



## **Notice of Extraordinary General Meeting of Anoto Group AB (publ)**

The shareholders of Anoto Group AB (publ) (the “Company”) are invited to attend the Extraordinary General Meeting to be held at 1:00 pm on Monday 6 October 2014 at the Company’s premises at Traktorvägen 11 in Lund, Sweden.

### **Notification of participation, etc.**

Shareholders wishing to attend the General Meeting must (i) be entered as shareholders in the share register maintained by Euroclear Sweden AB no later than Tuesday 30 September 2014 and (ii) provide notification of attendance to the Company no later than on Wednesday 1 October 2014, preferably before noon.

Attendance is to be notified by mail to Anoto Group AB (publ) at Box 4106, SE-227 22 Lund, Sweden, by fax +46 46 540 12 02, by telephone +46 46 540 12 00, or by e-mail to EGM2014@anoto.com. The notification should state name, social security number/corporate identification number and registered number of shares. To facilitate admittance to the Extraordinary General Meeting, proxies, registration certificates and other authorisation documents should be submitted to the Company at the above address no later than on Wednesday 1 October 2014. The Company provides proxy forms at the Company’s office in Lund as well as on the Company’s web page [www.anoto.com](http://www.anoto.com).

Shareholders who have their shares registered with a nominee and who wish to attend the General Meeting must temporarily register these shares in their own name; so called registration of voting right. In order for the temporary registration of voting right to be effective as of Tuesday 30 September 2014, the request must be submitted to the bank or stockbroker managing the shares in due time prior to that date.

### **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. Approval of the resolution by the Board of Directors to issue convertible bonds
8. Resolution to amend the Articles of Association
9. Resolution to issue new shares with preferential rights for the shareholders
10. Closing of the meeting

### **Board proposals**

#### **Approval of the resolution by the Board of Directors to issue convertible bonds (item 7)**

The Board of Directors proposes that the General Meeting resolves to approve the Board of Directors' resolution on 19 June 2014 to raise a loan at a par value of not more than SEK 20,000,000 and, subject to the shareholders' meeting approval of the conversion right, that the loan shall be convertible into ordinary shares of the Company.



The following terms and conditions shall apply to the convertible bonds:

1. The convertible bonds may, with deviation from the shareholders' preferential rights, be subscribed for by a limited number of international and qualified investors in Sweden as designated by Redeye, acting as financial advisor to the Company in connection with the offering.
2. The convertible bonds shall be issued and subscribed for at a price equal to 100 percent of their principal amount.
3. The loan shall bear interest at a fixed rate of 8.00 per cent. The interest falls due on 16 January 2015.
4. The convertible bonds shall be subscribed for not later than 4 July 2014. However, the Board of Directors shall have the right to extend the subscription period.
5. The convertible bonds shall be paid in cash not later than 4 July 2014. However, the Board of Directors shall have the right to postpone the settlement date.
6. Bondholders are entitled to convert, at any time during the period from 1 July 2014 up to and including 6 February 2015, all or part of the loan amount into ordinary shares of the Company. The conversion price per share shall initially be SEK 100. However, during the period from 2 February 2015 up to and including 6 February 2015, the conversion price per share shall be an amount equal to 85 per cent of the volume-weighted average share price of the share as derived from NASDAQ OMX Stockholm during the period from 19 January 2015 up to and including 30 January 2015, however, not lower than SEK 0.10.
7. The total amount by which the share capital may be increased on account of the conversion of the convertible bonds shall – at the lowest conversion price of SEK 0.10 – amount to not more than SEK 40,000,000.
8. The terms and conditions for the convertible bonds include provisions for the recalculation of the conversion price and the adjustment of the conversion price on the occurrence of certain corporate events. The terms and conditions also contain provisions on redemption of the convertible bonds at the opinion of the Company and on the occurrence of certain events.
9. The loan falls due on 27 February 2015 to the extent the conversion has not taken place before such date.
10. New shares issued upon conversion of the convertible bonds shall entitle the holder thereof to participate in the distribution of dividend for the first time on the record day that occurs immediately following the registration of the new shares in the Company's share register.

The purpose of the offering is to strengthen the working capital of the Anoto group.

The reason for deviating from the shareholders' preferential rights is to broaden the shareholder base and ensure further financing of the Anoto group in a short timeframe.

The size of the offering, issue price, coupon and conversion price were determined on the basis of a bookbuilding carried out on 18 June 2014.

The Board of Directors also resolved to authorise the CEO to make such adjustments of the resolution as may prove required in connection with the registration of the convertible bonds with the Swedish Companies Registration Office and Euroclear.

If the Board of Directors' resolution to issue the convertible bonds is not approved by the General Meeting, any outstanding convertible bonds will constitute bonds without right to be converted into ordinary shares of the Company. Upon exercise of conversion rights, the Company will instead pay a cash amount corresponding to the value of the underlying shares to be calculated pursuant to the terms and conditions of the convertible bonds.



A valid resolution by the General Meeting pursuant to the proposal above requires that the resolution be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the General Meeting.

**Resolution to amend the Articles of Association (item 8)**

The Board of Directors proposes that § 4 of the Articles of Association regarding the limits of the share capital is amended from the current minimum of SEK 3,400,000 and maximum SEK 13,600,000 to minimum SEK 9,000,000 and maximum SEK 36,000,000. The Board of Directors also proposes that § 5 of the Articles of Association regarding the limits on the number of shares is amended from the current minimum of 170,000,000 and maximum 680,000,000 to minimum 450,000,000 shares and maximum 1,800,000,000 shares.

A valid resolution by the General Meeting pursuant to the proposal above requires that the resolution be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the General Meeting.

**Resolution to issue new shares with preferential rights for the shareholders (item 9)**

The Board of Directors proposes that the General Meeting resolves to increase the share capital of the Company with up to SEK 5,440,242.40 by issue of up to 272,012,120 new shares.

The shareholders of the Company shall have preferential rights to subscribe for the new shares in proportion to the shares previously owned, whereby five existing shares entitle the holder to subscribe for three new shares. For each share held on the record date, the shareholders will receive one subscription right. Five subscription rights entitle the holder to subscribe for three new shares.

If not all shares are subscribed for by the exercise of subscription rights, the Board of Directors shall decide on the allotment of shares subscribed for without the exercise of subscription rights up to the maximum amount of the rights issue, and the Board of Directors shall firstly allot shares to those that also subscribed for shares by exercising subscription rights and, in case of oversubscription, in proportion to the number of subscription rights used for subscription of shares; secondly, to others that have subscribed for shares without exercising subscription rights and, in case they cannot receive full allotment, in proportion to the number of shares that each has subscribed for, and where this is not possible by drawing of lots; thirdly, provided that such allotment is necessary in order for the rights issue to be fully subscribed for, to the guarantors of the rights issue, allotted in proportion to their subscriptions of shares (based on their respective subscription undertakings).

The record date for determining which shareholders shall be entitled to subscribe for new shares on a preferential basis shall be 24 October 2014.

The subscription price is SEK 0.25 per share. Payment for the new shares shall be made in cash. The premium will be allocated to the share premium reserve.

Subscription of new shares with subscription rights shall be made in cash during the period from 27 October 2014 up to and including 10 November 2014. The Board of Directors shall be entitled to extend the subscription period.

Subscription of new shares without subscription rights shall be made by submitting an application form during the period from 27 October 2014 up to and including 10 November 2014. The Board of Directors shall be entitled to extend the subscription period. Payment for subscribed shares shall be made no later than three banking days of the dispatch of contract note evidencing the allotment of share to the subscriber, or such later date which the Board of Directors may decide.

The new shares shall entitle to dividends as from the first record date for dividends following registration of the rights issue with the Swedish Companies Registration Office.



The Board of Directors, or whomever they may appoint, shall be authorised to make such minor adjustments to the resolutions above as may prove necessary in connection with registration with the Swedish Companies Registration Office or Euroclear Sweden AB

The resolution is conditional upon the General Meeting resolves to amend provisions of the Articles of Association regarding the limits of the share capital and number of shares pursuant to item 8 above.

## **Miscellaneous**

### **Documents, etc.**

The Board of Directors' resolution to issue the convertible bonds as set out in item 7 above and the complete proposals regarding item 9 above, and documents pursuant to Chapter 13, section 6 and Chapter 15, section 8 of the Swedish Companies Act will be available at the Company's office in Lund and on the Company's web page, [www.anoto.com](http://www.anoto.com), no later than three weeks prior to the General Meeting. The documents will be sent on request free of charge to shareholders stating their address.

### **Information on shareholders' right to request information**

The Board of Directors and the CEO shall, if requested by a shareholder, and if the Board finds that it can be done without any major harm to the company, present information at the General Meeting on conditions that may influence the assessment of an item of the agenda, and on conditions that may influence the assessment of the economic situation of the company or its subsidiaries, and on the Company's relation to another group company. Whoever wishes to send in questions ahead of the meeting may do so in the same manner as the notification to the General Meeting as of above.

### **Number of shares and votes in the company**

At the time of the notice there were 453,353,534 shares and votes in Anoto Group AB. The Company holds no own shares.

Lund, September 2014

Anoto Group AB (publ)

*Board of Directors*