

Össur hf.'s Annual General Meeting 2021

- Results

1. The meeting approved to carry the net profit in 2020 over to the following year and not pay any cash dividend.
2. The meeting approved the Consolidated Financial Statements for the year 2020.
3. The meeting approved the Company's Remuneration Policy. See attachment.
4. The meeting made the following decision on remuneration to the Board of Directors for the year 2021:

Chairman of the Board – USD 100,000

Vice Chairman of the Board – USD 60,000

Board Members – USD 40,000

5. The meeting approved the following proposal on a new long-term incentive program:

"Type of share-based incentive program: Share options.

Participants: The CEO and other members of the Executive Management, their direct reports (with exceptions) and key specialists in strategic positions.

Total number of share options: Up to 2,800,000 share options, for one share each, may be granted and be in effect at each time under the program. If any share options lapse prior to their vesting date, new share options may be granted instead.

Cap: Up to 420,000 share options may be granted to the CEO in total (15% of the program) and up to 150,000 shares may be granted to each member of the Executive Management (approx. 5% of the program each).

Granting time: The share options shall be granted periodically. No more than 1,400,000 share options shall be granted and be in effect under the program in 2021.

Vesting time: 3 years from the grant date.

Exercise period: 1 year immediately after the share options have vested.

Exercise price: The Company's average share price on Nasdaq Copenhagen the 20 trading days prior to the grant date.

Other key terms and conditions:

Participants may not exercise their share options when they are in possession of inside information.

The CEO and other members of the Executive Management are required to hold shares, corresponding to 5% of the profit gained of the share options after deduction of taxes, until their employment with the Company is terminated.

The Company has the option to reclaim, in whole or in part, remuneration that has been based on false, misleading, insufficient or incorrect data, or if the recipient acted in bad faith in respect of other matters, which resulted in too high remuneration or remuneration which would otherwise not have been granted.

The Company may not grant any loans or guarantees to participants in connection with the share options.”

6. The meeting elected the following individuals to serve on the Board of Directors until the next Annual General Meeting:

Mrs. Guðbjörg Edda Eggertsdóttir

Dr. Alberto Esquenazi

Dr. Svafa Grönfeldt

Mr. Niels Jacobsen

Mr. Arne Boye Nielsen

7. The meeting elected Deloitte ehf. as the Company’s Auditor.
8. The meeting approved a proposal to renew the Board’s authorizations in Article 5 of the Company’s Articles of Association to increase the Company’s share capital.

Article 5 of the Company’s Articles of Association states as follows:

“In connection with acquisitions, the Board of Directors of the Company is authorized to increase the share capital of the Company in stages over five years by an amount of up to ISK 67,000,000 – sixtysevenmillionIcelandickrónur – in nominal value, through the sale of new shares without the provision on pre-emptive rights of Article 34 of the Icelandic Act No. 2/1995 on Limited Liabilities Companies being applicable. The Board of Directors determines the offer price of these shares, the terms of sale, the subscription deadline and deadline for payment. The Board of Directors may decide that subscribers pay for the new shares partly or fully with other valuables than cash.

The Board of Directors is authorized to increase the share capital of the Company in stages over five years by up to ISK 8,000,000 – eightmillionIcelandickrónur – in nominal value. The authorization shall only be utilized to fulfill share option agreements with employees et al. in accordance with the Company’s share incentive schemes. The pre-emptive rights provision of Article 34 of the Icelandic Act No. 2/1995 on Limited Liabilities Companies is not applicable. The share price and the rules governing the purchase of shares shall be in accordance with the terms of the option agreements.”

Article 5 of the Company’s original Articles of Association in Icelandic states as follows:

“Í tengslum við fyrirtækjakaup er stjórn félagsins heimilt að auka hlutafé félagsins í áföngum á fimm árum um allt að kr. 67.000.000 – sextíuogsjömilljónirkróna – að nafnverði, með sölu nýrra hluta án þess að forgangsréttarákvæði 34. gr. laga um hlutafélög nr. 2/1995 eigi við. Stjórn félagsins ákveður útboðsgengi þessara hluta og sölureglur hverju sinni, fresti til áskriftar og fresti til greiðslu þeirra. Stjórn félagsins er heimilt að ákveða að áskrifendur greiði fyrir hina nýju hluti að hluta eða öllu leyti með öðru en reiðufé.

Stjórn félagsins er heimilt að auka hlutafé félagsins í áföngum á fimm árum um allt að kr. 8.000.000 – áttamilljónirkróna – að nafnverði. Heimildin skal aðeins nýtt til að uppfylla kaupréttarsamninga sem gerðir hafa verið við starfsmenn o.fl. í samræmi við kaupréttaráætlanir félagsins. Forgangsréttarákvæði 34. gr. laga um hlutafélög nr. 2/1995 eiga ekki við. Kaupgengi hlutanna og sölureglur skulu vera í samræmi við efni kaupréttarsamninga.”

9. The meeting approved the following proposal on an authorization to initiate share buyback programs:

“The Board of Directors is authorized, until the next Annual General Meeting 8 March 2022, to allow the Company to initiate one or more share buyback programs (the “Programs”) that comply with the provisions of Regulation No. 596/2014 of the European Parliament and of the Council on market abuse (“MAR”) and the Commission’s delegated regulation 2016/1052. The main purpose of the Programs shall be to reduce the Company’s share capital, but the shares purchased may also be used to meet the Company’s obligations under share incentive programs with employees. The Company may purchase up to 8,000,000 shares in total under the Programs, corresponding to 1.9% of the current share capital. The total consideration for shares purchased under the Programs shall not exceed USD 40 million. The Company shall not purchase more than 25% of the average volume of the shares each trading day based on the average volume the 20 trading days preceding the date of purchase on the regulated market where the purchase is carried out. The purchase price shall not be higher than the price of the last independent trade or the highest current independent bid, whichever is higher, on the regulated market where the transaction is carried out. Each Program shall be managed by an investment firm or a credit institution which makes its trading decisions in relation to the Company’s shares independently of, and without influence by, the Company regarding the timing of the purchases. The Company’s purchases under the Programs shall be disclosed in accordance with law and regulations.”