



Schweizer Electronic Aktiengesellschaft

Schramberg

ISIN: DE0005156236

WKN: 515 623

Invitation to the 28th General Meeting

We hereby invite our shareholders to the Annual General Meeting to be held on

Friday, 7 July 2017 at 10.00 am

in

Kraftwerk Rottweil

Neckartal 68

78628 Rottweil, Germany

AGENDA

1. Presentation of the established annual financial statement of Schweizer Electronic AG, of the approved consolidated financial statement, of the status report compiled for Schweizer Electronic AG and the Group, each as at 31 December 2016, including the explanatory report from the Management Board regarding the information pursuant to Article 289, paragraph 4 and Article 315, paragraph 4 of the German Commercial Code, and the Supervisory Board report for the 2016 financial year.

From convention of the General Meeting up until its close, all documents shall be on display at the business premises of Schweizer Electronic AG, Einsteinstraße 10, 78713 Schramberg, together with the proposal of the Management Board for use of the balance-sheet profit, and may be viewed there and on the company website at www.schweizer.ag/de/investorrelations/hauptversammlung.html. On request, these documents, which will also be on display at the General Meeting, will be sent to each shareholder immediately, free of charge.

No resolution of the General Meeting on this agenda item is foreseen. The annual financial statement and consolidated financial statement issued by the Management Board has been approved by the Supervisory Board; the annual financial statement is thus adopted pursuant to Article 172, paragraph 1 of the German Stock Corporation Act. The prerequisites subject to which the General Meeting rules on the adoption of the annual financial statement in accordance with Article 173, paragraph 1 of the German Stock Corporation Act are not present.

2. Resolution on appropriation of the balance-sheet profit

The Management Board and Supervisory Board propose using the balance-sheet profit shown in the annual financial statement of Schweizer Electronic AG as at 31 December 2016, amounting to 5,386,363.93 euros, as follows:

| | |
|--|---------------------------|
| Distribution of a dividend amounting to 0.65 euros per no-par share with dividend entitlement to 3,763,472 no-par shares with dividend entitlement | 2,446,256.80 euros |
| <u>Profit carried forward</u> | <u>2,940,107.13 euros</u> |
| Balance-sheet profit | 5,386,363.93 euros |

In line with Article 58, paragraph 4, sentence 2 of the German Stock Corporation Act in the version valid since 1 January 2017, the entitlement to the dividends falls due on the third working day following the resolution of the General Meeting, i.e. on Wednesday 12 July 2017.

The proposal for the appropriation of profit takes into account the 16,528 treasury shares currently held by the company or its subsidiary that are not entitled to dividends pursuant to Article 71b of the German Stock Corporation Act or in accordance with Article 71d, sentence 4 and Article 71b of the German Stock Corporation Act. In the event that the number of no-par shares with dividend entitlement changes prior to the General Meeting, a proposal for the appropriation of profit adjusted to the holding of treasury shares on the date of the General Meeting, given an unchanged dividend amount of 0.65 euros per no-par share with dividend entitlement, shall be submitted to the General Meeting, and a proposal shall be made to carry forward the amount of the balance-sheet profit that is not spent on the dividend payment to new account.

3. Resolution on discharge of the Management Board

The Supervisory Board and Management Board propose to discharge the members of the Management Board who held office in the 2016 financial year for this financial year.

4. Resolution on discharge of the Supervisory Board

The Management Board and Supervisory Board propose to discharge the members of the Supervisory Board who held office in the 2016 financial year for this financial year.

5. Election of the auditor and group auditor for the 2017 financial year, and of the body responsible for any review of interim financial information

The Supervisory Board proposes electing Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart as the auditor and group auditor for the 2017 financial year, and as the body responsible for any review of the condensed financial statement and interim management report contained in the half-yearly financial report as at 30 June 2017, as well as for any review of additional interim financial information within the meaning of Article 37w, paragraph 7 of the German Securities Trading Act, insofar as such a review takes place prior to the next General Meeting.

6. Election to the Supervisory Board

The term of office of Mr Christoph Schweizer shall end at the close of the General Meeting to be held on 7 July 2017. At the same time, the substitute membership of Ms Karin Sonnenmoser, the substitute member appointed for Mr Christoph Schweizer, shall come to an end. Mr Chris WU is to be elected to succeed Mr Christoph Schweizer as a member of the Supervisory Board.

With regard to the Chairman of the Supervisory Board, Mr Michael Kowalski, Mr Christoph Schweizer is to be appointed as substitute member for Mr Kowalski's remaining term of office, until the close of the 2019 Annual General Meeting. As, in accordance with Article 101, paragraph 3, sentence 3 of the German Stock Corporation Act, a substitute member of the Supervisory Board can only be appointed at the same time as the member of the Supervisory Board in question, Mr Michael Kowalski resigned from office as a member of the Supervisory Board in a timely manner, in his letter of 8 May 2017, with effect from the close of today's Annual General Meeting. Consequently, Mr Michael Kowalski is to be re-elected as a member of the Supervisory Board until the close of the Annual General Meeting in 2019. At the same time, Mr Christoph Schweizer is to be appointed as the substitute member for Mr Michael Kowalski, also until the close of the Annual General Meeting in 2019.

Mr Christian Schmid resigned from office as a member of the Supervisory Board in a timely manner, in his letter of 9 May 2017, with effect from the close of the Annual General Meeting to be held on 7 July 2017. As the successor for Mr Christian Schmid, Ms Karin Sonnenmoser is to be elected as a new member of the Supervisory Board. Mr Chih Kang CHEN is to be elected as the substitute member for Ms Sonnenmoser.

In accordance with Article 96, paragraph 1 and Article 101, paragraph 1 of the German Stock Corporation Act, in conjunction with Article 1, paragraph 1, No. 1, Article 4, paragraph 1 of the German One Third Participation Act and Article 7, paragraphs 1 and 3 of the Articles of Association, the Supervisory Board is made up of six members, namely of four Supervisory Board members representing the shareholders and two Supervisory Board members representing the employees. The Supervisory Board members representing the shareholders are to be elected by the General Meeting.

The following nominations take into account the objectives published in the Corporate Governance Report, which the Supervisory Board has established in line with Item 5.4.1, paragraph 2 of the German Corporate Governance Code.

The Supervisory Board proposes to elect

Mr Michael Kowalski, resident in Radolfzell
Consultant

to the Supervisory Board of the company, with effect from the close of the General Meeting on 7 July 2017 until the close of the General Meeting that rules on the discharge of the Board for the 2018 financial year.

Moreover, the Supervisory Board proposes to elect

Mr Christoph Schweizer, resident in Schramberg
Former Managing Director of Schweizer Verwaltungs- und Beteiligungsgesellschaft mbH and of Schweizer Air Service GmbH & Co.KG

as the substitute member for Mr Michael Kowalski, also with effect from the close of the General Meeting on 7 July 2017 until the close of the General Meeting that rules on the discharge of the Board for the 2018 financial year. Mr Christoph Schweizer will become a member of the Supervisory Board if Mr Michael Kowalski leaves the Supervisory Board before the end of his term and the General Meeting does not elect a successor prior to his departure. The term of office of the substitute member shall come to an end no later than upon expiry of the term of office of the person who has ceased to be a member of the Supervisory Board.

The Supervisory Board proposes to elect

Mr Chris WU, resident in Hong Kong and Kunshan (China)

President of WUS Printed Circuit (Kunshan) Co., Ltd.

to the Supervisory Board of the company, with effect from the close of the General Meeting on 7 July 2017 until the close of the General Meeting that rules on the discharge of the Board for the 2018 financial year.

Furthermore, the Supervisory Board proposes to elect

Ms Karin Sonnenmoser, resident in Schwarzach (Austria)

Chief Financial Officer
Zumtobel AG, Dornbirn

to the Supervisory Board of the company, with effect from the close of the General Meeting on 7 July 2017 until the close of the General Meeting that rules on the discharge of the Board for the 2018 financial year.

Moreover, the Supervisory Board proposes to elect

Mr Chih Kang CHEN, resident in Gao Xiong City (Taiwan)

President of WUS Printed Circuit Co., Ltd.

as the substitute member for Ms Karin Sonnenmoser, also with effect from the close of the General Meeting on 7 July 2017 until the close of the General Meeting that rules on the discharge of the Board for the 2018 financial year. Mr C.K. Chen will become a member of the Supervisory Board if Ms Karin Sonnenmoser leaves the Supervisory Board before the end of her term and the General Meeting does not elect a successor prior to her departure. The term of office of the substitute member shall come to an end no later than upon expiry of the term of office of the person who has ceased to be a member of the Supervisory Board.

With regard to the proposed candidates, the Supervisory Board has ensured that they will be able to expend the expected amount of time on their duties.

Further information on the candidates can be found at www.schweizer.ag/de/investorrelations/hauptversammlung.html.

The persons nominated under Item 6 of the agenda shall have the following mandates in line with Article 125, paragraph 1, sentence 5 of the German Stock Corporation Act, whereby the mandates listed under aa) are memberships of Supervisory Boards to be formed in accordance with the legislation and the mandates listed under bb) are memberships in comparable German and international supervisory bodies of commercial enterprises.

- a) Mr Michael Kowalski
 - aa) no mandates
 - bb) no mandates
- b) Mr Christoph Schweizer
 - aa) no mandates
 - bb) no mandates
- c) Mr Chris WU
 - aa) no mandates
 - bb) Director, Biggering (BVI) Holdings Co., Ltd.
Director, Happy Union Investment Co., Ltd.
- d) Ms Karin Sonnenmoser
 - aa) Member of the Supervisory Board for Vivantes – Netzwerk für Gesundheit GmbH, Berlin
 - bb) no mandates
- e) Mr Chih Kang CHEN
 - aa) no mandates
 - bb) Director of WUS Group Holdings Co. Ltd.

Information on the company website in accordance with Article 124a of the German Stock Corporation Act

The information pursuant to Article 124a of the German Stock Corporation regarding the General Meeting can be found on the company's website at www.schweizer.ag/de/investorrelations/hauptversammlung.html.

Total number of shares and voting rights at the time of convening the General Meeting

At the time of convening the General Meeting, the share capital of Schweizer Electronic AG, amounting to 9,664,053.86 euros, is divided into 3,780,000 registered no-par-value shares, of which each share gives the right to one vote. The total number of voting rights therefore amounts to 3,780,000. At the time of convening the General Meeting, the company and its subsidiary hold 16,528 shares as treasury shares, with said shares not entitling them to any voting rights.

Prerequisites for participation in the General Meeting and exercise of voting rights

All shareholders who are entered in the company's share register and have registered for the Annual Meeting no later than **midnight on Friday 30 June 2017**, are entitled to participate in the General Meeting and to exercise their voting rights pursuant to Article 15, paragraphs 2 and 3 of the Articles of Association.

Pursuant to Article 67, paragraph 2, sentence 1 of the German Stock Corporation Act, in relations with the company, only those who are registered as such in the share register shall be regarded as shareholders. For exercise of the participation and voting right, the share portfolio entered in the share register on the day of the General Meeting shall be decisive. For processing reasons, however, no transfers shall be made in the share register from **midnight on 30 June 2017** until the close of the General Meeting. The status of the entries in the share register on the date of the General Meeting therefore corresponds to the status at the end of the day on which registration closes. The technical record date is therefore midnight on **30 June 2017**.

Registration for the General Meeting does not mean any block on the sale of shares or their disposal. Consequently, shareholders may continue to dispose of their shares freely after they have registered for the General Meeting. Even in the event of sale of the shareholding, in whole or in part, after registration for the General Meeting, only the status of entries in the share register on the date of the General Meeting shall be decisive as far as entitlement to participate in the General Meeting and to exercise the voting rights is concerned. As, in relations with the company, only those who are entered as such in the share register on the day of the General Meeting shall be deemed to be shareholders, purchasers of shares for which transfer requests are received by the company after the technical record date cannot exercise participation rights, voting rights or other rights arising from these shares, unless said purchasers arrange for the seller to authorise them to this end. Purchasers of company shares that have not yet been entered in the share register are therefore requested to submit transfer requests as promptly as possible.

The registration for the General Meeting must be submitted in written form to the company at the following address:

Schweizer Electronic AG
c/o ITTEB GmbH & Co. KG
Vogelanger 25
86937 Scheuring or
fax number: +49 8195 9989664 or
email: schweizer2017@itteb.de

Following proper registration, you can attend the General Meeting in person and exercise your voting right yourself. The shareholders entitled to participate in the General Meeting and to exercise their voting rights can not only exercise said voting rights in person at the General Meeting, but also through the medium of proxies, such as a financial institution, a shareholder association or another person. Correct registration for the General Meeting in line with the above provisions is also necessary in this case. For details on the authorisation procedure and on casting your vote through a proxy, please refer to the section below entitled "Procedure for casting your vote through a proxy".

If you intend to participate in the General Meeting in person or through a proxy, we kindly ask that you register in good time. This simplifies the organisation of the General Meeting for us. Admission tickets will be issued to all shareholders who are authorised to participate in the

General Meeting and to exercise their voting rights, or to their proxies. By way of clarification, we wish to point out that the admission ticket serves only to simplify the organisation of the General Meeting and does not constitute a prerequisite for participation in the General Meeting and exercise of voting rights in accordance with the law or the Articles of Association. Admission tickets for the General Meeting will be sent out by post and will also be available at the entry control point on the day of the General Meeting.

Procedure for casting your vote through a proxy

The shareholders entitled to participate in the General Meeting and to exercise their voting rights who do not wish to exercise their voting rights in person, but rather through a proxy, must grant this proxy authority in the proper manner. This may take place either prior to or in the General Meeting, up until voting on the agenda item in question. The declaration regarding granting of the authority may be made either to the proxy or to the company. The following points must be taken into account here:

If neither a financial institution, a shareholder association or another legal entity equated to these in Article 135 of the German Stock Corporation Act is to be authorised, the granting of the authority, its revocation and the proof of the authorisation for the company must be set down in writing.

A form that can be used for the granting of authority (proxy form) will be sent to the shareholders in the registration form, and also together with the admission ticket, or can be downloaded from www.schweizer.ag/de/investorrelations/hauptversammlung.html, and will also be sent to each shareholder immediately, free of charge, upon request. The request should be addressed to:

Schweizer Electronic AG
c/o ITTEB GmbH & Co. KG
Vogelanger 25
86937 Scheuring or
fax number: +49 8195 9989664 or
email: schweizer2017@itteb.de

The authorisation may take place using this proxy form, the proxy section printed on the voting form, or in any other way that complies with the form requirement.

Evidence of authority granted to the proxy may be provided by said proxy producing the authority at the entry control on the day of the General Meeting. If the authority is granted by means of declaration to the company, no separate evidence regarding granting of the authority shall be required. For granting of authority to the company, revocation of authority that has already been granted and communication of proof of authorisation, the company provides the following address:

Schweizer Electronic AG
c/o ITTEB GmbH & Co. KG
Vogelanger 25
86937 Scheuring or
fax number: +49 8195 9989664 or
email: schweizer2017@itteb.de

If a financial institution, a shareholder association or another legal entity equated to these in Article 135 of the German Stock Corporation Act is to be authorised, no requirement for the written form exists in accordance with either the legislation or the company's Articles of Association. However, we wish to point out that, in these cases, the financial institutions,

shareholders' associations or legal entities equated with these that are to be authorised may request a particular form of the authority, as they are required to retain the authority in a verifiable form pursuant to Article 135 of the German Stock Corporation Act. Shareholders who wish to authorise a financial institution, a shareholders' association or another legal entity equated with these in accordance with Article 135 of the German Stock Corporation Act should therefore agree any form requirement for the authority with them.

Shareholders may also arrange to be represented at the General Meeting by the voting proxies appointed by Schweizer Electronic AG. In this case, the shareholders must also register for the General Meeting in the proper manner. Explicit instructions on how to exercise the voting right on the resolution proposals put forward by the management for the individual agenda items must be issued to the voting proxy. The voting proxy is obliged to vote in accordance with the instructions given to him or her. Granting of authority to the voting proxy appointed by Schweizer Electronic AG, revocation of this authority and the issue of instructions to the voting proxy must also take place in writing. A form for the granting of authority and the issue of instructions, as well as further information, will be sent to the shareholders in the registration form. The form can also be downloaded from www.schweizer.ag/de/investorrelations/hauptversammlung.html and will be sent to each shareholder immediately, free of charge, upon request. The request should be addressed to:

Schweizer Electronic AG
c/o ITTEB GmbH & Co. KG
Vogelanger 25
86937 Scheuring or
fax number: +49 8195 9989664 or
email: schweizer2017@itteb.de

Authorisations and instructions to the company's voting proxies may be issued prior to the General Meeting, using the address above. For organisational reasons, we kindly request that shareholders send the authorisations and instructions in writing by **midnight on Thursday 6 July 2017**. Up to this point, authorisations and instructions of this type may also be revoked or changed using the address above.

Furthermore, we ask the shareholders entitled to participate in the General Meeting and to exercise their voting rights who are present at the General Meeting to also authorise the voting proxy bound by the instructions to exercise their voting rights, in writing, and to issue instructions to him/her during the General Meeting up until the vote on the relevant agenda item.

Please note that the voting proxy does not accept any instructions for interventions, the filing of objections against resolutions of the General Meeting or the asking of questions or making of requests, and that he/she is also not available for voting on motions for which there are no proposals from the Management Board and/or Supervisory Board announced in this invitation or at a later date.

If the shareholder authorises more than one person, the company is entitled to reject one or more of said persons, in accordance with Article 134, paragraph 3, sentence 2 of the German Stock Corporation Act and Article 15, paragraph 5, sentence 2 of the Articles of Association.

A financial institution may only exercise the voting right for shares that do not belong to it, but for which it is entered as the holder in the share register, on the basis of authorisation from the shareholder.

Shareholders' rights pursuant to Article 122, paragraph 2, Article 126, paragraph 1, Article 127 and Article 131, paragraph 1 of the German Stock Corporation Act

Prior to and during the General Meeting, the shareholders have the following rights, in particular:

Requests for additions to the agenda pursuant to Article 122, paragraph 2 of the German Stock Corporation Act

In accordance with Article 122, paragraph 2 of the German Stock Corporation Act, shareholders whose shares together make up one twentieth of the share capital (i.e. 189,000 shares) or the pro-rata amount of 500,000.00 euros, may request that items are placed on the agenda and notification of these is issued. Each new item must be accompanied by a justification or a proposed resolution. The request must be addressed to the Management Board in writing and must be received by the company no later than **midnight on Tuesday 6 June 2017**. We kindly ask that such requests are sent to the following address:

Schweizer Electronic AG
Management Board
Einsteinstraße 10
78713 Schramberg

Pursuant to Article 124, paragraph 1 of the German Stock Corporation Act, we will issue notification of requests for additions that have been received in good time, insofar as these requests satisfy the statutory requirements.

Countermotions and nominations by shareholders in accordance with Article 126, paragraph 1 and Article 127 of the German Stock Corporation Act

Pursuant to Article 126, paragraph 1 of the German Stock Corporation Act, shareholders are entitled to submit a countermotion to a motion from the Management Board and Supervisory Board concerning a specific item on the agenda. Furthermore, in accordance with Article 127 of the German Stock Corporation Act, they are entitled to make suggestions concerning the election of Supervisory Board members or auditors.

The company shall make countermotions within the meaning of Article 126, paragraph 1 of the German Stock Corporation Act, including the name of the shareholder and any statement from management, available on the company's website at

www.schweizer.ag/de/investorrelations/hauptversammlung.html

immediately following receipt, if the countermotion, with justification, is received by the company at the following address no later than **midnight on Thursday 22 June 2017**.

Schweizer Electronic AG
General Meeting
Einsteinstraße 10
78713 Schramberg or
fax number: +49 7422 512 397 or
email: ir@schweizer.ag

Countermotions bearing a different address shall not be considered.

The company shall be entitled not to publish a countermotion and the justification for this subject to the prerequisites set out in Article 126, paragraph 2 of the German Stock Corporation Act, for

example where the Management Board would render itself liable to prosecution as a result of making this countermotion available, or if the countermotion would result in a resolution of the General Meeting which would be illegal or would violate the Articles of Association. It is not necessary to make the justification for a countermotion available if it amounts to more than 5,000 characters in total.

This shall not affect the rights of all shareholders to raise countermotions to the various agenda items during the General Meeting without first communicating these to the company. We wish to point out that countermotions which have been communicated to the company in good time shall only be taken into consideration in the General Meeting if they are raised verbally during said meeting.

The above provisions shall apply analogously to nominations from shareholders pursuant to Article 127 of the German Stock Corporation Act. However, nominations from shareholders shall not require justification and publication can be omitted except in the cases specified in Article 126, paragraph 2 of the German Stock Corporation Act, where the nomination does not contain the information set out in Article 127, paragraph 3, in conjunction with Article 124, paragraph 3, sentence 4 and Article 125, paragraph 1, sentence 5 of the German Stock Corporation Act.

Shareholder's right to information pursuant to Article 131, paragraph 1 of the German Stock Corporation Act

Pursuant to Article 131, paragraph 1 of the German Stock Corporation Act, each shareholder must, on request, be provided with information about company matters during the General Meeting, insofar as the information is necessary for reasonable assessment of an item on the agenda and no right to refuse to provide such information exists. The obligation to provide information also extends to the company's legal and commercial relations with an associated company, and to the situation of the group and that of the companies included in the consolidated financial statement. In general, requests for information should be made verbally in the General Meeting during the debate, without the need for a prior announcement or other notification.

The Management Board may only abstain from answering individual questions on the grounds specified in Article 131, paragraph 3 of the German Stock Corporation Act, for example because, based on a reasonable commercial assessment, providing the information would be likely to cause significant disadvantage to the company or an associated company, or the Management Board would render itself liable to prosecution by providing a piece of information.

Pursuant to Article 16, paragraph 2, sentences 2 and 3 of the Articles of Association, the Chairman of the General Meeting is authorised to limit the amount of time for shareholders to exercise their rights to ask questions and speak, in an appropriate manner. In particular, he or she is entitled to set a reasonable timeframe for the whole General Meeting, individual agenda items or individual contributions to the discussion and questions, either at the start of the General Meeting or during it.

Schramberg, May 2017

Schweizer Electronic AG with registered offices in Schramberg

The Management Board