

ÖSSUR HF.'S ANNUAL GENERAL MEETING
FRIDAY 14 MARCH 2014 AT 9:00 AM (GMT)
AT GRJÓTHÁLS 5, REYKJAVÍK, ICELAND

A. 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.

B. PROPOSALS

2. Proposal on the distribution of the net profit of the Company

The Board of Directors proposes the Company pays a dividend of DKK 0.10 per share to shareholders for the year 2013, corresponding to approximately 20% of the Company's net profits. The Ex-Date is 17 March 2014, the Record Date is 19 March 2014 and the Payment Date is 28 March 2014.¹

The Board proposes the remaining net profits in 2013 are carried over to the following year.

3. Proposal on confirmation of the Company's Consolidated Financial Statements

The Board of Directors proposes the Company's Consolidated Financial Statements for 2013 are approved.

5. Proposal on the Company's Remuneration Policy

The Board of Directors proposes to approve the Company's Remuneration Policy laid before the Annual General Meeting.

6. Proposal on remuneration to the Board of Directors for 2014

The Board of Directors proposes the following Board remuneration for 2014:

Chairman of the Board	USD 82,200
Vice Chairman of the Board	USD 49,300
Board Members	USD 32,900

7. Nomination of candidates for the Board of Directors

The Board proposes that its size shall remain unchanged and that all the current Board Members are re-elected:

Mr. Niels Jacobsen
Dr. Kristján Tómas Ragnarsson
Mr. Arne Boye Nielsen
Mrs. Guðbjörg Edda Eggertsdóttir
Dr. Svafa Grönfeldt

¹ **Ex-Date:** The day when trading commences without dividends (the next business day after the AGM).

Record Date: The day shareholders have to be registered in the share registry to be entitled to receive dividends (the third business day after the AGM). This means that shareholders that have purchased shares on the day of the AGM will receive dividends, see comment on Ex-Date above.

Payment Date: The day when dividends are paid out to shareholders (two weeks after the AGM).

8. Nomination of an Auditor

The Board of Directors proposes, in conformity with the Audit Committee's recommendations to the Board, to re-elect Deloitte hf. as the Company's Auditor.

9. Proposal on amendments to the Company's Articles of Association

The Board of Directors proposes to approve the amended and restated Articles of Association for the Company laid before the Annual General Meeting.

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.

10. Proposal on authorization to purchase own shares

The Board of Directors proposes that the following motion is approved:

The Board of Directors is authorized, until the next Annual General Meeting, to allow the Company to purchase own shares of up to 10% of the Company's share capital. The purchase price shall not be more than 10% above or 10% below the market price on NASDAQ OMX where the shares are purchased. Notwithstanding the foregoing, the purchase price shall always be determined within the limits of the law at the time of purchase.

This authorization is granted in accordance with Article 55 of the Icelandic Act No. 2/1995 on Limited Liability Companies.