

Skeljungur hf.'s Annul General Meeting 2018

Skeljungur hf.'s Annual General Meeting will be held on Tuesday March 20, 2018 at 16:00 pm at Hilton Reykjavík Nordica hotel, Suðurlandsbraut 2, 108 Reykjavík in meeting room D.

Agenda

1. Appointment of the Chairman and Secretary of the Annual Meeting.
2. A report from the Board of Directors on Skeljungur's main activities in 2017.
3. Presentation of the audited annual accounts for 2017, for the approval of the AGM.
4. Decision regarding how Skeljungur's profit (or loss) during the fiscal year shall be handled.
5. The Board's proposal for unchanged Remuneration Policy and report on the execution of the Remuneration Policy in 2017.
6. Decision regarding the remuneration of Board Members, Sub-Committees and the Auditor.
7. Report and proposal from the Nomination Committee regarding Board Membership.
8. Election of Board Members.
9. Election of Nomination Committee.
10. Election of Auditor.
11. Other matters which are lawfully brought up at the meeting.

The Nomination Committee's proposal for members of Board :

- a. Birna Ósk Einarsdóttir
- b. Gunn Ellefsen
- c. Jens Meinhard Rasmussen
- d. Jón Diðrik Jónsson
- e. Baldur Már Helgason

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 registration with the Nasdaq SCD Iceland at the closing of Nasdaq Iceland on March 16, 2018. If shareholders trade after that time, they can bring a receipt from the trading to the meeting and have the share register updated. A shareholders' meeting is legitimate if legitimately convened, regardless of attendance.

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 Saturday 10, March 2018 by 16:00. Such proposals shall be sent to 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.

All shareholders may attend the meeting and make a statement. Shareholders can send their questions to fjarfestar@skeljungur.is or present their questions at the meeting. Shareholders may be companies 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 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.

At a shareholders meeting, each ISK 1 in shares shall have one vote. Skeljungur's total share capital is 2,152,031,847. 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 Thursday March 15, 2018 at fjarfestar@skeljungur.is. In case votes break even at elections lots drawn will decide issues.

Voting will not be electronical.

Shareholders may request for voting papers to be sent to them with a written request. Such a request shall have been received no later than at 16:00 on Thursday March 15, 2018 at fjarfestar@skeljungur.is. Alternatively, shareholders can collect their voting papers at the company's headquarters and vote there.

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.

Candidature information

Notifications about candidature for the Board of Directors must be submitted before 16:00 Thursday March 15, 2018, at 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 be able to assess candidature that are received after 16:00 on March 6, 2018 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 March 10, 2018. 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 Thursday March 15, 2018, at 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.

www.skeljungur.is/um-skeljung/fjarfestar/

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 15:30 on the meeting date.

All documents can be found on the Company's website, <https://www.skeljungur.is/um-skeljung/fjarfestar/>

Reykjavík, February 21, 2018,
Board of Skeljungur hf.



Skeljungur