



20 February 2020

Information regarding the Annual General Meeting of TM hf. on 12 March 2020 and the proposals of the Board of Directors

The Annual General Meeting of TM hf. will be held on Thursday 12 March at 16:00 at Hvammur, Grand Hótel Reykjavík, Sigtúni 38, Reykjavík. On that date, 771,892,669 votes will be on the ballot, one vote for each share.

Draft Agenda:

1. Report of the Board on the company's activities for the past year of operation
2. Annual accounts of the company for the past year of operation, along with the report of the auditors, presented for approval
3. Decision on allocation of the company's profits
4. Proposal for an authority to purchase own shares
5. Decision on the proposal of the Board on the company's emolument policy
6. Decision on a fee for the Board, the sub-committees of the Board and the nomination committee
7. Election of the company's Board
8. Election of two members of the nomination committee
9. Election of auditors
10. Other issues, lawfully presented

Proposals of the Board:

Proposals and resolutions before the Annual General Meeting, presented by the Board of Directors as listed in the call for the Annual General Meeting

I. Regarding item 2 on the Agenda – Annual accounts of the company for the past year of operation, along with the report of the auditors, presented for approval.

Proposal:

That the annual accounts for 2019 be approved.

II. Regarding item 3 on the Agenda - Decision on the allocation of the company's profits.

Proposal:

The Board of Directors proposes that no dividends be paid in 2020.

III. Regarding item 4 on the Agenda - Proposal for an authority to purchase own shares.

Proposal:

The Annual General Meeting of TM hf. on 12 March 2020 authorises the Board, with the approval of the Financial Supervisory Authority, to purchase shares in the company up to a limit of 10% ownership of its share capital, for the purpose of reducing the share capital of the company. This authorisation shall only be used for the purpose of establishing a formal repurchase plan or for making shareholders a general offer on the purchase by the company of its own shares, such as by tender, provided that the equality of shareholders be safeguarded in the offer to participate in such transactions.

In order to attain this objective in the implementation of the repurchase plan, the Board is authorised to purchase shares in the stated proportion, although never more than 77,100,000 shares and for a repurchase amount not exceeding ISK 2,650,000,000. The highest permissible purchase price for each share shall be based on the latest independent transaction or the highest outstanding and independent