

Invitation to Extraordinary General Meeting in Anoto Group AB (publ)

The shareholders of Anoto Group AB (publ) (the “Company”) are hereby invited to attend the Extraordinary General Meeting (the “EGM”) to be held on Wednesday, 3 July 2019 at 10.00 a.m. at the premises of Setterwalls Advokatbyrå, Sturegatan 10 in Stockholm, Sweden.

Notification of participation

Shareholders wishing to attend the EGM must

- be entered as shareholders in the share register maintained by Euroclear Sweden AB no later than on Thursday, 27 June 2019,
- notify the Company of their intention to participate no later than on Friday, 28 June 2019.

Attendance is to be notified by telephone +44 125 677 4400 or by e-mail to EGM@anoto.com. The notification should state name, social security number/corporate identification number and registered number of shares. To facilitate admittance to the EGM, proxies, registration certificates and other authorisation documents should be submitted to the Company by email to EGM@anoto.com no later than on 28 June 2019. The Company provides proxy forms on the Company’s web page www.anoto.com.

Shareholders who hold their shares through nominees (Sw. *förvaltare*) must request a temporary registration of the shares in their own name, with Euroclear Sweden AB. Shareholders who wish to obtain such registration must contact the nominee regarding this well in advance of 27 June 2019.

Proposed agenda

1. Opening of the Meeting
2. Election of Chairman at the Meeting
3. Preparation and approval of voting list
4. Approval of the agenda
5. Election of one or two persons to verify the minutes
6. Determination of whether the Meeting has been duly convened
7. Determination of the number of board members
8. Remuneration for the board members
9. Election of board members
10. Resolution to grant options for newly elected board members
11. Resolution to authorize the Board of Directors to resolve on directed issue of Series C shares
12. Resolution to authorize the Board of Directors to resolve on repurchase of Series C shares
13. Closing of the Meeting

Proposals

Determination of number of board members (item 7)

Nerthus Investments Limited (the "Major Shareholder") representing approximately 9 per cent of the total number of shares in the Company, has informed the Company regarding its intention to present at the EGM the proposals set out in items 7-9.

The Major Shareholder proposes that the Board of Directors shall consist of six board members elected by the general meeting.

Remuneration for the board members (item 8)

The Major Shareholder proposes that the remuneration for each newly elected board member, who is not an employee of the Group, shall amount to SEK 335,000, i.e. the same remuneration as determined at the AGM 2019.

Election of board members (item 9)

As new members of the Board of Directors until the end of the next AGM, the Major Shareholder proposes election of Anders Sjögren and Steve Kim and an additional member who will be announced well in advance of the EGM. Information on the proposed members will be available on Anoto's website www.anoto.com.

Resolution to grant options to newly elected board members (item 10)

The Major Shareholder proposes that the EGM resolves that the Company shall grant 500,000 options to each of the newly elected board members not being employees of the Group in accordance with the Company's incentive scheme for board members.

The rationale for the proposal is to create opportunities to keep competent persons as board members in the Company. The Major Shareholder considers that the adoption of the incentive program as described below is in the favour of the Group and the shareholders in the Company.

The proposed incentive program means that the participants will be granted stock options free of charge. The stock options vest in the following manner. One third of the options vest and become exercisable after one year. Thereafter, the remaining two thirds of the options vest and become exercisable on a pro rata basis, with 1/24 per month, until all options have vested after three years. The vesting of the options is contingent on the participant is or having been a board member of the Company, or at least available for re-election as a board member, for at least 12 months from the date of grant of the stock options. The stock options can be exercised to purchase ordinary shares in the Company no later than on 31 August 2022, after which any outstanding options lapse. Each option entitles the participant to purchase one ordinary share in the Company at a price of SEK 4.08, corresponding to approximately 381 per cent of the average closing price of the Company's shares on Nasdaq Stockholm during the period from 3 June 2019 up to and including 7 June 2019.

The incentive program comprises a maximum of 1,000,000 stock options, representing approximately 0.8 per cent of the share capital and votes after dilution, based on the current number of shares in the Company.

The incentive program will be accounted for in accordance with IFRS 2, which stipulates that the value is recorded as a personnel expense in the income statement during the vesting period. Based on the assumptions of a share price of SEK 1.062 (closing share price of the Company on 7 June 2019), the cost for the incentive program, excluding social security costs, is estimated not to exceed SEK 10,000. The cost will be allocated over the years 2019-2022.

The incentive program allows board members of the Company to be granted stock options entitling the member to acquire shares in the Company. Such transfers fall within the scope of Chapter 16 of the Swedish Companies Act, which means that a resolution to approve the incentive program is valid only where supported by shareholders holding not less than nine-tenth of both the votes cast and the shares represented at the EGM.

Resolution to authorize the Board of Directors to resolve on directed issue of Series C shares (item 11)

The Board of Directors proposes that the EGM authorizes the Board of Directors, on one or more occasions until the next Annual General Meeting, to resolve on a new issue of no more than 1,000,000 Series C shares, each with a quota value of SEK 0.60, corresponding to approximately 0.8 per cent of the share capital of the Company after dilution. With the deviation from the shareholders' preferential rights, the new shares may be subscribed for by a bank or securities company at a subscription price corresponding to the quota value.

The purpose of the authorization and the reason for the deviation from the shareholders' preferential rights when the authorization is utilized is to ensure delivery of shares to participants under the Company's outstanding incentive programs and to cover any social security costs related to such incentive schemes. Prior to the transfer of shares to participants exercising stock options, the Board of Directors will resolve to reclassify Series C shares into ordinary shares. The Company has not yet issued any Series C shares.

For a valid decision, it is required that the resolution be supported by shareholders with at least two thirds of both the votes cast and the shares represented at the EGM.

Resolution to authorize the Board of Directors to resolve on repurchase of Series C shares (item 12)

The Board of Directors proposes that the EGM resolves to authorize the Board of Directors, on one or more occasions until the next Annual General Meeting, to resolve on repurchases of Series C shares. Repurchases may only be made through an acquisition offer addressed to all holders of Series C shares and shall comprise all outstanding Series C shares. Acquisitions shall be made at a price corresponding to the quota value of the shares. Payment for acquired shares shall be made in cash.

The purpose of the above authorizations is to be able to resolve on repurchase of Series C shares in order to ensure delivery of shares to participants in the Company's outstanding incentive programs and secure payment of social security contributions attributable to such incentive programs.

For a valid decision, it is required that the resolution be supported by shareholders with at least two thirds of both the votes cast and the shares represented at the EGM.

Other

The complete proposals of the Board of Directors pursuant to items 10-12 above, including related documents under the Swedish Companies Act (SFS 2005:551), will be available at the Company's office in Stockholm and on the Company's website www.anoto.com, no later than 12 June 2019, and will be sent free of charge to shareholders who so request and provide their postal address.

According to Chapter 7, section 32 of the Swedish Companies Act, at a General Meeting the shareholders are entitled to require information from the Board of Directors and CEO regarding circumstances which may affect items on the agenda and circumstances which may affect the Company's financial situation.

Number of shares and votes in the Company

As of 12 June 2019, the total number of shares and votes in the Company was 120,612,257. The Company is not holding any own shares.

Stockholm, June 2019

Anoto Group AB (publ)

The Board of Directors