

ÖSSUR HF.'S ANNUAL GENERAL MEETING

will be held on Friday 14 March 2014 at 9:00 AM (GMT) at the Company's office at Grjótháls 5, Reykjavík, Iceland.

A. PROPOSED AGENDA

1. The Board of Directors' report on the Company's activities for the preceding year.
2. Decision on the distribution of the net profit of the Company over the fiscal year 2013.
3. Submission of the Consolidated Financial Statements of the Company for the preceding year for confirmation.
4. The Board of Directors' report on remuneration and benefits.
5. Decision on the Company's Remuneration Policy.
6. Decision on remuneration to the Board of Directors for 2014.
7. Election of the Board of Directors.
8. Election of an Auditor.
9. Motion to amend the Company's Articles of Association.
10. Motion to grant an authorization to purchase own shares.
11. Any other business lawfully submitted or accepted for discussion by the Annual General Meeting.

The Board of Directors proposes to the Annual General Meeting to approve amended and restated Articles of Association for the Company, see item 9 on the agenda. The amended and restated Articles are based on the same foundation as the current Articles of Association, with changes and additions mainly deriving from recent amendments to the Icelandic Act No. 2/1995 on Limited Liability Companies.

Main proposed changes:

- Confirm that the Board of Directors shall ensure the share register includes the correct information at each given time. (Article 7, paragraph 1)
- Confirm that Shareholders' Meetings shall be convened with a maximum of four weeks' notice. (Article 14, paragraph 1)
- Delete a requirement to issue the convocation for Shareholders' Meetings in Icelandic media. (Article 14, paragraph 2)
- Explain what is meant by clear and precise rules on participation and voting in Shareholders' Meetings. (Article 14, paragraph 3)
- State which information shall be available to shareholders on the Company's website prior to a Shareholders' Meeting. (Article 15, paragraph 1)
- Confirm the shareholders' right to include a specific item on the agenda of a Shareholders' Meeting, subject to certain requirements. (Article 15, paragraph 3)
- Confirm the shareholders' right to attend a Shareholders' Meeting with an advisor and allow the advisor to speak on their behalf. (Article 16, paragraph 2)
- Delete a provision that states that a letter of proxy cannot be revoked with effect for the Company after it has been submitted on delivery of the documents of a Shareholders' Meeting or after the Meeting has been called to order. (Article 19, paragraph 2)
- Confirm that the Board of Directors shall report on remuneration and benefits at the Annual General Meeting. (Article 20, paragraph 3)
- Confirm that the Chairman of the Board of Directors calls a Shareholders' Meeting to order and controls the election of the Chairman of the Meeting, and the Chairman of the Meeting controls the election of the Secretary of the Meeting. (Article 21, paragraph 1)
- Voting at a Shareholders' Meeting shall be by ballot if any attendant so requests, unless it seems obvious to the Chairman of the Meeting that it will not have any effect on the voting results. (Article 21, paragraph 2)
- Confirm that the recorded minutes, or a copy thereof, shall be available to shareholders for viewing at the Company's office no later than two weeks after a Shareholders' Meeting. (Article 21, paragraph 3)
- State that the Board of Directors shall be composed of five individuals. Provisions added to ensure that the ratio of each gender on the Board of Directors is at least 40%. Elections to the Board of Directors and related requirements are further explained as well as the rules of termination and dismissal. (Article 24 and Article 26)
- Description of the Board of Directors', and the Chief Executive Officer's, role and responsibilities simplified and clarified with limited material changes. (Article 27, Article 28, paragraphs 3-5, and Article 30)
- Confirm that the consolidated financial statements shall be prepared in accordance with applicable law. (Article 31)
- Increase flexibility to hold and acquire treasury shares within the limits of the law. (Article 34)
- Provision on amendments to the Articles of Association simplified without making material changes. (Article 35)
- Delete provision on merger and sale of assets. Governed by applicable law. (Article 36)
- The Company is allowed to use electronic communication and emails when communicating with shareholders. (Article 37)
- Confirm that mandatory law prevails if the Articles of Association are in contradiction with the law. (Article 38, paragraph 2)

References above are made to articles in the proposed amended and restated Articles of Association. Other changes include structural changes and re-wording. The proposed amended and restated Articles of Association, the current Articles of Association and comparison between them, as well as further explanations of the proposed amendments, are available on the Company's website.

B. RULES ON SHAREHOLDERS' PARTICIPATION AND VOTING

Shareholders have the right to put items on the agenda of the Annual General Meeting and submit proposed resolutions, provided a written or electronic request thereof has been made no later than on Tuesday 4 March 2014. Shareholders may submit questions before or at the Annual General Meeting. Further information on shareholders' rights, including the requirements to exercise the rights, is available on the Company's website.

Each share in the Company carries one vote, except Treasury Shares that do not carry voting rights. Please note that shareholders need to be registered by name in the Company's share register to be able to vote (shares on nominee accounts do not carry voting rights). Shareholders attending the Annual General Meeting in person will be registered at the entrance of the Meeting and will receive their ballots and other relevant documents there. Shareholders, who do not attend the Annual General Meeting in person, can either: a) vote on items on the agenda in writing or electronically, or b) grant a proxy.

A shareholder's request to vote in writing or electronically must be received by the Company no later than five days prior to the Annual General Meeting. Shareholders can request to have their ballots sent to them or they can claim their ballots at the Company's office and cast their votes there on weekdays during normal business hours. Votes must be received by the Company prior to the Annual General Meeting.

Shareholders can either grant written or electronic proxies, subject to certain formalities outlined on the Company's website. Electronic proxies must be submitted through the Company's shareholder portal. Proxies must be received by the Company prior to the Annual General Meeting or when registering for the Meeting.

Further information on the voting rules and the use of proxies is available on the Company's website.

C. FURTHER INFORMATION

The Annual General Meeting will be conducted in English. Documents to be submitted to the Annual General Meeting, including the audited Consolidated Financial Statements for 2013 and the Annual Report for 2013, as well as proposed resolutions and remarks from the Board of Directors on each item of the agenda, are available in English at the Company's website. The documents are also available to shareholders at the Company's office at Grjótháls 5, 110 Reykjavík, Iceland, on weekdays during normal business hours.

The final agenda and proposals will be published on Friday 28 February 2014. If shareholders have requested to put items on the agenda or submitted proposed resolutions at any time between 28 February – 4 March 2014, the final agenda and proposals will be updated on the Company's website no later than three days prior to the Annual General Meeting.

Shareholders are also advised that according to Article 63 a. of the Icelandic Act No. 2/1995 on Limited Liability Companies, written notices on candidature to the Board of Directors can be made until five days before the Annual General Meeting. Thus, information on all candidates to the Board of Directors will be made available no later than two days before the Meeting.

Shareholders and proxy holders can register for the Annual General Meeting at the Company's office from 8:30 on the day of the Meeting. The Annual General Meeting will start punctually at 9:00.

Further information on the Annual General Meeting and the Meeting material can be found on the Company's website:

WWW.OSSUR.COM/INVESTORS/AGM

Reykjavík, 20 February 2014,
The Board of Directors of Össur hf.

