

ÖSSUR HF.'S ANNUAL GENERAL MEETING

will be held on Thursday 10 March 2016 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 2015.
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 2016.
7. Election of the Board of Directors.
8. Election of an Auditor.
9. Motion to renew and amend authorizations to increase the Company's share capital.

The Board of Directors proposes to renew and amend its authorizations in Article 5 of the Company's Articles of Association to increase the Company's share capital. The existing authorizations will expire on 4 March 2016. The proposal entails the following: (i) the authorization to increase the share capital in connection with acquisitions, without shareholders' pre-emptive rights being applicable, is lowered significantly; (ii) the authorization to increase the share capital in connection with acquisitions, where shareholders' pre-emptive rights are applicable, is not renewed; and (iii) the authorization to increase the share capital to fulfill share option agreement is renewed without any amendments.

10. Motion to reduce the Company's share capital.
The Board of Directors proposes to reduce the Company's share capital by ISK 3,292,688 nominal value by way of cancelling 3,292,688 of the Company's own shares of ISK 1 each, corresponding to 0.74% of the Company's share capital. As a result of the capital reduction, it is proposed to amend Article 4, paragraph 1, of the Company's Articles of Association accordingly.
11. Motion to grant an authorization to initiate share buyback programs.
12. Any other business lawfully submitted or accepted for discussion by the Annual General Meeting.

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 Monday 29 February 2016. 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: (i) cast their votes on items on the agenda in writing or electronically, or (ii) 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 a proxy holder registers 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 2015 and the Annual Report for 2015, as well as the proposed resolutions and remarks from the Board of Directors on each item of the agenda are available in English on 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 Thursday 25 February 2016. If shareholders have requested to put items on the agenda or submitted proposed resolutions at any time between 25 February and 29 February 2016, 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 am on the day of the Meeting. The Annual General Meeting will start punctually at 9:00 am.

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, 18 February 2016,
The Board of Directors of Össur hf.