

ARTICLES OF ASSOCIATION FOR

FESTI HF

Chapter I.

Name of the Company, address and purpose

Article 1.

The Company is a public limited liability company and the name of the Company is Festi hf.

Article 2.

The registered office of the Company is at Dalvegur 10-14 Kópavogur.

Article 3.

The company's purpose is the ownership and operation of companies leading in the respective markets, inter alia sale of fuel and groceries, sale, ownership and operation of real estate, purchase, sale and ownership of securities, as well as credit operations related to the operation of the company and other related operations.

Chapter II.

The Share Capital of the Company

Article 4.

The share capital of the Company amounts to nominal value of ISK 329.573.913 – threehundredtwentyninemillionsfivehundredseventythreethousandninehundredandthirteen 00/100. Each share in the Company corresponds to one Icelandic króna or multiples thereof. There are no restrictions to the transfer of shares in the Company.

Article 5.

The share capital of the Company may be increased, whether the increase is effected through subscription to new shares or the issuing of bonus shares, by a resolution of a shareholders' meeting, in which case the same qualified majority of votes is required as when amending these Articles of Association. Shareholders shall have pre-emptive rights to all new shares in proportion to their respective holdings of each class of shares and within the timeframes indicated in the resolution on the respective increase of capital. If a shareholder does not exercise his pre-emptive right, other shareholders have an increased right in proportion to the

shareholdings in the Company. The Shareholders' meeting is permitted to waive pre-emptive right when share capital is increased, but only with the approval of 2/3 of the votes cast.

If the Company does not receive payment for a subscribed capital on due date, the shareholder who subscribed for the share capital shall pay interest on the payment until paid in full to the Company, in addition the shareholder shall pay all cost related to the debt collection. The Company is furthermore permitted to make use of all other remedies permitted by Icelandic law. The Company's Board of Directors furthermore has the right to terminate the subscription of issued shares if the shareholder does not pay for the subscribed capital on the due date. If the Company's Board of Directors terminates the subscription, it is permitted to allocate the issued shares in accordance with Icelandic law and these Articles of Association. If Icelandic law does provide otherwise, the Board of Directors can allocate the shares in their own discretion.

Only a shareholders' meeting may decide to reduce the share capital.

All shares shall have equal rights.

Article 6.

The shares in the Company are issued electronically in a securities depository according to the provisions of the Act on the Electronic Register of Securities. When a shareholder has paid his/her shares in full to the Company, electronic shares will be issued in a securities depository and the asset right to it duly registered, affording the shareholder the full rights provided for in the Articles of Association of the Company.

The Board of Directors shall maintain a register of shares pursuant to law. A transcript from the records of a securities depository constitutes valid register of shares.

The share register shall be preserved in the offices of the Company where all shareholders shall have access to it and be permitted to inspect its contents.

Article 7.

Shareholders are permitted to sell and pledge their shares in the Company without any restrictions unless otherwise provided by Icelandic law.

Icelandic law at each time is applicable to the sale of shares to foreign parties

Transfer of ownership of shares in the Company, whether as a result of sale, gift, inheritance, estate settlement or act of enforcement, shall be notified to securities depositories and update share registry in accordance.

A party acquiring shares in the Company cannot exercise his rights as a shareholder in the Company unless the transfer has been recorded in the Company's share registry or the party has, in writing, notified to the Board of Directors and submitted evidence of his ownership of the shares.

For the Company, the share registry shall at any time constitute valid proof of title to the shares in the Company and all dividends and notices shall be sent to the party which at any time is registered as owner of a share in the Company's share registry. The Company is not responsible for payments or notices being lost as a result of negligence on behalf of the shareholder to notify the Company of transfer of ownership of shares or changes of address.

Article 8.

No privileges shall accompany shares in the Company.

The shareholders are not subject to redemption unless provided by Icelandic legislation.

Article 9.

The Company shall not grant any loans against its shares unless permitted by Icelandic law. The Company may purchase its own shares to the extent permitted by Icelandic law and such permission shall be stipulated in an annex to the Articles of Association and become a part of the Articles of Association for the duration allowed for by Icelandic law. It is prohibited to exercise voting rights attached to the shares owned by the Company itself.

The Company is neither authorized to grant shareholders, Directors or Managers of the Company credit nor to place security for them. However, this Article does not apply to ordinary commercial credit or the purchase of shares by employees of the Company or an associate company of shares in the Company for such parties as provided by Icelandic law and the Company's remuneration policy.

Article 10.

The Articles of Association, as presently adopted or as subsequently altered by lawful amendment, shall be binding on each shareholder. Shareholders will not be obliged to increase their share capital, whether by the Articles of Association or any amendments to Icelandic law.,

The shareholders are not liable for the obligations of the Company exceeding their shareholding in the Company unless they undertake further obligations according to a special agreement. This Article may not be amended by any decision of a Shareholders' Meeting.

Chapter II.

Shareholders' meetings

Article 11

Within the limits established by these Articles of Association and by Icelandic law, the the supreme authority in the affairs of the Company is in the hands of lawful shareholder's meetings.

Shareholders have the authority to adopt decisions in shareholders' meetings.

Every shareholder shall be entitled to attend a shareholders' meeting, participate and exercise their voting rights.

A shareholder may have his representative attend a shareholders' meeting on his behalf. A representative shall submit a dated Power of Attorney in writing.

A shareholder is authorized to attend a meeting along with an advisor. An advisor has not the right to speak, submit proposals or to vote at shareholders' meetings.

The Company's auditor and the chief executive officer have the right to speak and submit proposals in shareholders' meetings although they are not shareholders in the Company.

The Company's Board of Directors is authorised to offer specialists to attend shareholders' meetings if their opinion or assistance is needed.

The Company's Board of Directors is authorised to decide that shareholders can participate by electronic means and exercise their voting rights in such a way without being physically present at shareholders' meeting. If the Company's Board of Directors decides to make use of this authorization, it shall be specified in the announcement of the meeting along with instructions to participate in such a way.

If a shareholder decides to make use of the authorization to participate in a shareholders' meeting by electronic means, he shall notify the Company, in writing, no later than five days prior to the announced shareholders' meeting. Attached to the notification shall be any questions submitted related to items on the agenda of the shareholders' meeting or documents submitted, should such questions need to be addressed at the shareholders' meeting.

If the Company's Board of Directors decides that circumstances so require or there are no grounds to authorize participation in a shareholders' meeting by electronic means, shareholders shall have the right to exercise their voting rights on items on the agenda of the shareholders' meeting in writing.. The announcement of the meeting shall specify the voting procedure. A request for such voting shall have been delivered to and received by the Company, no later than five days prior to the announced shareholders' meeting.

Except as otherwise provided in the Articles of Association, participation and voting by electronic means shall be governed by the provisions of Article 80. a. Act No. 2/1995 on Public Limited Companies, cf. Act no. 89/2006.

Article 12.

The Board of Directors of the Company shall call for a shareholders' meeting when deemed necessary, as well if the auditor of the Company or shareholders of the company controlling a minimum of 1/10 of the share capital in the Company so require in writing., The parties requesting a shareholders' meeting shall submit a report to the Board of Directors stating their reasons and the Board of Directors shall notify Shareholders of the shareholders' meeting agenda with an announcement.

When a legitimate request for a meeting has been submitted, the Board of Directors shall be obliged to call a shareholders' meeting no later than 14 days after receiving such a request. If the Board of Directors has not called a shareholders' meeting within that time, shareholders may demand that a meeting be called in accordance with the provisions of the Act No. 2/1995 on Public Limited Companies.

Article 13.

A shareholders' meeting shall be called by means of a notice to each shareholder or with an advertisement in a newspaper with minimum notice of three weeks. The Annual General Meeting of the Company shall be called in the same way. A shareholders' meeting shall be duly held, regardless of attendance, if duly called. Attendance shall be based on delivered ballots.

When a shareholders' meeting is called the following documents shall be presented to shareholders at the Company's office and simultaneously sent to each registered shareholder: the shareholders' meeting agenda, proposals, as well as the annual accounts (in the parent company also consolidated accounts), the report of the Board of Directors, the remuneration policy and the auditor's report if the meeting is Annual General Meeting. In case of a proposal for amendments to the Company's Articles of Association, the main subject of the motion shall be specified in the notice to a shareholders' meeting. If a shareholder requests a matter or a proposal to be considered at a shareholders' meeting, such request shall be made no later than two weeks before the meeting.

The Board of Directors shall present a revised agenda for this occasion as soon as possible. A final decision at a shareholders' meeting on matters which have not been specified in an agenda may not be made unless this meets the approval of all of the Company's shareholders, but a resolution thereon may be made as guidance for the Company's Board of Directors. Lawfully submitted annex proposals and amendments may be submitted at the shareholders' meeting.

Article 14.

The Annual General Meeting of the Company shall be held before the end of August each year.

The following matters shall be considered at the Annual General Meeting of the Company:

1. The Board of Directors of the Company shall give a report on the Company's operation and financial position in the preceding year of operation.

2. The annual account of the Company for the preceding year of activities, together with the notes of the Company's auditors, if any, shall be submitted for approval.
3. A decision shall be made on the disposal of profits or losses for the accounting year.
4. Proposals for an amendment to the Articles of Association of the Company, lawfully presented.
5. Election of the Company's Board of Directors.
6. Election of the auditor of the Company.
7. A decision shall be made on the remuneration of the Members of the Board of Directors.
8. The compensation policy of the Company shall be presented for confirmation.
9. Discussion and voting on any other lawfully submitted matters.

Article 15.

A Chairman, elected by the shareholders' meeting, will chair the meeting. The Chairman shall rule on matters related to the lawfulness of the meeting under these Articles of Association, including procedures, resolutions, and voting.

The Chairman shall request the election of a Secretary, who shall keep the minutes of the shareholders' meeting. Decisions of the shareholders' meetings shall be recorded in the minutes of the shareholders' meeting, and the results of voting. A list of shareholders present at the shareholders' meeting and agents shall be entered in the minutes or attached to the minutes. The Chairman and the Secretary shall sign the minutes. Not later than fourteen days after a shareholders' meeting, shareholders shall have access to the minutes of the shareholders' meeting or a certified copy of the minutes at the Company's office.

Article 16.

Each shareholder shall be entitled to one vote for each share of capital held by such shareholder.

A majority of the votes cast shall govern in meetings of shareholders except where otherwise provided in these Articles of Association or by Icelandic legislation. If the votes will be equal the result will be decided by a toss-up.

Chapter IV.

Management of the Company

Article 17.

The Company's Board of Directors shall be composed of five members, elected at the Annual General Meeting, for a term of one year. The eligibility of directors shall be subject to Icelandic law. Elections shall be by ballots if the number of nominations exceeds the number of board members to be elected.

When electing members of the Board of Directors, whether principal or alternate members, the proportion on the Board of each gender shall not be lower than 40%. The election of members of the Board of Directors, whether principal or alternate, is void if the gender ratio is not satisfied. Until the gender ratio has been satisfied by an election, the previous members of the Board of Directors will remain as the Board of Directors of the Company. Pursuant to availability of information on unsatisfactory results, the election of the members of the Board of Directors shall be repeated, as necessary at the same meeting.. Before the elections are repeated, and to the extent necessary, there shall be an adjournment of the meeting and more candidates, of the gender underrepresented in the previous election, may be nominated. In the case of repeated election, the two persons of each gender who receive the most votes in the election to the Board of Directors shall be considered duly elected and also the person who received the second most votes. The same arrangement shall be in place for the election of the alternate Board of Directors if it is necessary to repeat the election of the members, except only one person of each gender who receives the most votes in the election to the alternate board shall be deemed duly elected.

In a notification to the Company Registry as a result the election of the new members of the Board of Directors, information on the proportion of the gender in the Board shall be specified. This notification shall also contain information in on the proportions of the gender among employees and the management of the Company. The Board of Directors shall pay particular attention to gender ratios when hiring a managing director.

A Nomination Committee for the company is established in accordance with its Rules of Procedure approved by a shareholders' meeting. The Nomination Committee shall operate according to the Rules of Procedure approved by the shareholder's meeting. The work of the Nomination Committee does not affect the rights and obligations related to procedures on candidacy for the Board of Directors or the procedure on the treatment of candidacies pursuant to other paragraphs of Article 17.

Those who intend to stand as candidate in the election to the Board of Directors shall notify the Company's Board of Directors in writing at least five days before the Annual General Meeting, or an Extraordinary Meeting where election of the members of the Board of Directors is on the agenda. Only candidates who comply with this obligation are eligible to stand as a candidate at the Annual General Meeting.

Mandatory elections of the Board of Directors are held at the Annual General Meeting and therefore only candidates who submitted their notification in due time are to be considered eligible.

In the announcement of a candidacy for a place on the Board of Directors the following information shall be presented: Name of the candidate, identification number and address, profession, other directorships, education, experience and shareholding in the Company. Candidates shall also disclose all personal interests with the Company's customers and suppliers and competitors, as well as shareholders in the Company holding more than 10% of the share capital in the Company.

The Board of Directors shall review candidacy notifications and allow candidates to rectify any deficiencies contained in the notification within a specified period. If the candidate does not

rectify his notification within the specified term, the Board of Directors decides on the validity of the candidacy. The decision of the Company's Board of Directors can be appealed to the shareholders' meeting, which has final decision power on the validity of the candidacy.

Information on candidates shall be available at the Company's office, no later than two days prior to the shareholders' meeting, for the shareholders to inspect. Shareholders shall always have the right to submit a request for proportional voting or cumulative voting to the Board of Directors for the duration of 48 hours from the date on which the Board of Directors announces the list of candidates, unless the members are chosen without an election.

Article 18.

The Board of Directors holds the supreme authority in the affairs of the Company between shareholders' meetings and shall ensure that the organization of the Company and its operations are always in good and fair condition.

The Board appoints the Chief Executive Officer ("CEO") of the Company and decides on his or her terms of employment. The Board of Directors and the CEO undertake the administration of the Company jointly.

The Board of Directors shall ensure adequate supervision of the accounting of the Company and the disposal of its assets.

The Board of Directors shall lay down their working rules and procedures in accordance with the provisions of the Act on Public Limited Companies. The rules shall include: The allocation of tasks among the members of the Board of Directors, how to call a board meeting and arrangements for the appointment of deputies, the communication and information handling, the assessment of the eligibility of the board members in decision-making, the appointment of sub-committees and other matters that should be laid down in rules to promote successful work of the Board of Directors.

The Company's Board of Directors alone may grant Powers of Procurement.

The signature of the majority of the Board of Directors shall bind the Company.

Article 19.

The Company's Board of Directors shall elect a Chairman and Vice-Chairman from the members of the Board of Directors, but in other respects it shall assign tasks as it deems necessary.

The Chairman calls for board meetings and ensures that all members of the Board of Directors have been called upon. A board meeting shall be held whenever the Chairman deems it necessary. In addition, the Chairman is obliged to call for a board meeting at the request of one member of the Board of Directors or the CEO. Board meetings are duly held if the majority of members of the Board of Directors are present. However, an important decision must not be taken without all members of the Board of Directors being able to discuss the matter, if possible. A majority of the votes determines the result. If the votes will be the matter is considered as rejected.

The CEO is present at meetings of the Board of Directors, although he is not a member of the Board, and has the right to participate and make proposals, unless the Board of Directors decides otherwise in individual cases.

A book of minutes shall be kept and proceedings at board meetings shall be recorded in it. The minutes shall be signed by those present at the meeting. If any member of the Board of Directors or the CEO does not agree with the Board's decision, the person concerned has the right to have his or her dissenting opinion recorded in the minutes.

If committees are elected in accordance with the provisions of the working rules and procedures of the Board of Directors, their results shall be indicative only to the Board of Directors, but it shall not be bound by them unless otherwise provided for by Icelandic legislation.

Article 20.

The Board of Directors and the CEO undertake the administration of the Company jointly.

The CEO undertakes for the day-to-day operations of the Company and in that respect follow the policy and instructions which have been laid down by the Company's Board of Directors. The day-to-day operations do not extend to unusual or major arrangements. Such arrangements can only be entered into by the CEO subject to a special authorization from the Board of Directors, unless the decision of the Board of Directors cannot be awaited without significant disadvantage for the Company's operations. In such cases, the CEO shall consult with the Chairman, if possible, and then the Board of Directors shall be notified of the arrangement without delay.

The CEO shall supervise that the Company's books are kept in accordance with Icelandic law and general practice and that the handling of the Company's assets be performed in a secure manner.

The CEO is required to provide the Board of Directors and auditors of the Company all information on the operation of the Company that they may request and should be provided by Icelandic law.

Chapter V.

Accounting, auditing, etc.

Article 21.

At the Company's Annual General Meeting, a statutory auditor or audit firm shall be elected, for a term of one year, to audit the Company's accounts and present their conclusions to the Annual General Meeting. The auditor shall have access to all the Company's books and documents for this purpose. The Company's auditors may not be elected from among the members of the Board of Directors or employees of the Company. In other respects, the qualifications of the auditors are governed by Icelandic law.

The operating year and fiscal year of the Company is the calendar year. The Board of Directors shall annually complete the preparation of annual accounts and submit to auditors no later than one month before the Annual General Meeting.

Chapter VI.

Amendment of the Articles of Association, liquidation, etc.

Article 22.

These Articles of Association can only be amended at a lawful Annual General Meeting or extraordinary shareholders' meeting, provided that it is clearly stated in meeting notice that such an amendment is contemplated, and the main elements of its contents explained. A decision will only be valid if it receives not less than 2/3 of votes, as well as the consent of shareholders controlling not less than two thirds of the share capital for which there are votes at the shareholders' meeting, provided that no other quantity of votes is made conditional in the Articles of Association or Icelandic legislation, cf. Article 93 of the Companies Act.

Article 23.

The dissolution of the Company, its division or merger shall be subject to the Icelandic legislation, as it is in force in each instance.

Article 24.

Where the provisions of these Articles of Association do not specify how to proceed, the provisions of the Act on Public Limited Companies, as well as any other statutory provisions that may apply, must be complied with.

Adopted in Kópavogur on July 12, 2012

Amended in Kópavogur 7 May 2013

Amended in Kópavogur on August 20, 2014

Amended in Kópavogur on October 21, 2014

Amended in Kópavogur on March 23, 2015

Amended in Kópavogur on November 20, 2015

Amended in Kópavogur 16 March 2016

Amended in Kópavogur on November 21, 2016

Amended in Kópavogur on October 26, 2017

Amended in Kópavogur August 20, 2018

Amended in Kópavogur on September 25, 2018

Amended in Kópavogur on March 23, 2020

On behalf of Festi hf.

Annex I.

The Annual General Meeting of Festi hf. held on 23 March 2020 approves an authorisation for the Board, based on article 55 of Act No. 2/1995 concerning Public Limited Companies, to purchase on behalf of the company up to 10% of its share capital. This authorization shall be used to set up a formal repurchase schedule or make a general offer to shareholders for the company's purchase of its own shares, for example through a tender, provided that shareholders' equality be ensured in the invitation to participate in such transactions.

Upon repurchase the highest permitted price for each share shall not exceed the price of the last independent transaction or the highest established independent purchase offer in the trading systems where the shares are traded, whichever is higher. The company's transactions with own shares shall be notified in accordance with laws and regulations. This authorization is valid until the company's Annual General Meeting in 2021, however, no longer than until 21 September 2021. Other previous authorizations to purchase own shares are cancelled upon approval of this authorization.