

## Invitation to the Annual General Meeting of u-blox Holding AG

Dear Shareholder,

We are pleased to invite you to the

### 8th ordinary General Meeting

The general meeting will be held on April 28, 2015, at 16h00 at Serata, Tischenloostrasse 55, 8800 Thalwil, Switzerland.

#### Agenda and proposals of the Board of Directors

#### 1. Annual Report, financial statements and consolidated financial statements for 2014

*Proposal*

The Board requests the approval of the 2014 annual report, the financial statements and consolidated financial statements.

#### 2. Appropriation of available profit and dividends

##### 2.1 Appropriation of available profit

*Proposal*

Carry forward the balance 2014.

##### 2.2. Dividend

*Proposal*

Pay the total amount of dividends of CHF 1.60 per share from capital contributions. No dividend is paid on shares owned by a u-blox group company.

*Explanation*

Available profit:

Profit brought forward from 2013	CHF 30'464'612
Net profit for the year 2014	CHF 7'903'240
Total available profit/ Balance to be carried forward	CHF 38'367'852

Release of reserves from capital contributions	CHF 10'541'890
Dividend out of reserves from capital contributions of CHF 1.60 per share on 6'588'681 shares <sup>1</sup>	CHF -10'541'890

<sup>1</sup>Depending on the number of shares issued on the last trading day with entitlement to receive dividend.

The shares will be traded ex-dividend as of 30. April 2015. The dividend will be payable as from 5. May 2015.

Dividends from the capital contribution reserve can be paid out without deduction of Swiss withholding tax of 35%. The Board of Directors proposes to pay the dividend from the capital contribution reserves (motion 2.2). Therefore, the balance 2014 should be carried forward (motion 2.1).

#### 3. Discharge of the Board of Directors and the Executive Committee

*Proposal*

Discharge of the members of the Board of Directors and of the Executive Committee.

#### **4. Advisory Vote on the Compensation of the members of the Board of Directors and Executive Committee**

*Proposal*

The Board of Directors proposes to consent in a non-binding vote to the total compensation granted to the Board of Directors for 2014 (i.e. CHF 411'000).

*Proposal*

The Board of Directors proposes to consent in a non-binding vote to the total compensation granted to the Executive Committee for 2014 (i.e. CHF 3'881'000).

*Explanation*

The compensation system is described in the annual report under section 13 of the corporate governance report.

#### **5. Election of Directors and Chairman**

*Proposal*

Re-election of Fritz Fahrni and re-election as Chairman of the Board until the end of the next annual general meeting.

*Proposal*

Re-election of Paul Van Iseghem until the end of the next annual general meeting.

*Proposal*

Re-election of Gerhard Tröster until the end of the next annual general meeting.

*Proposal*

Re-election of Soo Boon Quek until the end of the next annual general meeting.

*Proposal*

Re-election of Thomas Seiler until the end of the next annual general meeting.

*Proposal*

Re-election of Jean-Pierre Wyss until the end of the next annual general meeting.

*Proposal*

Election of André Müller until the end of the next annual general meeting.

*Explanation*

Mr. André (Andreas) Müller, born 1953, holds an Engineering degree (ETH). André Müller was active as CEO of Cicorel SA (Switzerland) and member of the CICOR group management from 2006 – 2009. From 1998 – 2007 he was CEO and as of 1999 chairman of the board of HCT Shaping Systems SA (Switzerland). From 1993 – 1996 he was vice-president and from 1996 – 1998 General Manager of ESEC SA (Switzerland). Prior to that, he held different positions in research and development divisions in the aerospace industry.

Mr. André Müller is member of the board of Essemtec AG (Switzerland), DE Holding AG (Switzerland), Odevis Automation AG (Germany) and Bangerter Microtechnik AG (Switzerland).

Mr. André Müller is a Swiss and Italian citizen.

#### **6. Election to the Nomination and Compensation Committee**

*Proposal*

Re-election of Gerhard Tröster until the end of the next annual general meeting.

*Proposal*

Re-election of Fritz Fahrni until the end of the next annual general meeting.

#### **7. Amendments of the Articles of Association**

##### 7.1 Authorized Capital

*Proposal*

Article 3a of the articles of association (conditional capital) is replaced as follows:

The Board request the renewal of the authorized capital in reduced volume by the following changes in article 3b (changes marked):

"The board of directors is authorized to increase the share capital at any time but no later than by October 16, 2015 2017, by a maximum nominal amount of CHF 1'261'000 979'000 by way of issuance of no more than 1'134'900 881'100 registered shares that are to be fully paid in with a nominal value of CHF 0.90 each. An increase in partial amounts is permitted. The board of directors will determine the amount of issue, date of dividend entitlement and kind of contributions.

The board of directors is entitled to exclude the subscription right of shareholders and allocate such right to third parties in cases where such new shares are to be used for the takeover of companies by way of exchange of shares, or for financing the acquisition of companies, or divisions thereof, or equity interests, or new investment projects of the Company. Shares for which subscription rights were granted but are not exercised will be allocated by the board of directors."

*Explanation*

The authorization expires on 16. October 2015 and will be extended for two years. The number of shares to be issued is reduced under consideration of the shareholders interest (limitation of dilution) to - cumulatively with the conditional capital – approximately 20% of the outstanding share capital.

7.2 Changes pursuant to VegüV

*Proposal*

The Board request the change, completion, replacement or deletion of articles of association (7,8,10,12,14,16,17,19,20,24,27,31) as follows:

Articles of Association existing	Articles of Association new
<p><b>Art. 7 Bodies</b></p> <p>The corporate bodies of the Company are:</p> <ul style="list-style-type: none"> <li>a) The Shareholders' Meeting</li> <li>b) The Board of Directors;</li> <li>c) The Auditors.</li> </ul>	<p><b>Art. 7 Bodies</b></p> <p>The corporate bodies of the Company are:</p> <ul style="list-style-type: none"> <li>a) The Shareholders' Meeting</li> <li>b) The Board of Directors</li> <li><u>c) The Management</u></li> <li>ed) The Auditors</li> </ul>
<p><b><u>A. The Shareholders' Meeting</u></b></p> <p><b>Art. 8 Powers</b></p> <p>The shareholders' meeting is the supreme body of the Company. It has the following non-transferable powers:</p> <ol style="list-style-type: none"> <li>1. Establishment and amendment of the articles of incorporation, unless this authority is conferred upon the board of directors according to the law;</li> <li>2. Election and removal of the members of the board of directors and of the auditing body or bodies;</li> <li>3. Approval of the annual report, the annual financial statements, and any consolidated financial statements, if applicable, and adoption of resolutions regarding the appropriation of annual net income, including, but not limited to the determination of the dividend;</li> <li>4. Ratification of the acts of the board of directors;</li> <li>5. Adoption of resolutions regarding all matters reserved to the shareholders' meeting by law or by the articles of incorporation or submitted to it by the board of directors.</li> </ol>	<p><b><u>A. The Shareholders' Meeting</u></b></p> <p><b>Art. 8 Powers</b></p> <p>The shareholders' meeting is the supreme body of the Company. It has the following non-transferable powers:</p> <ol style="list-style-type: none"> <li>1. Establishment and amendment of the articles of incorporation, unless this authority is conferred upon the board of directors according to the law;</li> <li>2. Election and removal of <u>the president and</u> the members of the board of directors, <u>of the members of the compensation committee,</u> of the auditing body or bodies <u>and the independent proxy;</u></li> <li>3. Approval of the annual report <u>or management</u> report, <u>as applicable,</u> the annual financial statements, and any consolidated financial statements, if applicable, and adoption of resolutions regarding the appropriation of annual net income, including, but not limited to the determination of the dividend;</li> <li>4. Ratification of the acts of the board of directors;</li> <li>5. <u>Approval of the remuneration of the board of directors and management in accordance with Art. 14a of the articles of incorporation.</u></li> <li>6. Adoption of resolutions regarding all matters reserved to the shareholders' meeting by law or by the articles of incorporation or submitted to it by the board of directors.</li> </ol>

<p><b>Art. 10 Form</b></p> <p>2. paragraph:</p> <p>No later than 20 days prior to the annual shareholders' meeting, the management report (including income statement, balance sheet and notes as well as the annual report and consolidated financial statements, if applicable) and the auditor's report must be made available to the shareholders for inspection at the registered office of the Company. Any shareholder may request that a copy of these documents be promptly sent to him. The convening notice must refer to both options above.</p>	<p><b>Art. 10</b></p> <p>2. paragraph:</p> <p>No later than 20 days prior to the annual shareholders' meeting, the management report (including income statement, balance sheet and notes as well as the annual report or management report, as applicable, and consolidated financial statements, if applicable), <u>the compensation report</u> and the auditor's reports must be made available to the shareholders for inspection at the registered office of the Company. <u>The notification regarding such availability may also be provided in electronic form or via email.</u> Any shareholder may request that a copy of these documents be promptly sent to him. The convening notice must refer to both options above.</p>
<p><b>Art. 12 Voting right, proxy</b></p> <p>Each share conveys the right to one vote in the shareholders' meeting.</p> <p>Entitled to attend shareholders' meetings and to exercise voting rights are shareholders recorded as shareholders with voting rights in the shareholder register as of twenty (20) days or any other qualifying date prior to the shareholders' meeting set by the board of directors.</p> <p>Any shareholder may be represented in the shareholders' meeting by a legal representative, a person authorized in writing by it who need not be a shareholder, or by a representative of corporate bodies, as the case may be, or an independent proxy, or by a representative for shares deposited with it. The board of directors will decide as to whether the authority / proxy is recognized.</p>	<p><b>Art. 12 Voting right, proxy</b></p> <p>Each share conveys the right to one vote in the shareholders' meeting.</p> <p>Entitled to attend shareholders' meetings and to exercise voting rights are shareholders recorded as shareholders with voting rights in the shareholder register as of twenty (20) days or any other qualifying date prior to the shareholders' meeting set by the board of directors.</p> <p>Any shareholder may be represented in the shareholders' meeting by a legal representative, a person authorized in writing by it who need not be a shareholder, or by <del>a representative of corporate bodies, as the case may be</del> <u>an independent proxy or by a representative for shares deposited with it.</u> <u>The board of directors will decide on the participation and representation at the shareholders' meeting, including any requirements with regard to power of attorney/proxy and instructions;</u> the board of directors will decide as to whether the power of attorney/proxy is recognized.</p>
<p><b>Art. 14 Special resolutions</b></p> <p>e) changes to Art. 15 and 16 hereof with regard to the term of office of the board of directors and number of its members;</p>	<p><b>Art. 14 Special resolutions</b></p> <p>e) changes to Art. 15 <del>and 16</del> hereof with regard to the <del>term of office</del> number of the members of the board of directors;</p>
	<p><b><u>Art. 14a Approval of remuneration, additional amounts</u></b></p> <p><u>The shareholders' meeting approves each year the motions submitted by the board of directors with regard to the maximum total amounts</u></p> <p><u>– of the remuneration of the board of directors for the period until the next annual shareholders' meeting;</u></p> <p><u>– the remuneration of management for the ongoing, respectively for the next fiscal year.</u></p> <p><u>The board of directors may submit motions for approval by the shareholders' meeting with regard to the maximum total amounts or individual remuneration elements for other periods, including past periods, or with respect to additional amounts for special remuneration elements as well as additional conditional motions. If the shareholders' meeting rejects a motion of the board of the</u></p>

	<p><u>directors, the board of directors will then decide as to the further course of action. Among other things, it may call a special shareholders' meeting or determine a maximum total amount or several maximum partial amounts under consideration of all relevant factors and submit this amount or these amounts during the next shareholders' meeting for approval. The Company is entitled to pay remuneration in the maximum total or partial amounts determined in this manner, subject to the approval by the shareholders' meeting.</u></p> <p><u>The remuneration may be paid by the Company or its group companies. Contracts of employment or contracts for services (mandates) with members of the management or of the board of directors are subject to a maximum period of notice of twelve (12) months or a term of no longer than twelve (12) months or the term of office, as applicable.</u></p> <p><u>The board of directors calculates amounts according to the same methods that apply to the remuneration report; they may – where necessary or appropriate – include estimates and reserves for contingencies as well as evaluations. For any remuneration approved in Swiss Francs but paid out in foreign currencies, approved amounts may be exceeded due to currency fluctuations.</u></p> <p><u>The Company is authorized to pay to members of the management who join the management during a period for which the management's remuneration has already been approved, an additional amount if the total amount approved for that period in question is not sufficient for the remuneration of these persons until the end of the period. The additional amount also serves the compensation for the loss of valid claims of the new member of the management against his former employer or contractor. The additional amount may for the managing director not exceed thirty percent (30%) and for each other member of the management twenty percent (20%) of the last approved total amount of remuneration of the management. The additional amount may be used for remunerations provided for in the compensation policy.</u></p>
<p><b>B. The Board of Directors;</b></p>	<p><b>B: The Board of Directors</b></p>
<p><b>Art. 16 Term of office</b></p> <p>The members of the board of directors are elected by the shareholders' meeting, usually for a term of three (3) years, unless the shareholders' meeting establishes different terms of office for individual members. Re-appointment is allowed. The electoral rotation should be set in a manner to allow that each year the term of office of about one third of the members of the board or directors expires.</p> <p>The term of office of the members of the board of directors ends on the day of the third annual shareholders' meeting following the election. Resignation or removal from office prior to such date are reserved. Should elections of substitutes be held during a term of office, the newly elected members will complete the term of office of their predecessors.</p>	<p><b>Art. 16 Term of office</b></p> <p>The members of the board of directors are elected by the shareholders' meeting, for a term of one <del>three (3)</del> (1) year unless the shareholders' meeting establishes different terms of office for individual members. Re-appointment is allowed. <del>The electoral rotation should be set in a manner to allow that each year the term of office of about one third of the members of the board or directors expires.</del></p> <p>The term of office of the members of the board of directors ends <del>on the day of the third</del> <u>at the end of the</u> annual shareholders' meeting following the election. Resignation or removal from office prior to such date are reserved. <del>Should elections of substitutes be held during a term of office, the newly elected members will complete the term of office of their predecessors.</del></p>

<p><b>Art. 17 Organization</b></p> <p>The board of directors constitutes itself.</p> <p>For the performance of its duties, including non-transferable and inalienable duties, the board of directors may create committees consisting of its members, and may entrust these committees or any of its members with the preparation and execution of its resolutions, the monitoring of business transactions and special duties related thereto. The secretary, who need be neither a shareholder nor a member of the board of directors, is appointed by the board of directors.</p>	<p><b>Art. 17 Organization</b></p> <p>The board of directors constitutes itself <u>subject to the powers vested in the shareholders' meeting.</u></p> <p>For the performance of its duties, including non-transferable and inalienable duties, the board of directors may create committees consisting of its members, and may entrust these committees or any of its members with the preparation and execution of its resolutions, the monitoring of business transactions and special duties related thereto. The secretary, who need be neither a shareholder nor a member of the board of directors, is appointed by the board of directors.</p>
	<p><b><u>Compensation committee</u></b></p> <p><u>The compensation committee consists of at least two (2) members of the board of directors. They are elected by the shareholders' meeting individually for a term of office of one year until the end of the next annual shareholders' meeting; re-appointment is admissible.</u></p> <p><u>The compensation committee deals with the remuneration policy, in particular at the highest corporate level. It has the powers and authority to pass resolutions and submit motions vested in and assigned to it pursuant to the organizational rules and the rules of procedure of the compensation committee. It supports the board of directors in particular in the determination and assessment of the remuneration system and the remuneration principles and in the preparation of motions to be submitted to the shareholders' meeting for approval of remunerations.</u></p> <p><u>The board of directors may assign further tasks to the compensation committee and rename it.</u></p>
<p><b>Art. 19 Non-transferable and inalienable duties</b></p> <p>The board of directors has non-transferable and inalienable duties, including, but not limited to:</p> <p>6. the preparation of the annual report as well as the preparation of the shareholders' meeting and the execution of its resolutions;</p>	<p><b>Art. 19 Non-transferable and inalienable duties</b></p> <p>The board of directors has non-transferable and inalienable duties, including, but not limited to:</p> <p>6. the preparation of the annual report <u>and the remuneration report</u> as well as the preparation of the shareholders' meeting and the execution of its resolutions;</p>
<p><b>Art. 20 Delegation</b></p> <p>First sentence:</p> <p>The board of directors may assign the management and representation in whole or in part to a steering committee elected from among its members, or any other committee, or any of its members or third parties.</p>	<p><b>Art. 20 Delegation</b></p> <p>First sentence:</p> <p>The board of directors may assign the management and representation in whole or in part to a steering committee elected from among its members, or any other committee, or any of its members or third parties <u>who are natural persons.</u></p>

## **Art. 24 Compensation**

The members of the board of directors receive adequate compensation for their function. The board of directors determines the amount of such compensation.

## **Art. 24 Remuneration, number of mandates, contracts**

### **Art. 24a The Board of Directors**

The members of the board of directors receive adequate remuneration for their function. The board of directors determines the amount and form of such remuneration; the amount of such remuneration is subject to the approval by the general assembly.

The number of mandates in senior executive and administrative bodies of legal entities outside the group that must be entered in the Swiss commercial register or a comparable register abroad, are limited for each member of the board of directors to no more than a total of eight (8) such mandates in legal entities outside the group and among those to a total of four (4) in listed companies. Furthermore, up to five (5) further mandates in an honorary capacity may be assumed in non-profit organizations.

The Company may enter into agreements with members of the board of directors about their mandate and their remuneration. These agreements must not exceed the term of office stipulated in Art. 16 above.

### **Art. 24b The Management**

The management board appoints the management; the management has the responsibilities and powers assigned to and vested in it pursuant to the organizational rules.

The number of mandates in senior executive and administrative bodies of legal entities outside the group that must be entered in the Swiss commercial register or a comparable register abroad, are limited for each member of the management to no more than a total of two (2) such mandates in legal entities outside the group and among those to a total of one (1) in listed companies. Furthermore, up to five (5) further mandates in an honorary capacity may be assumed in non-profit organizations.

Mandates that are not on an honorary capacity are subject to the approval of the board of directors.

The remuneration of the management has a fixed and a variable component. The variable component may be comprised of short-term and long-term remuneration elements. Part of the remuneration may be paid in the form of equity interests in the Company or in the form of other financial instruments based thereon. In these cases, the board of directors establishes the conditions, including in particular the time of allocation, evaluation, and blocking period. The conditions may provide that in case of circumstances determined in advance, the conditions for transfer and exercise continue to apply, are shortened or cancelled, that remunerations are paid under the assumption of achieving goals or that remunerations are forfeited.

The bonus (variable remuneration) is limited to 150% of the base salary for the managing director and to 100% of the base salary of other members of the management.

	<p><u>The agreement of post-contractual prohibitions to compete is admissible to the extent that they are agreed upon for no more than one (1) year and that the compensation does not exceed the amount that the member in question has received as remuneration during the last twelve (12) months prior to the termination of the contract. In case the manager is not requested to work out his notice period (garden leave), the duration of the non-compete obligation together with the garden leave period cannot exceed one year.</u></p>
<b>C. The Auditors.</b>	<b>C.-The Auditors.</b>
<p><b>Art. 27 Annual financial statements</b></p> <p>The board of directors prepares a management report, consisting of the annual financial statements and the annual report, for each fiscal year.</p>	<p><b>Art. 27 Annual financial statements</b></p> <p>The board of directors prepares a management report, consisting of the annual financial statements and the annual report <u>or management report, as applicable,</u> for each fiscal year.</p>
<p><b>Art. 31 Letter, publication</b></p> <p>Notices and notifications from the Company's bodies must be made in writing to the addresses of the shareholders recorded in the shareholder register in order to be legally binding.</p> <p>Public announcements are published in the Swiss Official Gazette of Commerce.</p> <p>The board of directors may also direct that announcements be made in other publication gazettes.</p>	<p><b>Art. 31 Letter, publication</b></p> <p>Notices and notifications from the Company's bodies <del>must be made in writing to the addresses of the shareholders recorded in the shareholder register in order to be legally binding.</del></p> <p><u>and pPublic announcements are published made in a legally binding manner by publication</u> in the Swiss Official Gazette of Commerce</p> <p>The board of directors may also direct that announcements be made in other publication gazettes <u>and send notices and notifications by mail or e-mail.</u></p>

#### *Explanation*

The articles of association must be amended pursuant to the Ordinance against Excessive Compensation (VegÜV). The English translation of the German version is for information purposes only and has no legal effect.

## **8. Compensation**

### **Board**

#### *Proposal*

The Board requests the approval of the total compensation of the Board (currently 5 non-executive members) in an amount of CHF 550'000 for the Board for the period until the ordinary annual assembly 2016.

#### *Explanation*

The compensation of the Board is paid in cash pursuant to the compensation policy.

Only non-executive Board members are paid a compensation. The Board requests pursuant to a comparison with the benchmark according to the compensation policy the increase of the compensation in order to ensure that the members of the Board are compensated in conformity with market conditions. Employer's social security and pension contributions were taken into account and where possible estimated.

### **Executive Committee**

#### *Proposal*

The Board requests the approval of the total maximum compensation of the executive committee (currently 5 members) in the amount of CHF 6'200'000 for the fiscal year 2016.

#### *Explanation*

The compensation is composed of a base salary, options and a variable bonus. The amount corresponds to the maximum which could be achieved in case of an exceptional growth of the business.

- a) *Base salary*: a maximum amount of CHF 2'000'000.

The base salary is proposed to be increased pursuant to a comparison with the benchmark according to the compensation policy to ensure that the EC is remunerated in line with market conditions.



b) *Attribution of options*: a maximum amount of CHF 2'100'000.

The value of options was defined on the basis of an estimated Fair Value at grant in 2017 (CHF 49 per option) under the assumption that the same number of options will be granted as in the previous year (38'825).

c) *Variable compensation*: a maximum amount of CHF 2'100'000.

The bonus was calculated with the maximum possible amount according to the employment agreement (CEO: 150% of base salary, other EC members: 100% of base salary).

Employer's contributions to social security and pension funds were taken into account and estimated as far as possible.

## 9. Election of the independent proxy

### *Proposal*

Re-election of KBT Treuhand AG, Zürich as independent proxy until the end of the next annual general meeting.

## 10. Election of the statutory auditor

### *Proposal*

Re-election of KPMG AG, Luzern for the fiscal year 2015.

## Annual Report

The complete Annual Report 2014 is available 20 days prior to the general meeting for inspection at the registered offices of the company, Zürcherstrasse 68, CH-8800 Thalwil. The Annual Report can be ordered as of 31st March, 2015 by sending the enclosed reply/instruction form in the enclosed envelope or on <https://netvote.ch/ublox> by using the login data in the reply/instruction form. The Annual Report is also available on our website ([www.u-blox.com](http://www.u-blox.com)).

## Admission cards

Shareholders with voting rights can order admission cards on <https://netvote.ch/ublox> by using the login data in the reply/instruction form or by sending the enclosed reply/instruction form in the enclosed envelope, preferably no later than April 21, 2015.

Shareholders with voting rights are shareholders registered in the share register with voting rights on April 21, 2015 at 17:00.

## Proxies

You can be represented by a third party or by the independent proxy.

### Independent Proxy

The Board has appointed Mr. Walter Boss, trustee, KBT Treuhand Zürich, as independent proxy.

Shareholders who wish to appoint Mr. Walter Boss as their representative, may either

- send the signed instruction form to Mr. Walter Boss, KBT Treuhand Zürich, Zimmergasse 16, Postfach 1519, 8032 Zürich or to [areg.ch](http://areg.ch) ag (with enclosed envelope) not later than 24th of April 2015 or
- give Mr. Walter Boss voting instructions electronically on <https://netvote.ch/ublox> by using the login data in the reply/instruction form not later than 26th of April 2015.

### Third Party

Shareholders who wish to appoint a third party representative have to order the admission card and submit the admission card to the representative. The third party representative will be authorized to vote at the general assembly if he/she presents the admission card signed by the shareholder and the voting material at the general assembly.

Yours sincerely,

Thalwil, March 30, 2015

u-blox Holding AG  
The Board of Directors

Attachment:

- Reply/instruction form
- Route map