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Anoto successfully places SEK 42 million senior unsecured convertible bonds

Lund, December 5, 2016 – Anoto Group AB (publ) (“Anoto” or the “Company”) today announces the successful placement (the “Offering”) of approximately SEK 42 million of senior unsecured convertible bonds due 2018 (the “Bonds”). The proceeds from the Offering will give the Company the required funds to support future business operations. This funding is another important milestone on Anoto’s path to financial strength.

The Bonds carry no coupon, i.e. no interest will be paid, and have a conversion price of SEK 0.135. The Bonds have been issued and will be redeemed at 100% of their principal amount and will, unless previously converted, mature on December 5, 2018. When determining the conversion price, the Board of Directors has considered, *inter alia*, that no security has been provided in respect of the Bonds, that the Bonds do not carry any interest, that no commissions were paid to investors for their subscription commitments and that investors have entered into a lock-up undertaking whereby no shares issued upon conversion of the Bonds may be sold for a period of 180 calendar days as from the Settlement Date (as defined below). If all Bonds are converted, the number of shares in the Company will increase by 333,333,333, representing approximately 11.6% of the share capital and votes after dilution.

The Bonds were placed with a limited number of institutional or other professional investors outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended, and in accordance with applicable securities laws, rules and regulations. Nerthus Investments Ltd. will invest SEK 27 million in Anoto and has been allocated approximately 65% of the Bonds.

Settlement for approximately SEK 33 million of the Bonds will take place on December 5, 2016 (the “Settlement Date”).

Inhye Kim, who is married to Joonhee Won, CEO and board member of Anoto, has subscribed for Bonds in the total amount of SEK 9.2 million. Payment for the Bonds issued to Inhye Kim will be made through set-off against part of a 2.4 million Singapore dollars (SGD) (approximately SEK 15.5 million) short term loan provided by Inhye Kim to Anoto. The resolution to issue the Bonds to Inhye Kim is subject to approval by the General Meeting of Anoto, expected to take place the beginning of January 2017. A valid resolution by the General Meeting must be supported by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the General Meeting. Settlement of the Bonds subscribed for by Inhye Kim will take place immediately following approval of the Bonds by the General Meeting.

The reason for the deviation from the shareholders’ preferential rights is to enable the Company in a time efficient way to raise funds to support future business operations of the Anoto group. Anoto has been able to complete the Offering without payment of any commissions for subscription commitments or transaction fees to financial advisors. The subscription price and the terms and conditions of the Bonds have been determined at



market terms through negotiations at arm's length between the Company and potential investors.

For further information, please contact:

Joonhee Won, CEO

For more information about Anoto, please visit www.anoto.com or email ir@anoto.com

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This information is information that Anoto Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:30 CET on December 5, 2016.

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.

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