

Reference 21366: Independent financial advisor and underwriter for ISFI

12 February 2021



Expression of interest to act as global coordinator and bookrunner in the IPO of Íslandsbanki

ABG Sundal Collier (“ABGSC”), is pleased to submit this expression of interest for the role of global coordinator and bookrunner in a potential IPO of Íslandsbanki hf. (“Íslandsbanki”), to the Icelandic State Financial Investments (“ISFI”), in accordance with the solicitation of expression of interest as announced 2 February 2021.

ABG Sundal Collier is the leading independent investment banking institution in the Nordics with a particular stronghold in IPOs and a strong focus on the financial services sector. ABG Sundal Collier is highly qualified to act as advisor to ISFI, with a strong scorecard on all areas of relevance for the optimal execution of the IPO of Íslandsbanki:

- The #1 European bank for listings in Europe in 2020, reflecting our leading position in the Nordics and the strength of the Nordic IPO market
- Substantial experience from advising governments and companies with substantial government ownership, and experience from transactions with Icelandic companies
- Distribution capabilities optimized to deliver domestic and international demand to Nordic companies, with unrivalled momentum from an unprecedented level of ECM activity going into 2021
- A strong track record and dedicated focus on the financial services sector, a highly competent investment banking team with broad transaction experience and a top-ranked financials equity research franchise
- Stellar track record in supporting our IPOs in the aftermarket, with firmwide commitment to ensure the best possible investor attention and capital market access
- Commitment to best in class corporate social responsibility and a dedication to serving our clients with the highest integrity throughout our partnership

We are highly enthusiastic about the opportunity to work with ISFI to introduce Íslandsbanki to the international capital markets through an IPO. We look forward to hearing your response to our expression of interest. We remain fully available for any further inquiries or if you should want to meet virtually.

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ABGSC capabilities and experiences

A highly experienced advisor to financial undertakings

ABGSC has a true dedication to the financial services sector, with a strong and highly experienced investment banking team across Scandinavia and a top-ranked equity research team within the sector. ABGSC has a stronghold position within the financial services sector and has advised on a multiple of the landmark transactions in the Nordics in recent years. Over the last five years, ABGSC has completed 63 transactions within the sector within a broad range of subsegments and transaction type.

Transaction type	# Deals	Segment	# Deals	Geography	# Deals
IPOs	9	Banking	32	Norway	34
Other ECM	22	Insurance	4	Sweden	18
M&A - sale	3	Debt collection	9	Denmark	11
M&A - acquisitions	5	Asset management	5		
M&A - mergers	2	Financial technology	6		
DCM	22	Other financials	7		

A primary focus for our financial services team is sale and public offering of shares of financial undertakings, as evidenced by our substantial transaction experience, as referenced in Appendix A and with selected key transactions in the table below with particular relevance for the IPO of Íslandsbanki.

Table: Selected key transactions within financial services

Year	Company	Type	Location	ABGSC Role
2020	 BANK NORDIK	Sale		Financial advisor to Bank Nordik
2020	 Nordnet	IPO		Joint bookrunner
2019	 IEQT	IPO		Co-lead manager
2018	 Infront	IPO		Joint global coordinator
2017	 KOMPLETT [®] bank.no	IPO		Joint global coordinator
2016	 TFBank	IPO		Joint bookrunner
2016	 B2HOLDING	IPO		Joint global coordinator
2015	 SpareBank OSLO-AKERSHUS 1	Sale		Financial advisor to Bank1 Oslo Akershus
2015	 NØRRESUNDBY BANK	Sale		Financial advisor to Nørresundby Bank

Track record from advisory to Icelandic companies



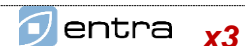





ABGSC has advised on a number of transactions with Icelandic companies, and has substantial expertise within key sectors for the Icelandic economy. In addition to the completed transactions, ABGSC has been regularly engaging with Icelandic companies and stakeholders.

Table: Transactions with in Icelandic companies

Year	Company	Type	Location	ABGSC Role
2020	 ICE FISH FARM	IPO		Joint global coordinator
2016	 ARNARLAX FJARDALAX	Merger		Financial advisor to Fjarðalax
2016	 ZYMETECH enzymatica	Merger		Financial advisor to Enzymatec

Significant experience from advising governments and publicly owned companies

ABGSC has extensive experience working with both government entities and officials, and with companies fully or partly owned by governments or public entities. In the last five years ABGSC has acted as bookrunner in the three secondary offerings in Entra for the Norwegian Ministry of Trade, Industry and Fisheries since the IPO in 2014, being the only member of the IPO syndicate to advise on all subsequent transactions. ABGSC was the sole global coordinator in the IPO of Fjordkraft, originally owned by state and municipality owned power companies, and have been a bookrunner on all subsequent secondary offerings.

Year	Company	Type	Location	ABGSC Role
2018-21	 Fjordkraft x5	Sale		4x sole bookrunner and 1x joint bookrunner in secondary offerings
2016-19	 entra x3	Sale		3x joint bookrunner in secondary offerings by NMTIF
2018	 Fjordkraft	IPO		Sole global coordinator
2016	 DONG energy	IPO		Co-lead manager

In addition to the above, ABGSC has an unmatched position in advising companies with a substantial ownership by the Norwegian government. Over the last two decades, ABGSC has acted as advisor to all listed companies on the Oslo Stock Exchange with ownership by the Norwegian state in a wide range of demanding and complex transactions, as displayed in the illustration below. In addition, ABGSC has vast experience in advising other public or mutual ownership constellations, including municipalities, labour unions and cooperatives.

NOK 700m Acquisition of 10% of Scatec Solar Advisor to Equinor 2018	NOK 7,400m Sale of Evry to Apax Advisor to Telenor, Posten and Evry 2014	USD 26bn Merger discussions with CF industries (terminated) Advisor to Yara 2014	NOK 1,192m Sale of IS Partner to EDB Business Partner Advisor to Hydro 2008	NOK 2,504m Secondary placement Joint bookrunner 2019	Undisclosed Sale of Frontica Advantage to NES Global Talent Advisor to Akastor 2016	NOK 1,267m Secondary placement Joint lead manager 2009	Fairness opinion for Cermaq in relation to offer from Mitsubishi Advisor to Cermaq 2014
USD 425m Refinancing of Songa Offshore Advisor to Statoil 2013	NOK 1,400m Sale of Amedia to Sparebanksstiftelsen DNB Advisor to LO and Telenor 2016	NOK 700m Establishment of JV between Yara and Praxair Sole advisor to Yara 2007	NOK 5,500m Sale of Kerling to INEOS Advisor to Norsk Hydro 2007	NOK 2,490m Secondary placement Joint bookrunner 2016	NOK 1,025m Sale of Frontica Business Solutions to Cognizant Advisor to Akastor 2016	NOK 19,200m Merger between DnB and Gjensidige NOR Joint advisor to Gjensidige NOR 2003	NOK 6,500m Sale of EWOS to Bain Capital and Altor Advisor to Cermaq 2013
NOK 5.4bn / 15.9bn IPO / sale of Statoil Fuel and Retail Joint global coordinator / advisor 2010 / 2012	NOK 15,630m Initial public offering Co-lead manager 2000	NOK 2,619m Initial public offering Joint global coordinator 2004	NOK 10,906m Demerger of Yara International Joint global coordinator 2004	NOK 6,015m Initial public offering Joint global coordinator 2014	Demerger and listing of Akastor Joint lead manager 2014	NOK 4,316m Public offering Co-manager 2001	Merger between Cermaq and Fjord Seafood (Terminated) Advisor to the Ministry of Industry and Trade 2002

A leading IPO advisor in Scandinavia

ABGSC is the leading Nordic IPO advisor, having advised on 19 IPOs in 2020 on the Nordic main and growth markets with a total transaction value of EUR 1.0bn, securing a #1 position in both Norway, Sweden and across the Nordics, and which also places ABGSC at an overall #4 place in Europe. Our top position is also evident from the rankings over the last five years, demonstrating the trust that issuers continuously place in our capabilities. Among the 10 largest IPOs in the Nordics during the last five years, ABGSC ranks as the most entrusted IPO advisor among the local advisors and #2 among all advisors.

Date	IPO	Offering (EURm)
Jan-21	AKER HORIZONS	437
Nov-20	Nordnet	1,023
Nov-20	Meltwater	305
Oct-20	link mobility	629
May-20]pexip[216

Rank	Bookrunner	Volume (EURm) ¹⁾
1	Citi	1,570
2	Goldman Sachs	1,192
3	Jefferies	1,128
4	ABG	1,038
5	Carnegie	956

Rank	Bookrunner	Volume (EURm) ¹⁾
1	Carnegie	4,692
2	ABG	2,080
3	SEB	1,988
4	Morgan Stanley	1,923
5	JP Morgan	1,449

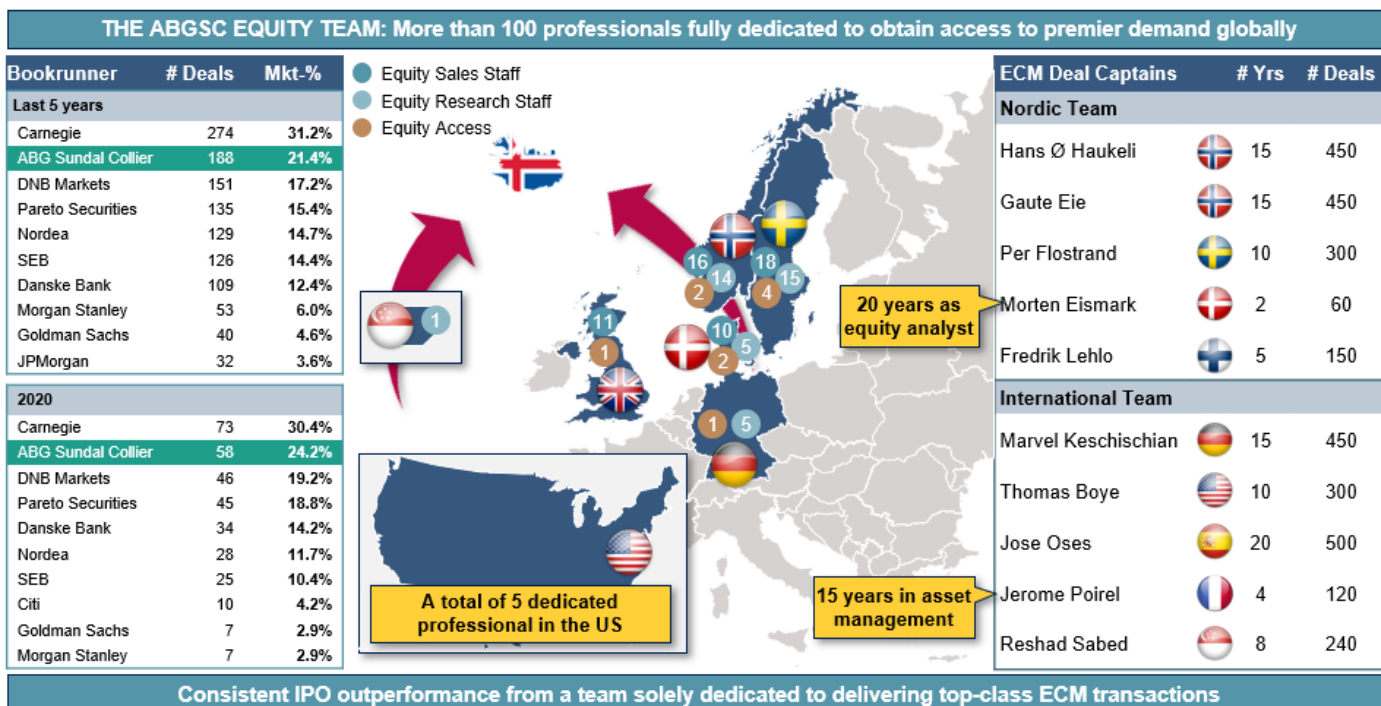
Unmatched distribution capabilities

Our equity sales organisation consists of more than 100 professionals solely dedicated to provide Nordic and international investors with premier access to Nordic equities. Our distribution network ensures an efficient investor coverage through offices in Oslo, Stockholm, Copenhagen, London, Frankfurt, New York and Singapore, with highly experienced ECM deal captains in each of our distribution hubs. Our #2 ranking of ECM transactions since 2015 is a testimony of our relevance to investors and renowned placing power, and an unrivalled ECM momentum as the most active ECM bank in the Nordics the last quarter and a consistent presence in the markets secures a first class reading of the current market sentiment and investor appetite.

<div style="border: 1px solid black; padding: 5px; background-color: #0056b3; color: white; width: 150px; margin: 0 auto;"> <p>#36 ECM transactions Sep-Dec 2020</p> </div> <div style="border: 1px solid black; padding: 5px; background-color: #0056b3; color: white; width: 150px; margin: 0 auto; text-align: center;"> <p>The most by any Nordic bank in a 4-month period this century</p> </div>	<div style="border: 1px solid black; padding: 5px; background-color: #0056b3; color: white; width: 150px; margin: 0 auto;"> <p>EUR 3.9bn ECM transaction value Sep-Dec 2020</p> </div> <div style="border: 1px solid black; padding: 5px; background-color: #0056b3; color: white; width: 150px; margin: 0 auto; text-align: center;"> <p>We command the attention of all relevant investors</p> </div>	<div style="border: 1px solid black; padding: 5px; background-color: #0056b3; color: white; width: 150px; margin: 0 auto;"> <p>#19 IPOs completed in 2020</p> </div> <div style="border: 1px solid black; padding: 5px; background-color: #0056b3; color: white; width: 150px; margin: 0 auto; text-align: center;"> <p>44% market share¹⁾ – dominating all competition</p> </div>	<div style="border: 1px solid black; padding: 5px; background-color: #0056b3; color: white; width: 150px; margin: 0 auto;"> <p>4/5 Advising on 4 of the largest 5 Nordic IPOs in 2020</p> </div> <div style="border: 1px solid black; padding: 5px; background-color: #0056b3; color: white; width: 150px; margin: 0 auto; text-align: center;"> <p>Entrusted to advise on the most high profile transactions in the region</p> </div>
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1) Sweden and Norway, offerings over EUR 20m

Furthermore, our distribution organisation is extended through our unique partnership with Söderberg & Partners Wealth Management. The partnership brings direct access to the HNWI and family office clients of Söderberg & Partners.



Highly ranked research capabilities with a strong dedication to financial services

Our equity research franchise has a leading position in Nordic equities generally and in the financial sector in particular. Our pan-Nordic financials research team is headed by Magnus Andersson, who in Sweden has been rewarded the highest ranking for more than ten consecutive years, both by Financial Hearings and TNS Sifo Prospera. On an overall Nordic basis, our pan-Nordic financials equity research team, with the breadth and depth of its coverage universe, has a premier ranking and position.

This leading position makes our pan-Nordic financials equity research team the natural speaking partner and thought leader within the financial services sector. Investors will rely heavily on their views, which is crucial to the successful execution of an IPO. With the participation and outstanding delivery in the pre-deal investor education of four bank IPOs (Nordnet (2020), Komplet (2017), TF Bank (2016) and Nordax (2015)) and the EQT IPO (2019) during the last five years, the team’s marketing capabilities are well-tested and constitute a true asset in any IPO process.



Banking & financial services ⁽²⁾		
#	Bank	Score
1	ABGSC	49
2	Carnegie	12
3	DNB	12
4	Danske Bank	11
5	SEB	8

4x difference to closest competitor



Note: (1) Country rankings weighted by market cap. (2) Prospera Sweden 2020. (3) 2019 ranking prevails as no survey were performed in 2020 due to Covid-19.

Aftermarket follow-up

ABGSC is fully committed to supporting our IPOs, consistently maintaining strong coverage with frequent research updates, supporting the companies in capital market transactions, with a highly dedicated corporate access team facilitating active investor dialogue, and a distribution platform that takes pride in leading the aftermarket trading. ABGSC commits to a long-term journey together with its clients to create shareholder value and supporting access to the capital markets – as further illustrated in the figure below.

After-market trading share	
Company	6m
link mobility	(#1) ★
]pexip[(#4)
SATS	(#1) ★
Norske Skog	(#1) ★
Elkem	(#1) ★
Fjordkraft	(#2)
TCM	(#3)
KOMPLETT	(#1) ★
DONGSPORIT	(#2)
EVRY	(#1) ★
SSM	(#1) ★
Skagen	(#1) ★
oncopeptides	(#1) ★
Arcus	(#1) ★
Infront	(#2)

*ABGSC IPOs above NOK 500m since 2015. H2 2020 listings in Norway are YTD '21 trading figures. Some IPOs are excluded due to missing data

Research follow-up

98% coverage
Unmatched follow-up with coverage of 50/51 companies listed by ABGSC since 2010, with only one lacking due to organizational changes

Follow-on transactions

More than 80% retains ABGSC
More than 80% of companies IPO'ed by ABGSC after 2015 that conducted primary follow-on issues have used ABGSC as advisor

Corporate access

16,000 investor meetings
ABGSC's corporate access team of 11 individuals facilitated more than 16,000 investor meetings, up from 13,000 in 2019 and 12,000 in 2018

Stabilization manager

The most trusted manager
Being trusted as a stabilization manager 16 times since 2015, ABGSC has had three times the number of mandates as the Norwegian/Swedish main market #2

ABGSC Team for the Íslandsbanki IPO

Name and Title	Background
ABGSC Investment Banking Core Financial Services Team	
Eivind Berge Hofland <i>Partner, Investment Banking</i> Head of Financials, Norway	12 years of IB experience, with transaction experience from IPOs of Komplet Bank, B2Holding, Kid, Odfjell Drilling, Western Bulk, XXL, equity placements in Bank2, Avida Finans, Monobank, Easybank, Instabank, Insr Insurance Group, Axactor; debt financing of Advanzia Bank, Komplet Bank, Insr Insurance Group, Axactor. Merger of Brabank and Monobank, sale of Bank1 Oslo Akershus, acquisitions of Skagen, Cubera and Insr for Storebrand and Nord Pool by Euronext.
Daniel Wändin <i>Partner, Investment Banking</i> Head of Financials, Sweden	16 years of IB experience, with transaction experience from 17 completed IPOs of which Nordnet, EQT, TF Bank, Nordax and Seamless within the financial services sector. Other transaction experience from the financial industry includes the acquisitions of Söderberg & Partners and APC Forsikringsmægler, and a number of private placements and bond issues for companies such as Kameo, Lendify, TF Bank, Nordnet, East Capital Financials Fund, and Tinkoff Credit Systems.
Jonas Hjorth Jacobsen <i>Partner, Investment Banking</i> Head of Financials, Denmark	13 years of IB experience, with transaction experience from IPOs of Dong, TCM Group, Atlantic Petroleum and SmartGuy, equity placements in Lunar Way, Jyske Bank, rights issues in Danske Andelskassers Bank, Salling Bank and Møns Bank sale of danish banking activities from BankNordik, sale of Nørresundby Bank, merger of Salling Bank and Sparekassen Vendsyssel, acquisition of BRFKredit by Jyske Bank.
Faisal Khan <i>Partner, Investment Banking</i> Financials, Norway	17 years of industry experience. Former Head of M&A at Storebrand, one of Norway's largest financial institutions, with broad transaction experience, and experience as deputy board member in Storebrand Bank.
ABGSC Investment Banking Senior Support	
Knut Brundtland <i>ABGSC Executive Chairman</i> Project Sponsor and senior responsible	CEO of ABG Sundal Collier from 2010-2019 and Executive Chairman since 2019. Previously a senior partner with law firm BAHR and responsible for the financial services practice. More than 25 years of legal and financial advisory to the financial services sector, and as board member in financial services firms.
Kristian Fyksen <i>Partner, Investment Banking</i> Project Senior Support, Norway	IPOs of Skandiabanken, Gjensidige, Elkem, Norske Skog, Fjordkraft, Humana, Thule, Coor, Nordic Nanovector, Pandox and others, in addition to broad equity market experience in both financial services and other sectors, also having been Global Head of Capital Markets at DNB Markets prior to joining ABGSC in 2016.
Equity Capital Markets	
Erik Skog <i>Partner, Investment Banking</i> Head of ECM Sweden	More than 10 years of IB/ECM experience, with Extensive experience in cross-Nordic deals, e.g. IPOs of Nordnet, EQT, NETS, DWS, DONG Energy, ISS, XXL, Entra, Europris, Odfjell, Ambea, dual track process in Lindorff (x2),
Magnus Kvinge <i>Partner, Investment Banking</i> Head of ECM Norway	More than 15 years of IB/ECM experience. Have completed close to 50 IPOs in the Norwegian market, of which more than 30 since 2010. Recent IPOs include Link Mobility, Pexip, SATS, Norske Skog, Elkem, Fjordkraft, Infront, EVRY, Arcus and XXL.

Equity Research

Magnus Andersson <i>Partner, Equity Research</i> Head of financials	<i>25 years of ER experience, with experience from and instrumental role in several landmark IPO processes, including Nordnet, EQT, TF Bank and Nordax at Nasdaq Stockholm. Consistently ranked as #1 equity analyst in financials in Sweden in Financial Hearings and Prospera.</i>
Jan Erik Gjerland <i>Partner, Equity Research</i> Financials, Norway	<i>More than 20 years of industry experience within banking, equity research and investor relations, with 10+ years as a research analyst. Head of financial services equity research in ABGSC in Norway from 2008-2010 and from [2016], with previous experience from banking and investor relations in DNB.</i>
Mads Thinggaard <i>Analyst, Equity Research</i> Financials, Denmark	<i>One of the most cited research analysts within the sector in Denmark with more than 15 years of equity research experience from Nykredit, Handelsbanken and ABGSC.</i>

Corporate Social Responsibility

ABGSC aims to run its business in accordance with the Ten Principles of the United Nations Global Compact, which require us to be proactive in protecting human rights, labour rights, the environment, and in promoting anti-corruption. This is in line with Íslandsbanki's own sustainability policy and aim to foster a culture of sustainability that will have a positive impact on society.

One concrete example of the proactive work we perform in this area, and which supports the achievement of our common interests, is our commitment to ESG research and reporting of ESG data to facilitate investors' understanding of the environmental and social impact of their investments. So far, 87 percent of the companies in our equity research coverage universe have now been assigned ESG profiles. Our vision is to see listed companies becoming more transparent, and aligning with global ESG norms and best practice. We are also active in hosting ESG events with the hope of contributing to awareness about corporate social responsibility, governance and environmental factors. Since 2017, ABGSC has hosted 47 such events, often theme-based and led by CSR experts and corporate leaders.

ABGSC is also the initiator of the ABGSC Women in Finance Foundation, promoting equality for women in the Nordic financial sector. We truly believe gender diversity is good for business, and the playing field needs to ensure equal representation of women in the workforce. Recruitment of women to the financial industry must increase, for the industry to stay relevant. Since its inception in 2018, the ABGSC Women in Finance Foundation has donated approx. NOK 1 million to projects and initiatives supporting women in finance and the recruitment of women to the finance industry. Although the foundation is self-financed and run as a separate entity, we provide operational support to the Foundation and contributes with our resources and network.

ABGSC is an independent Nordic investment bank partnership, developed over 30 years, and solely focused on securities research & brokerage and corporate finance & advisory. Our culture is built on the fact that a majority of the employees are partners and owners in our firm, empowering employees and ensures long-term focus and commitment. Our business practices places the highest emphasis on integrity and management of any potential conflicts of interest, and with ABGSC as an independent advisor you can trust that our focus is 100 per cent on our clients – and clients only. We take great pride in always delivering first class service, and we guarantee a high degree of client satisfaction.

Confirmations

We hereby confirm that ABGSC (i) holds all applicable operating licenses, (ii) has read and understood the provisions of Act no. 155/2012 and Íslandsbanki's policy on sustainability, and (iii) consent to the publication of our expression of interest.