



Proposed Agenda to Extraordinary General Meeting in Anoto Group AB (publ)

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. Resolution to grant options to new senior executives under the Company's incentive program
8. Resolution to amend the Articles of Association
9. Resolution to authorize the Board of Directors to resolve on directed issue of Series C shares
10. Resolution to authorize the Board of Directors to resolve on repurchase of Series C shares
11. Closing of the Meeting

Proposals

Resolution to grant options to new senior executives under the Company's incentive program (item 7)

The Board of Directors proposes that the EGM resolves to approve the grant of 2,000,000 additional stock options under the Company's incentive program to newly employed senior executives or persons to be employed in the near future within the Group (the "Participants") as described below.

The rationale for the proposal is to create opportunities to keep and to recruit competent personnel and to increase the motivation amongst the employees. The Board of Directors considers that the grant of stock options under the Company's incentive program is in the favour of the Group and the shareholders of the Company.

The incentive program means that the Participants will be granted stock options free of charge. The maximum number of stock options granted to the Participants shall be in aggregate 2,000,000, representing approximately 1.6 percent of the share capital and votes after dilution, based on the current number of shares in the Company. For the Participants, the stock options vest in the following manner. One third of the options vest and become exercisable after one year from the employment date. 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 having been employed by the Group for at least 12 months from the date of grant of the stock options.

The stock options can be exercised to purchase 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 share in the Company at a price equal to SEK 4.08, representing approximately 162 percent of the average closing price of the Company's shares on Nasdaq Stockholm during the period from 19 February 2019 up to and including 25 February 2019.

The Board of Directors shall be responsible for preparing the detailed terms and conditions of the incentive program, in accordance with the above mentioned terms and guidelines. To this end, the Board of Directors shall be entitled to make adjustments of the incentive program to meet foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes to the Group, or its markets, result in a situation where the decided terms and conditions for exercising the options are no longer appropriate.

Furthermore, in case of special circumstances, the Board of Directors shall be authorised to resolve that stock options will be kept and exercised despite the fact that employment in the Group has ceased, for example due to illness.

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 2.56 (closing share price of the Company on 25 February 2019), a maximum participation and an annual employee turnover of 10 per cent among the Participants, the cost for the incentive program, excluding social security costs, is estimated to approximately SEK 321,000. The cost will be allocated over the years 2019-2022.

Social security costs will also be recorded as a personnel expense in the income statement by current reservations. This incentive program is not expected to give rise to any social security costs.

The incentive program allows employees of the Group to be granted stock options entitling them 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 and the transfer of shares upon exercise of the stock options 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 amend the Articles of Association (item 8)

The Board of Directors proposes that the EGM resolves to amend Article 5 of the Articles of Association, which means the introduction of a new series of shares, namely Series C shares. Existing shares shall belong to the series of shares called ordinary shares.

The proposed amendment essentially means the following. The Series C shares shall not entitle to dividends. At the Company's dissolution, Series C shares entitle to equal share in the Company's assets as other shares, but not with higher amounts than those corresponding to the share's quota value. The Series C shares may be redeemed at the request of holders of Series C shares or by decision by the Board of Directors of the Company. The redemption amount for each Series C share shall be the share's quota value. Shares of series C held by the Company shall, after a decision by the Board of Directors, be reclassified into ordinary 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 resolve on directed issue of Series C shares (item 9)

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 28,910,383 Series C shares, each with a quota value of SEK 0.60, corresponding to approximately 19.3 percent of the share capital of the Company after dilution. The above number of Series C shares corresponds to the total number of outstanding stock options for employees and board members of the Group, also including the proposed 2,000,000 stock options under item 7 above. 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 schemes 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.

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 10)

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 repurchase is to ensure delivery of shares to participants under the Company's outstanding incentive schemes and to cover any social security costs related to such incentive schemes.

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 7-10 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 7 March 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 27 February 2019, the total number of shares and votes in the Company was 120,612,257. The Company is not holding any own shares.

Stockholm, February 2019

Anoto Group AB (publ)

The Board of Directors