development of infrastructure linked to real estate projects. The investment policy of the Company is to be found in Annex I of this agreement.
- 1.2. According to Art. 4.9. of the Articles of Association, the managing director is in charge of examining investment options, their initial evaluation, analysing the credit worthiness of companies, preparation of investment decisions, the administration and sale of assets and follow-up on investments. According to Art. 4.10 of the Company’s Articles of Association, the Board of Directors of the Company is authorised to make contracts regarding asset management and other services on behalf of the Company, with entities which the Board of Directors deems eligible, where agreements are negotiated with an asset management entity for it to perform tasks in the field of asset management for the Company, in addition to other tasks, according to instructions from the Company’s managing director and in consultation with the managing director. This asset management agreement between the Company and the Asset Management Entity is made for this purpose (hereinafter called **“asset management agreement”** or **“the agreement”**).
- 1.3. The Company has informed the Asset Management Entity that the Company intends to finance itself by issuing share capital. The Company is also authorised to issue bonds and other debt certificates. The Board of Directors of the Company has also decided to aim to have the Company’s shares listed on the NASDAQ First North Iceland stock exchange.

## **2. PURPOSE**

- 2.1. With the asset management agreement, the Asset Management Entity takes on the asset management of the company’s asset portfolio, cf. Art. 4 and shall provide the Company with the service defined below. The **“Asset portfolio”** in this agreement is understood as the Company assets which the Asset Management Entity has been entrusted with to manage in accordance with the agreement, but this asset portfolio shall be consistent with the investment policy which the Company instructs the Asset Management Entity to produce in accordance with ANNEX I.

- 2.2. The Asset Management Entity shall provide asset management services in accordance with the agreement and shall (i) devote the time that is necessary to perform the tasks stipulated in the asset management agreement in a responsible and sensible manner, (ii) employ staff that has the necessary knowledge and experience to perform the services stipulated in the agreement and (iii) perform the services and other given duties in accordance with the best practices in each case.

### **3. POWER OF ATTORNEY TO THE ASSET MANAGEMENT ENTITY**

- 3.1. Under this agreement, the Company grants the Asset Management Entity the authority to, among other things:
- 3.1.1. The Asset Management Entity is authorised to attend the shareholders' meetings of companies in which Kaldalón holds stakes and to appoint board members to those companies, to the extent allowed by the Company's voting rights. The Asset Management Entity shall endeavour to ensure that the Company's investment policy is implemented.
  - 3.1.2. The Asset Management Entity is authorised to manage the Company's liquidity, with returns on liquidity at any given time through deposits, money market deposits, money market funds and short-term bonds.
  - 3.1.3. The Asset Management Entity is authorised to establish a securities account (ISD account) in the Company's name for electronic registration, to collect the Company's securities from the Icelandic Securities Depository and receive dividends and bonus shares.
  - 3.1.4. The Asset Management Entity is granted the authority to keep the Company's financial instruments and other assets in its custody account, to purchase and sell financial instruments and other assets according to the Company's instructions, and take all necessary measures for transactions to be completed, inter alia to transfer financial instruments in the Company's name.
  - 3.1.5. The Asset Management Entity is authorised to receive any kind of letter, notification or decision delivered to it because of the agreement.
  - 3.1.6. All measures and signatures which the Asset Management Entity takes/provides in the Company's name in accordance with the above authorisations shall be of equal value to as if these measures and/or signatures had been taken by the Company itself.

### **4. THE SERVICES WHICH THE ASSET MANAGEMENT ENTITY PROVIDES**

- 4.1. The Asset Management Entity shall perform the following tasks for the Company, upon instructions from the company's managing director, who is responsible for the day-to-day operations of the company:
- 4.1.1. Conduct research and analysis on the investments taken on by the Company.
  - 4.1.2. Conduct examinations on investment options, prepare decisions regarding investments and the sale of assets or other measures concerning their disposal.
  - 4.1.3. Ensure that settlements for the purchase and sale of investments comply with the Company's agreements.

- 4.1.4. Assess the value of the Company's portfolio and communicate the evaluation to the Board of Directors and Investment Advisory Council.
- 4.1.5. Compile quarterly overview reports for the Board of Directors, Investment Advisory Council and shareholders of the Company on the book equity value of the Company (hereinafter called "**Net Asset Value**" or "**NAV**"). The Company's NAV shall be attached to the audited annual accounts of the Company based on the end of Q4 each time, examined before the end of Q2 and re-examined and estimated at the end of the first and third quarters each time.
- 4.1.6. To twice (2) a year, prepare and send an overview of the Company's assets and other valuables in the portfolio to the Board of Directors, Investment Advisory Council and stakeholders of the company. If the law requires these overviews to be sent more often to the Board of Directors and/or shareholders of the Company, the Asset Management Entity shall comply with those requirements. The reports shall be sent no later than on 30 April and 30 October of each year, as appropriate.
- 4.1.7. To once (1) a year, prepare and send an overview of the Company's assets and other valuables in the portfolio to the Board of Directors, Investment Advisory Council and stakeholders of the company. The report shall be sent no later than 30 April of each year.
- 4.1.8. To once (1) a year prepare and send to the Board of Directors, Investment Advisory Council and shareholders of the Company a 6-month interim financial statement. The half-yearly financial report shall be sent within 90 days of the end of the relevant operating period.
- 4.1.9. To once (1) a year prepare and send to the Board of Directors, Investment Advisory Council and shareholders of the Company the audited annual accounts. The annual accounts shall be sent within 120 days of the end of the relevant operating period.
- 4.1.10. Be available to the Board of Directors and managing Director for the calling of meetings of the Board of Directors, shareholders, Investment Advisory Council and stakeholders and, along with the Board of Directors and managing director, ensure that the day-to-day running of the Company is in good order and compliance with the law.
- 4.1.11. Provide the managing director with expert assistance in the making of agreements and follow-up supervision of construction projects.
- 4.1.12. To assist the managing director with the sale and marketing of the Company's investment projects.
- 4.1.13. Oversee the funding of the Company and construction projects in collaboration with the Company's managing director.
- 4.2. The Company itself covers costs incurred for the managing director, Investment Advisory Council and the Board of Directors.
- 4.3. The Company itself covers costs incurred for the expert work of parties other than the Asset Management Entity, which are recommended in this agreement, unless otherwise specified. The Company bears and pays the costs of auditing the Company and other services, which the managing director, majority of the board and, as the case may be, Investment Advisory Council approve or specifically request.

- 4.4. The Company shall pay direct costs for investments and any other disposal of Company assets, including fees to parties other than the Asset Management Entity, such as for feasibility studies, public levies, contract costs, defence fees, damages and costs due to the dissolution of the company. The Company shall also cover stamp duty costs and property registration fees related to the investments. The Company shall also cover custody costs and costs due to defaults on subscription pledges, which the Company has attempted to collect without success, as well as restructuring costs or costs due to changes in circumstances. The Company is also responsible for paying all charges and related costs that may be incurred for registering and being granted a licence by the Financial Supervisory Authority, NASDAQ First North Iceland and the Icelandic Securities Depository.

## 5. FEES

- 5.1. The Company shall pay fees to the Asset Management Entity in accordance with Article 5. All of the services of the Asset Management Entity covered by this agreement are exempted from VAT pursuant to item 10, Par. 3 of Art. 2 of Act no. 50/1988 on value added tax.
- 5.2. **Asset management fee:** The Company shall pay the Asset Management Entity a fixed fee, which amounts to 1.5% of the Net Asset Value, cf. Art. 4.1.5., on an annualised basis. The asset management fee shall be calculated quarterly and shall be paid within 30 days of the end of each quarter, the first being on 31 July 2019.
- 5.3. **Performance-linked asset management fee:** The Company shall pay the Asset Management Entity a performance-linked fee, which amounts to 20% of shareholders' returns on paid-up or paid-out share capital beyond the benchmark return of shareholders, but the benchmark return has been reached when the fair value of company assets (Net Asset Value, cf. Article 4.1.5) corresponds to the value of the share capital which has been issued to shareholders, plus an annual nominal 16% return from the date in which the share capital is paid up or issued out to shareholders. The fixed fee stipulated in Article 5.2 is not deducted from the performance-related asset management fee. The formula for calculating performance-related asset management fees is to be found in Annex II of the asset management agreement.
- 5.4. A condition for the payment to the Asset Management Entity is that the Asset Management Entity must not have substantially defaulted on the asset management agreement.
- 5.5. The Asset Management Entity shall calculate the performance-linked asset management fee every year with the drawing up of the annual accounts, and take into account the Net Asset Value, cf. Art. 4.1.5., based on the Company's most recent calculation of the fair value of certain assets, taking into account payments to shareholders, if they have occurred (regardless of whether fee payment obligations have been created or not). If the Asset Management Entity and the majority of the Investment Advisory Council, on behalf of the Company, fail to reach an agreement between themselves on this valuation, two (2) independent experts and evaluators, nominated by each party, shall be appointed, i.e. one by the majority of the Investment Advisory Council and one by the Asset Management Entity, to evaluate the accrued performance-linked asset management fee, which the Asset Management Entity is entitled to according to Art. 5.3. The Company and Asset Management Entity shall split the cost of this evaluation in half.
- 5.6. If conditions exist for the payment of performance-linked fees, cf. Art. 5.3 - 5.5, performance-linked fees shall be paid annually in accordance with the submitted accounts to the Asset Management Entity no later than 30 days after the Company's Annual General Meeting.



- 5.7. In the event of a dissolution of the Company or termination of the asset management agreement, the auditor of the Company shall approve the Asset Management Entity's calculation (if applicable with regard to Art. 5.5) of the performance-linked payment, cf. the above, and it shall be paid on whichever comes first, the dissolution of the Company or termination of the asset management agreement.
- 5.8. The Company shall make all the payments to the Asset Management Entity, which the Company is obliged to pay under the terms of this agreement in cash and without any deductions to set off claims, taxes, counter-claims or comparable cases unless otherwise specified in the asset management agreement.

## **6. EXCLUSIVE RIGHTS**

- 6.1. The Company undertakes not to make any asset management agreement on behalf of the Company with any other party than the Asset Management Entity while the asset management agreement remains in force.
- 6.2. The sum of the share capital issued by the Company automatically goes into the asset management of the Asset Management Entity in accordance with the agreement.

## **7. INFORMATION**

- 7.1. The Company shall provide the Asset Management Entity with all of the information it possesses on the owners of the shares which the Company has issued and on the investors in the Company. Insofar as possible, the Company shall request or obtain the information the Asset Management Entity is acting upon for the purpose of enabling the Asset Management Entity to perform the service it is responsible for providing in accordance with the agreement.
- 7.2. All of the information which the Company provides to the Asset Management Entity on the basis of this agreement shall be accurate to the best of the Company's knowledge.

## **8. CONFLICTS OF INTEREST**

- 8.1. It shall be noted that the Asset Management Entity shall be paid a fee in accordance with the asset management agreement for the management of the Company's assets and the other services specified in Article 4 of the agreement.
- 8.2. The Asset Management Entity shall take measures to prevent conflicts of interest that could damage the interests of the Company. If the Asset Management Entity has reason to consider these measures do not sufficiently protect the interests of the Company, the Asset Management Entity shall inform the managing director, Board of Directors, and Investment Advisory Council as soon as possible.
- 8.3. The Asset Management Entity shall comply with its own rules on conflicts of interest which are in force at any given time and a summary of these can be obtained at the Asset Management Entity's website <https://www.gamma.is/>. The Asset Management Entity reserves itself the right to update and amend the above rules and post the updates on the Asset Management Entity's website.

## **9. CONFIDENTIALITY**

- 9.1. Each party undertakes to treat any information regarding the other's business or private affairs as confidential. This information shall be prevented from reaching third parties. However, these

provisions do not apply to information, which must be provided according to the law, regulations and agreements with NASDAQ for the Company's listing on the NASDAQ First North Iceland exchange and the information which the Company has agreed with the Asset Management Entity to present to its shareholders.

- 9.2. Promotional material about the Company shall mention that its assets are under the management of an Asset Management Entity and that the Asset Management Entity also oversees the daily management of the Company.

## **10. MISCELLANEOUS**

- 10.1. The Asset Management Entity informs the Company of the following, pursuant to the provisions of Art. 30 of regulations no. 995/2007:
  - 10.1.1. Information on contact persons are to be found on the Asset Management Entity's website.
  - 10.1.2. All communications between the Asset Management Entity and the Company shall be made in Icelandic or in English.
  - 10.1.3. It is permissible to use regular mail, email or phone calls in communications between the Asset Management Entity and the Company and to receive instructions.
  - 10.1.4. The Asset Management Entity holds an operating licence from the Financial Supervisory Authority to manage mutual funds and other collective investment funds, and to provide investment advisory and the management of financial instruments and asset management.
  - 10.1.5. An overview of the Company's asset portfolio is discussed in Articles 4.1.6 and 4.1.7.
  - 10.1.6. The Asset Management Entity preserves the assets of the Company in a manner that ensures there is a division between them and the assets of other clients and those of the Asset Management Entity itself.
  - 10.1.7. The Company has read the Asset Management Entity's rules about conflicts of interest and a summary of them can be found on the Asset Management Entity's website <https://www.gamma.is/>.

## **11. VALIDITY PERIOD AND TERMINATION**

- 11.1. This agreement comes into effect with its signing and remains in force until the Company is dissolved, its operations end or the agreement is terminated, pursuant to Article 11.2.
- 11.2. The Company is obliged to terminate the agreement if a proposal to do so obtains the approval of a minimum of two thirds of the votes cast and also the approval of shareholders controlling at least two thirds of the share capital in respect of which votes are wielded at the shareholders' meeting.
- 11.3. If the Company terminates this agreement in accordance with the above Article 11.2 within one (1) year of signing the asset management agreement, the Company undertakes to ensure that the Asset Management Entity is paid its fees in accordance with the above Art. 5 for the first 12 months of the Company's operating time.
- 11.4. The Asset Management Entity shall be considered to be in a major breach if, despite warnings, it repeatedly fails to meet the obligations stipulated in Art. 4.1.

- 11.5. The Company shall be considered to be in a major breach if it does not pay the agreed fees to the Asset Management Entity within 30 days of their due date, pursuant to Article 5.
- 11.6. The Asset Management Entity is authorised to terminate this agreement with 30 days' notice if the purpose of the Company has changed to such a large extent that the activities envisaged by this agreement no longer reflect the Company's purpose.
- 11.7. The termination of the agreement has no effect on accrued rights, including the right to asset management fees pursuant to Art. 5.2. and performance-linked asset management fees pursuant to Art.5.4. or other fees for services provided. In this case the Company shall pay the Asset Management Entity the accrued fees in accordance with the above at the termination of the asset management agreement. The payment of accrued fees is not made, however, if the agreement has been terminated on the basis of a major breach by the Asset Management Entity and it can be demonstrated that the Asset Management Entity has substantially breached the agreement, pursuant to Art. 11.4.

## **12. TRANSFER**

- 12.1. The parties are not authorised to transfer rights and obligations covered by the asset management agreement. However, the Asset Management Entity shall be unilaterally authorised transfer rights and obligations covered by this agreement to its subsidiaries to take over its role as an Asset Management Entity in accordance with the agreement, provided these companies have the licences and rights to perform their function as an asset management entity. The Asset Management Entity shall send notification of this transfer in writing with ten (10) days' notice and it shall come into effect at the beginning of the month following the notification. A transfer by the Asset Management Entity which may result from merging with another financial undertaking is also authorised.

## **13. INDEMNITY**

- 13.1. The Asset Management Entity, its staff, owners, board members and parties inside the same group are not liable for damages or costs, regardless of their name or form, which the Company may incur, whether these damages or costs are direct or indirect, as a result of the services of the Asset Management Entity to the Company under the asset management agreement, unless the Company can demonstrate that the damage or the costs have arisen because of the intentional or gross negligence of the Asset Management Entity. The same applies to any damages or costs which third parties may incur in connection with the services of the Asset Management Entity according to the agreement. The Company shall keep the Asset Management Entity indemnified from all claims of this kind by third parties, unless the said damage or costs have arisen because of the intentional or gross negligence of the Asset Management Entity.
- 13.2. The Asset Management Entity is not liable for the profitability of the Company's investment projects.

## **14. NOTIFICATIONS**

- 14.1. All notifications or deliveries between the parties to this agreement or communications concerning related issues shall be sent to:

**GAMMA Capital Management hf.**

Address: Garðastræti 37, 101  
Reykjavík

Care of (C/O): Valdimar Ármann

E-mail: Valdimar@gamma.is

**Kaldalón hf.**

Address: Borgartún 25 – 6th floor,  
105 Reykjavík

Care of (C/O): Ásgeir Baldurs

E-mail: asgeir.baldurs@kvika.is

**15. AMENDMENTS TO OR TRANSFER OF RIGHTS**

- 15.1. The agreement can only be amended in writing with the approval of the Asset Management Entity and Board of Directors of the Company, as well as the majority of the Investment Advisory Council.
- 15.2. The failure or delay of a party to exercise its rights under the agreement shall not be construed as waiving its rights or the subsequent exercise of any further or other rights under this agreement.

**16. COSTS AND EXPENSES**

- 16.1. The Company and Asset Management Entity shall each bear their respective costs in the making of the agreement.

**17. LAWS AND JURISDICTION**

- 17.1. This agreement is made in two copies, which are both considered as originals.
- 17.2. This agreement is governed by Icelandic law.
- 17.3. Any dispute between parties which cannot be solved in any other manner shall be referred to the Reykjavik District Court.

\*\*\* Signature page attached\*\*\*

Reykjavík, \_\_ June 2019

On behalf of GAMMA Capital  
Management hf.

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On behalf of Kaldalón hf.

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**ANNEX I**

**to the asset management agreement between Kaldalón hf. and  
GAMMA Capital Management hf., June 2019**

**JUNE 2019**

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**INVESTMENT POLICY**

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of  
**KALDALÓN HF.**



## 1. INTRODUCTION

- 1.1. Kaldalón hf. ID no. 490617-1320 (hereinafter referred to as “**Kaldalón**” or “**the Company**”) is a company, which invests in real estate development, acquisitions, sales, management, holdings, administration and the development of real estate and infrastructure connected to real estate projects and real estate companies, lending activities, as well as the acquisition and sale of companies, financial instruments and various kinds of debt certificates, such as loan agreements and bonds, all in connection with real estate trading, real estate development, the development of infrastructure in connection with real estate projects or the financing of construction projects and other related operations. The Company also invests in claims related to real estate and real estate development, spanning everything from registered plots of land to fully constructed real estate, in addition to which the Company is authorised to invest in companies in the construction industry or operations linked to the construction industry and the development of infrastructure linked to real estate projects.
- 1.2. Pursuant to the provisions of Art. 4.9. of the Articles of Association, the managing director is in charge of examining investment options, their initial evaluation, analysing the credit worthiness of companies, the preparation of investment decisions, the administration and sale of assets and follow-up on investments. According to Art. 4.10 of the Company’s Articles of Association, the Board of Directors of the Company is authorised to make contracts regarding asset management and other services on behalf of the Company, with entities which the Board of Directors deems eligible, where agreements are negotiated with an asset management entity for it to perform tasks in the field of asset management for the company, in addition to other tasks, according to instructions from the Company’s managing director and in consultation with the managing director.. The asset management agreement was signed in June 2019 between the Company and GAMMA Capital Management hf., ID no. 530608-0690-, Garðastræti 37, Reykjavík, (“**GAMMA**” or “**the Asset Management Entity**”) in which GAMMA takes on the function of Asset Management Entity of the Company (hereinafter referred to as “**Asset Management Entity**”). Prior to the signing of this agreement, Kvika banki hf. was the Asset Management Entity and GAMMA takes over that role from Kvika.
- 1.3. The purpose of this investment policy is to define the Company’s objectives regarding investment options, risk distribution, the life span of assets and return target with regard to risk and the liquidity of assets.
- 1.4. The Company's investment policy is determined by the Board of Directors of the Company and endorsed by shareholders in accordance with good business practices, taking into account the Company’s Articles of Association and terms in the market at any given time, with respect to the Company's return target and risk.

## 2. INVESTMENT POLICY

- 2.1. The Company’s main emphasis in its investments is on purchasing and financing in real estate development projects, in addition to which it is authorised to invest in companies in the construction industry and infrastructure development connected to real estate projects. The Company’s holdings in specific projects shall generally be in other companies, which the Company shall partly or wholly acquire, with limited liability for the owners. The leveraging in the Company’s investments is expected to be mostly within individual subsidiaries, although the Company is authorised to finance itself with borrowed capital. The Company shall have co-investors on individual projects if the Board of Directors of the Company and Investment Advisory Council deem this to be cost-effective for the projects in question.

- 2.2. In addition to the investment policy defined in Article 2.1, the Company is authorised to invest in the funding of companies in the construction industry through the purchase of claims and related security rights, provided that they have good operating records and a clearly defined policy for exiting projects and/or have a solid cash flow. The Company can also invest in mortgage deeds and other debt certificates, including loan agreements.
- 2.3. The Company's target return shall be defined as a nominal 16% annual return on equity. The Company's returns are expected to be volatile, since investments are being made in assets which may take time to develop and realise their value.
- 2.4. The Company's investments shall only be in the following forms:
  - 2.4.1. The equity of companies (share capital) that own plots of land or other real estate with the objective of obtaining an approved plan, engaging in earthworks and financing new constructions, ranging from the registration of plots to fully constructed real estate and everything in between, in addition to equity in companies engaged in operations connected to the construction industry, including infrastructure development related to real estate projects (hereinafter referred to as project(s)). The above reference to "project(s)" may refer to a project in the singular or projects in the plural.
  - 2.4.2. It is also expected that part of the investments may be in claims connected to construction projects.
- 2.5. The principal criteria when investing in claims, as appropriate and to the extent to which they can be negotiated in each case are:
  - 2.5.1. A focus on the market value and mortgageability of the assets and projects for which the loans are being granted.
  - 2.5.2. The Company shall always take collateral pledged against the assets or projects receiving the loans. This pledged collateral shall, all things being equal, be a first or second lien on the relevant asset. Collateral is understood as, among other things, mortgage collateral and liens on land.
  - 2.5.3. Care shall be taken to ensure that the equity ratio of the projects which are being borrowed for is at least 20-25% of the total value of assets at any given time.
  - 2.5.4. That the borrower's debt is acceptable with regard to cash flow and the underlying value of the Company assets.
  - 2.5.5. Financial conditions shall be laid down in the paperwork of the debt certificates, such as the minimum equity ratio in the project, progress of the project and other stipulations (e.g. a ban on further leveraging, pledging of assets, investments beyond the benchmarks etc.)
  - 2.5.6. Disclosure requirements shall be laid down in the paperwork of the debt certificates, such as monthly reports, annual accounts, interim financial statements and financial estimates.
  - 2.5.7. Call provisions shall be laid down in the paperwork of debt certificates, such as "cross-default", the sale of assets, pledging of assets, levy of execution, change in ownership, "key-man events" etc.

- 2.6. The Company's investments shall be in Icelandic companies with an emphasis on the construction industry and there is therefore no risk distribution between industrial sectors.
- 2.7. The Company is authorised to invest in companies connected to projects in real estate or infrastructure development.
- 2.8. The Company is authorised to invest with other entities, i.e. co-investors, in accordance with the decisions of the Board of Directors and Investment Advisory Council. The Company's shareholders shall be given priority in co-investments in proportion to their equity contributions, if they own at least 10% of the share capital in the Company.
- 2.9. The minimum investment in individual companies shall generally be no lower than ISK 50,000,000. The risk level is required to be acceptable, taking into account an analysis of operations, the balance sheet, cash flow and solvency etc. of the relevant company.

### **3. INVESTMENT AND FOLLOW-UP PROCESS**

- 3.1. The Investment Advisory Council shall be notified of any proposed investments, sale and/or other disposal of assets, including those that entail potential conflicts of interest in the form of the Company's business or those of the Company's counterparties with the Asset Management Entity, corporate division of Kvika and/or subsidiaries and/or sister companies and/or their employees and/or shareholders who own more than 10% of the Asset Management Entity. The approval of the Investment Advisory Council is a precondition for allowing these proposals to proceed cf. Article 3.5.
- 3.2. The investment process shall proceed as stipulated in Article 3.3 below.
- 3.3. The investment process, sale of assets and/or significant measures regarding the assets of the Company shall be articulated in five main phases:
  - (a) Filtering and analysis of projects.
  - (b) Presentation to Investment Advisory Council.
  - (c) Detailed presentation to Board of Directors.
  - (d) Making of contracts
  - (e) Implementation and supervision:
- 3.4. Filtering and analysis of projects: It is the role of the managing director, in collaboration with the Asset Management Entity, to explore and define the investment options on behalf of the Board of Directors.
- 3.5. Presentation to Investment Advisory Council: Proposed investments, sale of assets and/or other measures concerning them, cf. Article 3.1 above, shall be communicated to the Investment Advisory Council, which will determine whether the investment is suitable for the Company and meets its objectives. If two out of the three members of the Investment Advisory Council or their alternates approve the proposal, the managing director and, as the case may be, Asset Management Entity, shall be given the task of exploring the project further and it is then the responsibility of the managing director and Board of Directors of Kaldalón to bring it to a conclusion.
- 3.6. Making of contracts: It is the role of the Asset Management Entity, following instruction from the managing director, to work on further analysis of the project, seek external advice as appropriate (feasibility studies, valuation, paperwork etc.) and reach an agreement on the terms and conditions, subject to the approval of the Board of Directors.

- 3.7. Detailed presentation to Board of Directors. If the managing director requests it, the Asset Management Entity shall submit to the Board of Directors the investment proposal along with an assessment of whether the investment would yield financial benefits in accordance with the return and risk distribution objectives. The Board of Directors shall then determine its final position on the project.
- 3.8. Implementation and supervision: In connection with the Company's investments, it is the role of the Asset Management Entity, following instructions from the managing director, to oversee the paperwork and supervision, risk management and disclosure to the Board of Directors.
- 3.9. The Board of Directors, managing director and/or Asset Management Entity can at any given time, make proposals for the sale of assets, if the outlook indicates that the investment is not meeting the objectives that were set and/or a favourable offer is made for the Company's assets.

This investment policy was adopted at a Company Shareholders' Meeting in Reykjavik on 4 June 2019.

Legitimate investment policy confirmed by the managing director of the Company:

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**ANNEX II:**  
**to the asset management agreement between Kaldalón hf. and**  
**GAMMA Capital Management hf., June 2019**

$$\mathbf{\hat{A}P = \text{performance-related fee} = (S - A) * 0.2}$$

in which:

S= value of the Company's share capital on reference date of calculation

$$= \sum_{n=1}^N C_n * (1 + r)^{\left(\frac{tn}{360}\right)}$$

and

A= value of the share capital on reference date of calculation based on a minimum annual return of 16%

$$= \sum_{n=1}^N C_n * (1 + 0,16)^{\left(\frac{tn}{360}\right)}$$

N= Total number of payments

n= number of payment

C<sub>n</sub>=payment n (payouts to shareholders (payouts are minus figures))

r=annual return

t<sub>n</sub>= time in days from the date of payment C<sub>n</sub> to the reference date of the payout

**JÚNÍ 2019**

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**EIGNASTÝRINGARSAMNINGUR**

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á milli  
**KALDALÓNS HF.**  
og  
**GAMMA CAPITAL MANAGEMENT HF.**

**JÚNÍ 2019**

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**EIGNASTÝRINGARSAMNINGUR**

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á milli  
**KALDALÓNS HF.**  
og  
**GAMMA CAPITAL MANAGEMENT HF.**



ÞESSI SAMNINGUR er gerður þann 18. júní 2019 milli eftirfarandi aðila:

- (a) Kaldalóns hf., kt. 490617-1320, Borgartúni 25, Reykjavík („**Kaldalón**“ eða „**félagið**“);  
og
- (b) GAMMA Capital Management hf., kt. 530608-0690, Garðastræti 37, 101 Reykjavík  
(„**GAMMA**“ eða „**eignastýringaraðilinn**“).

## 1. INNGANGUR

- 1.1. Félagið er hlutafélag og er tilgangur þess fjárfestingastarfsemi, þ.m.t. fasteignaþróun, kaup, sala, rekstur, eignarhald, umsýsla og uppbygging fasteigna og innviða tengdum fasteignaverkefnum og fasteignafélaga, lánastarfsemi, ásamt kaupum og sölu félaga, fjármálagerninga, ýmiss konar skuldaviðurkenninga, s.s. lánssamninga og skuldabréfa, allt í tengslum við fasteignaviðskipti, fasteignaþróun, uppbyggingu innviða í tengslum við fjárfestingarverkefni eða fjármögnun byggingaframkvæmda og annar skyldur rekstur. Félagið fjárfestir í eignarhlutum í félögum sem eiga lóðir og aðrar fasteignir og standa að uppbyggingu og þróun þeirra eigna allt frá skráðri lóð að fullbyggðum fasteignum, en auk þess er félaginu heimilt að fjárfesta í félögum sem eru í byggingariðnaði, starfsemi tengdri byggingargeiranum og innviðauppbyggingu í tengslum við fasteignaverkefni. Fjárfestingarstefna félagsins er í Viðauka I við þennan samning.
- 1.2. Samkvæmt grein 4.9 í samþykktum félagsins hefur framkvæmdastjóri umsjón með athugun á fjárfestingarkostum, upphaflegu mati á þeim, greiningu á lánshæfi fyrirtækja, undirbúningi ákvarðana um fjárfestingar, umsýslu og sölu eigna, og eftirfylgni með fjárfestingum. Samkvæmt grein 4.10 í samþykktum félagsins hefur stjórn heimild til að gera samning um eignastýringu og aðra þjónustu f.h. félagsins við aðila sem stjórn metur hæfan til þess, þar sem samið er um að eignastýringaraðilinn skuli sinna verkefnum á sviði eignastýringar fyrir félagið, auk annarra verkefna, samkvæmt beiðni framkvæmdastjóra félagsins og í samstarfi við framkvæmdastjóra. Er eignastýringarsamningur þessi milli félagsins og eignastýringaraðilans gerður í því skyni (hér eftir nefndur „**eignastýringarsamningur**“ eða „**samningurinn**“).
- 1.3. Félagið hefur upplýst eignastýringaraðilann að félagið hyggist fjármagna sig með útgáfu hlutafjár. Félagið hefur einnig heimild til þessa að gefa út skuldabréf og aðrar skuldaviðurkenningar. Þá hefur stjórn félagsins ákveðið að stefna að skráningu hlutabréfa félagsins á NASDAQ First North Iceland markaðinn.

## 2. TILGANGUR

- 2.1. Með eignastýringarsamningnum tekur eignastýringaraðilinn að sér eignastýringu eignasafns félagsins, sbr. 4. grein, og skal veita félaginu þá þjónustu sem að neðan greinir. Með „**eignasafni**“ í samningi þessum er átt við þær eignir félagsins sem eignastýringaraðilanum hefur verið falið að stýra samkvæmt samningnum, en um er að ræða eignasafn sem skal vera í samræmi við þá fjárfestingarstefnu sem félagið felur eignastýringaraðilanum að framkvæma samkvæmt Viðauka I.
- 2.2. Eignastýringaraðilinn skal veita eignastýringarþjónustuna í samræmi við samninginn og skal (i) verja þeim tíma sem nauðsynlegur er til að sinna verkefnum samkvæmt eignastýringarsamningnum með ábyrgum og skynsamlegum hætti, (ii) hafa yfir að ráða starfsfólki sem hefur nauðsynlega kunnáttu og reynslu til þess að sinna þeirri þjónustu sem kveðið er á um í samningnum, og (iii) sinna þjónustunni og öðrum skyldum sem mælt er fyrir um, í samræmi við bestu framkvæmd hverju sinni.

### 3. UMBOÐ TIL EIGNASTÝRINGARAÐILANS

- 3.1. Með samningnum veitir félagið eignastýringaraðilanum umboð sem felur m.a. í sér eftirfarandi:
- 3.1.1. Að eignastýringaraðilanum er heimilt að mæta á hluthafafundi í þeim félögum sem Kaldalón á eignarhluti í og skipa stjórnarmenn í þeim félögum, eftir því sem atkvæðisréttur félagsins leyfir. Eignastýringaraðili skal beita sér fyrir því að fjárfestingarstefna félagsins nái fram að ganga.
  - 3.1.2. Að eignastýringaraðilanum er heimilt að sinna lausafjárstýringu félagsins, með ávöxtun á lausu fé þess á hverjum tíma með innlánum, peningamarkaðsinnlánum, í peningamarkaðssjóðum og með skammtíma skuldabréfum.
  - 3.1.3. Að eignastýringaraðilanum er heimilt að stofna verðbréfareikning (VS-reikning) í nafni félagsins vegna rafrænnar skráningar, sækja verðbréf í eigu félagsins til Verðbréfaskráningar Íslands hf. og móttaka arð og jöfnunarhlutabréf.
  - 3.1.4. Að eignastýringaraðilanum er heimilt að varðveita fjármálagerninga og aðra fjármuni félagsins á vörslureikningi þess, kaupa og selja fjármálagerninga og aðra fjármuni samkvæmt fyrimælum félagsins, og gera þær ráðstafanir sem nauðsynlegar eru til að kaup og sala nái fram að ganga, m.a. að framselja fjármálagerninga í nafni félagsins.
  - 3.1.5. Að eignastýringaraðilanum er heimilt að móttaka hvers konar bréf, tilkynningar eða ákvaðir sem honum berast vegna samningsins.
  - 3.1.6. Allar ráðstafanir og undirritanir sem eignastýringaraðilinn gerir í nafni félagsins í samræmi við framangreint umboð skulu hafa sama gildi og ef ráðstafanir og/eða undirritanir væru gerðar af félaginu sjálfu.

### 4. ÞJÓNUSTA SEM EIGNASTÝRINGARAÐILINN VEITIR

- 4.1. Eignastýringaraðilinn skal sinna eftirtöldum verkefnum fyrir félagið samkvæmt beiðni framkvæmdastjóra félagsins, sem annast um daglegan rekstur félagsins:
- 4.1.1. Annast rannsóknar- og greiningarvinnu vegna þeirra fjárfestinga sem félagið leggur í.
  - 4.1.2. Annast athugun á fjárfestingarkostum, undirbúningi ákvarðana um fjárfestingar og sölu eigna og aðra ráðstöfun þeirra.
  - 4.1.3. Sjá til þess að uppgjör vegna kaupa og sölu á fjárfestingum sé í samræmi við samninga félagsins.
  - 4.1.4. Meta virði eignasafns félagsins og kynna virðismat fyrir stjórn og fjárfestingar- og hagsmunaráði félagsins.
  - 4.1.5. Útbúa yfirlitsskýrslur ársfjórðungslega fyrir stjórn, fjárfestingar- og hagsmunaráð og hluthafa félagsins um bókfært eiginfjárvirði félagsins (hér eftir nefnt „**Net Asset Value**“ eða „**NAV**“). NAV félagsins skal fylgja endurskoðuðum ársreikningi félagsins m.v. lok 4. ársfjórðungs hverju sinni, kannað fyrir lok 2. ársfjórðungs og óendurskoðað og áætlað m.v. lok 1. og 3. ársfjórðung hverju sinni.
  - 4.1.6. Útbúa og senda tvisvar (2) sinnum á ári til stjórnar, fjárfestingar- og hagsmunaráðs og hluthafa félagsins, yfirlit yfir eignir félagsins og önnur verðmæti í eignasafni. Ef lög gera kröfu um að slíkt yfirlit skuli sent oftár til stjórnar og/eða hluthafa félagsins mun eignastýringaraðilinn hlíta þeim kröfum. Skýrslurnar skulu sendar eigi síðar en 30. apríl og 30. október ár hvert, eftir því sem við á.



- 4.1.7. Útbúa og senda einu (1) sinni á ári til stjórnar, fjárfestingar- og hagsmunaráðs og hluthafa félagsins, skýrslu með yfirliti yfir eignir félagsins og önnur verðmæti í eignasafni m.t.t. markmiða sem tilgreind eru í fjárfestingastefnu. Skýrslan skal send eigi síðar en 30. apríl ár hvert.
- 4.1.8. Útbúa og senda einu (1) sinni á ári til stjórnar, fjárfestingar- og hagsmunaráðs og hluthafa félagsins kannaðan 6 mánaða árshlutareikning félagsins. Árshlutareikningurinn skal sendur innan 90 daga frá lokum viðkomandi rekstrartímabils.
- 4.1.9. Útbúa og senda einu (1) sinni á ári til stjórnar, fjárfestingar- og hagsmunaráðs og hluthafa félagsins endurskoðaðan ársreikning félagsins. Ársreikningur skal sendur innan 120 daga frá lokum viðkomandi rekstrarárs.
- 4.1.10. Vera stjórn og framkvæmdastjóra félagsins innan handar um boðun stjórnar-, hluthafa- og fjárfestingar- og hagsmunaráðsfunda og ásamt stjórn og framkvæmdastjóra sjá til þess að daglegur rekstur hjá félaginu sé í réttu horfi og lögum samkvæmt.
- 4.1.11. Veita framkvæmdastjóra sérfræðiaðstoð við samningagerð og framvinduettirlit byggingaframkvæmda.
- 4.1.12. Veita framkvæmdastjóra aðstoð við sölu og markaðssetningu á fjárfestingaverkefnum félagsins.
- 4.1.13. Sjá um fjármögnun félagsins og byggingaverkefna í samstarfi við framkvæmdastjóra félagsins.
- 4.2. Félagið greiðir sjálft kostnað vegna framkvæmdastjóra, fjárfestingar- og hagsmunaráðs og stjórnar félagsins.
- 4.3. Félagið greiðir sjálft kostnað vegna allrar sérfræðivinnu annarra aðila en eignastýringaraðilans, sem mælt er fyrir um í samningi þessum, nema að annað sé sérstaklega tekið fram. Félagið ber og greiðir sjálft kostnað vegna endurskoðunar félagsins, og annarrar þjónustu sem framkvæmdastjóri, meirihluti stjórnar og eftir atvikum fjárfestingar- og hagsmunaráð samþykkir eða óskar eftir sérstaklega.
- 4.4. Félagið mun greiða beinan kostnað við fjárfestingar og aðra ráðstöfun eigna félagsins, þ.m.t. þóknanir til annarra en eignastýringaraðilans, s.s. vegna áreiðanleikakannanna, opinber gjöld, kostnað vegna samningsgerðar, málsvarnarlaun, skaðabætur og kostnað vegna slita félagsins. Félagið mun jafnframt standa straum af stimpilgjöldum og þinglýsingarkostnaði í tengslum við fjárfestingar. Einnig mun félagið greiða kostnað vegna vörslugjalda og vanefnda á áskriftarloforðum sem félagið hefur reynt að innheimta en án árangurs, kostnað vegna endurskipulagningar eða breytinga á högum þess. Þá ber félagið sjálft og greiðir öll gjöld og tengdan kostnað sem kann að falla til vegna skráninga og leyfisveitinga hjá Fjármálaeftirlitinu, NASDAQ First North Iceland markaðnum og Verðbréfaskráningu Íslands, komi slík gjöld til.

## 5. ÞÓKNANIR

- 5.1. Félagið skal greiða þóknanir til eignastýringaraðilans í samræmi við þessa 5. grein. Öll þjónusta eignastýringaraðilans samkvæmt samningi þessum er undanþegin virðisaukaskatti skv. 10. tölul. 3. mgr. 2. gr. laga nr. 50/1988, um virðisaukaskatt.

- 5.2. **Eignastýringarþóknun:** Félagið skal greiða eignastýringaraðilanum fasta þóknun sem nemur 1,5% af Net Asset Value, sbr. grein 4.1.5., á ársgrundvelli. Eignastýringarþóknun skal reiknuð út ársfjórðungslega og skal hún greidd eftir á innan 30 daga frá lokum hvers ársfjórðungs, fyrst þann 31. júlí 2019.
- 5.3. **Árangurstengd eignastýringarþóknun:** Félagið skal greiða til eignastýringaraðilans árangurstengda þóknun sem nemur 20% af ávöxtun hluthafa á innborgað eða útgefið hlutfé umfram ávöxtunarviðmið hluthafa, en ávöxtunarviðmiði hefur verið náð þegar gangvirði eigna félagsins (Net Asset Value, sbr. grein 4.1.5) samsvarar virði hlutafjár, sem gefið hefur verið út til hluthafa, auk 16% árlegrar nafnávöxtunar frá þeim degi sem hlutfé er innborgað eða gefið út til hluthafa. Föst þóknun samkvæmt grein 5.2 dregst ekki frá árangurstengdri eignastýringarþóknun. Formúla fyrir útreikningi árangurstengdrar eignastýringarþóknunar er að finna í viðauka II við eignastýringarsamninginn.
- 5.4. Það er skilyrði fyrir greiðslu til eignastýringaraðilans að eignastýringaraðilinn hafi ekki vanefnt eignastýringarsamninginn verulega.
- 5.5. Eignastýringaraðilinn skal reikna út árangurstengda eignastýringarþóknun á hverju ári samhliða gerð ársreiknings, sem skal taka mið af Net Asset Value, sbr. grein 4.1.5., miðað við síðustu útreikninga félagsins á gangvirði einstakra eigna, að teknu tilliti til útgreiðslna til hluthafa, hafi þær átt sér stað (óháð því hvort greiðsluskylda þóknana hafi stofnast eða ekki). Komist eignastýringaraðilinn og meirihluti fjárfestingar- og hagsmunaráðs félagsins, f.h. félagsins, ekki að samkomulagi um slíkt verðmat sín á milli skulu tilnefndir tveir (2) sérfróðir og óháðir matsmenn, sem hvor aðili um sig tilnefnir, þ.e. meirihluti fjárfestingar- og hagsmunaráðs félagsins annars vegar, og eignastýringaraðilinn hins vegar, til að meta áunna árangurstengda eignastýringarþóknun sem eignastýringaraðilinn á rétt á samkvæmt grein 5.3. Félagið og eignastýringaraðilinn skulu deila kostnaði af slíku mati í helmingshlutföllum.
- 5.6. Séu skilyrði til greiðslu árangurstengdrar þóknunar, sbr. greinar 5.3 - 5.5, skal árangurstengd þóknun greidd árlega samkvæmt framlögðum reikningi til eignastýringaraðilans eigi síðar en 30 dögum eftir aðalfund félagsins.
- 5.7. Við slit félagsins eða uppsögn eignastýringaraðilans skal endurskoðandi félagsins samþykkja útreikning eignastýringaraðilans (ef því er að skipta m.t.t. greinar 5.5) um árangursgreiðslu, sbr. ofangreint, og kemur hún til greiðslu við hvort sem fyrr reynist, slit félagsins eða uppsögn eignastýringarsamningsins.
- 5.8. Félagið skal greiða allar greiðslur til eignastýringaraðilans sem félaginu ber að greiða samkvæmt samningi þessum í reiðufé og án nokkurs frádráttar vegna skuldajafnaðar, skatta, gagnkröfu eða sambærilegra atvika nema að annað sé sérstaklega tekið fram í eignastýringarsamningnum.

## 6. EINKARÉTTUR

- 6.1. Félagið skuldbindur sig til þess að gera ekki eignastýringarsamning f.h. félagsins við annan aðila en eignastýringaraðilann á meðan eignastýringarsamningurinn er í gildi.
- 6.2. Sú fjárhæð sem nemur áskrift vegna hlutafjár útgefnu af félaginu, fer sjálfkrafa í eignastýringu hjá eignastýringaraðilanum samkvæmt samningnum.

## 7. UPPLÝSINGAR



- 7.1. Félagið skal veita eignastýringaraðilanum allar upplýsingar sem félagið hefur um eigendur hlutabréfa sem félagið hefur gefið út, og um fjárfestingar félagsins. Félagið skal kalla eftir þeim upplýsingum eða útvega þær upplýsingar, að því marki sem það er mögulegt, sem eignastýringaraðilinn fer fram á í þeim tilgangi að geta innt af hendi þá þjónustu sem eignastýringaraðilanum ber að veita samkvæmt samningnum.
- 7.2. Allar upplýsingar sem félagið veitir eignastýringaraðilanum á grundvelli samningsins skulu vera réttar samkvæmt bestu vitund félagsins.

## **8. HAGSMUNAÁREKSTRAR**

- 8.1. Tekið skal fram að eignastýringaraðilinn fær greidda þóknun samkvæmt eignastýringarsamningnum fyrir að stýra eignum félagsins og fyrir aðra þá þjónustu sem tilgreind er í 4. grein samningsins.
- 8.2. Eignastýringaraðilinn skal gera ráðstafanir til að koma í veg fyrir að hagsmunaárekstrar kunni að skaða hagsmuni félagsins. Hafi eignastýringaraðilinn ástæðu til að ætla að þessar ráðstafanir veiti ekki fullnægjandi vissu fyrir því að hagsmunum félagsins sé nægjanlega gætt skal eignastýringaraðilinn svo fljótt sem kostur er upplýsa framkvæmdastjóra, stjórn og fjárfestingar- og hagsmunaráð félagsins.
- 8.3. Eignastýringaraðilinn skal fylgja eigin reglum um hagsmunaárekstra sem í gildi eru á hverjum tíma, og má nálgast útdrátt úr þeim á vefsíðu eignastýringaraðilans, <https://www.gamma.is/>. Eignastýringaraðilinn áskilur sér rétt til að uppfæra og breyta framangreindum reglum sem birtast þá uppfærðar á heimasíðu eignastýringaraðilans.

## **9. TRÚNAÐUR**

- 9.1. Hvor aðili fyrir sig lofar að fara með upplýsingar um viðskipta- eða einkamálefni hins sem trúnaðarmál. Skal komið í veg fyrir að þær upplýsingar berist þriðja aðila. Ákvæði þetta gildir þó ekki um upplýsingar sem skylt er að veita samkvæmt lögum, reglum og samningum við NASDAQ vegna skráningar á NASDAQ First North Iceland markaðinn og þær upplýsingar sem félagið hefur samið við eignastýringaraðilann um að birta hluthöfum sínum.
- 9.2. Í kynningarefni um félagið skal þess getið að það sé í eignastýringu hjá eignastýringaraðilanum og eignastýringaraðilinn hafi einnig umsjón með daglegum rekstri félagsins.

## **10. ÝMISLEGT**

- 10.1. Eignastýringaraðilinn upplýsir félagið um eftirfarandi vegna ákvæða 30. gr. reglugerðar nr. 995/2007:
- 10.1.1. Upplýsingar um tengiliði má finna á heimasíðu eignastýringaraðilans.
- 10.1.2. Öll samskipti milli eignastýringaraðilans og félagsins skulu fara fram á íslensku eða ensku.
- 10.1.3. Heimilt er að nota bréfpóst, tölvupóst eða síma í samskiptum eignastýringaraðilans og félagsins og til að taka við fyrir mælum.
- 10.1.4. Eignastýringaraðilinn hefur starfsleyfi frá Fjármálaeftirlitinu til reksturs verðbréfasjóða og annarra sjóða um sameiginlega fjárfestingu, fjárfestingarráðgjöf og stýringu á fjármálagerningum og til eignastýringar.

- 10.1.5. Um yfirlit yfir eignasafn félagsins er fjallað í greinum 4.1.6 og 4.1.7.
- 10.1.6. Eignastýringaraðilinn varðveitir eignir félagsins þannig að tryggður er aðskilnaður þeirra frá eignum annarra viðskiptavina og eignastýringaraðilans sjálfs.
- 10.1.7. Félagið hefur kynnt sér reglur eignastýringaraðilans um hagsmunaárekstra en útdrátt úr þeim má finna á vefsíðu eignastýringaraðilans, <https://www.gamma.is/>.

## **11. GILDISTÍMI OG UPPSÖGN**

- 11.1. Samningur þessi öðlast gildi við undirritun og er í gildi þar til félaginu er slitið, starfsemi þess lýkur eða samningnum er sagt upp, sbr. grein 11.2.
- 11.2. Félaginu er skylt að segja samningnum upp ef tillaga um slíkt hlýtur samþykki minnst 2/3 hluta greiddra atkvæða, svo og samþykki hluthafa sem ráða yfir minnst 2/3 hlutum þess hlutafjár sem farið er með atkvæði fyrir á viðkomandi hluthafafundi.
- 11.3. Verði samningi þessum sagt upp af félaginu samkvæmt grein 11.2 hér að framan innan eins (1) árs frá undirritun eignastýringarsamningsins, skuldbindur félagið sig til að tryggja að eignastýringaraðilinn fái greidda þóknun samkvæmt 5. grein hér að framan fyrir fyrstu 12 mánuði starfstíma félagsins.
- 11.4. Það skal teljast veruleg vanefnd af hálfu eignastýringaraðilans ef eignastýringaraðilinn sinnir ítrekað og þrátt fyrir áskoranir þess efnis ekki þeim skyldum sem kveðið er á um í grein 4.1.
- 11.5. Það skal teljast veruleg vanefnd af hálfu félagsins ef félagið greiðir ekki umsamdar þóknanir til eignastýringaraðilans innan 30 daga frá gjalddaga þeirra samkvæmt 5. grein.
- 11.6. Eignastýringaraðilanum er heimilt að segja samningi þessum upp með 30 daga fyrirvara ef tilgangi félagsins er breytt að svo miklu leyti að sú starfsemi sem fyrirhuguð er samkvæmt samningi þessum rúmast ekki lengur innan tilgangs félagsins.
- 11.7. Uppsögn samningsins hefur ekki áhrif á áunnin réttindi, þar með talið rétt til eignastýringarþóknunar skv. grein 5.2. og árangurstengdrar eignastýringarþóknunar skv. grein 5.4. eða annarra greiðslna vegna veittrar þjónustu. Í því tilviki skal félagið greiða eignastýringaraðilanum uppsafnaðar þóknanir skv. framangreindu við uppsögn eignastýringarsamningsins. Ekki kemur þó til greiðslu uppsafnaðrar þóknunar ef samningnum hefur verið sagt upp á grundvelli verulegrar vanefndar af hálfu eignastýringaraðilans, og sýnt er fram á að eignastýringaraðilinn hafi vanefnt samninginn verulega, sbr. grein 11.4.

## **12. FRAMSAL**

- 12.1. Aðilum er óheimilt að framselja réttindi og skyldur samkvæmt eignastýringarsamningnum. Eignastýringaraðilanum skal þó einhliða heimilt að framselja réttindi og skyldur samkvæmt samningnum til dótturfélaga sinna til að taka við hlutverki eignastýringaraðila skv. samningnum, að því gefnu að slík félög hafi þar til bær leyfi og réttindi til að sinna hlutverki sínu sem eignastýringaraðili. Eignastýringaraðilinn skal tilkynna um slíkt framsal skriflega með tíu (10) daga fyrirvara og tekur það gildi frá og með næstu mánaðamótum eftir tilkynningu. Þá er framsal, af hálfu eignastýringaraðila, sem kann að leiða af samruna hans við annað fjármálafyrirtæki heimilt.

## **13. SKAÐLEYSI**



- 13.1. Eignastýringaraðilinn, starfsmenn hans, eigendur, stjórnarmenn og aðilar innan sömu samstæðu bera ekki ábyrgð á tjóni eða kostnaði, hverju nafni sem slíkt tjón eða kostnaður kann að vera nefnt, sem félagið verður fyrir, hvort sem slíkt tjón eða slíkur kostnaður er beinn eða óbeinn, er leiðir af þjónustu eignastýringaraðilans við félagið samkvæmt eignastýringarsamningnum, nema félagið sýni fram á að tjónið eða kostnaðurinn sé kominn til vegna ásetnings eða stórfellds gáleysis eignastýringaraðilans. Sama á við um allt tjón eða kostnað sem þriðji aðili kann að verða fyrir í tengslum við þjónustu eignastýringaraðilans samkvæmt samningnum. Skal félagið halda eignastýringaraðilanum skaðlausum vegna allra slíkra krafna af hálfu þriðju aðila, nema umrætt tjón eða kostnaður sé til kominn vegna ásetnings eða stórfellds gáleysis eignastýringaraðilans.
- 13.2. Eignastýringaraðilinn ber enga ábyrgð á arðsemi fjárfestingarverkefna félagsins.

#### 14. TILKYNNINGAR

- 14.1. Allar tilkynningar eða boðsendingar milli aðila samningsins eða vegna mála sem honum tengjast skulu sendar til:

**GAMMA Capital Management hf.**

Heimilisfang: Garðastræti 37, 101  
Reykjavík

Berist til: Valdimar Ármann

E-mail: Valdimar@gamma.is

**Kaldalón hf.**

Heimilisfang: Borgartún 25 – 6. hæð,  
105 Reykjavík

Berist til: Ásgeir Baldurs

E-mail: asgeir.baldurs@kvika.is

#### 15. BREYTINGAR OG AFSAL RÉTTINDA

- 15.1. Breytingar verða ekki gerðar á samningnum nema með skriflegum hætti sem samþykktar eru af eignastýringaraðilanum og stjórn félagsins, ásamt meirihluta fjárfestingar- og hagsmunaráðs félagsins.
- 15.2. Láti aðili hjá líða eða dragi að beita réttindum sínum samkvæmt samningnum skal ekki litið svo á hann afsali sér réttindum sínum eða beitingu þeirra síðar meir eða öðrum réttindum samkvæmt þessum samningnum.

#### 16. KOSTNAÐUR OG ÚTGJÖLD

- 16.1. Félagið og eignastýringaraðilinn skulu bera sinn kostnað hvor af gerð samningsins.

#### 17. LÖG OG LÖGSAGA

- 17.1. Samningurinn er gerður í tveimur eintökum sem bæði teljast frumrit.
- 17.2. Um samninginn gilda íslensk lög.
- 17.3. Ágreining milli aðila, sem ekki er leystur með öðrum hætti, skal bera undir Héraðsdóm Reykjavíkur.

\*\*\* Undirritunarsíða fylgir\*\*\*

Reykjavík, 18. júní 2019

Fyrir hönd GAMMA Capital  
Management hf.

Valdimarsson

Fyrir hönd Kaldalóns hf.

Þórunn 1807695799.

HL 150574-5999

Þórunn 050372-4489



## **Viðauki I**

**við eignastýringarsamning milli Kaldalóns hf. og  
GAMMA Capital Management hf., dags. í júní 2019**

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FJÁRFESTINGASTEFNA

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## 1. INNGANGUR

- 1.1. Kaldalón hf., kt. 490617-1320 (hér eftir „**Kaldalón**“ eða „**félagið**“) er félag um fjárfestingar í fasteignaþróun, kaup, sölu, rekstur, eignarhald og uppbyggingu fasteigna og innviða tengdum fasteignaverkefnum og fasteignafélaga, lánastarfsemi ásamt kaupum og sölu félaga, fjármálagerninga, ýmiss konar skuldaviðurkenninga, s.s. lánssamninga og skuldabréfa, allt í tengslum við fasteignaviðskipti, fasteignaþróun, uppbyggingu innviða í tengslum við fasteignaverkefni eða fjármögnun byggingaframkvæmda og annan skyldan rekstur. Félagið fjárfestir einnig í kröfum tengdum fasteignum og fasteignaþróun, allt frá skráðri lóð til fullbyggingar fasteigna, en auk þess er félaginu heimilt að fjárfesta í félögum sem eru í byggingariðnaði eða starfsemi tengdri byggingargeiranum og innviðauppbyggingu í tengslum við fasteignaverkefni.
- 1.2. Samkvæmt ákvæði greinar 4.9 í samþykktum félagsins hefur framkvæmdastjóri félagsins umsjón með athugun á fjárfestingarkostum, upphaflegu mati á þeim, greiningu á lánshæfi fyrirtækja, undirbúningi ákvarðana um fjárfestingar, umsýslu og sölu eigna, og eftirfylgni með fjárfestingum. Þá kemur fram í grein 4.10 í samþykktum félagsins að stjórn sé heimilt að gera samning um eignastýringu og aðra þjónustu, f.h. félagsins, við aðila sem stjórn metur hæfan til þess, þar sem samið er um að eignastýringaraðili skuli sinna verkefnum á sviði eignastýringar fyrir félagið, auk annarra verkefna, samkvæmt beiðni framkvæmdastjóra félagsins og í samstarfi við framkvæmdastjóra. Eignastýringarsamningur var undirritaður í júní 2019 milli félagsins og GAMMA Capital Management hf., kt. 530608-0690-, Garðastræti 37, Reykjavík, („**GAMMA**“ eða „**eignastýringaraðilinn**“) þar sem GAMMA tekur að sér að vera eignastýringaraðili félagsins (hér eftir nefndur „**eignastýringarsamningurinn**“). Fyrir undirritun þessa samnings var Kvika banki hf. eignastýringaraðili félagsins og tekur GAMMA við hlutverkinu af Kviku.
- 1.3. Tilgangur þessarar fjárfestingastefnu er að tilgreina markmið félagsins um fjárfestingarkosti, áhættudreifingu, líftíma eigna og ávöxtunarmarkmið að teknu tilliti til áhættu og seljanleika eigna.
- 1.4. Fjárfestingastefna félagsins er ákvörðuð af stjórn félagsins og staðfest af hluthafafundi í samræmi við góða viðskiptahætti, með hliðsjón af samþykktum félagsins og kjörum á markaði á hverjum tíma, með tilliti til ávöxtunarmarkmiðs félagsins og áhættu.

## 2. FJÁRFESTINGASTEFNA

- 2.1. Megináhersla félagsins í fjárfestingum þess er á kaup og fjármögnun í fasteignaþróunarverkefnum, auk þess sem heimilt verður að fjárfesta í félögum sem eru í byggingariðnaði og innviðauppbyggingu í tengslum við fasteignaverkefni. Eignarhlutur félagsins í einstökum verkefnum verður að öllu jöfnu í öðrum félögum með takmarkaðri ábyrgð eigenda, sem félagið mun eiga að hluta til eða að öllu leyti. Gert er ráð fyrir að skuldsetning fjárfestinga félagsins verði að mestu leyti innan einstakra undirfélaga en þó er félaginu heimilt að fjármagna sig með lánsfé. Félagið mun fá meðfjárfesta í einstök verkefni ef stjórn félagsins og fjárfestingar- og hagsmunaráð meta það hagkvæmt fyrir verkefnin sem um ræðir.
- 2.2. Félaginu er auk þeirrar fjárfestingarstefnu sem greinir í grein 2.1 heimilt að fjárfesta í fjármögnun fyrirtækja í byggingariðnaði með kaupum á kröfum og tengdum tryggingaréttindum, að því gefnu að þau hafi góða rekstrarsögu og vel skilgreinda stefnu um útgöngu úr verkefnum og/eða með sterkt sjóðsstreymi. Félagið kann einnig að fjárfesta í veðskuldabréfum og öðrum skuldaviðurkenningum, þ.m.t. lánssamningum.

- 2.3. Ávöxtunarmarkmið félagsins er að árleg nafnávöxtun eigin fjár félagsins skuli vera skilgreind sem 16% árleg arðsemi eigin fjár. Fyrirséð er að ávöxtun félagsins verði sveiflukennd, þar sem fjárfest er í eignum sem tekið getur tíma að byggja upp og gera verðmætari.
- 2.4. Fjárfestingar félagsins verða einkum í formi eftirfarandi:
- 2.4.1. Eigin fé félaga (hlutafé) sem eiga lóðir eða aðrar fasteignir með það að markmiði að fá samþykkt skipulag, vinna jarðvegsvinnu og fjármagna nýbyggingar, frá skráðri lóð að fullbyggðum fasteignum og allt þar á milli, auk eigin fjár í félögum sem eru í rekstri sem tengist byggingariðnaði, þ.m.t. við innviðauppbýggingu tengdum fasteignaverkefnum (hér eftir sameiginlega nefnt „verkefni“). Tilvísun til framangreindrar skilgreiningar, „verkefni“, getur verið í bæði eintölu og fleirtölu, með eða án greinis.
- 2.4.2. Jafnframt er gert ráð fyrir því að hluti fjárfestinga kunni að vera í kröfum er tengjast byggingaframkvæmdum.
- 2.5. Helstu viðmið við fjárfestingu í kröfum eftir því sem við á og að því marki sem mögulegt er að semja um hverju sinni:
- 2.5.1. Horft er til markaðsverðmætis og veðhæfi þeirra eigna og verkefna sem lánað er til.
- 2.5.2. Félagið mun ávallt taka veðtryggingu í þeirri eign eða því verkefni sem lánað er vegna. Slíkar veðtryggingar skulu að jafnaði vera á fyrsta eða öðrum veðrétti viðkomandi eigna. Með veðtryggingum er m.a. átt við fasteignaveð og veð í lóðum.
- 2.5.3. Horft verður til þess að eiginfjárlutfall í þeim verkefnum sem lánað er vegna sé almennt a.m.k. 20-25% m.v. heildarverðmæti eigna á hverjum tíma.
- 2.5.4. Skuldsetning lántaka sé viðunandi m.t.t. sjóðstreymi og undirliggjandi verðmæti eigna fyrirtækis.
- 2.5.5. Fjárhagsleg skilyrði skulu sett fram í skjalagerð skuldaviðurkenninga, s.s. lágmarks eiginfjárlutfall í verkefninu, framvinda verkefnisins, og aðrar kvaðir (t.d. bann við frekari skuldsetningu, veðsetningu eigna, fjárfestingu umfram viðmið o.þ.h.).
- 2.5.6. Kröfur um upplýsingagjöf skulu settar fram í skjalagerð skuldaviðurkenninga, s.s. mánaðarlegar skýrslur, ársreikningar, árshlutareikningar og fjárhagsáætlanir.
- 2.5.7. Gjaldfellingarákvæði skulu sett fram í skjalagerð skuldaviðurkenninga, s.s. „cross-default“, sala eigna, veðsetning eigna, fjárnám, breyting á eignarhaldi, „key-man events“ o.s.frv.
- 2.6. Fjárfestingar félagsins verða í íslenskum fyrirtækjum með áherslu á byggingariðnað, og því er ekki um að ræða áhættudreifingu á milli atvinnugeira.
- 2.7. Félaginu er heimilt að fjárfesta í fyrirtækjum tengdum framkvæmdum við uppbyggingu fasteigna eða innviða.
- 2.8. Félaginu er heimilt að fjárfesta með öðrum aðilum, þ.e. meðfjárfestum, samkvæmt ákvörðun stjórnar og fjárfestingar- og hagsmunaráðs. Hluthafar félagsins skulu njóta forgangs að meðfjárfestingu í hlutfalli við hlutafjárframlag sitt, séu þeir eigendur a.m.k. 10% hlutafjár í félaginu.
- 2.9. Lágmarksfjárfesting í einstökum fyrirtækjum skal almennt ekki vera lægri en kr. 50.000.000. Gerð er krafa um að áhætta sé viðunandi, að teknu tilliti til greiningar á rekstri, efnahag, sjóðstreymi, greiðsluhæfi o.fl. varðandi viðkomandi fyrirtæki.



### 3. FERILL VIÐ FJÁRFESTINGU OG EFTIRFYLGN

- 3.1. Tillaga um fjárfestingar, sölu eigna og/eða aðra ráðstöfun þeirra, þ.m.t. sem felur í sér mögulega hagsmunaárekstra í formi viðskipta félagsins eða mótaðila félagsins við eignastýringaraðila, fyrirtækjasvið Kviku og/eða dótturfélög og/eða systurfélög og/eða starfsmenn þeirra og/eða hluthafa sem eiga meira en 10% hlut í eignastýringaraðila, skulu kynntar fyrir fjárfestingar- og hagsmunaráði. Samþykki fjárfestingar- og hagsmunaráðs er skilyrði þess að unnt sé að vinna slíkar tillögur áfram sbr. grein 3.5.
- 3.2. Ferli fjárfestinga skal fara eftir grein 3.3 hér að neðan.
- 3.3. Ferli fjárfestinga, sölu eigna og/eða veigamikilla ráðstafana um málefni eigna félagsins skal vera í fimm megin þrepum:
- (a) Síun og greining verkefna.
  - (b) Kynning fyrir fjárfestingar- og hagsmunaráði.
  - (c) Ítarleg kynning fyrir stjórn.
  - (d) Samningagerð.
  - (e) Frágangur og eftirfylgni.
- 3.4. Síun og greining verkefna: Það er hlutverk framkvæmdastjóra, í samstarfi við eignastýringaraðila, að finna og greina fjárfestingakosti fyrir hönd stjórnarinnar.
- 3.5. Kynning fyrir fjárfestingar- og hagsmunaráði: Tillögur um fjárfestingar, sölu eigna og/eða aðra ráðstöfun þeirra, sbr. grein 3.1 hér að framan, skulu kynntar fyrir fjárfestingar- og hagsmunaráði sem kannar hvort að fjárfestingin hæfi félaginu og falli að markmiðum þess. Ef tveir af þremur ráðsmönnum fjárfestingar- og hagsmunaráðs eða varamenn þeirra samþykkja tillöguna, skal framkvæmdastjóra, og eftir atvikum eignastýringaraðila, falin sú vinna að kanna verkefnið áfram og er það síðan á ábyrgð framkvæmdastjóra og stjórnar Kaldalóns að leiða það til lykta.
- 3.6. Samningagerð: Það er hlutverk eignastýringaraðila, samkvæmt beiðni framkvæmdastjóra, að vinna að frekari greiningu á verkefninu, afla utanaðkomandi ráðgjafar eftir því sem við á (áreiðanleikakönnun, verðmat, skjalagerð o.þ.h.) og ná samkomulagi um kjör og skilmála, með fyrirvara um samþykki stjórnar.
- 3.7. Ítarleg kynning fyrir stjórn: Óski framkvæmdastjóri eftir því skal eignastýringaraðili leggja fyrir stjórn fjárfestingatillögu og mat á því hvort fjárfestingin muni skila fjárhagslegum ávinningi í samræmi við markmið um ávöxtun og áhættudreifingu. Stjórnin tekur í kjölfarið endanlega afstöðu til verkefnisins.
- 3.8. Frágangur og eftirfylgni: Í tengslum við fjárfestingar félagsins, er það hlutverk eignastýringaraðila, samkvæmt beiðni framkvæmdastjóra, að hafa umsjón með frágangi skjalagerðar, hafa umsjón með eftirfylgni, áhættustýringu og upplýsingagjöf til stjórnar.
- 3.9. Stjórn, framkvæmdastjóri og/eða eignastýringaraðili getur á hverjum tíma gert tillögu um sölu eigna, ef útlit er fyrir að fjárfesting sé ekki að ná þeim markmiðum sem að var stefnt og/eða ef hagstætt tilboð berst í eignir félagsins.

Fjárfestingastefna þessi var staðfest á hluthafafundi félagsins í Reykjavík 4. júní 2019.

Rétta fjárfestingastefnu staðfestir framkvæmdastjóri félagsins:

## **Viðauki II**

**við eignastýringarsamning milli Kaldalóns hf. og  
GAMMA Capital Management hf., dags. í júní 2019**

AK  
KMS  
VL  
h

$$\dot{A}P = \text{árangurstengd þóknun} = (S-A)*0,2$$

þar sem

S= virði eigin fjár félagsins á viðmiðunardegi útreiknings

$$= \sum_{n=1}^N C_n * (1 + r)^{\left(\frac{tn}{360}\right)}$$

og

A= virði eigin fjár á viðmiðunardegi útreiknings m.v. lágmarks 16% árlega ávöxtun

$$= \sum_{n=1}^N C_n * (1 + 0,16)^{\left(\frac{tn}{360}\right)}$$

N= heildarfjöldi greiðsla

n= númer greiðslu

C<sub>n</sub>=greiðsla n (útgreiðslur til hluthafa (útgreiðslur eru mínus tala))

r=ávöxtun á ári

t<sub>n</sub>= tími í dögum frá greiðsludegi C<sub>n</sub> til viðmiðunardags útreiknings

*Handwritten notes:*  
 A  
 pas  
 VA  
 tr

## **11. Appendix IV – Financial Statements**

### **11.1. English translation of Kaldalón's Financial Statements**

The following document is an English translation of Kaldalón's Financial Statements which has been prepared by its accountants and reviewed and approved by the Company. In case of any discrepancy, the Icelandic version shall prevail.

### **11.2. Signed Financial Statements**



**Kaldalón hf.**

**Financial statements  
for the year ended December 31, 2018**

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**Kaldalón hf.**

Identity number 490617-1320

Borgartúni 25, 105 Reykjavík

## Board of Directors' Report

### Main operation

The purpose of the company is investment activities. This includes Real Estate development, the purchase, sale, operation, ownership, management and development of real estate and real estate companies, lending activities along with the purchase and sale of companies, financial instruments, various types of debt recognition (including credit agreements, all in connection with real estate transactions), real estate development or financing of construction projects and other related operations.

The company is classified as an investment company according to International Accounting Standards. The company does not prepare consolidated financial statements, but assesses the assets of subsidiaries and associates at fair value and recognizes changes in fair value in the Profit or Loss.

### Operating results

Kaldalón hf. was established in 2017. The Company was initially registered as a Limited Partnership but its Articles of Association and therefore its legal form changed at the end of 2017 to a Limited Liability Company. The Company's profit during the year was ISK 388.351 thousand. The Company's equity amounted to ISK 3.255.005 thousand at year end 2018.

It is the opinion of the Board of Directors that the Financial Statements present fairly the financial position of the company at the end of the year, the results of its operations during the year and the changes in the financial position of the company.

In 2018, the Board exercised authorization in the Company's Articles of Association and decided to increase the share capital by a total of ISK 988.548 thousand, with a nominal value ISK 1, and the share capital of the company became ISK 2.842.720 thousand following the rise.

No employees were on the payroll of the company during the year. The company has entered into an agreement on asset management and day-to-day management with Kvika Bank hf.

### Future plans

Kaldalón hf. is a development company that invests in companies that invest in companies owning plots of land or buy land in their subsidiaries. The company also invests in building-related activities. The aim of the company is to be a leading development company in Iceland and at any time the company intends to develop well-located and sought-after construction sites.

The Board of Directors will propose at a Shareholders' Meeting to register the company on the First North market in mid-2019. Preparations for this are well under way.

### Post Balance Sheet event

In April 2019, a subsidiary of Kaldalón hf., U22 ehf., signed a contract for purchase of the property Sólvallagata 79, at Grandatorg in Reykjavik and at the same time sold to U22 ehf. a real estate currently under construction at Urriðaholtsstræti 22 in Garðabær. A local plan allows for 8,200 square meters of construction on the site at Grandatorg.

In 2019, the Company's Board of Directors has twice exercised its authority in the Company's Articles of Association and decided to increase the share by a total of ISK 398,851 thousand, and the Company's total share capital is now ISK 3.241.571 thousand.

### Appropriation of net profit

The board of directors refers to the financial statements regarding the appropriation of the year's net profit and will suggest a dividend payment at the General Meeting.

## Board of Directors' Report

### Ownership

There were 18 Shareholders at year end. The ten biggest shareholders are:

RES ehf. ....	18,6%
Investar ehf. ....	16,2%
Loran ehf. ....	13,2%
Premier eignarhaldsfélag ehf. ....	13,2%
Kvika banki hf. ....	9,9%
24 Development Holding ehf. ....	7,0%
GG optic ehf. ....	3,5%
ET sjón ehf. ....	3,5%
Sindrandi ehf. ....	3,5%
DFT ehf. ....	3,5%
Other shareholders .....	7,9%
	<hr/> 100,0%

Kaldalón hf. owns its own shares with a nominal value of ISK 30.100.000 or 1.058% of issued share capital.

### Financial Risk Management

For the company's strategy and policy towards risk, refer to note 16.

### Statement by the Board of Directors

According to the best knowledge of the Board of Directors, the Company's Financial Statements are prepared in accordance with International Financial Reporting Standards as endorsed by the European Union, and it is the opinion of the Board of Directors that they give a clear picture of the Company's assets, liabilities and financial position on 31 December 2018 and operating results, changes in cash and cash equivalents and changes in the company's equity for the year 2018. However, the main risk and uncertainty factors that the company faces are also explained.

The Board of Directors' of Kaldalón hf. and Managing Director hereby ratify the annual report for the year 2018 with their signatures.

Reykjavík, May 17, 2019

Board of Directors:

Managing Director:

## Independent Auditor's report

### To the Board of Directors' and shareholders' of Kaldalón hf.

#### *Opinion*

We have audited the financial statements of Kaldalón hf., which comprise the Directors Report, Statement of Financial Position as at December 31, 2018, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2018, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and that the directors report includes applicable information in accordance with Icelandic law on the annual accounts, if not presented elsewhere in the financial statements.

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Iceland, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for as many of the internal controls as management deems necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

## Independent Auditor's report

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a Going Concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Reykjavík, May 17, 2019

**PricewaterhouseCoopers ehf.**

Tryggvi Jónsson  
Certified Accountant

Kristinn F. Kristinsson  
Certified Accountant

## Income Statement and Statement of Comprehensive Income for the year 2018

	Notes	2018	2017
<b>Operating income</b>			
Operating expenses .....		87.081.140	17.172.625
<b>Operating loss</b>		(87.081.140)	(17.172.625)
<b>Financial income (expenses)</b>			
Interest income .....		38.364.330	73.244
Interest expenses .....		(14.247.402)	(77.283)
Fair value changes in share of associates .....	6	451.315.336	41.109.543
		<u>475.432.264</u>	<u>41.105.504</u>
<b>Net profit</b>		<u>388.351.124</u>	<u>23.932.879</u>

Notes on pages 10 to 15 are an integral part of these financial statements.

## Balance sheet as of December 31, 2018

<b>Assets</b>	<b>Notes</b>	<b>31.12.2018</b>	<b>31.12.2017</b>
<b>Fixed assets</b>			
Tangible assets:			
Buildings and Land .....	7	110.806.800	0
Investments:			
Investment in subsidiaries .....	5, 6	1.988.806.309	1.460.546.823
Investments in associates .....	5, 6	483.726.203	432.401.737
Loan to related companies .....	9	1.132.935.678	51.369.000
		<u>3.605.468.190</u>	<u>1.944.317.560</u>
<b>Current assets</b>			
Other receivables .....		3.077.234	14.648
Cash and cash equivalents .....	13, 9	21.490.927	4.320.856
		<u>24.568.161</u>	<u>4.335.504</u>
<b>Total assets</b>		<u><u>3.740.843.151</u></u>	<u><u>1.948.653.064</u></u>
<b>Equity and liabilities</b>			
<b>Shareholders equity</b>			
Share capital .....		2.842.720.837	1.854.172.350
Reserves .....		492.424.879	41.109.543
Retained earnings .....		(80.140.876)	(17.176.664)
<b>Total equity</b>	14, 15	<u>3.255.004.840</u>	<u>1.878.105.229</u>
<b>Liabilities</b>			
Long-term liabilities:			
Borrowings .....		310.631.392	0
Liabilities to related companies .....	9	109.837.229	0
		<u>420.468.621</u>	<u>0</u>
Current liabilities:			
Borrowings .....	8, 9	0	60.015.583
Liabilities to related companies .....	9	49.628.510	8.722.019
Other liabilities .....		15.741.180	1.810.233
		<u>65.369.690</u>	<u>70.547.835</u>
<b>Total liabilities</b>		<u>485.838.311</u>	<u>70.547.835</u>
<b>Total equity and liabilities</b>		<u><u>3.740.843.151</u></u>	<u><u>1.948.653.064</u></u>

Notes on pages 10 to 15 are an integral part of these financial statements.



## Statement of Changes in Equity for the year 2018

Year 2018	Share capital	Reserves	Retained earnings	Total equity
Balance at beginning of year .....	1.854.172.350	41.109.543	(17.176.664)	1.878.105.229
Paid in capital .....	988.548.487	0	0	988.548.487
Comprehensive income .....	0	451.315.336	(62.964.212)	388.351.124
Balance at end of year .....	2.842.720.837	492.424.879	(80.140.876)	3.255.004.840

### Year 2017

Balance at beginning of year .....	0	0	0	0
Paid in capital .....	1.854.172.350	0	0	1.854.172.350
Comprehensive income .....	0	41.109.543	(17.176.664)	23.932.879
Balance at end of year .....	1.854.172.350	41.109.543	(17.176.664)	1.878.105.229

Notes on pages 10 to 15 are an integral part of these financial statements.

## Cash Flow Statement for the year ended December 31, 2018

	2018	2017
<b>Cash flows from operating activities</b>		
Paid cost .....	(50.763.507)	(6.655.021)
Received interest income .....	3.690.460	73.244
Paid interest expense .....	(2.894.365)	(61.700)
<b>Net cash from Operating Activities</b>	<u>(49.967.412)</u>	<u>(6.643.477)</u>
<b>Cash flows from Investing Activities</b>		
Purchase of shares in subsidiaries .....	(68.066.667)	(147.000.000)
Purchase of tangible fixed assets .....	(110.806.800)	0
Loans to subsidiaries and associates .....	<u>(1.046.892.808)</u>	<u>(51.369.000)</u>
	(1.225.766.275)	(198.369.000)
<b>Cash flows from financing activities</b>		
Paid in capital .....	943.803.758	149.333.333
Proceeds from new borrowings .....	303.000.000	60.000.000
Repayments of long-term liabilities .....	(60.000.000)	0
Borrowings from subsidiaries and accosiates .....	<u>106.100.000</u>	<u>0</u>
	1.292.903.758	209.333.333
<b>Increase in cash and cash equivalents</b>	17.170.071	4.320.856
Cash and cash equivalents at beginning of year .....	<u>4.320.856</u>	<u>0</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>21.490.927</u></u>	<u><u>4.320.856</u></u>
<b>Investing and financing activites not affecting cash:</b>		
Investment in shares of subsidiaries .....	(44.744.729)	(1.313.546.823)
Investments in shares of associates .....	0	(391.292.194)
Capital increase .....	44.744.729	1.704.839.017

Notes on pages 10 to 15 are an integral part of these financial statements.

## Notes

### 1. The company

Kaldalón hf., referred to as the Company, is an Icelandic company with operations in Iceland. Kaldalón hf.'s address is at Borgartún 25, Reykjavík, Iceland.

The purpose of the company is investment activities. This includes Real Estate development, the purchase, sale, operation, ownership, management and development of real estate and real estate companies, lending activities along with the purchase and sale of companies, financial instruments, various types of debt recognition (including credit agreements, all in connection with real estate transactions), real estate development or financing of construction projects and other related operations.

The financial statements were approved by the Board of Directors of Kaldalón hf. on May 17, 2019.

### 2 Basis of operation

The Company's Financial Statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The Company's Annual Accounts are also in accordance with the Annual Accounts Act and Regulation on the Presentation and Content of Annual Accounts and Consolidated Financial Statements.

The financial statements are prepared in Icelandic Krona (ISK), which is the Company's functional currency. To increase the disclosure value of the financial statements, explanations are published on the basis of how relevant and important they are to the reader. This means that information that is evaluated as neither important nor relevant to the user of the financial statements will be excluded from the notes.

The company is considered an investment company according to International Accounting Standards, but the company manages its portfolio on the basis of fair value and only has income from its investments through fair value changes and other income from investments. The annual accounts are based on cost price, with the exception that shares in subsidiaries and associated companies and current assets are recognized at fair value. The company does not make consolidated accounts.

### 3 Summary of significant accounting policies

The main accounting policies applied in the preparation of these financial statements are set out below. Unless otherwise stated, these methods were applied consistently during both periods.

The Company has adopted all International Financial Reporting Standards, amendments to them and interpretations that the European Union has confirmed and has come into force as of January 1, 2018, and are applicable to its operations. The company has not adopted standards, amendments to standards or interpretations that come into effect after December 31, 2018, but can be adopted earlier.

#### **New accounting standards were adopted during the year**

On January 1, 2018, two new International Financial Reporting Standards, IFRS 9 'Financial Instruments', and IFRS 15 'Revenue from Contracts with Customers', did not affect the Company's financial statements. The IFRS 9 Standard "Financial Instruments" specifies how the classification, valuation and derecognition of financial assets and financial liabilities should be carried out, as well as a new model for impairment of financial assets. In the company's financial statements, the main financial instruments are shares in subsidiaries and associates, which are recognized at fair value through profit or loss according to the authorization in the IFRS 10 'Consolidated Financial Statements', as the company is an investment company. Other financial instruments, loans to related parties, short-term receivables and current liabilities are stated at cost. The new standard has no effect on the treatment of these financial instruments at the company, and therefore no changes are made to the company's financial statements at the beginning of the year.

#### **New accounting standards adopted during next year**

On January 1, 2019, a new International Financial Reporting Standard, IFRS 16 'Leases' will come into effect, but it will not affect the financial statements of the Company.

## Notes

### 4 Use of estimates and judgements

When preparing the financial statements, management needs to assess various issues and give themselves a basis for assessing assets, liabilities, income and expenses. Although this is management's best judgement at the time, the real value of the items being evaluated may be different from the outcome of the assessment. Changes in accounting estimates are recognized in the period in which the change occurs. The company's uncertainty is largely determined by the determination of the fair value of its holdings in other companies. Shares in other companies are accounted for and the valuation methods are explained in the notes 5 and 6.

### 5 Classification of financial assets and financial liabilities

Financial assets and financial liabilities are categorized into specific categories that indicate how they should be measured after their initial listing. The subsequent evaluation of each category is as follows::

- Loans and receivables, measured at amortized cost;
- Financial assets designated at fair value through profit or loss, measured at fair value;
- Other financial liabilities, measured at amortized cost.

The table below shows the classification of financial assets and financial liabilities of the Company in accordance with IFRS 9 and their fair value.

Year 2018	Loans and receivables	Financial assets at fair value through P&L	Other liabilities measured at amortized cost	Total book value
<b>Financial assets</b>				
Investment in subsidiaries .....		1.988.806.309		1.988.806.309
Investments in associates .....		483.726.203		483.726.203
Loan to related companies .....	1.132.935.678			1.132.935.678
Other receivables .....	3.077.234			3.077.234
Cash and cash equivalents .....	21.490.927			21.490.927
Total	1.157.503.839	2.472.532.512		3.630.036.351
<b>Financial liabilities</b>				
Borrowings .....			0	0
Liabilities to related companies .....			159.465.739	159.465.739
Other liabilities .....			15.741.180	15.741.180
Total			175.206.919	175.206.919
<b>Year 2017</b>				
<b>Financial assets</b>				
Investment in subsidiaries .....		1.460.546.823		1.460.546.823
Investments in associates .....		432.401.737		432.401.737
Loan to related companies .....	51.369.000			51.369.000
Other receivables .....	14.648			14.648
Cash and cash equivalents .....	4.320.856			4.320.856
Total	55.704.504	1.892.948.560		1.948.653.064
<b>Financial liabilities</b>				
Borrowings .....			60.015.583	60.015.583
Liabilities to related companies .....			8.722.019	8.722.019
Other liabilities .....			1.810.233	1.810.233
Total			70.547.835	70.547.835

## Notes

### 6 Fair value of financial assets and financial liabilities

#### a Level of fair value

Fair value is divided into three categories according to whether or not the methods used in determining fair value are based on market data. Market data reflects market information from independent sources. Fair value that is not based on market data is based on assumptions made by the Company. Based on these two types of variable, the fair value step is determined as follows:

- Level 1 - Prices quoted in active markets. These are listed shares and bonds on stock exchanges.
- Level 2 - Here, the price is based on data, other than listed prices, as in Level 1, which, however, is available on the market, either directly or indirectly. Data used in fair value calculations here may be, for example, LIBOR yield curve and counterparty credit rating.
- Level 3 - Here, the fair value of non-marketable assets and liabilities. These are mainly shares and bonds that are valued on the basis of data that is mostly inaccessible in the market.

The following table shows the step division in determining the fair value of the financial assets recognized at fair value in the financial statements of the Company. The Company does not disclose the fair value of other financial assets as their carrying amount is considered to reflect the fair value.

	Level 3
<b>Year 2018</b>	
Investment in subsidiaries .....	1.988.806.309
Investments in associates .....	483.726.203
	<u>2.472.532.512</u>
<b>Year 2017</b>	
Investment in subsidiaries .....	1.460.546.823
Investments in associates .....	432.401.737
	<u>1.892.948.560</u>

Changes in the company's financial assets that fall into Level 3 of fair value.

	Investments in subsidiaries	Investments in associates	Total
<b>Year 2018</b>			
Beginning of year book value .....	1.460.546.823	432.401.737	1.892.948.560
Purchase .....	138.268.615	(10.000.000)	128.268.615
Fair value changes recognized in profit or loss .....	389.990.870	61.324.466	451.315.336
End of year book value .....	<u>1.988.806.309</u>	<u>483.726.203</u>	<u>2.472.532.511</u>

Accumulated unrealized changes in value that have been recognized in the P&L: 492.424.879

	Investment in subsidiaries	Investments in associates	Total
<b>Year 2017</b>			
Purchase .....	1.460.546.823	391.292.194	1.851.839.017
Fair value changes recognized in profit or loss .....	0	41.109.543	41.109.543
End of year book value .....	<u>1.460.546.823</u>	<u>432.401.737</u>	<u>1.892.948.560</u>

Accumulated unrealized changes in value that have been recognized in the P&L: 41.109.543

## Notes

### b Investments in subsidiaries and associates

Investments in subsidiaries and associates are as follows:

	Location	Ownership %	Nominal value	Book value	
				31.12.2018	31.12.2017
Subsidiaries:					
U 14-20 ehf. ....	Reykjavík	100,00%	500.000	178.519.838	89.298.707
U22 ehf. ....	Reykjavík	100,00%	500.000	88.574.030	80.918.440
U24 ehf. ....	Reykjavík	100,00%	500.000	89.714.900	80.008.182
U26 ehf. ....	Reykjavík	100,00%	500.000	61.268.383	53.415.994
Þróunarfélagið Hnoðraholt ehf. ....	Reykjavík	100,00%	109.000.000	1.233.302.063	1.009.905.500
Vesturbugt eignarhaldsfélag ehf. ....	Reykjavík	59,50%	1.470.000	149.000.000	147.000.000
Fasteignastýring ehf. ....	Reykjavík	100,00%	500.000	1	0
Steinsteypan ehf. ....	Reykjavík	50,00%	70.059.096	188.427.094	0
				1.988.806.309	1.460.546.823
Associates:					
Kársnesbyggð ehf. ....	Reykjavík	49,99%	188.384.034	282.409.363	237.991.877
Nes Þróunarfélag hf. ....	Reykjavík	32,70%	1.635.000	201.316.840	194.409.860
				483.726.203	432.401.737

### c Valuation methods and assumptions that are not based on market information

The Company owns shares in ten companies that were purchased in the year 2017 and 2018. In all of them, development is carried out, which consists of the development of real estate and real estate companies, with the exception of Steinsteypan ehf. which manages an operation of concrete plants and Fasteignastýringar ehf. which is not in operation.

Kaldalón hf. values the companies based on several factors. In cases where design, earthwork or street construction fees have been paid, the cost is capitalized and added to the purchase price of the land. For cases where construction work is started with plinths, progress is estimated according to project and cost estimation and the project's overall contribution is estimated according to estimated sale price minus project and cost estimates. Estimated sale price is based on the valuation of a certified real estate agents. Fair value increase of each time is expected to be the total contribution from the project after taxes, and after 25% allowance. U 14-20 ehf. and Kárnesbyggð ehf. are the only companies that are evaluated in such a way at year end 2018.

The fair value of the companies U22 ehf., U24 ehf., U26 ehf., Þróunarfélagið Hnoðraholt ehf., Vesturbugt eignarhaldsfélag ehf. is estimated from the original purchase price plus the construction cost that has been incurred.

The fair value of the companies Steinsteypan ehf. and Nes Þróunarfélag hf. is estimated from the original price plus construction cost, which have been incurred along with the revaluation of the company's land. Revaluation of land is based on an independent real estate agent's assessment.

The most important factor in assessing Kaldalón hf. assets is land prices. With a 10% reduction in the market value of land, Kaldalón hf.'s equity decreases by ISK 258.990 thousand. and with a 10% increase in the market price of land, Kaldalón hf.'s equity increases by the same amount. Changes in the margins of construction projects now have less effect on Kaldalón hf.'s equity, but a 10% reduction in the contribution margin reduces equity by ISK 148.003 thousand and a 10% increase in the contribution margin increases the Company's equity by ISK 148.003 thousand.

## 7 Buildings and Land

The Company invested in land in Vogabyggð, Iceland. The investment is recognized at cost, ISK 110.806.000. In the purchase agreement for the land is an obligation of payment of ISK 531 m. as the neighborhood builds up and delivery of other assets from the Companies subsidiary U14-20 ehf.

## Notes

### 8 Borrowings from financial institutions

During the year, the Company refinanced its loan held by Kvika banki hf. The loan is now due on January 1, 2020 and the principal and interests shall be paid in one on that day. The interest terms of the loan are REIBOR 1M with a 4% interest premium. The Company's liabilities to financial institutions are secured by collateral in the real estates owned by the subsidiaries U22 ehf., U24 ehf. og U26 ehf. The Company has also signed a declaration on the obligation that the Company will not, except with a written consent of Kvika banki hf. collateralize any of its current assets or assets that the Company may later acquire.

Borrowings from financial institutions are as follows:

	2018	2017
Beginning of the year .....	60.015.583	0
New borrowings .....	303.000.000	60.000.000
Repayments .....	(60.015.583)	0
Accured interest .....	7.631.392	15.583
	<u>310.631.392</u>	<u>60.015.583</u>

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Kvika banki hf. is referred to as a related party, see further in notes 9 and 10.

### 9 Related party transactions

Related parties include the Company's subsidiaries, associates, Board of Directors, CEO, close family members of the aforementioned entities and entities that have a significant influence as the largest shareholders in the Company. Transactions with related parties have been conducted on a similar basis as transactions with unrelated parties. Information regarding related parties is as follows:

Year 2018	Income	Expenses	Assets	Liabilities
U22 ehf. ....	3.703.307		98.526.307	
U24 ehf. ....	1.869.238		40.487.238	
U26 ehf. ....	1.380.999		22.373.999	
U14-20 ehf. ....	17.585.093		770.411.201	
Próunarfélagið Hnoðraholt ehf. ....		(3.737.229)	0	(109.837.229)
Kársnesbyggð ehf. ....	10.135.233		153.135.233	
Vesturbugt eignarhaldsfélag .....			48.001.700	
Kvika banki hf. ....	2.623.793	(71.196.943)	21.490.927	(49.628.510)
	<u>37.297.663</u>	<u>(74.934.172)</u>	<u>1.154.426.605</u>	<u>(159.465.739)</u>
<b>Year 2017</b>				
U22 ehf. ....			17.123.000	
U24 ehf. ....			17.123.000	
U26 ehf. ....			17.123.000	
Kvika banki hf. ....	73.244	(8.797.602)	4.320.856	(68.737.602)
	<u>73.244</u>	<u>(8.797.602)</u>	<u>55.689.856</u>	<u>(68.737.602)</u>

All related parties above are subsidiaries or associates except Kvika banki hf. who is a managing party for the Company.

Borrowings between Kaldalón hf. og and its subsidiaries have an interest reate of 7,5% and shall be paid in one payment on January 15, 2020. Borrowings between Kaldalón hf. and its associates with controlling interest have an interest rate of 12% and shall be paid in one payment on January 15, 2020.

### 10 Management fee

The management party carries out the operations and management of the Company's assets, therefore provides advice and services in accordance with the decisions of the Company's Board of directors. For its services, the management party receives an annual management fee of 2% on an annual basis from the total value of the Company's equity. The management fee shall be calculated quarterly and paid at the end of each quarter.



## Notes

### 11 Financial income (and expenses)

Financial income and expenses accounted on the Statement of Comprehensive Income are based on accrued interest income of bank deposits, interest from trade receivables and interests from borrowings.

### 12 Income tax

The company was established as a limited company and a Non-Independent tax entity. The Company was therefore taxed with its owners in 2017. As of the beginning of 2018, the Company is limited liability company and an independent tax entity.

Income taxes are calculated but not recognized as deferred tax assets in the balance sheet due to main profits, profit from shares, which are exempt from income tax. Carry forward losses from previous years are as follows:

Loss for 2018, expires end of 2028 .....	62.947.112
--	------------

The Company is jointly taxed with its subsidiaries.

### 13 Cash and cash equivalents

Cash and cash equivalents comprises of cash in hand and unrestricted balances held with financial institutions.

### 14 Equity

Ordinary shares are classified as equity.

Restricted reserves holds unrealized fair value changes of financial assets designated at fair value upon initial recognition, taking into account tax effects is recognized in other items among equity accounts. This equity account is restricted.

Retained earnings correspond to the Company's profit or loss and can be distributed to share holders as dividends.

### 15 Shares

Total capital at year end 2018 amounted to ISK 2.843 million. and a negligible portion was unpaid at the end of year 2018. The capital was paid with both cash or cash equivalents amounted to ISK 1.093 million and with shares in subsidiaries and other associates amounted to ISK 1.750 million.

During the year the Board of directors agreed to increase shares by issuing new shares amounted to ISK 989m, made up of nominal shares of ISK 1, therefore the total shares amount to ISK 2.843 million.

	31.12.2018	31.12.2017
Tota share capital, approved and issued by the Company .....	2.842.720.837	1.854.172.350

The company owns shares amounted to ISK 30.100.000 or 1,058% of the total. The reason for holding own shares is to sell them.

### 16 Financial risk management

The Company has exposure to the following risks in its operation:

- Market risk
- Securites risk
- Interest rate risk

Kaldalón hf. does not defend market risk. Market risk is the risk on fluctuations in fair value or future cash flow of financial instruments due to changes in market rates. Market risk is the result of an open position in equities and interest bearing instruments, but such financial instruments are susceptible to general and specific market changes and market volatility, such as interest rates, debt burden and stock prices.

**Kaldalón hf.**

**Ársreikningur 2018**

## Efnisyfirlit

bls.

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**Kaldalón hf.**

Kennitala 490617-1320

Borgartúni 25, 105 Reykjavík

# Skýrsla stjórnar

## Meginstarfsemi félagsins

Tilgangur félagsins er fjárfestingastarfsemi, þ.m.t. fasteignaþróun, kaup, sala, rekstur, eignarhald, umsýsla og uppbygging fasteigna og fasteignafélaga, lánastarfsemi ásamt kaupum og sölu félaga, fjármálagerninga, ýmiss konar skuldaviðurkenninga, s.s. lánssamninga, allt í tengslum við fasteignaviðskipti, fasteignaþróun eða fjármögnun byggingaframkvæmda og annar skyldur rekstur.

Félagið flokkast sem fjárfestingafélag samkvæmt alþjóðlegum reikningsskilastöðlum. Félagið gerir ekki samstæðureikning heldur metur eignir í dóttur- og hlutdeildarfélögum á gangvirði og færir gangvirðisbreytingar í rekstrarreikning.

## Starfsemin á árinu

Kaldalón hf. var stofnað á árinu 2017. Félagið var í upphafi skráð sem samlagshlutafélag en samþykktum og félagsformi þess breytt í árslok 2017 í hlutafélag. Hagnaður varð af rekstri félagsins á árinu 2018 að fjárhæð 388.351 þús. kr. Eigið fé félagsins nam 3.255.005 þús. kr. í árslok 2018.

Það er álit stjórnar félagsins að allar upplýsingar sem nauðsynlegar eru til að glöggva sig á stöðu félagsins í lok ársins, rekstrarárangri ársins og fjárhagslegri þróun félagsins, komi fram í ársreikningnum.

Á árinu 2018 nýtti stjórn heimild í samþykktum félagsins og tók ákvörðun um að hækka hlutafé um samtals 988.548 þús. kr. að nafnverði á genginu 1, og varð hlutafé félagsins því 2.842.720 þús. kr. í kjölfar hækkaninna.

Enginn starfsmaður var á launaskrá hjá félaginu á árinu. Félagið hefur gert samning um eignastýringu og umsjón með daglegum rekstri við Kviku banka hf.

## Framtíðaráform

Kaldalón hf. er þróunarfélag sem fjárfestir í félögum sem fjárfestir í félögum sem eiga lóðir undir húsnæði eða kaupir lóðir inn í dótturfélög sín. Félagið fjárfestir einnig byggingatengdri starfsemi. Markmið félagsins er að vera leiðandi þróunarfélag á Íslandi og ætlar félagið á hverjum tíma að hafa í þróun vel staðsettar og eftirsóttar byggingalóðir.

Stjórn félagsins mun leggja til við hluthafafund að skrá félagið á First North markaðinn um mitt ár 2019. Undirbúningur vegna þess er vel á veg komin.

## Atburðir eftir lok reikningsárs

Í apríl 2019 gerði dótturfélag Kaldalóns hf. U22 ehf. samning um kaup á fasteigninni Sólvallagötu 79, við Grandatorgi í Reykjavík og í sömu viðskiptum seldi U22 ehf. fasteign sem nú er í byggingu að Urriðaholtssræti 22 í Garðabæ. Deiliskipulag gerir ráð fyrir 8.200 fermetra byggingu á lóðinni við Grandatorg.

Á árinu 2019 hefur stjórn félagsins tvívegis nýtt heimild í samþykktum félagsins og tekið ákvörðun um að hækka hluta um samtals 398.851 þús og er heildarhlutafé félagsins því nú 3.241.571 þús.

## Ráðstöfun hagnaðar

Stjórnin vísar til eiginfjárfirlits vegna ráðstöfunar á hagnaði og mun á aðalfundi koma með tillögur að arðgreiðslum.

## Skýrsla stjórnar

### Eignaraðild

Eigendur í lok tímabils voru 18 sem sundurliðast þannig:

RES ehf. ....	18,6%
Investar ehf. ....	16,2%
Loran ehf. ....	13,2%
Premier eignarhaldsfélag ehf. ....	13,2%
Kvika banki hf. ....	9,9%
24 Development Holding ehf. ....	7,0%
GG optic ehf. ....	3,5%
ET sjón ehf. ....	3,5%
Sindrandi ehf. ....	3,5%
DFT ehf. ....	3,5%
Aðrir hluthafar (8 talsins) .....	7,9%
	<u>100,0%</u>

Kaldalón hf. á eigin hluti að nafnverði 30.100.000 kr. eða 1,058% af útgefnu hlutafé.

### Fjárhagsleg áhættustjórnun

Félagið hefur sett sér markmið og stefnu gagnvart áhættustýringu. Nánar er vísað til skýringar nr. 16

### Yfirlýsing stjórnarmanna



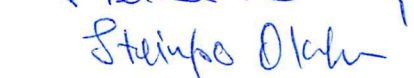
Samkvæmt bestu vitneskju stjórnar er ársreikningur félagsins saminn í samræmi við alþjóðlega reikningsskilastaðla eins og þeir hafa verið staðfestir af Evrópusambandinu og er það álit stjórnar að hann gefi glögga mynd af eignum, skuldum og fjárhagsstöðu félagsins þann 31. desember 2018 og rekstrarafkomu, breytingu á handbæru fé og breytingar á eigið fé félagsins fyrir árið 2018 samt því að gerð er grein fyrir helstu áhættu- og óvissupáttum sem félagið stendur frammi fyrir.

Stjórn Kaldalóns hf. og framkvæmdastjóri staðfesta hér með ársreikning félagsins fyrir árið 2018 með áritun sinni.

Reykjavík, 17. maí 2019

Stjórn:

Framkvæmdastjóri:

 180719-5781.  
 050372-4489  
 250660-5889

 171172-5439



# Áritun óháðs endurskoðanda

Til stjórnar og hluthafa Kaldalóns hf.

## Álit

Við höfum endurskoðað meðfylgjandi ársreikning Kaldalóns hf. fyrir árið 2018. Ársreikningurinn hefur að geyma skýrslu stjórnar, rekstrarreikning og yfirlit um heildarafkomu, efnahagsreikning, eiginfjáryfirlit, sjóðstreymi og skýringar.

Það er álit okkar að ársreikningurinn gefi glögga mynd af afkomu félagsins á árinu 2018, efnahag þess 31. desember 2018 og breytingu á handbæru fé á árinu 2018, í samræmi við alþjóðlega reikningsskilastaðla eins og þeir hafa verið samþykktir af Evrópusambandinu, og að skýrsla stjórnar hafi að geyma þær upplýsingar sem þar ber að veita í samræmi við lög um ársreikninga komi þær ekki fram annars staðar í ársreikningnum.

## Grundvöllur álits

Endurskoðað var í samræmi við alþjóðlega endurskoðunarstaðla. Ábyrgð okkar samkvæmt stöðlunum er nánar útskýrð í kaflanum um ábyrgð endurskoðenda. Við erum óháð félaginu samkvæmt ákvæðum siðareglna sem gilda um endurskoðendur á Íslandi og varða endurskoðun okkar á ársreikningi félagsins. Við uppfylfum jafnframt aðrar kröfur um starf okkar sem endurskoðendur í samræmi við ákvæði siðareglna.

Við teljum að við endurskoðunina höfum við aflað nægilegra og viðeigandi gagna til að byggja álit okkar á.

## Ábyrgð stjórnar og framkvæmdastjóra á ársreikningnum

Stjórn og framkvæmdastjóri eru ábyrg fyrir gerð og framsetningu ársreikningsins í samræmi við alþjóðlega reikningsskilastaðla eins og þeir hafa verið samþykktir af Evrópusambandinu. Stjórn og framkvæmdastjóri eru einnig ábyrg fyrir því innra eftirliti sem nauðsynlegt er að sé til staðar varðandi gerð og framsetningu ársreikningsins, þannig að hann sé án verulegra annmarka hvort sem er vegna sviksemi eða mistaka.

Við gerð ársreikningsins ber stjórnendum félagsins að meta hæfi þess til áframhaldandi starfsemi. Stjórnendum ber að semja ársreikning félagsins á þeirri forsendu að um áframhaldandi starfsemi sé að ræða, nema stjórnendur ætli að leysa félagið upp eða hætta rekstri þess, eða hafi ekki raunhæft val um annað en að hætta starfsemi félagsins. Stjórnendum félagsins ber að setja fram viðeigandi skýringar varðandi hæfi þess til áframhaldandi starfsemi ef við á og hvers vegna stjórnendur beita forsendunni um áframhaldandi starfsemi við gerð og framsetningu ársreikningsins.

Stjórn skal hafa eftirlit með gerð og framsetningu ársreikningsins.

## Ábyrgð endurskoðenda á endurskoðun ársreikningsins

Markmið okkar er að afla nægjanlegrar vissu um að ársreikningurinn sé án verulegra annmarka, hvort sem er vegna sviksemi eða mistaka og gefa út áritun með áliti okkar. Nægjanleg vissu er mikil vissu en ekki trygging þess að endurskoðun, sem framkvæmd er í samræmi við alþjóðlega endurskoðunarstaðla, muni ávallt leiða í ljós alla verulega annmarka séu þeir til staðar. Annmarkar geta stafað af sviksemi eða mistökum og eru metnir verulegir ef þeir, einir og sér eða samanlagðir, gætu haft áhrif á fjárhagslegar ákvarðanir notenda sem grundvallaðar eru á ársreikningnum.

## Áritun óháðs endurskoðanda

Endurskoðun í samræmi við alþjóðlega endurskoðunarstaðla byggir á faglegu mati og faglegri tortryggni. Við framkvæmum einnig eftirfarandi:

Greinum og metum áhættuna af verulegum annmörkum, vegna sviksemi eða mistaka, og skipuleggjum endurskoðunaraðgerðir til að mæta þessari áhættu og öflum endurskoðunargagna sem eru nægjanleg og viðeigandi grunnur fyrir álit okkar. Áhættan af því að greina ekki verulega annmarka sem stafa af sviksemi er meiri en áhætta af annmörkum vegna mistaka, þar sem sviksemi getur stafað af fölsun, misvísandi framsetningu ársreiknings, að mikilvægum atriðum sé viljandi sleppt, samanteknum ráðum eða að innra eftirlit sé sniðgengið.

Öflum skilnings á innra eftirliti sem er viðeigandi fyrir endurskoðun okkar í þeim tilgangi að hanna endurskoðunaraðgerðir, en ekki til þess að gefa álit á virkni innra eftirlits félagsins.

Metum hvort val stjórnenda á reikningsskilaaðferðum sé viðeigandi og hvort matsaðferðir þeirra séu raunhæfar. Einnig skoðum við hvort tengdar skýringar séu við hæfi.


Ályktum um notkun stjórnenda á forsendunni um áframhaldandi starfsemi og metum á grundvelli endurskoðunarinnar hvort verulegur vafi leiki á rekstrarhæfi eða hvort aðstæður séu til staðar sem gætu valdið verulegum efasemdum um rekstrarhæfi. Ef við teljum að veruleg óvissa ríki, ber okkur að vekja sérstaka athygli á viðeigandi skýringum í ársreikningnum um óvissuna og ef þær upplýsingar eru ekki nægjanlegar að okkar mati, víkjum við frá fyrirvaralausum álitum. Niðurstaða okkar byggir á þeim endurskoðunargögnum sem við höfum aflað fram að dagsetningu áritunar okkar. Engu að síður geta atburðir eða aðstæður í framtíðinni leitt til þess að félagið verði ekki lengur rekstrarhæft.

Metum framsetningu, gerð og innihald ársreikningsins í heild, að meðtöldum skýringum og hvort hann grundvallast á fyrirbyggjandi færslum og atburðum og gefi glögga mynd samanber álit okkar.

Við upplýsum stjórn meðal annars um áætlað umfang og tímasetningu endurskoðunarinnar og veruleg atriði sem upp geta komið í endurskoðun okkar, þar á meðal verulega annmarka í innra eftirliti ef við á.

Reykjavík, 22. maí 2019

**PricewaterhouseCoopers ehf.**

  
Trygvi Jónsson  
löggiltur endurskoðandi

  
Kristinn F. Kristinsson  
löggiltur endurskoðandi



## Rekstrarreikningur og yfirlit um heildarafkomu ársins 2018

	Skýringar	2018	2017
<b>Rekstrargjöld</b>			
Skrifstofu- og stjórnunarkostnaður .....		87.081.140	17.172.625
<b>Rekstrartap</b>		(87.081.140)	(17.172.625)
<b>Fjármunatekjur og (fjármagnsgjöld)</b>			
Vaxtatekjur .....		38.364.330	73.244
Vaxtagjöld .....		(14.247.402)	(77.283)
Gangvirðisbreyting eignarhluta í félögum .....	6	451.315.336	41.109.543
		<u>475.432.264</u>	<u>41.105.504</u>
<b>Heildarafkoma ársins</b>		<u>388.351.124</u>	<u>23.932.879</u>

Skýringar á bls. 10 til 15 eru óaðskiljanlegur hluti ársreikningsins.

## Efnahagsreikningur 31. desember 2018

Eignir	Skýringar	31.12.2018	31.12.2017
<b>Fastafjármunir</b>			
Efnislegar eignir:			
Fasteignir og lóðir .....	7	110.806.800	0
<b>Fjáreignir:</b>			
Eignarhlutir í dótturfélögum .....	5, 6	1.988.806.309	1.460.546.823
Eignarhlutir í hlutdeildarfélögum .....	5, 6	483.726.203	432.401.737
Lán til tengdra aðila .....	9	1.132.935.678	51.369.000
		<u>3.605.468.190</u>	<u>1.944.317.560</u>
<b>Veltufjármunir</b>			
Skammtímaskuldir .....		3.077.234	14.648
Handbært fé .....	13, 9	21.490.927	4.320.856
		<u>24.568.161</u>	<u>4.335.504</u>
<b>Eignir samtals</b>		<u>3.740.843.151</u>	<u>1.948.653.064</u>

## Eigið fé og skuldir

<b>Eigið fé</b>			
Hlutfé .....		2.842.720.837	1.854.172.350
Bundinn eiginfjárreikningur .....		492.424.879	41.109.543
Ójafnað tap .....		(80.140.876)	(17.176.664)
<b>Eigið fé samtals</b>	14, 15	<u>3.255.004.840</u>	<u>1.878.105.229</u>
<b>Skuldir</b>			
Langtímaskuldir:			
Skuldir við lánastofnanir .....		310.631.392	0
Skuld við tengd félög .....	9	109.837.229	0
		<u>420.468.621</u>	<u>0</u>
Skammtímaskuldir:			
Skuldir við lánastofnanir .....	8, 9	0	60.015.583
Skuld við tengd félög .....	9	49.628.510	8.722.019
Aðrar skammtímaskuldir .....		15.741.180	1.810.233
		<u>65.369.690</u>	<u>70.547.835</u>
<b>Skuldir samtals</b>		<u>485.838.311</u>	<u>70.547.835</u>
<b>Eigið fé og skuldir samtals</b>		<u>3.740.843.151</u>	<u>1.948.653.064</u>

Skýringar á bls. 10 til 15 eru óaðskiljanlegur hluti ársreikningsins.

## Eiginfjárfirlit 2018

Árið 2018	Hlutfé	Bundinn eiginfjár- reikningur	Ójafnað tap	Samtals
Staða í ársbyrjun .....	1.854.172.350	41.109.543	(17.176.664)	1.878.105.229
Innborgað hlutfé .....	988.548.487			988.548.487
Heildarafkoma ársins .....		451.315.336	(62.964.212)	388.351.124
Staða í árslok .....	2.842.720.837	492.424.879	(80.140.876)	3.255.004.840

### Árið 2017

Staða í ársbyrjun .....	0	0	0	0
Innborgað hlutfé .....	1.854.172.350			1.854.172.350
Heildarafkoma ársins .....		41.109.543	(17.176.664)	23.932.879
Staða í árslok .....	1.854.172.350	41.109.543	(17.176.664)	1.878.105.229

Skýringar á bls. 10 til 15 eru óaðskiljanlegur hluti ársreikningsins.

## Sjóðstreymi ársins 2018

	Skýringar	2018	2017
<b>Rekstrarhreyfingar</b>			
Greiddur kostnaður .....		(50.763.507)	(6.655.021)
Innborgaðar vaxtatekjur .....		3.690.460	73.244
Greidd vaxtagjöld .....		(2.894.365)	(61.700)
<b>Handbært fé til rekstrar</b>		<u>(49.967.412)</u>	<u>(6.643.477)</u>
<b>Fjárfestingahreyfingar</b>			
Kaupverð eignarhluta í dótturfélögum .....		(68.066.667)	(147.000.000)
Fjárfest í fasteignum og lóðum .....		(110.806.800)	0
Lán til dóttur- og hlutdeildarféлага .....		(1.046.892.808)	(51.369.000)
		<u>(1.225.766.275)</u>	<u>(198.369.000)</u>
<b>Fjármögnunarhreyfingar</b>			
Innborgað hlutafé .....		943.803.758	149.333.333
Tekin ný lán frá lánastofnunum .....		303.000.000	60.000.000
Greidd lán frá lánastofnunum .....		(60.000.000)	0
Lán frá dóttur- og hlutdeildarfélagum .....		106.100.000	0
		<u>1.292.903.758</u>	<u>209.333.333</u>
<b>Hækkun á handbæru fé</b>		17.170.071	4.320.856
Handbært fé í byrjun árs .....		<u>4.320.856</u>	<u>0</u>
<b>Handbært fé í árslok</b>		<u><u>21.490.927</u></u>	<u><u>4.320.856</u></u>
<b>Fjárfestinga- og fjármögnunarhreyfingar sem hafa ekki áhrif á sjóðstreymi</b>			
Keyptir eignarhlutir í dótturfélagi .....		(44.744.729)	(1.313.546.823)
Keyptir eignarhlutir í hlutdeildarfélagi .....		0	(391.292.194)
Hlutfjárhækkun .....		44.744.729	1.704.839.017

Skýringar á bls. 10 til 15 eru óaðskiljanlegur hluti ársreikningsins.



# Skýringar

## 1. Almennar upplýsingar

Kaldalón hf., hér eftir nefnt félagið, er íslenskt hlutafélag með starfsemi í Reykjavík. Aðsetur þess er Borgartún 25, Reykjavík.

Tilgangur félagsins er fjárfestingastarfsemi, þ.m.t. fasteignaþróun, kaup, sala, rekstur, eignarhald, umsýsla og uppbygging fasteigna og fasteignafélaga, lánastarfsemi ásamt kaupum og sölu félaga, fjármálagerninga, ýmiss konar skuldaviðurkenninga, s.s. lánssamninga, allt í tengslum við fasteignaviðskipti, fasteignaþróun eða fjármögnun byggingaframkvæmda og annar skyldur rekstur.

Stjórn félagsins og framkvæmdastjóri samþykktu þessi reikningsskil 17. maí 2019.

## 2 Grundvöllur reikningsskila

Ársreikningur félagsins er gerður í samræmi við alþjóðlega reikningsskilastaðla eins og þeir hafa verið staðfestir af Evrópusambandinu. Ársreikningur félagsins er jafnframt í samræmi við lög um ársreikninga og reglugerð um framsetningu og innihald ársreikninga og samstæðureikninga.

Ársreikningurinn er gerður og birtur í íslenskum krónum sem er stafrækslugjaldmiðill félagsins. Til að auka upplýsingagildi ársreikningsins eru skýringar við hann birtar á grundvelli þess hversu viðeigandi og mikilvægar þær eru fyrir lesandann. Það þýðir að upplýsingar sem metnar eru hvorki mikilvægar né viðeigandi fyrir notanda reikningsskilanna eru ekki birtar í skýringum.

Félagið telst fjárfestingarfélag samkvæmt alþjóðlegum reikningsskilastöðlum, en félagið stýrir eignasafni sínu á grundvelli gangvirðis og hefur eingöngu tekjur af fjárfestingum sínum í gegnum gangvirðisbreytingar og aðrar tekjur af fjárfestingum. Ársreikningurinn byggir á kostnaðarverði að því undanskildu að eignarhlutir í dóttur- og hlutdeildarfélögum og veltufjáreignir eru færðar á gangvirði. Félagið gerir ekki samstæðureikning.

## 3 Yfirlit um helstu reikningsskilaaðferðir

Helstu reikningsskilaaðferðir sem beitt var við gerð þessara reikningsskila eru tilgreindar hér á eftir. Þessum aðferðum var beitt á samræmdan hátt á bæði tímabilin sem sett eru fram, nema annað sé tekið fram.

Félagið hefur tekið upp alla alþjóðlega reikningsskilastaðla, breytingar á þeim og túlkanir sem Evrópusambandið hefur staðfest og hafa tekið gildi frá og með reikningsárinu sem hófst 1. janúar 2018 og eiga við um starfsemi þess. Félagið hefur ekki tekið upp staðla, breytingar á stöðlum eða túlkanir sem taka gildi eftir 31. desember 2018 en heimilt er að taka upp fyrr.

### Nýjir reikningsskilastaðlar teknir upp á árinu

Þann 1. janúar 2018 tóku tveir nýir alþjóðlegir reikningsskilastaðlar gildi, IFRS 9 'Fjármálagerningar', og IFRS 15 'Tekjur af samingum við viðviðskiptavinum', en hann hefur ekki áhrif á reikningsskil félagsins. Staðallinn IFRS 9, 'Fjármálagerningar', tilgreinir hvernig flokkun, mati og afskráningu fjáreigna og fjárskulda skuli vera háttað, auk þess að setja fram nýtt líkan fyrir virðisrýrnun fjáreigna. Í reikningsskilum félagsins eru helstu fjármálagerningar eignarhlutir í dótturfélögum og hlutdeildarfélögum, en þeir eru færðir á gangvirði í gegnum rekstrarreikning samkvæmt heimild í staðlinum IFRS 10 'Samstæðureikningar' þar sem félagið er fjárfestingarfélag. Aðrir fjármálagerningar, lán til tengdra aðila, skammtímaskuldir og skammtímaskuldir, eru færðir á kostnaðarverði. Nýi staðallinn hefur engin áhrif á meðferð þessara fjármálagerninga hjá félaginu og því eru engar breytingar gerðar á reikningsskilum félagsins í upphafi árs.

### Nýjir reikningsskilastaðlar á næsta ári

Þann 1. janúar 2019 mun taka gildi nýr alþjóðlegur reikningsskilastaðall, IFRS 16 'Leigusamningar' en hann mun ekki hafa nein áhrif á reikningsskil félagsins.

## Skýringar

### 4 Mat og ákvarðanir

Við gerð reikningsskilanna þurfa stjórnendur að meta ýmis atriði og gefa sér forsendur um mat á eignum, skuldum, tekjum og gjöldum. Þó svo mat þetta sé samkvæmt bestu vitund stjórnenda geta raunveruleg verðmæti þeirra liða sem þannig eru metnir reynst önnur en niðurstaða samkvæmt matinu. Breytingar á reikningshaldslegu mati eru færðar á því tímabili sem breytingin á sér stað. Matsóvissa félagsins felst að langmestu leyti í ákvörðun gangvirðis eignarhluta þess í öðrum félögum. Gerð er grein fyrir eignarhlutum í öðrum félögum og matsaðferðum í skýringum 5 og 6.

### 5 Flokkun fjáreigna og fjárskulda

Fjáreignir og fjárskuldir eru flokkaðar í sérstaka flokka sem segja til um hvernig meta skuli þær eftir upphaflega skráningu þeirra. Um síðara mat hvers flokks fer sem hér segir:

- Lán og kröfur, metnar á afskrifuðu kostnaðarverði;
- Fjáreignir sem tilgreindar eru á gangvirði gegnum rekstrarreikning, metnar á gangvirði;
- Aðrar fjárskuldir, metnar á afskrifuðu kostnaðarverði.

Taflan hér á eftir sýnir flokkun fjáreigna og fjárskulda félagsins í samræmi við IFRS 9 og gangvirði þeirra.

Árið 2018	Lán og kröfur	Fjáreignir tilgreindar á gangvirði	Skuldir á afskrifuðu kostnaðar- verði	Samtals bókfært verð
<b>Fjáreignir félagsins</b>				
Eignarhlutir í dótturfélögum .....		1.988.806.309		1.988.806.309
Eignarhlutir í hlutdeildarfélögum .....		483.726.203		483.726.203
Lán til tengdra félaga .....	1.132.935.678			1.132.935.678
Skammtímakröfur .....	3.077.234			3.077.234
Handbært fé .....	21.490.927			21.490.927
<b>Samtals</b>	<b>1.157.503.839</b>	<b>2.472.532.512</b>		<b>3.630.036.351</b>
<b>Fjárskuldir félagsins</b>				
Skuldir við lánastofnanir .....			0	0
Skuldir við tengd félög .....			159.465.739	159.465.739
Aðrar skammtímaskuldir .....			15.741.180	15.741.180
<b>Samtals</b>			<b>175.206.919</b>	<b>175.206.919</b>
<b>Árið 2017</b>				
<b>Fjáreignir félagsins</b>				
Eignarhlutir í dótturfélögum .....		1.460.546.823		1.460.546.823
Eignarhlutir í hlutdeildarfélögum .....		432.401.737		432.401.737
Lán til tengdra félaga .....	51.369.000			51.369.000
Skammtímakröfur .....	14.648			14.648
Handbært fé .....	4.320.856			4.320.856
<b>Samtals</b>	<b>55.704.504</b>	<b>1.892.948.560</b>		<b>1.948.653.064</b>
<b>Fjárskuldir félagsins</b>				
Skuldir við lánastofnanir .....			60.015.583	60.015.583
Skuldir við tengd félög .....			8.722.019	8.722.019
Aðrar skammtímaskuldir .....			1.810.233	1.810.233
<b>Samtals</b>			<b>70.547.835</b>	<b>70.547.835</b>



## Skýringar

### 6 Gangvirði fjáreigna og fjárskulda

#### a Þrepaskipting gangvirðis

Gangvirði er skipt í þrjá flokka eftir því hvort aðferðirnar sem eru notaðar við ákvörðun gangvirðis byggja á markaðsgögnum eða ekki. Markaðsgögn endurspeglar markaðsupplýsingar frá óháðum aðilum. Gangvirði sem byggir ekki á markaðsgögnum byggja á forsendum sem félagið gefur sér. Byggt á þessum tveimur tegundum breyta er þrepaskipting gangvirðis ákvörðuð þannig:

- Þrep 1 - Uppgefið verð á virkum markaði. Hér er um að ræða skráð hlutabréf og skuldabréf í kauphöllum.
- Þrep 2 - Hér er verð byggt á gögnum, öðrum en uppgefnum verðum eins og í þrepi 1, sem þó eru aðgengileg á markaði, annað hvort beint eða óbeint. Gögn sem notuð eru við gangvirðisútreikninga hér geta verið t.d. LIBOR vaxtakúrfa og lánshæfismat mótaðila.
- Þrep 3 - Hér fellur undir gangvirði eigna og skulda sem ekki byggir á markaðsgögnum. Hér er aðallega um að ræða hlutabréf og skuldabréf sem verðmetin eru út frá gögnum sem eru að verulegu leyti óaðgengileg á markaði.

Eftirfarandi tafla sýnir þrepaskiptingu við ákvörðun gangvirðis þeirra fjáreigna sem færðar eru á gangvirði í reikningsskil félagsins. Félagið birtir ekki gangvirði annarra fjáreigna þar sem bókfært verð þeirra er talið endurspeglar gangvirðið.

Árið 2018	3. þrep
Eignarhlutir í dótturfélögum .....	1.988.806.309
Eignarhlutir í hlutdeildarfélögum .....	483.726.203
	<u>2.472.532.512</u>
Árið 2017	
Eignarhlutir í dótturfélögum .....	1.460.546.823
Eignarhlutir í hlutdeildarfélögum .....	432.401.737
	<u>1.892.948.560</u>

Breyting á fjáreignum félagsins sem falla í 3. þrep gangvirðis.

	Eignarhlutir í dótturfélögum	Eignarhlutir í hlutdeildarf.	Samtals
Árið 2018			
Staða í upphafi .....	1.460.546.823	432.401.737	1.892.948.560
Kaup .....	138.268.615	0	138.268.615
Gangvirðisbreyting færð í rekstrarreikning .....	389.990.870	61.324.466	451.315.336
Bókfært verð í árslok .....	<u>1.988.806.309</u>	<u>483.726.203</u>	<u>2.482.532.511</u>

Þar af eru uppsafnaðar óinnleystar gagnvirðisbreytingar sem hafa verið færðar í rekstrarreikning 492.424.879

	Eignarhlutir í dótturfélögum	Eignarhlutir í hlutdeildarf.	Samtals
Árið 2017			
Kaup .....	1.460.546.823	391.292.194	1.851.839.017
Gangvirðisbreyting færð í rekstrarreikning .....	0	41.109.543	41.109.543
Bókfært verð í árslok .....	<u>1.460.546.823</u>	<u>432.401.737</u>	<u>1.892.948.560</u>

Þar af eru uppsafnaðar óinnleystar gagnvirðisbreytingar sem hafa verið færðar í rekstrarreikning 41.109.543



## Skýringar

### b Eignarhlutir í félögum

Eignarhlutir í félögum greinast á eftirfarandi hátt:

		Eignarhlut- deild í %	Nafnverð	Bókfært verð	
	Staðsetning			31.12.2018	31.12.2017
Dótturfélög:					
U 14-20 ehf. ....	Reykjavík	100,00%	500.000	178.519.838	89.298.707
U22 ehf. ....	Reykjavík	100,00%	500.000	88.574.030	80.918.440
U24 ehf. ....	Reykjavík	100,00%	500.000	89.714.900	80.008.182
U26 ehf. ....	Reykjavík	100,00%	500.000	61.268.383	53.415.994
Þróunarfélagið Hnoðraholt ehf. ....	Reykjavík	100,00%	109.000.000	1.233.302.063	1.009.905.500
Vesturbugt eignarhaldsfélag ehf. ..	Reykjavík	59,50%	1.470.000	149.000.000	147.000.000
Fasteignastýring ehf. ....	Reykjavík	100,00%	500.000	1	0
Steinsteypan ehf. ....	Reykjavík	50,00%	70.059.096	188.427.094	0
				1.988.806.309	1.460.546.823
Hlutdeildarfélög:					
Kársnesbyggð ehf. ....	Reykjavík	49,99%	188.384.034	282.409.363	237.991.877
Nes Þróunarfélag hf. ....	Reykjavík	32,70%	1.635.000	201.316.840	194.409.860
				483.726.203	432.401.737

### c Verðmatsaðferðir og forsendur sem ekki byggja á markaðsupplýsingum

Félagið á eignarhluti í tíu félögum sem voru keyptir á árinu 2017 og fram til loka 2018. Í öllum félögunum fer fram fasteignapróun sem felst í uppbyggingu fasteigna og fasteignafélaga að undanskyldri Steinsteypunni ehf. sem sér um rekstur steinsteypustöðvar og Fasteignastýringar ehf. sem er ekki í rekstri.

Kaldalón hf. metur virði félaganna út frá nokkrum þáttum. Í þeim tilvikum sem greitt hefur verið fyrir hönnun, jarðvinnu eða gatnagerðargjöld er sá kostnaður eignfærður og bætist við kaupverð lóðanna. Hvað varðar verkefni þar sem byggingaframkvæmdir eru hafnar með sökklum er framvinda metin samkvæmt verk- og kostnaðaráætlun og heildarframlegð verkefnisins metin samkvæmt áætluðu söluverði að frádreginni kostnaðaráætlun verkefna. Áætlað söluverð er byggt á verðmati löggiltra fasteignasala. Gangvirðisaukning hvers tíma er vænt heildarframlegð verkefnis eftir skatta að teknu tilliti til framvindu, og að frádreginni 25% varúðarfærslu. U 14-20 ehf. og Kárnesbyggð ehf. er einu félögin sem metið er með slíkum hætti miðað við 31.12.2018.

Gangvirði félaganna U22 ehf., U24 ehf., U26 ehf., Þróunarfélagið Hnoðraholt ehf., Vesturbugt eignarhaldsfélag ehf. er metið út frá upprunalegum kaupverði að viðbættum framkvæmdakostnaði sem hefur fallið til.

Gangvirði félaganna Steinsteypan ehf. og Nes Þróunarfélag hf. er metið út frá upprunalegum kaupverði að viðbættum framkvæmdakostnaði sem hefur fallið til ásamt endurmati lóða félaganna. Endurmat lóða byggir á mati óháðs fasteignasala.

Mikilvægasta breytan við mat á eignum Kaldalóns er lóðaverð. Við 10% lækkun á markaðsvirði lóða lækkar eigið fé Kaldalóns um 258.990 þús. krónur og við 10% hækkun á markaðsverði lóða hækkar eigið fé félagsins um sömu fjárhæð. Breytingar á framlegð byggingaverkefna hafa nú minni áhrif á eiginfjárstöðu Kaldalóns en 10% lækkun framlegðar lækkar eigið fé um 148.003 þús. krónur og 10% hækkun framlegðar hækkar eigið fé félagsins um 148.003 þús.kr.

### 7 Fasteignir og lóðir

Félagið fjárfesti í lóð í Vogabyggð. Fjárfesting félagsins er færð á kostnaðarverði, kr. 110.806.000. Í kaupsamningi vegna lóðarinnar eru kvaðir um greiðslu 531 m.kr. eftir því sem hverfinu vindur fram og afhendingu annarra eigna dótturfélagsins U14-20 ehf.

## Skýringar

### 8 Skuldir við lánastofnanir

Á árinu endurfjármagnaði félagið lán sitt hjá Kviku banka hf. Lánið er nú á gjalddaga 31.01.2020 og skal höfuðstóll og vextir greiðast í einu lagi þann dag. Vaxtakjör lánsins eru REIBOR 1M með 4% vaxtaálagi. Skuldir félagsins við lánastofnanir eru tryggðar með veðum í fasteignum dótturfélaga félagsins U22 ehf., U24 ehf. og U26 ehf. Félagið hefur einnig undirritað yfirlýsingu um kvöð að félagið muni ekki nema með skriflegu samþykki Kviku banka hf. veðsetja neinar núverandi eignir sínar eða eignir sem félagið kann að eignast síðar.

Skuldir við lánastofnanir greinast á eftirfarandi hátt:	2018	2017
Staða í ársbyrjun .....	60.015.583	0
Tekin ný lán .....	303.000.000	60.000.000
Greitt af lánum .....	(60.015.583)	0
Áfallnir vextir .....	7.631.392	15.583
	<u>310.631.392</u>	<u>60.015.583</u>

Skuldir við lánastofnanir flokkast til langstíma í ársreikningi félagsins þar sem skuldirnar eru á gjalddaga eftir 12 mánuði eða lengur.

Kvika banki hf. er flokkaður sem tengdur aðili vegna umsýslusamningi, sjá nánari upplýsingar í skýringum 9 og 10.

### 9 Viðskipti við tengda aðila

Viðskipti milli Kaldalóns hf., eigenda þess og félaga tengdum þeim uppfylla skilyrði skilgreiningar um viðskipti við tengda aðila. Skilmálar og skilyrði þessa viðskipta voru ákveðin í samræmi við markaðsstaðla og venjur. Í eftirfarandi töflu kemur fram fjárhæð þessa viðskipta og staða eigna og skulda í árslok.

Engin viðskipti sem uppfylla skilgreiningar um viðskipti við tengda aðila voru við stjórnarmenn eða aðila þeim nátengdum fjölskylduböndum, eða fyrirtækja í þeirra eigu á árinu.

Árið 2018	Tekjur	Gjöld	Eignir	Skuldir
U22 ehf. ....	3.703.307		98.526.307	
U24 ehf. ....	1.869.238		40.487.238	
U26 ehf. ....	1.380.999		22.373.999	
U14-20 ehf. ....	17.585.093		770.411.201	
Þróunarfélagið Hnoðraholt ehf. ....		(3.737.229)	0	(109.837.229)
Kársnesbyggð ehf. ....	10.135.233		153.135.233	
Vesturbugt eignarhaldsfélag ....			48.001.700	
Kvika banki hf. ....	2.623.793	(80.901.912)	21.490.927	(360.259.902)
	<u>37.297.663</u>	<u>(84.639.141)</u>	<u>1.154.426.605</u>	<u>(470.097.131)</u>
Árið 2017				
U22 ehf. ....			17.123.000	
U24 ehf. ....			17.123.000	
U26 ehf. ....			17.123.000	
Kvika banki hf. ....	73.244	(8.797.602)	4.320.856	(68.737.602)
	<u>73.244</u>	<u>(8.797.602)</u>	<u>55.689.856</u>	<u>(68.737.602)</u>

Allir ofangreindir tengdir aðilar félagsins eru dóttur- eða hlutdeildarfélag að undanskýldum Kviku banka hf. sem er umsýsluaðili félagsins.

Lánasamningar milli Kaldalóns hf. og dótturfélaga bera 7,5% vexti og skulu greiðast í einni greiðslu 15. janúar 2020. Lánasamningar milli Kaldalóns hf. og hlutdeildarféлага þess bera 12% vexti og skulu greiðast í einni greiðslu 15. janúar 2020.



## Skýringar

### 10 Umsýslupóknun

Rekstraraðili annast rekstur og stýringu á eignum félagsins og veitir því ráðgjöf og þjónustu í samræmi við ákvarðanir stjórnar félagsins. Fyrir þjónustu sína fær rekstraraðili greidda árlega eignastýringarpóknun sem nema skal 2% á ársgrundvelli af heildarvirði eigin fjár félagsins. Þóknunin skal reiknuð ársfjórðungslega og greidd eftir á í lok hvers ársfjórðungs.

### 11 Vaxtatekjur og vaxtagjöld

Til vaxtatekna og vaxtagjalda sem færðar eru í yfirlit yfir heildarafkomu teljast vextir af handbæru fé, vextir af skuldabréfum og vaxtagjöld af skuldum

### 12 Tekjuskattur

Félagið var stofnað sem samlagshlutafélag og ósjálfstæður skattaðili. Félagið var því skattlagt með eignum sínum á árinu 2017. Frá og með ársbyrjun 2018 er félagið hlutafélag og sjálfstæður skattaðili.

Tekjuskattur er reiknaður en ekki færður í ársreikninginn þar sem aðaltekjur félagsins, tekjur af hlutabréfum, eru undanþegnar tekjuskatti. Því verður til hjá félaginu yfirfæranlegt tap sem greinist þannig:

Skattalegt tap ársins 2018, nýtanlegt til ársloka 2028 .....	62.947.112
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Félagið er samskattað með dótturfélögum sínum.

### 13 Handbært fé

Handbært fé samanstendur af bankainnstæðum.

### 14 Eigið fé

Hlutafé er flokkað sem eigið fé.

Á bundinn eiginfjárreikning eru færðar óinnleystar gangvirðisbreytingar, að teknu tilliti til skattaáhrifa ef við á, vegna fjáreigna sem tilgreindar eru á gangvirði í gegnum rekstrarreikning og óheimilt er að ráðstafa til eigenda í formi arðs.

Óráðstafað eigið fé er sá hluti af eigin fé félagsins sem hægt er að ráðstafa til hluthafa í formi arðs.

### 15 Hlutafé

Í lok tímabilsins nam hlutafé félagsins 2.843 millj. kr. og var óverulegur hluti ógreiddur um áramót. Hlutafé félagsins var annars vegar greitt með peningum 1.093 millj. kr. og hins vegar með eignarhlutum í dótturfélögum í öðrum félögum að fjárhæð 1.750 millj. kr.

Á árinu 2018 nýtti stjórn heimild í samþykktum félagsins og tók ákvörðun um að hækka hlutafé um samtals 989 millj. kr. að nafnverði á genginu 1, og varð hlutafé félagsins því 2.843 millj. kr. í kjölfar hækkanna.

	<b>31.12.2018</b>	<b>31.12.2017</b>
Útgefið hlutafé samkvæmt samþykktum .....	2.842.720.837	1.854.172.350

Félagið á eigin hluti að nafnverði 30.100.000 kr. eða 1,058% af útgefnu hlutafé. Ástæða þess að félagið eignaðist eigin hluti er til endursölu.

## Skýringar

### 16 Áhættustýring

Félagið stendur frammi fyrir eftirfarandi megin áhættum vegna fjármálagerninga:

- Markaðsáhætta
- Hlutabréfaáhætta (verðáhætta)
- Vaxtaáhætta

Kaldalón hf. ver ekki markaðsáhattu félagsins. Markaðsáhætta er hættan á að verðbreytingar á mörkuðum hafi neikvæð áhrif á gangvirði og framtíðarsjóðstreymi fjármálagerninga. Markaðsáhætta er tilkomin vegna opinnar stöðu í hlutabréfum og vaxtaberandi gerningum, en slíkir fjármálagerningar eru næmir fyrir almennum og sértækum markaðsbreytingum og flökti í markaðsbreytum, til dæmis vöxtum, skuldaraálagi og hlutabréfaverði.

# **Kaldalón byggingar hf.**

## Ársreikningur 2017

Kaldalón byggingar hf.  
Borgartún 25  
105 Reykjavík

kt. 490617-1320

# Efnisyfirlit

	Bls.
Skýrsla og áritun stjórnar .....	1
Áritun óháðs endurskoðanda .....	2
Rekstrarreikningur .....	3
Efnahagsreikningur .....	4
Eiginfjárfirlit .....	5
Sjóðstreymi .....	6
Skýringar .....	7

## Skýrsla og áritun stjórnar

Kaldalón byggingar hf. var stofnað á árinu 2017. Félagið var í upphafi skráð sem samlagshlutafélag en samþykktum og félagsformi þess breytt í árslok 2017 í hlutafélag.

Tilgangur félagsins er fjárfestingastarfsemi, þ.m.t. fasteignaþróun, kaup, sala, rekstur, eignarhald, umsýsla og uppbygging fasteigna og fasteignafélaga, lánastarfsemi ásamt kaupum og sölu félaga, fjármálagerninga, ýmiss konar skuldaviðurkenninga, s.s. lánessamninga, allt í tengslum við fasteignaviðskipti, fasteignaþróun eða fjármögnun byggingaframkvæmda og annar skyldur rekstur.

Félagið flokkast sem fjárfestingafélag samkvæmt alþjóðlegum reikningsskilastöðlum. Félagið gerir ekki samstæðureikning heldur metur eignir í dóttur- og hlutdeildarfélögum á gangvirði og færir gangvirðisbreytingar í rekstrarreikning.

Hagnaður varð af rekstri félagsins á árinu 2017 að fjárhæð 23.933 þús.kr. Eigið fé félagsins nam 1.878.105 þús.kr. í árslok 2017.

Þann 14. febrúar 2018 nýtti stjórn heimild í samþykktum félagsins og tók ákvörðun um að hækka hlutafé um 333.333 þús. kr. að nafnverði á genginu 1, og varð hlutafé félagsins því 2.187.505 þús. kr. í kjölfar hækunarinnar.

Eigendur í árslok voru níu, en þeir eru eftirfarandi:

Hluthafi	Eignarhlutur
RES ehf. ....	45,6%
RPF ehf. ....	16,3%
Kvika banki hf. ....	10,5%
Loran ehf. ....	9,3%
Premier eignarhaldsfélag ehf. ....	9,3%
GG optic ehf. ....	5,4%
Mjósund 10 ehf. ....	1,8%
Sindrandi ehf. ....	1,8%
Straumur eignarhaldsfélag ehf. ....	0,0%

Enginn starfsmaður var á launaskrá hjá félaginu á árinu. Félagið hefur gert samning um eignastýringu og umsjón með daglegum rekstri við Kviku banka hf.

Stjórn félagsins leggur til að ekki verði greiddur arður á árinu 2018 vegna rekstrar ársins 2017. Að öðru leyti vísar stjórnin til ársreikningsins um ráðstöfun hagnaðar og aðrar breytingar á bókfærðu eigin fé.

### Yfirlýsing stjórnar

Samkvæmt bestu vitneskju stjórnar er ársreikningur félagsins í samræmi við alþjóðlega reikningsskilastaða eins og þeir hafa verið staðfestir af Evrópusambandinu og það álit stjórnar að ársreikningurinn gefi glögga mynd af eignum, skuldum og fjárhagsstöðu þess þann 31. desember 2017 og rekstrarafkomu þess og breytingum á handbæru fé á árinu og breytingu á eigin fé á árinu.

Stjórn hefur í dag rætt ársreikning félagsins fyrir árið 2017 og staðfestir hann með undirritun sinni.

Reykjavík, 2 / 5 2018

Stjórn

*Vænfræm*  
*Ásgeir Baldur*  
*Elfi R. Elfi*



# Áritun óháðs endurskoðanda

Til stjórnar og hluthafa Kaldalóns bygginga hf.

## Áritun um endurskoðun ársreikningsins

### Álit

Við höfum endurskoðað ársreikning Kaldalóns bygginga hf. („félagið“) fyrir árið 2017. Ársreikningurinn hefur að geyma rekstrarreikning, efnahagsreikning, eiginfjárfirilt, sjóðstreymisýfirlit, upplýsingar um mikilvægar reikningsskilaaðferðir og aðrar skýringar.

Það er álit okkar að ársreikningurinn gefi glögga mynd af fjárhagsstöðu félagsins 31. desember 2017 og afkomu þess og breytingu á handbæru fé á árinu 2017, í samræmi við alþjóðlega reikningsskilastaðla eins og þeir hafa verið staðfestir af Evrópusambandinu.

### Grundvöllur álits

Við endurskoðumum í samræmi við alþjóðlega endurskoðunarstaðla. Ábyrgð okkar samkvæmt stöðlunum er lýst frekar í kaflanum *Ábyrgð endurskoðanda á endurskoðun ársreikningsins* í árituninni. Við erum óháð félaginu í samræmi við siðareglur fyrir endurskoðendur á Íslandi og höfum uppfyllt aðrar siðferðisskyldur okkar í samræmi við þær reglur. Við teljum að við höfum aflað nægilegra og viðeigandi endurskoðunargagna til að byggja álit okkar á.

### Ábyrgð stjórnar og framkvæmdastjóra á ársreikningnum

Stjórn og framkvæmdastjórnar eru ábyrg fyrir gerð og glöggri framsetningu ársreikningsins í samræmi við alþjóðlega reikningsskilastaðla eins og þeir hafa verið staðfestir af Evrópusambandinu og fyrir því innra eftirliti sem þau telja nauðsynlegt til að gera þeim kleift að setja fram ársreikning sem er án verulegra annmarka, hvort sem er vegna sviksemi eða mistaka.

Við gerð ársreikningsins ber stjórn og framkvæmdastjórn að leggja mat á rekstrarhæfi félagsins og upplýsa, eftir því sem við á, um þætti er varða rekstrarhæfi og miða grundvöll reikningsskilanna við áframhaldandi rekstrarhæfi, nema þau ætli annað hvort að leysa félagið upp eða hætta starfsemi þess, eða hafa engan annan raunhæfan kost en að gera það.

### Ábyrgð endurskoðanda á endurskoðun ársreikningsins

Markmið okkar eru að öðlast hæfilega vissu um hvort ársreikningurinn í heild sé án verulegra annmarka, hvort sem er vegna sviksemi eða mistaka, og að gefa út áritun endurskoðanda sem inniheldur álit okkar. Í hæfilegri vissu felst mikil víska en ekki trygging fyrir því að endurskoðun í samræmi við alþjóðlega endurskoðunarstaðla muni alltaf leiða í ljós verulega annmarka ef þeir eru fyrir hendi. Annmarkar geta komið fram vegna sviksemi eða mistaka og eru taldir verulegir ef þeir einir og sér eða samanlagt gætu haft áhrif á efnahagslegar ákvarðanir sem notendur ársreikningsins taka á grundvelli hans.

Við endurskoðum í samræmi við alþjóðlega endurskoðunarstaðla beittum við ávallt faglegri dómgreind og viðhöfum faglega gagnrýni. Að auki:

- \* Greinum við og metum hættu á verulegri skekkju í ársreikningnum, hvort sem er vegna sviksemi eða mistaka, skipuleggjum og framkvæmum endurskoðunaraðgerðir til að bregðast við þeirri hættu og öflum endurskoðunargagna sem eru nægjanleg og viðeigandi til að byggja álit okkar á. Hættan á að uppgötva ekki verulega skekkju vegna sviksemi er meiri en að uppgötva ekki skekkju vegna mistaka, þar sem sviksemi getur falið í sér samsæri, fölsun, að einhverju sé viljandi sleppt, villandi framsetningu eða að farið sé framhjá innra eftirliti.
- \* Öflum við skilnings á innra eftirliti, sem varðar endurskoðunina, til að skipuleggja viðeigandi endurskoðunaraðgerðir, en ekki til að veita álit á virkni innra eftirlits félagsins.
- \* Metum við hvort reikningsskilaaðferðir og reikningshaldslegt mat stjórnenda og tengdar skýringar séu viðeigandi.
- \* Ályktum við um hvort notkun stjórnar og framkvæmdastjóra á forsendu reikningsskilanna um rekstrarhæfi sé viðeigandi og metum, á grundvelli endurskoðunarinnar, hvort aðstæður séu til staðar sem valdið gætu verulegum vafa um rekstrarhæfi félagsins. Ef við teljum að verulegur vafi leiki á rekstrarhæfi ber okkur, í áritun okkar, að vekja sérstaka athygli á viðeigandi skýringum ársreikningsins eða, ef slíkar skýringar eru ófullnægjandi, að víkja frá fyrirvaralausri áritun. Niðurstaða okkar byggir á endurskoðunargögnum sem aflað er fram að dagsetningu áritunar okkar. Samt sem áður geta atburðir eða aðstæður í framtíðinni gert félagið órekstrarhæft.
- \* Metum við framsetningu, uppbyggingu og innihald ársreikningsins í heild, að meðtöldum skýringum, og hvort ársreikningurinn gefi glögga mynd af undirliggjandi viðskiptum og atburðum.

Við upplýsum stjórn meðal annars um áætlað umfang og tímasetningar endurskoðunarinnar og veruleg atriði sem upp kunna að koma í endurskoðun okkar, þar á meðal verulega annmarka á innra eftirliti.

### Staðfesting vegna annarra ákvæða laga

Í samræmi við ákvæði 2. mgr. 104 gr. laga nr. 3/2006 um ársreikninga staðfestum við samkvæmt okkar bestu vitund að í skýrslu stjórnar sem fylgir þessum ársreikningi eru veittar þær upplýsingar sem þar ber að veita í samræmi við lög um ársreikninga og koma ekki fram í skýringum.

Reykjavík, 2 / 5 2018

KPMG ehf.

# Rekstrarreikningur

	Skýringar	2017
<b>Fjárfestingatekjur</b>		
Gangvirðisbreyting eignarhluta í félögum .....	6	41.109.543
Vaxtatekjur .....		73.244
Vaxtagjöld .....		(77.283)
<b>Hreinar fjárfestingartekjur</b>		41.105.504
<b>Rekstrarkostnaður</b>		
Rekstrarkostnaður .....		(17.172.625)
Rekstrarkostnaður samtals		(17.172.625)
<b>Hagnaður ársins</b>		23.932.879

Skýringar á bls. 7 til 10 eru óaðskiljanlegur hluti ársreikningsins.

## Efnahagsreikningur

Eignir	Skýringar	31.12.2017
Eignarhlutir í dótturfélögum .....	5, 6	1.460.546.823
Eignarhlutir í hlutdeildarfélögum .....	5, 6	432.401.737
Lán til tengdra félaga .....		51.369.000
Skammtímakröfur .....		14.648
Handbært fé .....	10	4.320.856
<b>Eignir samtals</b>		<b>1.948.653.064</b>
<b>Eigið fé og skuldir</b>		
Hlutfé .....		1.854.172.350
Gangvirkisreikningur .....		41.109.543
Ójafnað eigið fé .....		(17.176.664)
<b>Eigið fé samtals</b>	11, 12	<b>1.878.105.229</b>
Skuldir við lánastofnanir .....		60.015.583
Viðskiptaskuldir .....		10.532.252
<b>Skuldir samtals</b>		<b>70.547.835</b>
<b>Eigið fé og skuldir samtals</b>		<b>1.948.653.064</b>

Skýringar á bls. 7 til 10 eru óaðskiljanlegur hluti ársreikningsins.

## Eiginfjáryfirlit

1. janúar 2017 til 31. desember 2017	Skýringar	Hlutfé	Gangvirðis- reikningur	Ójafnað eigið fé	Samtals
Selt hlutfé á árinu .....		1.854.172.350	0	0	1.854.172.350
Hagnaður ársins .....			41.109.543	(17.176.664)	23.932.879
<b>Eigið fé 31. desember 2017</b>		1.854.172.350	41.109.543	(17.176.664)	1.878.105.229

Skýringar á bls. 7 til 10 eru óaðskiljanlegur hluti ársreikningsins.

## Sjóðstreymi

Rekstrarhreyfingar	Skýringar	2017
Hagnaður ársins .....		23.932.879
Rekstrarliðir sem hafa ekki áhrif á handbært fé:		
Gangvirðisbreyting eignarhluta í félögum .....		(41.109.543)
		(17.176.664)
Breytingar á rekstartengdum eignum og skuldum .....		10.517.604
<b>Handbært fé til rekstrar</b>		<b>(6.659.060)</b>
<b>Fjárfestingahreyfingar</b>		
Keyptir eignarhlutir í dótturfélögum .....		(147.000.000)
Lán til tengdra aðila .....		(51.369.000)
<b>Fjárfestingahreyfingar</b>		<b>(198.369.000)</b>
<b>Fjármögnunarahreyfingar</b>		
Lánasamningar, breyting .....		60.015.583
Innborgað hlutafé .....	12	149.333.333
<b>Fjármögnunarahreyfingar</b>		<b>209.348.916</b>
Handbært fé við stofnun .....		0
Breyting handbærs fjár .....		4.320.856
<b>Handbært fé í árslok</b>		<b>4.320.856</b>
<b>Fjárfestinga- og fjármögnunarahreyfingar sem hafa ekki áhrif á sjóðstreymi</b>		
Keyptir eignarhlutir í dótturfélagi .....		(1.313.546.823)
Keyptir eignarhlutir í hlutdeildarfélagi .....		(391.292.194)
Hlutfjárhækkun .....		1.704.839.017

Skýringar á bls. 7 til 10 eru óaðskiljanlegur hluti ársreikningsins.

# Skýringar

## Almennar upplýsingar

### 1. Félagið

Kaldalón byggingar hf., hér eftir nefnt félagið, er íslenskt hlutafélag með starfsemi í Reykjavík. Aðsetur þess er Borgartún 25, Reykjavík.

Tilgangur félagsins er fjárfestingastarfsemi, þ.m.t. fasteignaþróun, kaup, sala, rekstur, eignarhald, umsýsla og uppbygging fasteigna og fasteignafélaga, lánastarfsemi ásamt kaupum og sölu félaga, fjármálagerninga, ýmiss konar skuldaviðurkenninga, s.s. lánsamninga, allt í tengslum við fasteignaviðskipti, fasteignaþróun eða fjármögnun byggingaframkvæmda og annar skyldur rekstur.

## Reikningsskilaaðferðir

### 2. Yfirlýsing um beitingu alþjóðlegra reikningsskilastaðla

Ársreikningur félagsins er gerður í samræmi við alþjóðlega reikningsskilastaðla eins og þeir hafa verið staðfestir af Evrópusambandinu. Ársreikningur félagsins er jafnframt í samræmi við lög um ársreikninga og reglugerð um framsetningu og innihald ársreikninga og samstæðureikninga.

Stjórn og framkvæmdastjóri félagsins staðfestu ársreikninginn með undirritun sinni þann 2. maí 2018.

### 3. Grundvöllur reikningsskilanna

Ársreikningurinn er gerður og birtur í íslenskum krónum sem er starfrækslugjaldmiðill félagsins. Til að auka upplýsingagildi ársreikningsins eru skýringar við hann birtar á grundvelli þess hversu viðeigandi og mikilvægar þær eru fyrir lesandann. Það þýðir að upplýsingar sem metnar eru hvorki mikilvægar né viðeigandi fyrir notanda reikningsskilanna eru ekki birtar í skýringum.

Félagið telst fjárfestingarfélag samkvæmt alþjóðlegum reikningsskilastöðlum, en félagið stýrir eignasafni sínu á grundvelli gangvirðis og hefur eingöngu tekjur af fjárfestingum sínum gegnum gangvirðisbreytingar og aðrar tekjur af fjárfestingum. Ársreikningurinn byggir á kostnaðarverði að því undanskildu að eignarhluti í dóttur- og hlutdeildarfélögum og veltufjáreignir eru færðar á gangvirði. Félagið gerir ekki samstæðustæðureikning.

### 4. Mat og ákvarðanir

Gerð reikningsskila í samræmi við alþjóðlega reikningsskilastaðla krefst þess að stjórnendur taki ákvarðanir, meti og gefi sér forsendur sem hafa áhrif á beitingu reikningsskilaaðferða og birtar fjárhæðir eigna, skulda, tekna og gjalda. Endanlegar niðurstöður kunna að verða frábrugðnar þessu mati. Mat og forsendur eru í stöðugri endurskoðun. Breytingar á reikningshaldslegu mati eru færðar á því tímabili sem breytingin á sér stað. Matsóvissa félagsins felst að lang mestu leyti í ákvörðun gangvirðis eignarhluta þess í öðrum félögum. Gerð er grein fyrir eignarhlutum í öðrum félögum og matsaðferðum í skýringum 5 og 6.

### 5. Flokkun fjáreigna og fjárskulda

Fjáreignir og fjárskuldir eru flokkaðar í sérstaka flokka sem segja til um hvernig meta skuli þær eftir upphaflega skráningu þeirra. Um síðara mat hvers flokks fer sem hér segir:

- Lán og kröfur, metnar á afskrifuðu kostnaðarverði;
- Veltufjáreignir og veltufjárskuldir, metnar á gangvirði;
- Fjáreignir sem tilgreindar eru á gangvirði gegnum rekstrarreikning, metnar á gangvirði;
- Aðrar fjárskuldir, metnar á afskrifuðu kostnaðarverði.

Taflan hér á eftir sýnir flokkun fjáreigna og fjárskulda félagsins í samræmi við IAS 39 og gangvirði þeirra.

	Lán og kröfur	Fjáreignir tilgreindar á gangvirði	Skuldir á afskrifuðu kostnaðarverði	Samtals bókfært verð
<b>Fjáreignir félagsins</b>				
Eignarhlutir í dótturfélögum .....		1.460.546.823		1.460.546.823
Eignarhlutir í hlutdeildarfélögum .....		432.401.737		432.401.737
Lán til tengdra félaga .....	51.369.000			51.369.000
Skammtímakröfur .....	14.648			14.648
Handbært fé .....	4.320.856			4.320.856
<b>Samtals</b>	55.704.504	1.892.948.560	0	1.948.653.064
<b>Fjárskuldir félagsins</b>				
Skuldir við lánastofnanir .....			60.015.583	60.015.583
Viðskiptaskuldir .....			10.532.252	10.532.252
<b>Samtals</b>	0	0	70.547.835	70.547.835

# Skýringar

## 6. Gangvirði fjáreigna og fjárskulda

### a. Þrepaskipting gangvirðis

Gangvirði er skipt í þrjá flokka eftir því hvort aðferðirnar sem eru notaðar við ákvörðun gangvirðis byggja á markaðsgögnum eða ekki. Markaðsgögn endurspegla markaðsupplýsingar frá óháðum aðilum. Gangvirði sem byggir ekki á markaðsgögnum byggja á forsendum sem félagið gefur sér. Byggt á þessum tveimur tegundum breyta, er þrepaskipting gangvirðis ákvörðuð þannig:

- Prep 1 - Uppgefið verð á virkum markaði. Hér er um að ræða skráð hlutabréf og skuldabréf í kauphöllum.
- Prep 2 - Hér er verð byggt á gögnum, öðrum en uppgefnum verðum eins og í þrepi 1, sem þó eru aðgengileg á markaði, annað hvort beint eða óbeint. Gögn sem notuð eru við gangvirðisútreikninga hér geta verið t.d. LIBOR vaxtakúrfa og lánshæfismat mótaðila.
- Prep 3 - Hér fellur undir gangvirði eigna og skulda sem ekki byggir á markaðsgögnum. Hér er aðallega um að ræða hlutabréf og skuldabréf sem verðmetin eru út frá gögnum sem eru að verulegu leyti óaðgengileg á markaði.

Eftirfarandi töflur sýna þrepaskiptingu við ákvörðun gangvirðis þeirra fjáreigna sem færðar eru á gangvirði í reikningsskil félagsins. Félagið birtir ekki gangvirði annarra fjáreigna þar sem bókfært verð þeirra er talið endurspegla gangvirðið.

### 3. þrep

#### 31.12.2017

Eignarhlutir í dótturfélögum .....	1.460.546.823
Eignarhlutir í hlutdeildarfélögum .....	432.401.737
	1.892.948.560

Eftirfarandi er afstemming frá upphafi til loka tímabilsins á fjáreignum og fjárskuldum félagsins sem falla í 3. þrep gangvirðis.

	Eignarhlutir í dótturf.	Eignarhlutir í hlutdeildarf.
Kaup .....	1.460.546.823	391.292.194
Gangvirðisbreyting færð í rekstrarreikning .....	0	41.109.543
<b>Bókfært verð 31. desember 2017</b>	<b>1.460.546.823</b>	<b>432.401.737</b>

### b. Eignarhlutir í félögum

Dótturfélög	Staðsetning	Eignarhlutur	Nafnverð	Bókfært virði
U 14-20 ehf. ....	Reykjavík	100,00%	500.000	89.298.707
U22 ehf. ....	Reykjavík	100,00%	500.000	80.918.440
U24 ehf. ....	Reykjavík	100,00%	500.000	80.008.182
U26 ehf. ....	Reykjavík	100,00%	500.000	53.415.994
Þróunarfélagið Hnoðraholt ehf. ....	Reykjavík	100,00%	1.000.000	1.009.905.500
Vesturbugt eignarhaldsfélag ehf. ....	Reykjavík	59,50%	1.470.000	147.000.000
<b>Samtals</b>			<b>4.470.000</b>	<b>1.460.546.823</b>

Hlutdeildarfélög	Staðsetning	Eignarhlutur	Nafnverð	Bókfært virði
Kársnesbyggð ehf. ....	Reykjavík	49,99%	188.376.718	237.991.877
Nes Þróunarfélag slhf. ....	Reykjavík	32,70%	1.633.333	194.409.860
<b>Samtals</b>			<b>190.010.051</b>	<b>432.401.737</b>

<b>Dóttur- og hlutdeildarfélög samtals</b>	<b>194.480.051</b>	<b>1.892.948.560</b>
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Öll dótturfélögin og hlutdeildarfélögin eru félög utan um fasteignaverkefni.

### c. Verðmatsaðferðir og forsendur sem ekki byggja á markaðsupplýsingum

Félagið á eignarhluti í átta félögum. Gangvirði hvers þeirra er metið með veðmatslíkani sem félagið telur best eiga við í hverju tilviki fyrir sig. Eignarhlutirnir eru því ekki allir metnir með sama hætti. Fjárfest var í öllum félögunum á árinu og er kaupverð þeirra talið besta nálgun á gangvirði þeirra. Í einu félagi er þó tekið tillit til framvindu varðandi byggingaframkvæmdir á frá kaupdegi til ársloka.



## Skýringar

### 7. Umsýslubóknun

Rekstraraðili annast rekstur og stýringu á eignum félagsins og veitir því ráðgjöf og þjónustu í samræmi við ákvarðanir stjórnar félagsins. Fyrir þjónustu sína fær rekstraraðili greidda árlega eignastýringarþóknun sem nema skal 2% á ársgrundvelli af heildarvirði eigna félagsins. Þóknunin skal reiknuð ársfjórðungslega og greidd eftir á í lok hvers ársfjórðungs.

### 8. Vaxtatekjur og vaxtagjöld

Til vaxtatekna og vaxtagjalda sem færðar eru í yfirlit yfir heildarafkomu teljast:

- vextir af handbæru fé
- vextir af skuldabréfi
- vaxtagjöld af skuldum.

### 9. Tekjuskattur

Félagið var stofnað sem samlagshlutafélag og ósjálfstæður skattaðili. Félagið er því skattlagt með eignum sínu á árinu 2017. Frá og með ársbyrjun 2018 er félagið hlutafélag og sjálfstæður skattaðili.

### 10. Handbært fé

Handbært fé samanstendur af bankainnstæðum.

### 11. Eigið fé

#### a. Hlutfé

Hlutfé er flokkað sem eigið fé.

#### b. Gangvirðisreikningur

Á gangvirðisreikning er færður óinnleystur gengishagnaður vegna fjáreigna sem tilgreindar eru á gangvirði í reikningskilum félagsins og óheimilt er að ráðstafa til eigna í formi arðs.

#### c. Óráðstafað (ójafnað) eigið fé

Óráðstafað (ójafnað) eigið fé er sá hluti af eigin fé félagsins sem hægt er að ráðstafa til hluthafa í formi arðs.

### 12. Hlutfé

Félagið var stofnað á árinu. Í árslok nam hlutfé félagsins 1.854 millj. kr. Hlutfé félagsins var annars vegar greitt með peningum 147 millj. kr. og hins vegar með eignarhlutum í dótturfélögum og öðru félögum að fjárhæð 1.707 millj. kr.

Hlutfé

**31.12.2017**

Útgefið hlutfé samkvæmt samþykktum ..... 1.854.172.350

Eitt atkvæði fylgir hverjum einnar krónu hlut í félaginu.

### 13. Viðskipti við tengda aðila

Viðskipti milli Kaldalóns bygginga hf. og eignum þess og félaga tengdum þeim uppfylla skilyrði skilgreiningar um viðskipti við tengda aðila. Skilmálar og skilyrði þessa viðskipta voru ákveðin í samræmi við markaðsstaðla og venjur. Í eftirfarandi töflu kemur fram fjárhæð þessa viðskipta og staða eigna og skulda í árslok 2017.

Engin viðskipti sem uppfylla skilgreiningar um viðskipti við tengda aðila voru við stjórnarmenn eða aðila þeim nátengdum fjölskylduböndum, eða fyrirtækja í þeirra eigu á árinu 2017.

2017	Tekjur	Gjöld	Eignir	Skuldir
U22 ehf. ....			17.123.000	
U24 ehf. ....			17.123.000	
U26 ehf. ....			17.123.000	
Kvika banki hf. ....	73.244	(8.797.602)	4.320.856	(60.015.583)
<b>Samtals</b>	<b>73.244</b>	<b>(8.797.602)</b>	<b>55.689.856</b>	<b>(60.015.583)</b>

## Skýringar

### 14. Áhættustýring

Félagið stendur frammi fyrir eftirfarandi megin áhættum vegna fjármálagerninga:

Markaðsáhætta

- Hlutabréfaáhætta (verðáhætta)
- Vaxtaáhætta

Kaldalón byggingar hf. ver ekki markaðsáhættu félagsins. Markaðsáhætta er hættan á að verðbreytingar á mörkuðum hafi neikvæð áhrif á gangvirði og framtíðarsjóðstreymi fjármálagerninga. Markaðsáhætta er tilkomin vegna opinna staða í hlutabréfum og vaxtaberandi gerningum, en slíkir fjármálagerningar eru næmir fyrir almennum og sértækum markaðsbreytingum og flökti í markaðsbreytum, til dæmis vöxtum, skuldaraálagi og hlutabréfaverði.

### 15. Nýir reikningsskilastaðlar

Félagið hefur tekið upp alla alþjóðlega reikningsskilastaðla, breytingar á þeim og túlkanir sem Evrópusambandið hefur staðfest og hafa tekið gildi frá og með reikningsárinu sem hófst 1. janúar 2017 og eiga við um starfsemi þess. Félagið hefur ekki tekið upp staðla, breytingar á stöðlum eða túlkanir sem taka gildi eftir 31. desember 2017 en heimilt er að taka upp fyrr.

Eini ný staðalinn sem skiptir einhverju máli fyrir félagið er IFRS 9, *Fjármálagerningar*. Staðalinn mun hafa áhrif á flokkun eigna og skulda, en óveruleg áhrif á rekstur eða efnahag félagsins. Staðalinn tekur gildi 1. janúar 2018.