

**PROPOSAL OF THE BOARD OF DIRECTORS FOR A RESOLUTION ON
THE IMPLEMENTATION OF AN INCENTIVE PROGRAM 2012/2015 AND A
DIRECTED ISSUE OF SUBSCRIPTION WARRANTS AND THE APPROVAL
OF TRANSFER OF WARRANTS (INCENTIVE PROGRAM 2012/2015)**

The board of directors of Anoto Group AB proposes that the general meeting resolves to implement an incentive program for executives and key employees in the Anoto group (the "Incentive Program 2012/2015") through the issue of subscription warrants entitling to subscription for new shares in Anoto Group AB as further set out below.

The board of directors proposes that the general meeting resolves

- that the company shall issue a maximum of 2,741,000 subscription warrants entitling to subscription for new shares in Anoto Group AB, whereby the share capital may be increased by a total of maximum SEK 54,820;
- that the issue shall be made with deviation from the shareholders' preferential rights and the right to subscribe for the subscription warrants shall be granted to Anoto AB, a wholly-owned subsidiary of Anoto Group AB;
- that the warrants shall be issued free of charge;
- that the subscription of the subscription warrants shall be made on 30 June 2012 at the latest, with a right for the board of directors to prolong this time limit;
- that each subscription warrant shall entitle the holder to subscribe for one (1) new share in Anoto Group AB with a quota value of SEK 0.02;
- that subscription for shares in the company by exercising the subscription warrants may take place during the period commencing on the date of the annual general meeting 2015 up to and including 31 December 2015;
- that the subscription price per share shall be equivalent to one hundred fifty (150) per cent of the company's share price which is determined as the volume-weighted average value of the Anoto share on NASDAQ OMX Stockholm, on its official list, during the valuation period commencing 11 May 2012 up to and including 25 May 2012 or an equivalent reference period established by the board of directors in connection with the allotment of the subscription warrants, however not less than the quota value of the share;
- that a share issued, by the exercise of a subscription warrant, before the record date for dividend in connection with an annual general meeting held a certain financial year, shall entitle to dividend for the previous financial year. A share which is issued, by the exercise of a subscription warrant, after the record date for dividend in connection with the annual general

meeting held a certain financial year shall entitle to dividend for that financial year;

that the number of shares received at subscription and the subscription price for the shares may be recalculated due to, inter alia, a bonus issue, share consolidation or share split, new issue of shares or reduction of share capital or similar events, applicable recalculation terms and other terms of the subscription warrants are set out in "*Villkor för teckningsoptioner 2012/2012 avseende nyteckning av aktier i Anoto Group AB*";

that it is approved that Anoto AB may, on one or several occasions, transfer the subscription warrants to executives and key employees in the Anoto group in accordance with the terms and guidelines set forth below and otherwise dispose of the subscription warrants for the fulfillment of the obligations under the Incentive Program 2012/2015;

that transfer shall be made at market price, calculated using an established valuation method (Black & Scholes), which shall be based on the stock exchange rate of an Anoto share on NASDAQ OMX Stockholm during a valuation period in connection with the transfer;

that the board of directors of Anoto Group AB shall have the right to resolve on the allotment of subscription warrants to approximately 20 executives and key employees in the group, in accordance with the following guidelines:

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| 1. | CEO | 1,370,100 warrants |
| 2. | Executives (7 persons) | 117,500 warrants per executive |
| 3. | Key employees (12 persons) | 45,700 warrants per person |

A participant may apply for a lower number of subscription warrants than set out above. If the total number of subscription warrants that the participants wish to acquire exceeds the maximum number of subscription warrants that can be issued under Incentive Program 2012/2015, reduction shall be made proportionally to each person's quantity in relation to the guidelines set forth above. There will be no guaranteed allotment. Overallotment may not occur. Any remaining subscription warrants, which have not been allotted in accordance with the above, shall be reserved for future recruitment of persons to the group within the above eligible categories, whereby the above guidelines for allotment shall be applicable;

that the board of directors shall be entitled to limit the scope of or terminate the Incentive Program 2012/2015 in advance if the board of directors makes

the assessment that the incentive program cannot be followed through considering the underlying purpose of an incentive program;

that the board of directors or anyone appointed by the board is authorized to make any minor adjustments that may be necessary in connection with the registration of the above resolution with the Swedish Companies Registration Office (*Sw. Bolagsverket*) and Euroclear Sweden AB;

that the board of directors shall be entitled to adjust the terms of the Incentive Program 2012/2015 to the extent required in order to carry out the allotment of subscription warrants to persons in other countries on, as far as practically possible, corresponding conditions as are applicable under the Incentive Program 2012/2015.

The reasons for deviation from the shareholders' preferential rights are that Anoto Group AB wishes to introduce an incentive program intended for allotment to executives and key employees within the group whereby they may be offered the opportunity to take part in a value increase of the company's share. This is expected to increase the interest in the company's development - as well as in the company's share price development - and to stimulate a continued company loyalty over the forthcoming years. The incentive program shall only comprise such key employees who, within the scope of their role in the Anoto group, have an explicit responsibility for the development of the company and a significant possibility to influence such development.

At full subscription of the proposed issue, and full exercise of the subscription warrants, the share capital may be increased by a total of maximum SEK 54,820, which is equivalent to a total dilution of maximum approximately 2% of the company's present share capital and number of votes on a fully diluted basis, calculated as the number of new shares in proportion to the number of existing and new shares.

Other important key ratios will, at full subscription of the proposed issue and full exercise of all outstanding subscription warrants issued by the company, be affected as follows (based on the corresponding key ratios in the annual report for 2011 and a preliminary valuation of the future capital contribution within the scope of the Incentive Program 2012/2015):

- earnings per share: increase by SEK 0.04 from SEK -1.87 to SEK -1.83
- equity per share: reduction by SEK 0.02 from SEK 1.17 to SEK 1.15, assuming that the warrant holders exercises all the warrants for subscription of new shares.

The incentive program is not expected to lead to any considerable costs for the company. Therefore, no measures to secure the program are planned to be made.

The proposal of the board of directors has been prepared by the board of directors. Stein Revelsby, CEO and board member, who may be allotted subscription warrants in

accordance with the proposed incentive program, has not participated in the preparation of the matter.

The board of director's proposal requires a resolution by the general meeting supported by shareholders representing at least nine tenths of both the number of votes cast and the shares represented at the general meeting.

Lund, April 2012
The Board of Directors