

# ANNUAL GENERAL MEETING OF SKELJUNGUR HF. 2021

Skeljungur hf.'s annual general meeting will be held on Thursday, 4 March 2021, in rooms 2-3 at Icelandair Hotel Reykjavik Natura, Nauthólsvegur 52, 102 Reykjavik<sup>1</sup>

## Agenda of the meeting

- 1.** Election of a chairman and secretary of the annual general meeting.
- 2.** Report from the Board of Directors on the activities of the Company in the preceding year of operation.
- 3.** The annual financial statements of the Company for the past year, together with the Auditor's notes, submitted for approval.
- 4.** Voting on a proposed amendment to the Company's policy on dividend payments.
  - The proposal calls for the shareholders' meeting to approve an amendment to the Company's policy on dividend payments, so that instead of providing for an annual dividend payment and/or for the executed repurchases of own shares to correspond to 30-50% of earnings after taxes, the policy should provide for a dividend payment corresponding to up to 50% of earnings after taxes.
- 5.** Decision on the disposal of the profit of the Company during the operating year.
- 6.** Voting on the submitted proposal on the authorisation of the Company to purchase its own shares.
  - The proposal calls for the shareholders' meeting to authorise the Company's Board of Directors to purchase shares in the Company corresponding to up to 10% of the Company's share capital.
- 7.** Voting on the submitted proposal for reduction of share capital.
  - The proposal concerns a reduction of the Company's share capital from ISK 1,985,675,666, in nominal value, to 1,936,033,774, in nominal value, by cancellation of all the Company's own shares, having the nominal value of ISK 49,641,892. No payments would therefore be made out of the Company in connection with the reduction in share capital in accordance with the proposal.

---

<sup>1</sup> Note that the arrangement of the meeting may need to be changed with reference to the COVID-19 restrictions in effect on the day of the meeting, e.g. by meeting electronically, taking into account all the rules of the Companies Act regarding shareholders' meetings. Any changes to such effect will be announced in the stock exchange no later than three days prior to the meeting.



- 8.** Voting on the submitted proposed amendments to the Company's Articles of Association.
  - The proposals are as follows:
    - Amendments to paragraph 3 and 4 of Article 4 of the Articles of Association, *with the effect* of extending to 1 September 2022 the authorisation of the Board of Directors to increase the share capital of the Company through subscriptions to new shares, but reducing the maximum amount to ISK 811,078 in nominal value in order to meet the Company's obligations under option, purchase and/or subscription agreements with employees *and with the effect* of increasing the share capital of the Company with the issue of new shares up to a maximum of ISK 198,567,566 in nominal value, but never more than 10% of the Company's total share capital, if the Board of Directors is of the opinion that there is a need for use of the new shares as consideration in trading.
- 9.** Proposal from the Board of Directors on an unchanged Remuneration Policy for the Company.
- 10.** Voting on a proposal regarding remuneration to Board members, Examiners and committee members.
  - A proposal is submitted for a change in the employment terms of Board members and committee members in line with increases in the wage-terms index in 2018-2020. No proposal is submitted for a change in the engagement terms of auditors.
- 11.** Report and proposals of the Nomination Committee regarding the Board of Directors.
- 12.** Elections of Board Members.
- 13.** Election of the Nomination Committee.
- 14.** Election of Auditor.
  - Proposal submitted for KPMG to be re-elected as the Company's audit firm for the next year.
- 15.** Any other business lawfully submitted to the meeting or approved for discussion by the meeting.

## **SHAREHOLDERS' RIGHTS**

Parties who are registered as shareholders, according to the company's share register at the time of the meeting, may exercise their rights at the shareholders' meeting. The share register refers to results of transactions in Nasdaq SCD Iceland on March 3, 2021.

When a shareholder has paid up his share in full, the shareholder shall be issued an electronic certificate which confers full rights provided for by law and in Skeljungur's Articles of Association. Persons acquiring shares in the Company cannot exercise their rights as shareholders unless their names have been entered in the Company's share ledger. Results of transaction in Nasdaq SCD Iceland registers two days after transaction and therefore it is recommended that the last trading date should be March 1, 2021, if shareholders wish to exercise their rights at the AGM 2021.



A shareholders' meeting is legitimate if legitimately convened, regardless of attendance.

### **Shareholders rights to request items on the agenda**

Shareholders have the right to request items to be put on the agenda and to submit proposals if requested in writing no later than on Monday 22, February 2021 by 16:00. Such proposals shall be sent to [fjarfestar@skeljungur.is](mailto:fjarfestar@skeljungur.is) and will be published on the company's website. If a shareholder has requested that a matter shall be a part of the agenda or submitted a proposal before this date, the final agenda and proposals shall be updated on the company's website no later than three days before the meeting. Proposals not listed in the agenda of the shareholders' meeting cannot be resolved at the meeting unless approved by all shareholders of the company. Such matters may however be formed into a guidance for the Board of Directors.

### **Rules on attendance at the AGM**

All shareholders may attend the meeting and make a statement. Shareholders can send their questions to [fjarfestar@skeljungur.is](mailto:fjarfestar@skeljungur.is) or present their questions at the meeting. Shareholders' may be accompanied by a consultant. The consultant has neither the right to make a proposal nor any voting rights at the meeting. Shareholders may allow the consultants to speak for their hand.

Shareholders who cannot attend the meeting can provide others with power of attorney. A power of attorney form is available on the Company's website. The agent must submit the power of attorney at the meeting or have send to [fjarfestar@skeljungur.is](mailto:fjarfestar@skeljungur.is) in advance. The power of attorney shall never be valid for more than one year from its date. It may be revoked at any time, but not after the meeting has commenced.

### **Rules on voting**

At a shareholders meeting, each ISK 1 in shares shall have one vote. Skeljungur's total share capital is 1.985.675.666, Skeljungur's own shares are total 49.641.892. At the meeting, a simple plurality of votes will decide issues, unless the Company's Articles of Association or national laws stipulate otherwise. If a proposal receives an equal number of votes, for and against, it is considered defeated.

Voting will only be in writing if demanded at the meeting by a voting party or the meeting chairman makes such a ruling. Election of the Board shall be in writing if candidatures exceed the number of board members. Election of Board members shall be a majority election between individuals, unless a rightful claim to a proportional or a multiplication election is received from shareholders controlling a minimum of 1/10 of the share capital. Such request must have been received by the Board of the Company before 16:00 Saturday February 27, 2021 at [fjarfestar@skeljungur.is](mailto:fjarfestar@skeljungur.is). In case votes break even at elections lots drawn will decide issues.

The Company reserves the right to conduct all voting at the meeting electronically.

Shareholders may request to vote on matters on the agenda through postal voting. A request for postal voting shall have been received at the company's office or at [fjarfestar@skeljungur.is](mailto:fjarfestar@skeljungur.is) no later than at 16:00 on Saturday February 27, 2021. On the company's website shareholders can find instructions on postal voting.



For more information about the rights of shareholders, refer to Act no. 2/1995 on Public Limited Companies, which are available on the Alþingis's website, [www.althingi.is](http://www.althingi.is).

### **Candidature information**

Notifications about candidature for the Board of Directors must be submitted before 16:00 Saturday February 27, 2021, at [tilnefningarnefnd@skeljungur.is](mailto:tilnefningarnefnd@skeljungur.is) or at the Company's office at Borgartún 26, Reykjavík. Candidature form that can be found on the Company's website shall be used. It is noted that the Nomination Committee will not be able to assess candidature that are received after 16:00 on February 18, 2021 and those candidature can therefore not be proposals for the committee. If the committee's proposal changes as set out in the call to a meeting, a new proposal will be published no later than February 22, 2021. Information about all candidates will be published on the Company's website no later than two days before the Annual General Meeting.

Notification about candidature to the Nomination Committee must be submitted before 16:00 Saturday February 27, 2021, at [fjarfestar@skeljungur.is](mailto:fjarfestar@skeljungur.is) or at the Company's office at Borgartún 26, Reykjavík. Information about candidates will be published on the Company's website no later than two days before the Annual General Meeting.

### **Other information**

The shareholders' meeting will be conducted in Icelandic. The meeting documents will be available in Icelandic and English.

The meeting will be paperless. Agenda for the annual general meeting and meeting data including proposals from the Board to the meeting, will be available on the Company's website. The data will also be displayed to shareholders during work hours of the Company at the Company's headquarters at Borgartún 26 in Reykjavík, before the meeting.

Shareholders and their agents can register for the meeting at the meeting location from 15:00 on the meeting date. Shareholders can also register in advance, until 14:00 on the day of the meeting, by sending an e-mail to [fjarfestar@skeljungur.is](mailto:fjarfestar@skeljungur.is), shareholders are encouraged to pre-register in light of Covid-19. Please send your request with a name and id.no. and if appropriate a filled out mandate to [investors@skeljungur.is](mailto:investors@skeljungur.is)

All documents can be found on the Company's website, <https://en.skeljungur.is/shareholder-meeting-2021>

See also the proposals to the meeting.

**Reykjavik, 11 February 2021**

**Board of Directors of Skeljungur hf.**

