



Anoto terminates the negotiations to sell its Business Solutions business and implements a rights issue of 68 MSEK in which 61,25 MSEK is secured through a guarantee consortium at a price of 0.25 SEK per share

Lund, Sweden –4 September, 2014 - Anoto Group AB, world leader in digital writing technologies, announced on June 19th 2014 that the company was in negotiations to divest its paper-based Business solutions business, which supplies enterprise solutions to various vertical market sectors around the world. The purpose of the proposed transaction was to realize the full potential of the paper business segment with a strategic partner to enable a stronger marketing and sales presence. These negotiations have not materialized in a satisfactory agreement and have therefore been terminated by Anoto.

Consequently Anoto Group will consolidate all its digital paper based Business solutions business into a separate business unit, Anoto Enterprise Solutions. Anoto Enterprise Solutions will be based in the UK under Anoto's subsidiary, Anoto Ltd. Anoto Enterprise Solutions will continue to support customers in the UK and also Business solutions partners world-wide. The re-organization within business solutions will increase efficiency and reduce overall OPEX with approximately 15%.

The board of Anoto Group AB (publ) has decided to implement a rights issue of approximately SEK 68m. The rights issue is guaranteed to 90 percent by external investors. The subscription price has been set at 0.25 SEK per share. Record day for participation in the rights issue is October 24, 2014 and the subscription period runs from October 27 until November 10, 2014. The rights issue requires approval by an extraordinary general meeting on October 6, 2014. Anoto's strategic direction will shift to capitalize on its unique position as the leading provider of high precision digital writing solutions for small as well as ultra-large screens and the rapidly increasing demand for collaboration solutions and real time interactivity between mobile and tablet devices, digital paper, ultra-large screens and large multi-touch displays. Initial market focus will be on high end market segments where users demand high accuracy, fast and reliable interaction and multiple users per screen. Marketing and sales will primarily be done through OEM partners Panasonic, Livescribe, Tstudy, Smartmatic, Dai Nippon Printing, Steelcase and others, and through our subsidiary We-inspire in the US.

Terms for the rights issue

The Company's shareholders will have pre-emptive right to subscribe for new shares in proportion to the number of shares previously held by them. Five (5) existing shares entitle to subscription to three (3) new shares at a subscription price of 0.25 SEK. The record date for participation in the rights issue is October 24, 2014.

In the event that all new shares are not subscribed for with pre-emptive rights, such shares shall be allotted to shareholders and others who have subscribed for shares without subscription rights. Such allotment shall firstly be made to those who have subscribed for shares by exercise of subscription rights. The subscription period runs from October 27 until November 10, 2014 or such later date as the Board of Directors may decide.



The rights issue may result in an increase of the share capital of no more than 5,440,242.40 SEK and an increase in the total number of shares of no more than 272,012,120 shares.

Underwriting guarantees

In order to secure that the rights issue is subscribed to a sufficient extent, the company has entered into underwriting agreements with a number of external investors to a total amount of SEK 61,25m, corresponding to 90 percent of the rights issue. Jörgen Durban, Chairman of Anoto Group, has given a declaration of intent to subscribe for his share pro rata in the rights issue.

Indicative timetable for the rights issue

October 6, 2014	Extraordinary General Meeting
October 22, 2014	Last day of trading in the shares including right to participate in the rights issue
October 23, 2014	First day of trading in shares excluding right to participate in the right issue
October 23, 2014	Estimated publication of the prospectus
October 24, 2014	Record date for participation in the rights issue, i.e. shareholders who are registered in the company's share register as of this day will receive subscription rights for participation in the rights issue
Oct 27 – Nov 6, 2014	Trading in subscription rights
Oct 27 – Nov 10, 2014	Subscription period
November 13, 2014	Estimated day for press release regarding outcome in the rights issue

Advisors

Redeye AB acts as financial advisor and Setterwalls Advokatbyrå acts as legal advisor in connection with the rights issue.

For further information, please contact:

Stein Revelsby
CEO Anoto Group
Stein.revelsby@anoto.com
+46 733 45 12 05

About Anoto Group

Anoto Group AB is a global leader in digital writing solutions, which enables fast and reliable transmission of handwriting into a digital format. Anoto operates worldwide through a global partner network that delivers user-friendly digital writing solutions for efficient capture, transmission, distribution and storage of data. Anoto is currently in use across multiple business segments, e.g. healthcare, pharmaceutical, bank and financial services, transportation and logistics, government and education. The Anoto Group has over 100 employees and is headquartered in Lund (Sweden), with offices in Basingstoke, Guildford and Wetherby (UK),



Amsterdam (NL), Boston (US) and Tokyo (Japan). The Anoto share is traded on the Small Cap list of NASDAQ OMX Stockholm under the ticker ANOT.

For more information, please visit: www.anoto.com

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This press release does not contain or constitute an invitation or offer to acquire, subscribe for or otherwise trade in shares, subscription rights or other securities in Anoto. The invitation to the persons concerned to subscribe for shares in Anoto will only be made through the prospectus that Anoto expects to publish on October 23, 2014, which prospectus, among other things, will contain financial statements and information on the Board of Directors and auditor of Anoto.

Neither the subscription rights, the paid subscription shares (BTA) or the new shares will be registered in accordance with the Securities Act or any provincial act in Canada, and may not be transferred or offered for sale in the United States or Canada, or to persons resident there, or on behalf of such persons, other than in such exceptional cases where registration in accordance with the Securities Act or any provincial act in Canada is not required.