

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

Thalwil, 25.03.2019

Dear Shareholder,

We are pleased to invite you to the

12th Ordinary General Meeting

The general meeting will be held on April 25, 2019, at 16:00 at Seminarhotel Bocken, Bockenweg 4, 8810 Horgen, Switzerland.

Agenda and proposals of the Board of Directors

1 Annual report, financial statements, and consolidated financial statements for 2018

Proposal: The Board proposes the approval of the 2018 annual report, the financial statements, and consolidated financial statement.

2 Appropriation of available profit and dividends

2.1 Appropriation of available profit

Proposal: The Board proposes to carry forward the available profit 2018 to the accounts 2019.

2.2 Dividend

Proposal: The Board proposes to pay the total amount of dividends of CHF 1.60 per share from released reserves from capital contributions. No dividend is paid on shares owned by a u-blox group company.

Explanation:

Available profit

Profit brought forward from 2017	CHF 56'008'815
Net profit for the year 2018	CHF 6'409'632
Total available profit / Balance to be carried forward	CHF 62'418'447
Release of reserves from capital	CHF 11'360'086
Dividend out of reserves from capital contributions of CHF 1.60 per share on 7'100'054 shares ¹	CHF -11'360'086

¹ Depending on the number of shares issued on the last trading day with entitlement to receive dividend. No dividend is paid out on treasury shares.

In the previous fiscal year a dividend of 2.25 CHF per share was paid.

The shares will be traded ex-dividend as of April 30, 2019. The dividend will be payable as of May 3, 2019.

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 (proposal 2.2). Therefore, the balance from 2018 should be carried forward (proposal 2.1).

3 Discharge of the Board of Directors and the Executive Committee

Proposal: The Board proposes to discharge the members of the Board of Directors (BoD) and the Executive Committee (EC) for fiscal year 2018.

4 Change to articles of association

4.1 Art. 3a (Conditional share capital)

Proposal: The Board proposes the replacement of the first sentence of article 3a by the following sentence:

“The share capital of the Company will be increased by a maximum amount of CHF 225'027.00 by the issuance of no more than 250'030 registered shares that are to be fully paid-in and have a nominal value of CHF 0.90 each and which are granted to the employees of the Company and its subsidiaries in accordance with one or more stock option plans.”

The other provisions of article 3a remain unchanged.

Explanation:

The Board proposes to increase the conditional capital by 2% of the registered share capital (142'000 shares to 250'030 shares) to facilitate the maintenance of the employee stock option plan.

4.2 Art. 3b (Authorized share capital)

Proposal: The Board proposes the replacement of the first sentence of article 3b by the following sentence:

“The board of directors is authorized to increase the share capital at any time but by no later than April 30, 2021, by way of issuance of no more than 1'142'000 registered shares that are to be fully paid in with a nominal value of CHF 0.90 each, by a maximum nominal amount of CHF 1'027'800.”

The other provisions of article 3b remain unchanged.

Explanation:

The Board proposes to extend the authorized capital for two years and to increase the authorized share capital from 1'018'000 shares to 1'142'000 shares.

5 Election of Directors and Chairman

Proposal: Re-election of André Müller and election as Chairman of the Board until the end of the next annual general meeting.

Proposal: Re-election of Gina Domanig until the end of the next annual general meeting.

Proposal: Re-election of Ulrich Looser 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 Dr. Annette Rinck until the end of the next annual general meeting.

Explanation:

Dr. Annette Rinck holds a PhD in Applied Economics and Communications Science from the University of Leipzig, a master's degree in Communications Science from the Ludwig Maximilian's University in Munich, Germany, and a diploma in medical technical science.

She is General Manager for the Saia Burgess Controls and CentraLine Building Management System brands of Honeywell, a Fortune 100 global industrial software company. Since 2014, she has held various positions at Honeywell, most recently in Process Solutions / Smart Energy and Automotive units.

From 2011 to 2014, Dr. Annette Rinck was EMEA Vice President Strategic Marketing & Key Account Management at Eaton Electrical Industries, and GM for the German subsidiary.

From 1995 to 2011, she held management positions in sales, marketing and strategic planning at Caterpillar, DHL and BMW Group, and led significant turnaround and M&A programs.

Dr. Annette Rinck has held board positions in various leading industry associations focused on IoT / Industry 4.0. She is a citizen of Switzerland and Germany.

Proposal: Election of Markus Borchert until the end of the next annual general meeting.

Explanation:

Mr. Borchert has more than 25 years of international experience in the telecommunications, IT and IT services industries. He holds a master's degree in Electrical Engineering from the Technical University of Munich and an MBA from the Massachusetts Institute of Technology.

Presently he serves as CEO of Nokia Shanghai Bell and President of Nokia Greater China. From 2015 to 2018, Mr. Borchert was leading the European operations of Nokia. During his first assignment to China from 2010 to 2014, Mr. Borchert received the National China Friendship Award, the highest honor for foreign nationals working in China. Earlier leadership positions with Nokia and Siemens include roles in global sales, strategy, marketing, portfolio management, business unit management and key account management.

Mr. Borchert also serves as President of DIGITALEUROPE, Europe's largest industry association for the digital sector, and as Chairman and Vice Chairman of the board of several joint venture companies of Nokia. He is a citizen of Germany.

6 Election to the Nomination and Compensation Committee (NCC)

Proposal: Re-election of Gina Domanig until the end of the next annual general meeting.

Proposal: Election of Markus Borchert until the end of the next annual general meeting.

7 Advisory vote on the Compensation for financial year 2018

7.1 Advisory vote on Board of Directors compensation

Proposal: The Board of Directors proposes to consent in a non-binding vote to the total compensation granted to the Board of Directors for the period between General Meeting 2018 and the General Meeting 2019.

	Compensation*) between General Meeting 2018 and General Meeting 2019	Maximum Compensation approved at AGM 2018
	Million CHF	Million CHF
Compensation	0.598	0.600

*) Including contributions to pension scheme and social insurance.

Explanation:

For further details, please see the Compensation Report section of the annual report. The table above shows the maximum compensation that was approved at the General Meeting in 2018 and the compensation that the BOD received.

7.2 Advisory vote on Executive Committee compensation

Proposal: The Board of Directors proposes to consent in a non-binding vote to the total compensation granted to the Executive Committee for financial year 2018, in total CHF 3'939'864.

	Compensation* Financial year 2018	Maximum Compensation* approved at AGM 2017
	Million CHF	Million CHF
Total	3.940	7.000
composed of:		
Base salary	2.199	2.300
Variable Bonus	1.164	2.400
Long-Term Incentive Stock Option Plan	0.577	2.300

*) Including contributions to pension scheme and social insurance.

Explanation:

For further details, please see the Compensation Report section of the annual report. The table above shows the maximum compensation that was approved at the General Meeting in 2017 and the compensation that the EC received for financial year 2018.

8 Compensation 2019/2020

8.1 Board of Directors

Proposal: The Board requests the approval of the total maximum compensation of the Board in an amount of CHF 600'000 for the term of office from the ordinary general meeting 2019 until the ordinary general meeting 2020.

Explanation:

According to the compensation policy, the Board requests the same compensation amount as in the previous fiscal year.

The compensation of the Board is paid in cash pursuant to the compensation policy. Only non-executive Board members (currently 5 non-executive members) are paid compensation.

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

8.2 Executive Committee

Proposal: The Board requests the approval of the total maximum compensation of the executive committee in the amount of CHF 7'000'000 for the fiscal year 2020.

Explanation:

The compensation is composed of a base salary, a variable compensation and a Long-Term Incentive employee stock option plan (LTI-ESOP). The above proposed amount corresponds to the maximum which could be achieved in case of exceptional growth of the business. The total amount remains unchanged compared to the previous year. It includes the employer's social security and pension contributions, which were estimated as well as possible. The calculation of the compensation assumes that the Executive Committee consists of five members.

a) **Base salary: CHF 2'300'000.**

b) **Variable bonus: CHF 2'400'000.**

The variable compensation can be a value between zero and the proposed maximum amount. The variable compensation was calculated with the maximum amounts according to the respective employment agreements (CEO: 150% of base salary, other EC members: 100% of base salary). The bonus scheme as described in the compensation policy of the annual report 2018 remains the same as the previous year.

c) **Long-Term Incentive Stock Option Plan: CHF 2'300'000.**

The Long-Term Incentive Stock Option Plan is fully described in the compensation policy published in the corporate governance report of the annual report.

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 2019.

Annual Report

The complete Annual Report 2018 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 March 30, 2019 by sending an email to gitte.jensen@u-blox.com. The Annual Report is also available on our website (<https://www.u-blox.com/en/reporting-center>).

Admission cards

Shareholders with voting rights can order admission cards by using the login data in the reply form or by returning the reply form in the enclosed envelope.

Shareholders with voting rights are shareholders registered in the share register with voting rights on April 16, 2019 at 17:00 CET.

Proxies

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

Independent Proxy

Shareholders who wish to appoint the independent proxy, KBT Treuhand AG Zürich, as their representative, may either

- give KBT Treuhand AG voting instructions electronically by using the login data in the reply form or
- sign the enclosed proxy, fill out the voting instructions and return it in the enclosed envelope.

Third Party

Shareholders who wish to appoint a third party have to fill out the proxy data, sign the proxy and return it in the enclosed envelope.

Yours sincerely,

u-blox Holding AG
The Board of Directors

Appendix: Reply/instruction form and envelope