



 **KONTRA NORDIC**
Focus On Long-Term Value Creation

with potential co-operation partner

SpareBank 
MARKETS
Investment Banking

Expression of interest: ISFI Financial Advisor

Friday, 12 February 2021



1. Indication which role the interested party is considering.

Financial Advisor

2. Contact details such as name, address, phone number, e-mail along with specific contact person.

SIGURJÓN GEIRSSON	JEFFREY SUSSMAN	STEIN HUSBY
sigurjon@kontrarad.is	jeffrey@kontrarad.is	stein.husby@sb1markets.no
820 6305 (m)	820 6398 (m)	+47 414 02 591 (m)
Kontra ráðgjöf ehf.		SpareBank Markets 1
Stórhöfða 23	Bárugata 38	Olav Vs gate
110 Reyjavík	101 Reykjavík	50161 Oslo
		Norway

3. Information on requisite capabilities and experiences as set forth in criteria for selection above. Please fill the requisite information in the attached Excel file, which is in English.

About Kontra Nordic

We are Nordic we encourage a longer-term focus in investment decision-making.

Kontra Nordic is a specialised financial advisory firm with expertise in:

- ▶ Corporate finance, valuation and due diligence
- ▶ Corporate reporting, disclosure for analytical uses and risk assessments
- ▶ Board responsibility, governance and internal audit services

The background of Kontra Nordic: Our story goes back to October 2008 when Kontra was founded in the middle of the international financial crisis turmoil and the collapse of the Icelandic banking system. Kontra's foundation was based on the identification of a market gap for financial advisory services in the Nordic region due to the changing nature of the investment decision process and the importance of sustainable finance and better governance in that respect. Post COVID, the focus on long-term value creation has never been more relevant.

About SB1 Markets- as potential co-operation partner

SpareBank 1 Markets AS is a leading full-service Norwegian investment bank within the SpareBank 1 alliance. We offer our clients equity and credit research, equity and fixed income sales and corporate finance services including equity (ECM) and debt (DCM) capital markets, mergers & acquisitions (M&A), corporate restructuring and advisory services.

SpareBank 1 Markets' industry leading Investment Banking division consists of ~35 highly skilled advisors with extensive transaction experience. We offer a full range of services from M&A and other advisory to raising equity and debt capital for Nordic and international clients.

SB1 Markets Investment Banking is part of the SpareBank 1 Alliance. SpareBank 1 Alliansen is a Norwegian brand name for a group of medium sized commercial and retail banks working closely together in an alliance.

The alliance cooperation is organised through the holding company SpareBank 1 Gruppen AS that is owned by the participating banks. In total the alliance treated as one bank is Norway's second largest bank with total assets of NOK 625 billion, 352 branches and 6300 employees. The alliance cooperation has its head office in Oslo, Norway. The banks in the SpareBank 1 Alliance distribute SpareBank 1 groups' products and collaborate in key areas such as brands, work processes, expertise development, IT operations and system development.

Potential cooperation between Kontra and SB1 Markets

By potentially teaming up, Kontra Nordic and SB1 Markets believe they together offer a strong partner as Financial Advisor to Icelandic State Financial Investments (ISFI).

Kontra brings its deep knowledge of Iceland, the Icelandic banking sector and finance in Iceland. Kontra has been working on the forefront of the challenges facing Iceland today, including Iceland corporate and bank ownership and the investment

challenges facing the Pension Fund system. We also have deep Nordic routes, with a particularly strong connection to Norway.

SB1 Alliansen, of which SB1 Markets Investment Banking is part, has a strong historical connection to Iceland and, in particular Íslandsbanki, having acquired Glitnir's Norwegian subsidiary, BN Bank post-financial crisis. Further, the regional Norwegian banks that are the foundation of the alliance are similar in size and nature to Íslandsbanki. We believe a connection with this Nordic cooperation model could be very important for the Íslandsbanki privatisation path going forward.

As a potential cooperation partner, SB1 Markets has a strong track record in successfully arranging, executing and structuring capital markets transactions and the team at Kontra Nordic has a strong background in M&A advisory and debt and equity capital markets. We are well positioned to arrange, structure and execute the transaction taking a coordinating role on behalf of the ISFI and negotiate together with Client the individual arrangements with and continued alignment of the other advisors (i.e. legal, accounting and tax advisors) and banks that are hired for the Initial Public Offering marketing, book building, underwriting and other equity placement services. We are well capable coordinating all the necessary sale process steps (as outlined in IFSI's 17 December 2020 Memorandum to the Minister of Finance and Economic Affairs on the Proposal for the Sale of Shares in Íslandsbanki hf.) with all parties involved and with the key objective to organise a successful transaction, with the best possible execution in every aspect, whilst unburdening the Client.

In addition, our focus will be to assist ISFI in enhancing the quality of the IPO process, including transparency as perceived by the broad stakeholder community, with the critical tools to ensure a successful and well received IPO. Our connections offer the possibility of team building with foreign expertise from the Nordic market with close local connections.

Together, we provide the right tools to ensure that transaction is executed well; we are bringing our Nordic expertise combined with international best practices to ensure broad participation and overall quality of the IPO process as perceived politically, the general public and professional investors.

Public trust in the IPO process is vital for the success of the transaction, and we see a clear path forward on how to achieve this.

Working with Kontra Nordic and SB1 Markets Investment Banking will ensure ISFI with the necessary foundations for achieving the medium to long-term objective of attracting foreign strategic ownership in the path going forward. We firmly believe that with the right approach to the IPO, there will be opportunities in the medium term to benefit from our team building with expertise in the Nordic market will open opportunities for Íslandsbanki.

Experience between 1 January 2015 and 31 December 2020 in:

- ▶ **the sale or public offering of shares**
 - **in financial undertakings in Europe including type, size and role in each completed transaction.**
 - **in companies in Iceland including type, size and role in each completed transaction.**
- ▶ **advising European governments on the sale of holdings in corporations, including type, size and role in each completed transaction.**

Please find the requisite information in the attached Excel file, including the Appendices.

Expertise in Icelandic entities which have issued financial instruments in international markets

Kontra's team has previously worked together on the funding desk of an Icelandic bank, managing the bank's EMTN and USMTN bond issuances and ECP commercial

paper issuance out of London and Reykjavík, respectively. This included managing the bank’s relationship with programme dealers, debt capital markets teams and credit investors, including representing the bank’s credit to international investors.

In addition, the team includes members involved in the workout of Landsbanki post-2008, including the recapitalisation of Landsbankinn. The work included structuring the initial equity investment and long-term FX bond issuance from Landsbankinn, working alongside the FIG Balance Sheet Advisory and Restructuring teams at Barclays Capital, with a goal of setting the bank on the road back to international capital markets access. This work included close cooperation with the international investor base holding with claims on the bank.

Kontra was engaged as an advisor to Arion Bank, where they advised the Bank’s Risk Management and Treasury department on matters related to Bank Recovery and Resolution, including capitalisation (CET, T1 capital) and MREL/TLAC debt issuance. Kontra has also advised Íslandsbanki on enterprise risk management and capital allocation.

Emphasis on corporate social responsibility and management of potential conflicts of interests.

Kontra is focused on creating a sustainable economic and financial environment in Iceland and the Nordic region. This includes an emphasis on reporting on corporate social responsibility (CSR) and focus on transparency as means to mitigate risk of potential conflicts of interest.

The SB 1 Alliansen, including SpareBank 1 Markets, puts a strong emphasis on CSR and Sustainability.

In 2020, for the third year in a row, Norwegian consumers have ranked SpareBank 1, as Norway's number 1 sustainable bank in Norway.



4. Brief CV of key personnel that will lead the project.



SIGURJÓN G. GEIRSSON | FOUNDER AND MANAGING PARTNER | KONTRA

Sigurjón founded Kontra Advisors in 2016 after having identified a gap in the Nordic markets for financial advisory services due to the changing nature of the investment decision process and governance. He has previously worked in Financial Advisory at EY and PwC within the financial sector where he has advised the largest banks, insurance companies and money managers in the Nordic region. He is a member of the Financial Accounts Advisory Committee in Iceland, committee member of the Good Governance Professional Group at Stjórnvísir and lecturer in Finance and Accounting at the University of Iceland. Sigurjón has also held senior positions at the Financial Regulator (FME) and the commercial bank Landsbanki in Iceland. As one of the bank liquidators during the financial crisis in 2008/9, he was responsible for the recapitalization and foreign currency financing of the banking sector.



JEFFREY SUSSMAN, CFA | MANAGING DIRECTOR | KONTRA

Jeff is responsible for Kontra’s corporate finance practice. He has managed engagements for European corporates seeking to raise debt and equity capital from the US private markets and manages Kontra’s relationship with NY-based private equity firm Silver Swan Capital. Jeff has raised several billion dollars in debt and equity financing over his career in both advisory and treasury capacities. Previously he worked at Deloitte Financial Advisory in Zürich where he was an advisor to major Swiss banks, Fitch Ratings in New York as a credit analyst and Fredell & Co Structured Finance, structuring and arranging debt capital markets financing for banks and corporates.



SIMON THEEUWES MSc RC | EXPERT ADVISOR | KONTRA

Simon is finance professional with specific aviation industry expertise in how to invest in, develop and manage international airport assets. In the past 12 years he was involved in major M&A activities of Royal Schiphol Group (RSG) and its group financing activities. Before joining RSG, Simon worked in a Corporate Treasury & Investor Relations function with a Dutch listed global IT firm active in more than 35 countries. Before, he was working for 7 years in the investment banking industry for both UBS and ABN AMRO. Simon is an Executive Master of Finance & Control with a post-doc Master of Science degree and is a Registered Controller (RC) in the Netherlands.



MOGENS SVÆRKE JOHANSEN | SENIOR ADVISOR | KONTRA

Mogens is working as a finance specialist in the field of green energy investments and in corporate finance for the SME segment and focuses on corporate finance engagements with Kontra. He has worked for Deloitte in London as consultant to the banking industry. He has worked as international consultant to the metal industry in roles of turnarounds, CFO and corporate finance, with work experience in China and Europe. He has consulting experience in setting up a treasury function for a major online broker. He has a decade of experience in ALM and debt-capital markets from the Danish banking industry. Mogens holds an MBA from IMD in Switzerland, and a Master of Finance from Aarhus University, Denmark.



STEIN HUSBY | CEO | SB1 MARKETS (as potential cooperation partner)

Stein has been with SpareBank 1 markets since 2001 and has been the CEO the past seven years. Previously, Stein had been Head of Corporate Finance. Prior to joining SpareBank, Stein had been an Associate Director in Corporate Finance at First Securities (now Swedbank). Stein began his career as an Associate at McKinsey & Company. He holds the *Siviløkonom* degree in Business Administration from the Norwegian School of Economics

5. Confirmation of applicable operating licenses of party.

N/A for Financial Advisory role.
SB1 Markets is a fully licensed investment bank in Norway.

6. Confirmation that the party has read and understood provisions of Act no. 155/2012 and Íslandsbanki's policy on sustainability.

We hereby confirm we have read and understood the provisions of Act. No. 155/2012 and Íslandsbanki policy on sustainability.

7. Advisor's consent regarding publication of advisor's expression of interest.

We hereby give consent regarding the publication of this expression of interest from Kontra Nordic with SpareBank 1 Markets as a potential co-operation partner.

8. *Other information that the potential advisor considers important to demonstrate.*

Together, Kontra Nordic in cooperation with SpareBank Markets as potential co-operation partner, provide the right tools to ensure that transaction is executed well; we are bringing our Nordic expertise combined with international best practices to ensure broad participation and overall quality of the IPO process both as perceived politically, the general public and professional investors