

Iceland Seafood International hf. Annual General Meeting 2020

The Annual General Meeting of Iceland Seafood International hf. will be held on 19 March 2020 at 4p.m. (GMT) at Köllunarklettsvegur 2, 104 Reykjavík, Iceland. On that date, 2.561.344.934 votes will be on the ballot, one vote for each share.

Proposed resolutions from the Board of Directors as listed in the notice to convene the Annual General Meeting

Proposals of the Board of Directors:

3. Submission of the Company's consolidated financial statements for the financial year 2019

The Board of Directors of Iceland Seafood International hf. proposes that the Consolidated Financial Statements for 2019 are approved.

4. Decision on the disposal of the Company's profit or loss from the preceding fiscal year

The Board of Directors proposes that a dividend of €1.500.000 will be paid out to shareholders for the year 2019, or 58.5 Euro cents per thousand shares.

If approved by shareholders, the Board proposes that shares traded on or after March 20th will be ex-dividend and the right to a dividend will be constricted to shareholders identified in the shareholders registry at end of March 23rd. It is proposed that the dividend will be paid by cash on March 31st 2020 and that payment will be done in ISK based on Central Bank mid rate at end of March 30th.

5. Decision on the Company's Remuneration Policy

The Board of Directors proposes that the Remuneration Policy as available at the Company's website will be approved.

6. Decision on the Company's stock option plan

The Board of Directors proposes that the Stock Option Plan, as available on the Company's website will be approved. The proposed changes to the Company's stock option plan approved at shareholders meeting on 11 September 2018 are the following:

- It is proposed that Clauses 4.5 and 4.6 will be deleted from the policy. These clauses were related to the foreign currency restrictions in Iceland which were lifted in 2015.
- It is proposed that Clause 9.2. a) will be amended to read as follows:

The time period from the Granted Stock Option until the time when the Stock Option is exercisable needs to be at least three years.

- It is proposed that Clause 7.2 will be amended to read as follows:

The authorisation of the Board to issue new stock under this Plan is limited to ISK 59,935,471 nominal value, representing 2.34 % of the issued share capital of the Company on a fully diluted basis. In order to fulfil its obligations according to Stock Option Agreements based upon this Plan the Company will issue new shares or deliver own shares.

- It is further proposed that Clause 7.3 will be amended to read as follows:

Amount of Stock Option for a single employee shall not exceed 17.5% of the total issued Stock Options.

7. Decision on remuneration to the members of the Board of Directors and compensation to members of the Board's sub-committees

The Board of Directors proposes that the remuneration to Board members for the year 2020 will be as follow:

- Chairman of the Board ISK 600,000 per month
- Other Board Members ISK 300,000 per month

Members of sub committees and alternate board member ISK 50,000 per meeting.

8. Election of five board members and one alternate member

Shareholders are advised that according to Article 63 a. of the Icelandic Public Limited Companies act No. 2/1995, written notices on candidature to the Board of Directors can be made until five days before the Annual General Meeting. Notice forms for candidacy to the Board of Directors will be available at the Company's office during normal business hours or can be sent via e-mail upon request through the address agm@icelandseafood.com. Notices on candidature can be submitted in time either at the Company's office or via e-mail to the address agm@icelandseafood.com. Information on the candidates to the Board of Directors will be made available to the shareholders no later than two days prior to the Annual General Meeting.

9. Election of an auditing firm

The Board of Directors proposes to the Annual General Meeting that Deloitte ehf, will be re-elected as the Company's auditing firm for the year 2020.

10. Decision on the Board's proposal to grant the Board authorization to increase the Company's share capital in accordance with the revised Stock Option Plan and amend the Articles of Association accordingly.

The Board of Directors proposes that the Board is authorized to increase the Company's share capital in stages by up to ISK 59,935,471 nominal value to fulfil terms under stock option agreements with employees in accordance with the stock option plan approved by the Company's shareholders' meeting on 19th March 2020. The authorization shall be valid until 19th March 2025. The shareholders of the Company shall not have pre-emptive subscription rights. Both the share price and the rules governing the issuance shall be in accordance with the stock option plan. Accordingly, it is proposed to amend paragraph 2 to Article 4 of the Company's Articles of Association as follows:

Stjórn félagsins er heimilt að ákveða hækkun á hlutafé félagsins um allt að kr. [59.935.471] að nafnverði með útgáfu nýrra hluta í áföngum. Heimild stjórnar samkvæmt framangreindu nær aðeins til þess að uppfylla skilmála samninga um kauprétti starfsmanna í samræmi við kaupréttaráætlun félagsins sem samþykkt var á hluthafafundi félagsins þann [19. mars 2020]. Hluthafar félagsins munu ekki njóta forgangs til áskriftar að hinum nýju hlutum. Verð og aðrir skilmálar skulu vera í samræmi við kaupréttarstefnu og kaupréttarsamninga félagsins. Heimild þessi gildir til [19. mars 2025].

The Board of Directors is authorized to increase the share capital of the Company in stages by up to [ISK 59,935,471] shares in nominal value. The authorization of the board of directors shall only be utilized to fulfil terms under stock option agreements with employees in accordance with the Company's stock option plan approved by the Company's shareholders' meeting on [19th March 2020]. The shareholders of the Company do not have pre-emptive subscription rights to shares issued under this authorization. Share prices and the rules governing the purchase of shares shall be in accordance with the terms of the stock option plan and the stock option agreements. This authorization shall be valid until [19th March 2025].

11. Renewal of the authorization to purchase own shares and a corresponding amendment to the annex to the Company's Articles of Association

It is proposed that the authorization to the Board of Directors to acquire on behalf of the Company up to 10% of its issued share capital will be renewed. This authorization is in accordance with Article 55 of the Act on Public Limited Companies No. 2/1995. The proposal entails the following amendment to Annex No.1 to the Company's Articles of Association:

Aðalfundur félagsins, haldinn [19. mars 2020] samþykkir að veita stjórn þess heimild, á grundvelli 55. gr. laga um hlutafélög nr. 2/1995 til þess að kaupa fyrir hönd félagsins allt að 10%

The Annual General Meeting of the Company, held on [19 March 2020] authorizes the Board of Directors, based on Article 55 of the Act on Public Limited Companies no. 2/1995 to

hlutafé þess, m.a. til að gera upp kaupréttarsamninga við starfsmenn.

acquire on behalf of the Company up to 10% of its total issued share capital, inter alia to settle call option agreements with employees.

Heimild þessi gildir til [12. nóvember 2021].

This authorization shall remain in effect until [12 November 2021].

12. Extension of an authorization to the Board of Directors to increase the Company's share capital to be used as payment in relation to acquisition of new business and a corresponding amendment to Article 4(3) of the Company's Articles of Association

It is proposed that the authorization to the Board of Directors to increase the share capital of the Company will be extended. It is proposed that the Board of Directors will be authorized to increase the share capital of the Company by up to ISK [100,000,000] of nominal value. An authorization of up to ISK 85,000,000 was initially adopted by the Company's Annual General Meeting in 2018 and was renewed by the Annual General Meeting in 2019. It is proposed that the wording of Article 4(3) remains otherwise unchanged, and will read as follows:

Í tengslum við fyrirtækjakaup er stjórn félagsins heimilt að ákveða hækkun á hlutafé félagsins um allt að kr. [100.000.000] að nafnverði með útgáfu nýrra hluta í áföngum. Heimild stjórnar samkvæmt ákvæði þessu gildir til [15. júní 2021]. Hluthafar félagsins skulu ekki njóta forgangs til áskriftar að hinum nýju hlutum sem gefnir eru út á grundvelli framangreindrar heimildar, samanber 3. mgr. 34. gr. laga um hlutafélög nr. 2/1995, og 7. grein samþykktu þessara. Stjórn félagsins ákveður útboðsgengi hinna nýju hluta og sölureglur hverju sinni, fresti til áskriftar og fresti til greiðslu þeirra. Stjórn félagsins skal vera heimilt að gera nauðsynlegar breytingar á samþykktum félagsins í tengslum við útgáfu hinna nýju hluta.

In connection with acquisitions, the Board of Directors is authorized to increase the share capital of the Company in stages by up to ISK [100,000,000] shares in nominal value by way of issuing new shares. This authorization of the board of directors shall be valid until [15th June 2021]. The shareholders of the Company shall not have pre-emptive subscription rights to shares issued under this authorization, cf. Article 7 of these Articles of Association and Article 34 (3) of the Icelandic Act No. 2/1995 on Public Limited Liability Companies. The Board of Directors determines the offer price of the new shares, the terms of sale, the subscription deadline and deadline for payment. The Board of Directors shall be authorized to make necessary changes to the Company's Articles of Association resulting from the issue.

13. Amendment to Article 18 of the Company's Articles of Association in relation to gender ratios

It is proposed that Article 18 of the Company's Articles of Association will be amended in accordance with Article 63 of the Act on Public Limited Companies no. 2/1995. If the proposal will be approved Article 18 will read as follows:

Stjórn félagsins skal skipuð [fimm] aðalmönnum og allt að [tveimur] varamönnum. Skulu þeir kosnir árlega á aðalfundi til eins árs í senn, [eða eftir atvikum á hluthafafundi í samræmi við samþykktir þessar]. Um hæfi stjórnarmanna fer að lögum.

[Við stjórnarkjör aðalmanna skal tryggt að hlutfall hvors kyns sé ekki lægra en 40%. Verði niðurstaða stjórnarkjörs á hluthafafundi með þeim hætti að skilyrði um kynjahlutföll eru ekki uppfyllt skal vikið frá atkvæðamagni og skal stjórn teljast rétt kjörin eins og hér segir: Fyrstu fjögur stjórnarsætin skulu skipa þeir tveir karlar og þær tvær konur sem fá flest atkvæði við kjörið. Sá einstaklingur, karl eða kona, sem næst kemur á eftir fyrrgreindum fjórum stjórnarmönnum að atkvæðamagni, skal teljast réttkjörinn sem fimmti stjórnarmaðurinn. Ef kosnir eru tveir varamenn þá skal við kjör varamanna tryggt að þeir séu af hvoru kyni. Skulu varastjórnarsætin skipa sá karl og sú kona sem fá flest atkvæði við kjörið. Hafi ekki nægilega margir af hvoru kyni boðið sig fram til stjórnar skal starfandi stjórn félagsins boða til nýs hluthafafundar innan 4 vikna frá fyrri fundi þar sem fullnægjandi framboð beggja kynja skal tryggt. Kjör í stjórn eða varastjórn er háð því skilyrði að viðkomandi einstaklingur hafi hlotið atkvæði við kjörið. Hljóti einstaklingur kjör í stjórn á grundvelli framangreindra reglna án þess að hafa fengið greidd atkvæði skal kjósa aftur. Náist framangreind markmið ekki með endurkosningu á fundinum skal starfandi stjórn félagsins boða til nýs hluthafafundar innan 4 vikna frá fyrri fundi þar sem ný stjórn skal kosin. Slíkir hluthafafundir skulu boðaðir eins oft og þarf til að skilyrði um kynjahlutföll séu uppfyllt. Starfandi stjórn skal sitja þangað til því skilyrði er náð.]

The Board of Directors of the Company shall be composed of [five] members and up to [two] alternate members. They are to be elected at the Annual General Meeting for a term of one year, or at a extraordinary shareholders meeting, as applicable, in accordance with these articles of association. The eligibility of Members of the Board shall be subject to statutory law.

[At board elections it shall be ensured that the proportion of either gender shall not be lower than 40%. If the results of board elections at a shareholders' meeting do not fulfill conditions regarding gender ratios the results shall be put aside, and the rightfully elected board shall be as follows: The first four board memberships shall go to the two females and two males who received the most and second most votes of each gender. The fifth board membership shall go to the person, of either gender, who got the most votes of other candidates. In case of election of two alternate board members the alternate membership shall go to the male and female who received the most votes of each gender. If there are not enough candidates of either gender to fulfil the conditions regarding gender ratios, the acting board shall call for a new shareholders' meeting, within 4 weeks from the previous meeting, where enough candidates of both genders shall be secured. The election of board membership and alternate board membership shall be conditional on the candidate having received a vote in election. If a candidate has been appointed based on the rules above but without having received a vote, the election should be repeated. If objective on gender ratios will not be fulfilled with repeated election on the meeting the board shall convene another extraordinary meeting within 4 weeks from previous meeting where a new board shall be elected. Such shareholders meetings shall be convened as many times as necessary to acquire the required number of candidates of each gender. The acting board shall operate until then.“]