

Festi hf.: Results of the shareholders' meeting on August 23, 2023

A shareholders' meeting at Festi hf. was held on Wednesday August 23, 2023, at 10:00 am at the Company's headquarters at Dalvegur 10-14, Kópavogur. The following proposals were approved at the meeting.

1. The meeting approved the following proposal for the reduction of share capital due to own shares:

"The shareholders' meeting of Festi hf., held on 23 August 2023, agrees to reduce the share capital of the Company from ISK 312,500,000 in nominal value to ISK 304,500,000 in nominal value, solely to reduce its own shares in accordance with Act No. 2/1995 on Public Limited Companies. The company's share capital thereby decreases by ISK 8,000,000 in nominal value. The reduction applies only to own shares acquired by the Company through the purchase of its own shares in accordance with a buyback program approved at the Company's Annual General Meeting on 22 March 2022 in accordance with Article 55 of Act No. 2/1995 on Public Limited Companies."

Article 4 of the Company's Articles of Association changes in accordance with the approved proposal.

2. The meeting approved the following proposal for the Board of Directors authorization to increase the Company's share capital. The proposal will be incorporated into the Company's Articles of Association as a new provision which shall become the fifth paragraph of Article 5.

"The shareholders' meeting of Festi hf., held on 23 August 2023, agrees to authorise the Company's Board of Directors to issue new shares in the Company at a nominal value of up to ISK 10,000,000. The Board's authorisation shall only be used to fulfil the Company's obligations regarding the payment of a portion of the purchase price according to an agreement between Festi hf. and SID ehf., dated 13 July 2023, regarding the acquisition by Festi hf. of all shares in Lyfja hf. Shareholders' preemptive rights according to the first paragraph of Article 5 of the Company's Articles of Association do not apply to the new share capital, and shareholders therefore waive their subscription rights to the share capital increase in accordance with the provisions of the third paragraph of Article 34 of Act No. 2/1995 on Limited Companies. The newly issued shares will be in the same class and carry the same rights as other shares in the Company, subject to the restrictions resulting from the imposition of a sales ban according to the purchase agreement. The newly issued shares shall grant rights from the date of registration of the share capital increase. The authorisation is granted to 15 May 2024. The Company's Board of Directors shall be authorised to make the necessary amendments to the Company's Articles of Association in connection with the utilization of the authorisation. This authorisation shall be removed from the Articles of Association when it has been utilized."

3. Other proposals regarding amendments to the Company's Articles of Association were approved.

Regarding the amendments, reference is made to the proposal document for the meeting, which is available on the company's website, <https://www.festi.is/en/cc/egm-2023>.

For further information, please contact Ásta S. Fjeldsted, CEO of Festi - asta@festi.is