



## **Anoto announces strategic reorganization to improve financial performance and accelerate growth**

**Lund, April 22, 2016 – Anoto Group AB (publ) (“Anoto” or the “Company”) has today initiated a strategic reorganization including changes in the management team and several cost reduction actions with the aim to increase the efficiency in the Company while lowering the operating expenses by about SEK 40 million on an annual basis once the actions are fully implemented.**

### **Strategic reorganization**

The strategic reorganization will commence immediately following employee consultations and is expected to be fully implemented by the June of 2016. The primary focus is to improve the Company’s product development efficiency, increase the productivity of the sales organization as well as to carry out office and personnel rationalizations. To reach the targeted annual cost savings of about SEK 40 million it is estimated that the program will bear one-time costs of approximately SEK 8 million spread over the next six months.

- "Anoto’s technology is on the verge of very fast expansion. The application areas of the technology are now expanding beyond paper to screens and walls. There are many interesting opportunities and we need to focus on key projects and execute them properly. We have category-killer products and great market opportunities and we need to focus on execution. If we do that well, I am convinced Anoto will become a very successful company,” said Joonhee Won, CEO of Anoto.

The key steps planned by the Company include:

- Consolidate product development and supply chain management processes to utilize the development and manufacturing experience of Livescribe and Pen Generations. The acquisition of the remaining shares in Pen Generations is expected to be completed by the end of the second quarter 2016.
- New management team in order to streamline and increase operational focus. The new management team, effective as of today, will consist of 7 people down from 13 people, including the CEO. Karl Wiersholm has resigned as CFO.
- The sales organization, which has carried a high fixed cost base, will be reorganized across all regions to become more efficient.
- Anoto intends to close down offices in Boston and Los Angeles in order to consolidate the US operations to San Francisco. As part of the strategic reorganization, Anoto intends to reduce its headcount.

**Not for release, publication or distribution, directly or indirectly, in or into the United States, Canada, Australia, Japan, Hong Kong, New Zealand, South Africa or any other jurisdiction where such distribution of this press release would be subject to legal restrictions**



Anoto's new management team will consist the following seven people:

- Joonhee Won, CEO
- Frank Lucero, CFO, responsible also for HR and Legal
- Tom Webb, COO and Head of Sales
- Tom Davenport, SVP Manufacturing and Quality
- Dr. Anders Sjögren, SVP Research
- James Shannon, SVP Software
- Dr. Yong Hoon Kang, SVP Consumer Product

The Company will continue to build on its technological capabilities within R&D and product development and leverage manufacturing expertise and engineering experience of Livescribe and Pen Generations, while some of the pen's actual mechanical and electrical manufacturing will be handled by third party manufacturers, primarily in Asia. The Company's sales strategy will continue to be focused on five strategic areas; Document and Data Capture Solutions, Productivity Products, Learning Solutions, Creativity Products, and Interactive Collaboration Solutions. The Company's short term focus, however, will be to successfully roll-out products in partnership with HP and to complete the delivery to a large Japanese financial services company. Beyond that, Anoto will continue to generate revenue from Anoto Live Forms products within Document and Data Capture Solutions and from the sales of consumer products and software applications. Anoto believes Large Format Displays will become a strategically important product in the near future and will seek more cost efficient routes to market by entering into OEM partnerships with global providers of professional and consumer display products.

#### **Rights issue**

As announced on March 23, 2016, the Board of Directors of Anoto resolved, subject to approval from the Extraordinary General Meeting on April 27, 2016 and subject to a resolution to amend the limits for share capital and number of shares in the articles of association at the Extraordinary General Meeting, to raise SEK 160 million before issue costs through a rights issue of new shares with preferential rights for existing shareholders. The final terms of the rights issue will be announced on or about April 25, 2016.

#### **New date for Annual General Meeting 2016**

The Board of Directors of Anoto has decided to reschedule the Annual General Meeting from May 19, 2016 to June 9, 2016, due to the timing of the rights issue.

#### **For further information, please contact:**

Jörgen Durban, Chairman of the Board of Directors  
Joonhee Won, CEO

**Not for release, publication or distribution, directly or indirectly, in or into the United States, Canada, Australia, Japan, Hong Kong, New Zealand, South Africa or any other jurisdiction where such distribution of this press release would be subject to legal restrictions**



For more information about Anoto, please visit [www.anoto.com](http://www.anoto.com) or email [ir@anoto.com](mailto:ir@anoto.com)

Anoto Group AB (publ)  
Reg.No. 556532-3929, Mobilvägen 10, SE- 223 62 Lund  
Tel. +46 46 540 12 00

The information above has been made public in accordance with the Securities Market Act and/or the Financial Instruments Trading Act. The information was published at 08:45 am (CET) on April 22, 2016.

#### **Important information**

The information in this press release does not constitute an offer to acquire, subscribe for or otherwise trade in shares, subscription rights or other securities in Anoto. Any invitation to the persons concerned to subscribe for shares in Anoto will only be made through the prospectus that Anoto estimates to publish on or around 2 May 2016.

This press release may not be released, published or distributed, directly or indirectly, in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, South Africa or any other jurisdiction where such action is wholly or partially subject to legal restrictions or where such action would require additional prospectuses, registrations or other actions in addition to what follows from Swedish law. Nor may the information in this press release be forwarded, reproduced or disclosed in a manner that contravenes such restrictions or would entail such requirements. Failure to comply with this instruction may result in a violation of applicable securities laws.

No subscription rights, BTAs (interim shares) or new shares have or will be registered under the U.S. Securities Act of 1933, as amended, ("Securities Act"), or securities legislation in any state or other jurisdiction in the United States and may not be offered or sold, directly or indirectly, in or into the United States, except pursuant to an available exemption from the registration requirements of the Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States.

This press release may contain forward-looking statements which reflect Anoto's current view on future events and financial and operational development. The words "intend", "estimate", "expect", "may", "plan", "anticipate" or similar expressions regarding indications or prognoses of future developments or trends and which are not statements based on historical facts constitute forward-looking information. Although Anoto believes that these statements are based on reasonable assumptions and expectations, Anoto cannot give any assurances that such statements will materialize. Forward-looking statements are in its nature involved with both known and unknown risks and uncertainties, since it is depending

**Not for release, publication or distribution, directly or indirectly, in or into the United States, Canada, Australia, Japan, Hong Kong, New Zealand, South Africa or any other jurisdiction where such distribution of this press release would be subject to legal restrictions**



on future events and circumstances. Forward-looking statements do not constitute any representations and warranties and the outcome could differ materially from the information set out in the forward-looking statements.

**About Anoto**

Anoto is a global leader in digital writing and drawing solutions. Its technology enables high-precision pen input on nearly any surface. Anoto is present around the world through a global network of strategic licensing partners that deliver user-friendly writing and drawing solutions for effective collection, transfer and storage of data. Anoto is traded on the Small Cap list of Nasdaq Stockholm under ANOT.