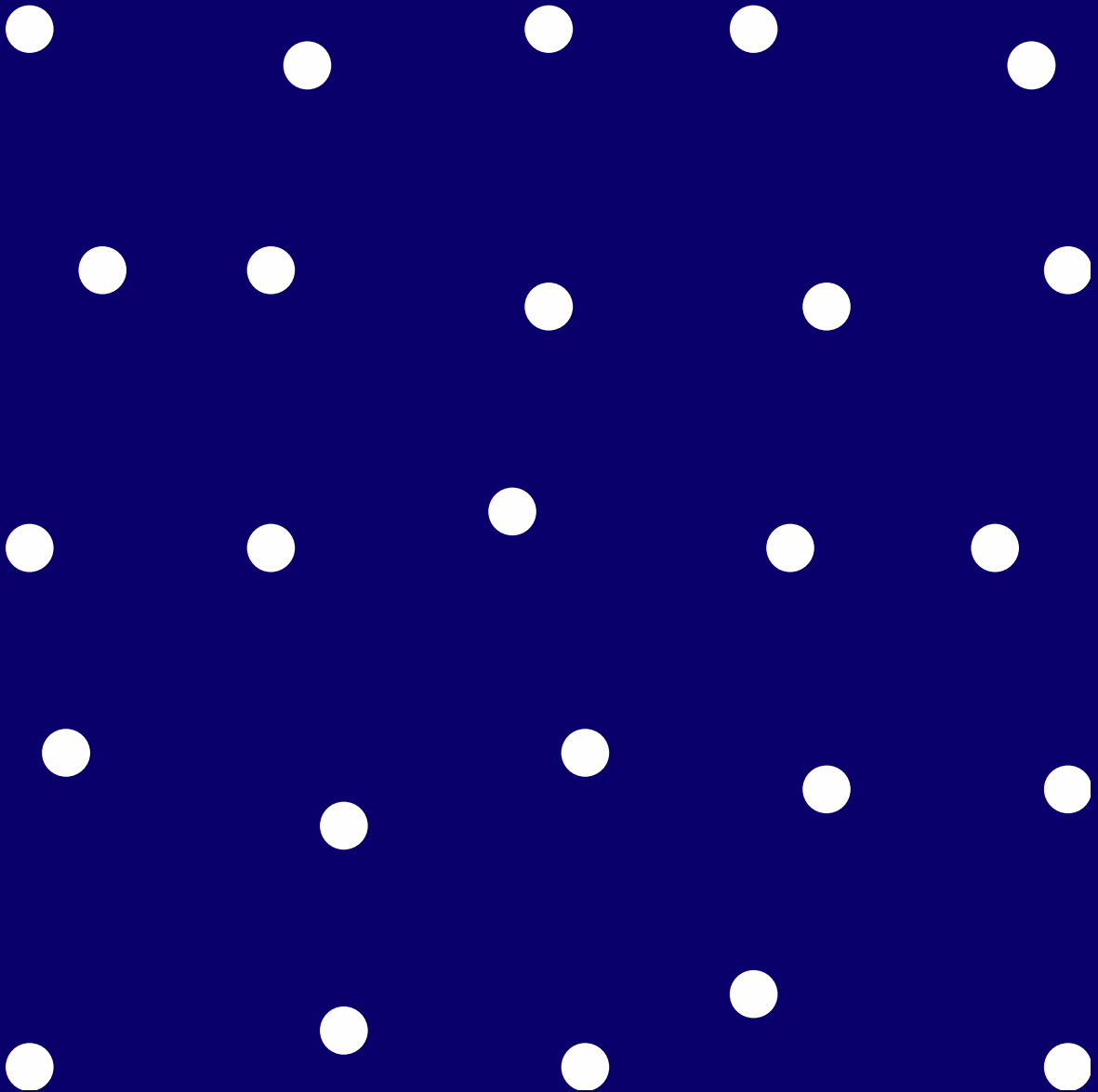


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Anoto^o

Digital Time Data Solutions

2025 Annual Report



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DIRECTORS REPORT

The Board of Directors and CEO of Anoto Group AB (publ.), Corporate Identity No. 556532-3929, hereby submit the annual financial statements for the January 1 – December 31, 2025 financial year. Anoto Group AB, the parent company of the Anoto Group, is a limited liability company with its registered office in Stockholm, Sweden.

GROUP STRUCTURE

Anoto Group AB is the parent company of the Anoto Group, performing group-wide functions on behalf of its subsidiaries. The operational activities, including sales, are performed by the subsidiaries which consist of Anoto AB, Anoto Korea Corp, Anoto Ltd, Anoto Inc, Livescribe Inc, Anoto Portugal, XMS Penvision AB, Anoto Canada Inc, Livepen Ireland Ltd, and INQ Inc. Hereafter the entire business group is referred to as “Anoto”, unless the context indicates otherwise.

OPERATION OF THE GROUP

Anoto is the global pioneer in digital writing technology, specializing in the capture and seamless digitization of analogue data from handwriting and drawings. Founded in 1996 in Sweden, Anoto invented the digital pen and developed the globally recognized dot-pattern technology that remains the cornerstone of our product ecosystem. The proprietary matrix of precise microdots printed on paper allows each pen stroke to be tracked, and recorded, in real time, turning analogue writing and drawings into structured digital content.

For more than two decades, Anoto has connected the physical and digital worlds across consumer and enterprise markets. In 2025, that heritage became the foundation for a significantly more ambitious strategy: the introduction of the “Inq” product family and brand, a fully redesigned hardware, software and artificial intelligence (AI) platform aimed at the multimodal input requirements of the AI era.

2025: Executing the transformation

The strategic transformation initiated in the second half of 2024 was executed across every aspect of the business during 2025: The Group launched the new Inq brand and the flagship Inq-001 pen in April 2025, together with a completely new cloud-based consumer application, began retail fulfilment in June, expanded to the Amazon marketplace in November. Meanwhile we strengthened the balance sheet through the January 2025 recapitalization, and secured additional working-capital and strategic financing during the year. Alongside the new product commercial launch, the Group ran down legacy pen inventory, reactivated and modernized manufacturing in Korea, refreshed its enterprise software platform and SDKs, and resolved several legacy matters.

Key developments during 2025 included:

- **Product launch and scaling:** The new Inq brand and the flagship Inq-001 smartpen were launched in April 2025. Retail fulfilment commenced in June via Inq.shop, and in November the Inq Amazon store went live in the United States with Amazon Prime fulfilment, significantly broadening our consumer reach ahead of the holiday season. The companion mobile application was released alongside the hardware and received sustained positive feedback from both long-standing users and first-time customers.
- **Stationery and software expansion:** The Inq product range was supported by with a line of softcover spiral notebooks with hardback journals coming in early 2026. The rebuilt Inq software has built-in AI transcription, summarization, audio-sync and intelligent tagging, cloud sync along with advanced handwriting transcription with data being available across mobile, tablet and desktop platforms.
- **Manufacturing and supply chain:** Production of the Inq-001 pen was scaled up at our manufacturing partner in Korea. The Group diversified supplier relationships and continued to monitor the evolving tariff environment affecting components imported from Asia.
- **Balance-sheet strengthening:** The directed share issue, set-off issue and rights issue approved in late 2024 were completed in January 2025, eliminating the majority of the Group’s prior outstanding debt and providing working capital for the commercial launch. Additional secured convertible and bridge financing was raised during the year to support scale-up and marketing.
- **Go-to-market execution:** The commercial model combines direct e-commerce, third-party marketplaces, influencer marketing and selective retail partnerships, targeting both B2C customers (students, professionals and creators) and B2B customers (enterprises, SMEs and corporate gifting).

ANOTO BUSINESS UNITS

Retail Products (B2C)

From Q2 2025, Anoto's retail offering has been unified under the Inq brand, delivered primarily through Inq Inc. and Livescribe Inc. The Inq ecosystem pairs intelligent smartpens and precision notebooks with an AI-powered software platform that digitizes handwritten content in real time, while preserving the natural writing experience that every-day users value.

The flagship Inq-001 smartpen combines a premium hardware design with haptic feedback, long battery life, USB-C recharging and Bluetooth streaming. It is supported by the fully redesigned companion application that performs cloud-based transcription, summarization, intelligent tagging, audio synchronization and cross-device sharing. During 2025, the companion application received frequent incremental releases driven by real-time user feedback and analytics, further enhancement and additional features will continue through 2026.

The accompanying stationery line includes spiral-bound notebooks in several formats. Additional notebook formats and accessories, including a dedicated charging station and a hardback notebook range, are planned for release in the first half of 2026 to deepen the ecosystem, increase average order value and enhance the overall customer experience.

Product development is guided by data-driven insights and direct user feedback, allowing continuous iteration and rapid deployment of new features, a cadence that has materially increased by leveraging AI in software development.

Enterprise Solutions (B2B)

Anoto's Enterprise Solutions unit delivers a platform for the automated capture and digitization of handwritten data at scale. Organizations use Anoto's digital pens together with dot-pattern-printed forms and our enterprise software, available in Pro and Lite editions, to capture clinical, operational and customer-facing information in real time, without disrupting existing paper workflows and preserving a compliant physical record.

The solution supports medical documentation and patient intake, field inspections and service reporting, government forms and compliance workflows, and retail and telecom contract processing. The platform includes APIs, SDKs and customizable interfaces for integration into customer systems. Similar to the consumer application, our enterprise software product was continuously enhanced during 2025 with feature releases focused on cloud-based integration, data extraction and partner extensibility.

Our customers include some of the world's largest regulated and forms-intensive organizations, with deployments capturing millions of pages of handwritten data annually across thousands of operational locations. The Group continues to invest in partner enablement, reseller agreements and tailored enterprise packages ahead of broader production deployments in 2026.

OEM (discontinued)

The OEM segment previously delivered pens, docking stations and accessories under customer-specific branding. With the unification of retail activity under the Inq brand, this segment is now discontinued. Future customer-specific variants are being delivered through the Inq platform via co-branding, bespoke colourways and private-label packaging, rather than as standalone OEM product lines. Sales recorded under OEM during 2025 were residual (KSEK 39).

Looking Forward

As we enter 2026, Anoto is sharper, faster and more focused than at any point in the last decade. The Group enters the year with a launched flagship product, a growing user base, a refreshed enterprise platform and a modernized supply chain. With data-driven product development, AI-accelerated engineering, and an expanding customer base across retail and enterprise channels, Anoto is well positioned to move from product launch to commercial scale during 2026. The forward-looking strategy is set out more fully under "Outlook for the Future" below.

SHARES AND SHAREHOLDERS

At the end of 2025, there were 1,102,362,753 issued ordinary shares in Anoto. According to Euroclear Sweden AB's statistics, there were 13,029 shareholders on December 31, 2025, representing a decrease of 0.4 percent over the past 12 months. The largest shareholder as at December 31, 2025 was Achilles Capital AB, owning 19.1 per cent of the votes and capital. There is only one class of shares (ordinary shares). Below are the changes to shares and shareholdings during the year.

Largest shareholders on December 31, 2025

1	THE BANK OF NEW YORK MELLON, W9	27.4%	301,499,421
2	Achilles Capital AB	19.1%	210,165,550
3	HONGKONG & SHANGHAI BANKING CORP, W8IMY	6.3%	68,946,324
4	IBKR FINANCIAL SERVICES AG, W8IMY	5.9%	65,243,837
5	Bergs Securities AB	3.4%	37,702,777
6	GOLDMAN SACHS & CO. LLC,W9	3.3%	35,818,648
7	Försäkringsaktiebolaget AvanzaPension	1.9%	21,135,867
8	CBLDN-SAXO BANK A/S	1.5%	16,700,000
9	Björndahl Anders	1.3%	14,147,000
10	BNP PARIBAS SA LONDON,W8IMY	1.0%	10,826,388
	Total	70.95%	782,185,812

SIGNIFICANT EVENTS DURING THE YEAR

On 31 January 2025, Anoto Group AB completed the directed share issue, set-off issue and rights issue approved in late 2024, adding 125,043,750, 230,636,107 and 414,823,830 shares respectively. The Group also reduced share capital by changing the share quota value from SEK 0.42 to SEK 0.09 per share in order to enable adjustment of the subscription price in the share issues. As of 31 January 2025, the company had 1,102,362,753 shares and votes. The recapitalization strengthened the consolidated balance sheet by eliminating the majority of the Group's outstanding debt through set-off arrangements and provided the initial working capital for Inq-001 production.

On 29 April 2025, the Group launched Inq, a new consumer and enterprise brand featuring a redesigned family of smartpens, notebooks, accessories and software that integrates handwriting with digital technology using advanced AI recognition. Pre-orders for U.S. retail customers opened in early May, with fulfilment commencing at the start of June.

On 29 April 2025, lenders provided a USD 750,000 secured convertible loan to fund the market launch of Inq pen and software. The loan was repayable in 12 monthly instalments between 22 October 2025 and 22 October 2026, accrued interest at 10% per annum payable at final maturity and was convertible into shares at SEK 0.15 (SEK 9.65/USD). Security included a SEK 20 million floating charge over Anoto AB's assets and a share pledge over Anoto AB's shares in KAIT Knowledge AI Holdings Pte. Ltd. On 20 June 2025, a further USD 250,000 was raised under the same terms.

On 27 June 2025 the Annual General Meeting was held for Anoto Group. The AGM approved the 2024 financial statements, resolved not to distribute a dividend, and discharged the Board and CEO from liability. Kevin Adeson was re-elected as Chair alongside returning members Alexander Fällström, Gary Stolkin and Adrian Weller, with Matthew Doerner elected as a new member. BDO was reappointed as auditor. Shareholders also approved updated executive remuneration guidelines, the 2024 remuneration report, and a new long-term incentive program (LTIP 2025). The Board was granted authorizations to issue shares and other instruments, including those required to fulfil LTIP 2025.

In August 2025, Achilles Capital AB provided Anoto Group AB with a short-term bridge loan of USD 400,000 to fund working-capital requirements while the Group pursued additional financing. The bridge loan carried an annual interest rate of 8% and was repaid by set-off into the convertible loan issued in October 2025.

In October 2025, Anoto Group AB entered into a secured convertible loan agreement of approximately USD 2.4 million with investors including shareholders Achilles Capital AB, Mark Stolkin and Machroes Holdings Ltd. The loan carries an 8% annual interest rate and matures on 1 October 2027. It is, together with accrued and unpaid interest, convertible at SEK 0.06 per share at a fixed exchange rate of USD to SEK of 9.46. The loan is secured by a SEK 20 million floating charge over the assets of Anoto AB and a pledge over Anoto AB's shares in KAIT Knowledge AI Holdings Pte. Ltd. The convertible loans issued in April 2025 and June 2025 as well as the bridge loan issued in August 2025, totaling USD 1.4 million, were repaid by set-off against this new financing.

In November 2025, the Inq Amazon store launched in the United States, broadening the consumer distribution footprint ahead of the 2025 holiday sales period. Net retail revenues during the holiday period (Black Friday through early January), after discounts and promotions, were approximately 2.6 times higher than during the corresponding holiday period in 2024, reflecting stronger consumer demand for the new Inq product range.

The Group's dispute with Green Mango Corp. was finalized during 2025 and is no longer treated as an open provision. See "Disputes" below.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report is located in a separate section after the financial reports in these financial statements.

EMPLOYEES

The average number of employees within the Group increased from 12 in 2024 to 17 in 2025. The Group had 15 employees (14) at the year-end.

COMMENTS ON THE STATEMENT OF COMPREHENSIVE INCOME

Net sales in 2025 amounted to MSEK 22 (30), a decrease of 26 percent. Within this, Retail Products revenue decreased by 24 percent to MSEK 13.8 (18.3) and Enterprise Solutions revenue decreased by 28 percent to MSEK 8.5 (11.7). The OEM segment contributed residual revenues of KSEK 39 (0) prior to being discontinued and subsumed into the Inq brand.

The year-on-year revenue decline is attributable to three interrelated factors: (i) the deliberate phase-out of inventory and sales of legacy pen and stationery models in order to transition the Group to the Inq platform; (ii) longer enterprise sales cycles as existing and prospective customers completed pilot activity ahead of broader deployments anticipated in 2026; and (iii) the relatively late-in-year contribution of Inq retail sales, with fulfilment only commencing in June 2025 and the Amazon store going live in November. As a consequence of this transition, Q4 2025 revenues already show a structurally different mix with a higher contribution from the Inq-001 flagship product and a more disciplined pricing model. Net retail revenues during the 2025 holiday period were approximately 2.6 times the equivalent period in 2024.

Gross margin in the period improved to 55 percent (48 percent), reflecting a more favorable product mix, the phase-out of low-margin legacy stock and a shift from volume-driven discounting toward a more dynamic pricing approach on the Inq range. Gross profit amounted to MSEK 12 (14).

Overhead costs (selling, administrative and R&D expenses) in the period were MSEK 72 (73), broadly flat year-on-year. The composition, however, changed materially: selling expenses increased to MSEK 39 (26) as the Group invested in the Inq commercial launch (digital marketing, influencer and retail activations, Amazon go-live, and distribution build-out), while R&D expenses decreased to MSEK 18 (31) following the major hardware and software investment cycle completed in 2024 and the increased capitalization of platform development. Administrative expenses of MSEK 15 (15) were essentially unchanged.

Personnel costs increased to MSEK 37 (25) as the Group built out an operational team to support the product launch (see "Employees" above). Cost-management actions undertaken during the year included the consolidation of back-office functions into the UK and Swedish entities, rationalisation of external consultancy spend where Inq capabilities had been internalised, discontinuation of the OEM segment, and the closure of low-volume product lines. An impairment of KSEK 703 (KSEK 9,051) was recognised on capitalised development expenditure, a material reduction on the prior year. Other operating income of MSEK 5 (2) is explained in Note 13.

Operating loss improved modestly to MSEK -58 (-60). EBITDA was MSEK -53 (-45).

Net financial items amounted to MSEK -57 (+4), a material year-on-year swing. The principal drivers were: (i) exchange losses of approximately MSEK -22 arising from SEK/USD and SEK/KRW fluctuations on intercompany and financing balances, compared with material exchange gains in the prior year; (ii) an impairment of MSEK -31 on the Group's receivables from its associated company KAIT (see Note 37), driven by updated information on KAIT's financial position and continued early-stage trading; and (iii) interest expense of MSEK -3 on the convertible and bridge facilities raised during the year, compared with a low base in 2024. In aggregate these items caused net finance cost to materially exceed the operating loss improvement.

The net loss after tax for the year was MSEK -114 (-56). The deterioration versus prior year is fully attributable to the net financial items described above; at the operating level, the Group made progress against plan despite the transition-year revenue decline.

COMMENT ON THE STATEMENT OF FINANCIAL POSITION AND THE STATEMENT OF CASH FLOWS

Total assets amounted to MSEK 77 (145), while liabilities increased by MSEK 28 to MSEK 93 (65), primarily driven by additional external financing raised during the year.

Group equity at the end of the year amounted to MSEK -16, compared to MSEK 80 in the previous year, mainly due to losses for the period, including write-downs of receivables from associates totalling MSEK 31. For further information, see Note 37. Cash flow from operating activities was MSEK -38 (-18), mainly due to operating losses for the period, partially offset by movements in working capital. Cash flow from investment activities during the year was MSEK -15 (-8), driven by increased investments in machinery and research and development, as the Group continued to strengthen its operational and technological capabilities.

The cash flow from financing activities was MSEK 50 (26), including net proceeds from share issues of MSEK 27 (4). The cash flow for the year was MSEK -4 (1). Closing cash at end of year was MSEK 0 (4).

RESEARCH AND DEVELOPMENT

In 2025, the Group's research and development efforts were directed principally at the inq hardware and software platform, the associated mobile and desktop applications, AI transcription and summarisation capabilities, and the continued enhancement of the enterprise SDK and Cloud Enterprise platform. R&D expensed during the year amounted to MSEK 17 (22), excluding impairment loss of MSEK 1 (9), equivalent to 25 percent (43 percent) of total overhead expenses. In accordance with IAS 38, the Group capitalised MSEK 10 (5) of qualifying development expenditure during 2025. Including capitalisation, the Group's total R&D investment was approximately MSEK 28 for the year. An impairment of KSEK 703 (KSEK 9,051) was recognised on certain capitalised development balances held in Anoto Korea, following a review of expected future cash flows; further detail is provided in Notes 15 and 18.

In accordance with Chapter 6, Section 1 of the Swedish Annual Accounts Act (ÅRL 6:1), the Board confirms that the Group actively conducts its own research and development. The principal focus areas during 2025 were: (i) the architecture, firmware and industrial design of the inq-001 smartpen and related accessories; (ii) the mobile and desktop applications and AI transcription, summarisation and tagging capabilities (including the "Quin" on-pen AI assistant); (iii) the Anoto Cloud Enterprise platform, APIs and SDKs for large-scale B2B deployment; and (iv) preparatory R&D for the next-generation of inq pens.

Anoto maintains an extensive patent portfolio. At the end of 2025, the Group owned 71 registered patents. The Group's policy is to continue to register patents where innovations materially enrich the portfolio and support the long-term commercial strategy.

KEY RATIOS – FIVE YEAR SUMMARY

Group

	2021	2022	2023	2024	2025
Net sales	71,730	69,362	43,012	30,069	22,374
Gross margin, %	54	62	63	48	55
Operating profit/loss	-57,143	-47,219	-68,326	-60,025	-58,357
Profit/loss after tax	-40,223	-30,903	-84,238	-55,781	-114,429
Total assets	239,074	238,732	143,615	145,128	76,661
Total liabilities	106,327	147,082	84,284	64,703	92,955
Average no. of employees	33	36	19	12	17

Parent Company

	2021	2022	2023	2024	2025
Net sales	11,198	10,246	11,806	8,632	9,279
Operating profit/loss	-2,805	603	-364	-289	-1,908
Profit/loss after tax	13,878	71	-79,750	-194,860	-125,633
Total assets	488,844	596,580	462,686	321,924	229,584
Total liabilities	41,050	137,256	44,063	28,159	58,265

DISPUTES

The dispute with Green Mango Corp. was concluded during 2025. The court ordered Anoto Korea to pay the plaintiff KSEK 924 (KRW 133,905,000), together with interest at 6 percent per annum from 3 March 2022 to 11 November 2022, and 12 percent per annum thereafter until full payment. The court apportioned legal costs between the parties, with three-fifths borne by the plaintiff and the remainder by Anoto Korea. In connection with this matter, Anoto Korea has recorded a liability of KRW 200,000,000, representing the court judgment amount and an estimate for legal costs. In addition, accrued expenses of KRW 52,710,000 have been recognized for a potential VAT refund obligation.

No other material disputes were open as of year-end 2025. The Group remains in preliminary discussions with TKR USA Inc. regarding historical component and raw-material balances associated with deconsolidated activities; no material provision has been recognized, as the request for payment has been assessed as premature pending resolution of the underlying supply arrangements.

SUSTAINABILITY INFORMATION

Anoto does not pursue any activities that require environmental permits. However, Anoto received the following certification for all of its pens:

- US : FCC (Radio Frequency certification)
- Canada : IC (Radio Frequency certification)
- EU : CE (Radio Frequency certification), RoHS and WEEE
 - o WEEE - Waste Electrical and Electronic Equipment
 - o RoHS - Restriction of Hazardous Substances

Climate-related matters

Anoto does not operate its own factories; pen and notebook production is contracted to specialist manufacturing partners, primarily in Korea. Our principal contract manufacturer holds ISO 9001 (Quality Management System) and ISO 14001 (Environmental Management System) certifications. The Group's product range uses lithium-ion batteries subject to the certifications described above. Anoto's direct operational footprint is limited, the Group operates a small number of office locations and does not maintain logistics or warehousing infrastructure of material scale. The Board monitors climate-related physical and transition risks that could affect the Group indirectly, including (i) extreme-weather or climate-driven disruption to component supply and logistics from our Asian manufacturing partners, (ii) changes in regulatory requirements applicable to electronics, batteries and recycling in the EU, US and other markets where the Group operates, and (iii) shifts in customer and distribution-partner expectations regarding product-level environmental information. These risks are considered through the Group's supplier assessment, product certification and risk-management processes. Climate-related risks are not currently assessed as financially material to the Group's 2025 results or to the going concern assessment.

Access to raw materials

The Group's hardware products depend on specialist components including image sensors, microcontrollers, optical elements and lithium-ion battery cells, the majority of which are sourced either directly, or indirectly, from suppliers located in Asia. The Group monitors supply-chain concentration and geopolitical risk on a continuous basis, in particular (i) the evolving tariff environment applicable to goods and components imported into the United States from Asia (including China), which could affect the Group's cost base or require pricing adjustments, and (ii) potential retaliatory trade measures affecting access to key components. Mitigation activities during 2025 included selective diversification of component suppliers, evaluation of alternative local-assembly options, and close coordination with our manufacturing and logistics partners on inventory planning.

Personnel

Anoto's business depends on skilled employees, contractors and specialist partners in hardware engineering, AI, software, commercial execution and manufacturing. The Group's geographic footprint (EU, United Kingdom, the United States, and Korea) supports access to specialist talent across these disciplines. The Board considers Anoto's ability to attract and retain specialist personnel to be a key enabler of the 2026 commercial plan. The Group applies a clear policy of equal opportunity and non-discrimination and continues to invest in the development of its people as a core asset of the business.

EMPLOYEE POLICIES

To realize Anoto's business concept, we depend on skilled employees who are motivated in their work and have a clear understanding of the communication between people from different backgrounds and experiences. We strive to make use of all our employees' competencies in the best possible way. No employee should be discriminated against. We apply a clear policy of gender equality, equal opportunity and non-discrimination, and actively encourage an environment of respect and honesty, with open and direct communication by and between all parties involved in Anoto's business.

RISK MANAGEMENT

Liquidity risk, financing risk and continued operations

Anoto operates in a sector that has seen accelerating innovation and demand through 2025, particularly for AI-enabled, multimodal input devices that bridge the physical and digital worlds. Independent market research continues to project robust long-term growth in digital pens and high growth for AI-capture categories through 2030, driven by the adoption of multimodal AI across consumer and enterprise use cases. The Group's strategy is to capture a strategic share of this growth through the inq platform and its enterprise extensions.

The directed, set-off and pre-emptive rights issues announced in Q4 2024 and completed on 31 January 2025 significantly strengthened the Group's consolidated balance sheet by eliminating the majority of its outstanding debt through set-off arrangements and providing working capital. During 2025 the Group raised additional convertible and bridge financing totalling approximately USD 2.8 million gross, which has been deployed principally toward the production, launch and marketing of the inq product family, and the build-out of our enterprise platform.

Despite these measures, the Group's liquidity position at year-end 2025 remained constrained, with cash and cash equivalents of MSEK 0.2 and current liabilities exceeding current assets. Management and the Board recognize this liquidity risk and have made clear disclosure of it in the financial statements. Management and the Board's view is that 2026 will be a year of significant commercial progress for the Group, driven by the commercial scaling of inq, a meaningful contribution from the new Amazon distribution channel, the ramp-up of enterprise deployments with existing and prospective customers, and the operational efficiencies arising from deeper use of AI tooling across software development, customer support and marketing (see "*Outlook for the Future*"). The Board considers that the Group's improved product platform, strengthened commercial channels and ongoing focus on cost discipline provide a reasonable basis for the Board to adopt the going concern assumption in preparing these financial statements.

Nevertheless, material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. If the commercial scaling of the inq platform is delayed, if market adoption develops more slowly than anticipated, or if management's revenue and margin plans do not deliver in line with expectations, the Group will require additional financing during 2026. If such financing is unavailable, delayed, or only obtainable on unfavourable terms, there is a risk that Anoto may not be able to sustain operations, meet its obligations to suppliers and partners, or pursue planned growth initiatives. The Board continues to evaluate financing options and to manage the Group's cash position with discipline.

Macroeconomic and Geopolitical Risks

The Board of Directors and Management are cognizant of many broader global risks that may impact operations. These include persistent inflation across major economies, which continues to exceed the policy targets of several central banks and may contribute to increased input costs. The ongoing conflict between Russia and Ukraine, alongside unrest in the wider Middle East and heightened tensions in East Asia, present continued geopolitical uncertainty and potential supply-chain disruption.

Trade-policy developments in the United States continue to create commercial uncertainty. Elevated and rapidly evolving U.S. tariffs on goods and components originating from Asia, including China, remain in effect and could directly affect the Group's cost base. Such tariffs could either compress margins or require adjustments to retail and wholesale pricing, potentially dampening demand in price-sensitive segments. Retaliatory trade measures from affected countries could also affect the supply of key components used in Anoto's manufacturing processes.

After the year end, the outbreak of armed conflict involving Iran has materially elevated geopolitical risk in the wider Middle East region. Although Anoto has no direct operations in any of the affected countries, the Board has assessed the potential indirect consequences for the Group and considers the principal exposures to be (i) possible disruption to global trade, which could

affect the lead-time and cost of components moving between Asia and the Group's markets; (ii) energy-driven price shocks, as heightened risk to oil and gas supply feeds through into freight, plastics and electronics manufacturing costs, and into broader input-cost inflation in the economies where the Group sells; and (iii) a risk-off shift in financial markets that could affect the Group's ability to access capital on reasonable terms during 2026. Management and the Board are monitoring the situation closely together with its manufacturing and logistics partners. As of the date of this report, no specific financial-statement adjustment has been made in respect of this event; it is disclosed as a non-adjusting subsequent event in accordance with IAS 10. Further disclosure is set out in Note 41 — Events after December 31, 2025.

In assessing the potential financial impact of the macroeconomic and geopolitical environment, management has evaluated contingency scenarios including selective reshoring of assembly to non-Asian manufacturing partners, renegotiation of supplier contracts, energy-cost pass-through where commercially feasible, and pricing adjustments. As of the date of this report, the Group has not recognized any specific provisions in respect of these risks. The Board and management consider the geopolitical environment to represent an ongoing focus area for 2026 and subsequent reporting periods, consistent with ESMA and the Swedish Financial Reporting Supervisory Board (*Nämnden för svensk redovisningstillsyn*) guidance for 2025 annual reports.

The Group continuously reviews and assesses its supply-chain strategy to mitigate these risks, including geographic diversification of suppliers, potential local assembly options, inventory-buffer and freight-routing contingencies, and close coordination with suppliers and logistics partners. Contingency planning and sensitivity analyses are ongoing to ensure that Anoto remains agile and responsive to shifts in the macroeconomic, energy-price or regulatory environment.

Currency exposure and credit risk

Refer to Note 4 for a detailed description of the company's risk management policies, currency exposure and credit risk. The principal currency sensitivities arise on the Group's USD and KRW flows through U.S. operations and the Korean manufacturing entity. Sensitivity analyses on transaction and translation exposure are set out in Note 4.

Insurance risk

Anoto's insurance coverage is reviewed annually with respect to traditional business insurance policies and appropriate coverage is maintained, balancing the exposure of the business and the related costs.

Patent risks, etc.

Anoto carefully reviews and maintains its patent portfolio and applies for patents on innovations that enrich that portfolio. Anoto cannot guarantee that all patent applications will be approved or that our intellectual property rights will not be called into question, declared null and void, or circumvented. In the past, third parties have claimed that Anoto infringes their intellectual property rights and may do so in the future. Defending Anoto against such assertions can be costly in terms of time, money and other resources. Legal disputes can compel Anoto to pay damages or other compensation, to modify its products and technology, and/or to enter into license agreements with licensors. Anoto cannot guarantee that such licenses will be available at all or be possible to obtain on reasonable terms.

THE BOARD AND ITS RULES OF PROCEDURE

The Anoto Group AB Board of Directors consists of five members. Refer to the section entitled "Corporate Governance Report" in this annual report for a detailed account of the Board's composition and working methods.

GUIDELINES ON REMUNERATION FOR SENIOR EXECUTIVES

Principles for remuneration, fees and other remuneration paid to the Board of Directors, the Chairman, the CEO and other members of Group Management, other statistics and the guidelines regarding remuneration and benefits to Group Management as approved by the Annual General Meeting are specified in Note 10. Remuneration for the CEO and senior executives in 2025 is disclosed in Note 10, "Remuneration of the Board of Directors, CEO and management". The Board has proposed to the Annual General Meeting that the guidelines on remuneration for senior executives remain unchanged in 2025.

OUTLOOK FOR THE FUTURE

Anoto today operates through two complementary business units: Retail Products, delivered and serviced primarily through inq Inc. and Livescribe Inc.; and Enterprise Solutions, delivered primarily through Anoto AB and Anoto Ltd. The market for digital

pens and AI-enabled input devices is forecast to grow robustly through 2030 across all our operating segments. We believe that Anoto is well positioned to take advantage of this growth.

2026: the AI-era multimodal input device

The principal strategic priority for 2026 is the positioning of the inq platform into a multimodal AI input device combining handwriting and audio. Voice-only AI tools capture what a person says. Handwriting captures what a person *thinks*; the synthesis, spatial relationships, emphasis and the sketches that a linear voice transcript cannot represent. The inq pen combines the Group's dot-pattern writing capture with audio capture on paired device, synchronized to millisecond precision, making the combined record of thought and speech a uniquely valuable input for AI-powered transcription, summarization and retrieval across both consumer and enterprise workflows.

This strategic pivot is built on existing assets: 25 years of research and development, 71 registered Group patents (within a broader patent family exceeding 140 registered patents held by the Group and its licensees), and a proprietary dot-pattern technology supporting a virtually unlimited unique-page-address space. During 2026 the Group intends to continue the commercial scaling of the current inq-001 product while investing selectively in the platform and partner ecosystem that supports both consumer and enterprise multimodal AI use cases.

AI leverage in the software business

Generative and agentic AI has materially changed the productivity of the Group's software development and commercial operations during 2025, and the Board expects this to translate into measurable benefits during 2026. In particular, the Group is able to ship new features for both its Retail (inq consumer application) and Enterprise (SDKs and integrations) software platforms more quickly, with smaller dedicated teams, and at lower marginal cost than at any point in its history. This enables a faster customer-driven product cadence across both business units and a meaningful improvement in the operational efficiency of the software organization, with benefits expected to be increasingly visible in the 2026 results.

At the same time, the Board is conscious that the same AI-enabled productivity is available to pure-software competitors and, over time, tends to erode the defensibility of software-only "moats". Anoto is different. The Group's long-term defensibility rests on a hardware, IP and commercial foundation: pen design, dot-pattern technology, firmware, manufacturing relationships, page-address-space IP, and the compounding installed base of Anoto-compatible pens and notebooks which cannot be replicated simply by access to AI models. For Anoto, AI accelerates the software layer while the hardware and IP layer continues to provide a durable competitive position. This combination is what the Board and management intend to build around in 2026 and beyond.

Commercial priorities for 2026

Against this backdrop, management's priorities for 2026 are:

- Translating the inq-001 product-market fit demonstrated during 2025 into broader retail and enterprise distribution, recurring revenue and improved operating leverage.
- Expanding the distribution footprint beyond inq.shop and the inq Amazon store, including through additional reseller and distributor relationships in selected international markets.
- Scaling the enterprise platform as existing and prospective customers move from pilot programs to production deployments, particularly in regulated and forms-intensive industries.
- Advancing the next-generation inq pen and accessories.
- Maintaining disciplined cost management, managing liquidity actively, and ensuring that additional financing, where required, is raised on terms consistent with the long-term interests of shareholders.
- Leveraging AI to drive operating efficiency across business units and operations, reducing the marginal cost of new features and customer support, and increasing the pace at which the Group can respond to customer demand.

Concluding comments

The Board considers that Anoto enters 2026 in a better position than at the beginning of 2025: with a launched and well-received flagship product, an expanded consumer distribution footprint, a refreshed enterprise platform, a reinvigorated and aligned leadership team, and a clearly articulated strategic pivot to the AI-era multimodal input category. Subject to the liquidity considerations described under "Risk Management" above, the Group is well placed to translate the 2025 investment cycle into commercial progress during 2026.

Proposed Appropriation of Accumulated Result

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Proposed appropriation of accumulated result in the parent company (SEK):

	SEK
Retained earnings	30,613,895
Loss for the year	-125,633,498
Total	-95,019,604

With regard to the financial position of the Group and parent company, refer to the following accounts.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(KSEK)	Note	Group 2025	Group 2024
Net sales	6	22,374	30,069
Cost of goods and services sold	12	-10,161	-15,709
Gross profit/loss		12,213	14,360
Selling expenses	9,12	-39,026	-26,495
Administrative expenses	9,10,11,12,15	-14,562	-15,043
Research & development costs	9,12,15	-18,203	-30,982
Other operating income	13	4,614	1,989
Other operating costs	14	-3,392	-3,855
Operating earnings		-58,357	-60,025
Financial income	16	776	5,816
Financial cost	16	-56,848	-1,571
Earnings before taxes		-114,429	-55,781
Income taxes	17	0	0
Net earnings for the year*		-114,429	-55,781
*All net earnings are attributable to the shareholders of the parent company			
Other comprehensive income			
Items that may be reclassified to profit/loss for the year:			
Translation differences for the year		14,524	6,874
Other comprehensive income for the year		14,524	6,874
Total comprehensive income for the year*		-99,905	-48,907
*Total comprehensive income is attributable to the shareholders of the parent company			
Earnings per share before and after dilution (SEK)		-0.09	-0.15
Weighted average number of ordinary shares		1,060,143,373	331,859,067

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(KSEK)	Note	Group 2025	Group 2024
ASSETS			
Non-current assets			
Intangible fixed assets	18,19,20,21	25,757	21,669
Goodwill	22	26,985	32,254
Equipment and machinery	23	3,632	684
Receivables from associates	37	0	35,543
Other long-term receivables	24	769	743
Total non-current assets		57,143	90,894
Current assets			
Inventories			
Finished goods and goods for sale	25	15,169	14,498
Current receivables			
Accounts receivable	26	1,382	530
Other receivables		544	32,592
Prepaid expenses and accrued income	27	2,226	2,806
Total current receivables		4,152	35,928
Cash and cash equivalents		197	3,809
Total current assets		19,518	54,234
TOTAL ASSETS		76,661	145,128

(KSEK)	Note	Group 2025	Group 2024
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	38	143,307	139,380
Ongoing share issue	38	0	3,926
Other capital contributed	38	1,298,700	1,295,551
Translation reserves	38	421	-14,103
Earnings brought forward		-1,458,721	-1,344,329
Total Equity		-16,293	80,425
Non-current liabilities			
Long-term convertible bond	31	22,202	0
Provisions (non-current)	28	0	1,372
Total non-current liabilities/provisions		22,202	1,372
Current liabilities			
Provisions (current)	28	2,551	1,333
Short-term loans	31	2,357	4,644
Accounts payable		28,137	24,906
Other liabilities		16,287	9,483
Accrued expenses and deferred income	29	21,421	22,966
Total current liabilities		70,753	63,331
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		76,661	145,128

CONSOLIDATED STATEMENT OF CASH FLOWS

(KSEK)	Note	Group 2025	Group 2024
OPERATING ACTIVITIES			
Profit before tax		-114,429	-55,781
Taxes paid	17	0	0
Items not affecting cash flow:			
Depreciation, amortization and impairment of assets	15,18-23	5,095	15,663
Net interest expense		2,340	95
Share based compensation		38	308
Other items	39	55,832	611
Cash flow from operating activities before change in working capital		-51,125	-39,103
Cash flow from change in working capital			
Change in operating receivables		-853	12,975
Change in inventories		-2,090	13,909
Change in operating assets		3,400	520
Change in operating liabilities		12,376	-5,963
Total change in working capital		12,833	21,442
Cash flow from operating activities		-38,292	-17,661
Cash flow from investment activities			
Investments in capitalized development expenditures	18	-9,676	-5,151
Investments in patents	19	0	-406
Investments in other intangible assets	20,21	-1,146	-1,172
Investments in equipment and machinery	23	-4,020	-87
Financial assets		-26	-782
Cash flow from gross investment activities		-14,869	-7,599
Total cash flow before financing activities		-53,160	-25,260
Financing activities			
New share issue		26,860	4,475
Share Issue Cost		-181	-166
Loan Proceeds	33	25,211	23,333
Repaid financial liabilities	33	-2,287	-1,015
Interest paid	33	2	-174
Cash flow from financing activities		49,605	26,453
Cash flow for the year		-3,555	1,193
Cash and cash equivalents at the beginning of the year		3,809	2,616
Effect of exchange rate change on cash		-57	0
Cash and cash equivalents at the end of the year	39	197	3,809

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(KSEK)	Share capital	Ongoing share issue	Other Capital Contributed	Translation reserve	Earnings brought forward	Shareholders' equity attributable	Non-controlling interest	Total shareholders' equity
Shareholders' equity 01 January 2024	139,381	0	1,295,202	-20,977	-1,354,275	59,330	0	59,330
Profit/loss for the year	-	-	-	-	-55,781	-55,781	0	-55,781
Other comprehensive income	-	-	-	6,874	-	6,874	0	6,874
Total comprehensive income/cost for the year				6,874	-55,781	-48,907	0	-48,907
Directed Issue*		11,254	3,751			15,005	-	15,005
Set off Issue*		20,757	0			20,757	-	20,757
Rights Issue*		37,334	12,445			49,779	-	49,779
Reduction of Capital @0.42		-65,419			65,419	0	-	0
Employee stock options					308	308	-	308
Issue Cost			-15,848			-15,848	-	-15,848
Shareholders' equity 31 December 2024	139,380	3,926	1,295,551	-14,103	-1,344,329	80,425	0	80,425
Shareholders' equity 01 January 2025	139,380	3,926	1,295,551	-14,103	-1,344,329	80,425	0	80,425
Profit/loss for the year	-	-	-	-	-114,430	-114,430	0	-114,430
Other comprehensive income	-	-	-	14,524	-	14,524	0	14,524
Total comprehensive income/cost for the year				14,524	-114,430	-99,906	0	-99,906
Directed Issue*	11,254	-11,254				0	-	0
Set off Issue*	20,757	-20,757				0	-	0
Rights Issue*	37,334	-37,334				0	-	0
Reduction of Capital @0.42**	-65,419	65,419				0	-	0
Employee stock options					38	38	-	38
Issue Cost			-181			-181	-	-181
Convertible loan equity			3,330			3,330	-	3,330
Shareholders' equity 31 December 2025	143,307	0	1,298,700	421	-1,458,721	-16,294	0	-16,294

*Reported gross of issuance costs.

** The reduction was approved in EGM 2024 and was carried out without redemption of ordinary shares by changing the share quota value from SEK 0.42 to SEK 0.09 per share. The reduction of share capital by changing the quota value was made in order to enable adjustment of the subscription price in the share issues.

NOTES TO THE FINANCIAL STATEMENTS

Anoto Group AB, the parent

company of the Anoto Group, is a limited liability company with its registered office in Stockholm, Sweden. The Anoto Group is a global provider of Enterprise Solutions (B2B), Retail (B2C), and OEM.

NOTE 1 – General Accounting policies

The consolidated financial statements of Anoto Group AB (publ) (Anoto) have been prepared in compliance with the Swedish Annual Accounts Act. International Financial Standards (IFRS® Accounting Standards), interpretation from IFRS Interpretations Committee as endorsed by EU and The Swedish Corporate Reporting Board recommendations RFR 1 “Supplementary Accounting Rules for Groups”.

The Group’s financial statements have been prepared under the assumption that the group operates on going concern basis. However, please refer to the directors’ report for comments regarding ongoing liquidity risk faced by Anoto (page 9).

The financial statements have been approved for distribution by the Board and the CEO on May 15, 2026. The Group’s statement of comprehensive income and statement of financial position, and the parent company’s income statement and balance sheet, will be subject to approval by the Annual General Meeting on June 29, 2026.

NOTE 2 – Material accounting policy information

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

The parent company’s reporting currency, Swedish kronor (SEK), is also the presentation currency for the Group.

The Group discloses below the accounting policy information considered material to an understanding of these consolidated financial statements. The accounting policies have been applied consistently to all periods presented in the Group’s financial statements.

Basis of consolidation

The consolidated accounts incorporate the financial statements of Anoto Group AB (publ.) and entities controlled by the parent company and its subsidiaries. Subsidiaries are entities controlled by the Group. Control exists where the Group has power over the investee, is exposed to variable returns, and can use its power to affect those returns.

Subsidiaries are consolidated from the date control is obtained and deconsolidated when control ceases.

Where necessary, adjustments are made to align subsidiaries’ accounting policies with those of the Group.

Associates

Associates are companies over which the Group have significant influence. Significant influence is generally presumed when the Group holds 20–50% of voting rights, but is assessed based on all facts and circumstances. The holding in KAIT is classified as an associate and is accounted for using the equity method. For more information on the Group’s investments in associates, see notes 36 and 37.

Foreign currencies

The Group operates internationally with significant transactions denominated in USD, EUR, and KRW, while the presentation currency is SEK. Foreign exchange risk arises primarily from sales to customers and purchases from suppliers denominated in currencies other than the respective functional currencies of the Group entities.

Transactions in foreign currencies are translated into the respective functional currency of each Group entity at the exchange rates prevailing on the transaction date. At the individual legal entity level, monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the reporting date. Exchange differences arising on retranslation are recognised in profit or loss as either operating or finance income or expense, depending on the nature of the underlying transaction.

For consolidation purposes, the financial statements of foreign subsidiaries are translated into SEK. Income statement items are translated at average exchange rates for each month, and the monthly results are then aggregated for the reporting period. Balance sheet items are translated at closing rates at the reporting date. Translation differences arising from the consolidation of foreign operations are recognised in other comprehensive income.

Revenue recognition

The Group generates revenue primarily from digital pen hardware, proprietary pattern technology, and software solutions provided to enterprise customers. For hardware products (including digital pens and accessories), revenue is recognized at a point in time when control transfers to the customer, which typically occurs upon delivery based on agreed shipping terms (e.g., FOB shipping point or delivery).

Software licence revenue primarily relates to cloud-based and subscription solutions where customers simultaneously receive and consume the benefits of access to the Group's platform. Accordingly, revenue is recognized over time on a straight-line basis over the contractual licence period, which typically ranges from 1 to 3 years.

Where contracts include bundled arrangements (e.g., hardware, software, and services), the transaction price is allocated based on observable standalone selling prices. Standalone selling prices are determined based on historical sales data and adjusted where necessary for customer-specific pricing arrangements.

Service revenue, including implementation and support services, is recognized over time where the customer simultaneously receives and consumes the benefits, or at a point in time when the service is completed, depending on the nature of the service.

Provisions

The Group's provisions primarily relate to product warranties (typically 12 months) and legal and commercial disputes and are based on historical experience and expected future claims and outcomes.

Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and is initially measured as the excess of consideration transferred over the fair value of identifiable net assets acquired. Goodwill is not amortized but subject to an impairment test annually or whenever necessary by calculating the recoverable amount of the corresponding cash-generating unit, which aligns with the Group's reporting segments.

The recoverable amount is determined based on value in use calculations using discounted cash flow models. These models are based on financial forecasts approved by management covering a period of 5 years. Key assumptions include revenue growth rates, operating margins, and discount rates reflecting current market assessments of the time value of money and risks specific to the cash-generating unit.

Research and development

Research expenditure is recognized in profit or loss as incurred. Development expenditure is capitalised only when the Group can demonstrate the technical feasibility of completing the asset, the intention and ability to complete and use or sell it, how the asset will generate probable future economic benefits, the availability of adequate technical and financial resources, and the ability to measure the expenditure reliably.

Capitalized development costs are amortized over their useful lives (typically five years) and tested for impairment when indicators arise.

Other intangible assets

Other intangible assets acquired by the Group mainly relate to patents, brands, and licenses and are recorded at cost less accumulated amortization and accumulated impairment losses.

Property, plant and equipment

Property, plant and equipment, including office equipment, computer hardware and machinery, are measured at cost less accumulated depreciation and impairment losses. Cost includes the purchase price and expenditures directly attributable to bringing the asset to its intended use. Subsequent costs are capitalised only when they are expected to generate future economic benefits; other costs are expensed as incurred.

Depreciation and amortization

Depreciation and amortization of the assets are based on the cost less residual value and is carried out on a straight-line basis over the estimated useful economic lives of the assets in view of the following depreciation and amortization periods:

- Patents	10 years
- Capitalized development expenditures	5 years
- Brands	10 years
- Licenses	20 years
- Equipment and Machinery	5 years

Impairment of intangible and tangible fixed assets

Intangible assets not yet available for use are tested annually, while other assets are tested when indicators of impairment exist. The recoverable amount is the higher of fair value less costs of disposal and value in use. An impairment loss is recognized if the Group's reported carrying amount exceeds the recoverable amount.

Convertible Bonds

The Group has issued convertible instruments during the year. Convertible instruments are assessed on initial recognition to determine whether they contain liability and equity components in accordance with IAS 32. Where an instrument contains both components, the liability component is measured first and the residual amount is recognized in equity. Subsequent accounting reflects the classification determined at initial recognition. Further information on the Group's financing arrangements and movements in financing liabilities is provided in the borrowing note and in the reconciliation of liabilities arising from financing activities.

Financial instruments

The Group's financial instruments primarily comprise trade receivables, cash and cash equivalents, trade payables, and borrowings.

Trade receivables are measured at amortized cost less expected credit losses. The Group applies a simplified expected credit loss (ECL) model, using a provision matrix based on historical default rates, aging of receivables, and forward-looking information, including macroeconomic conditions and customer-specific risk.

Borrowings are measured at amortised cost using the effective interest method.

Inventory

Inventory, consisting of finished products and critical components, is stated at the lower of cost and net realizable value. Cost is determined using the FIFO method and includes costs incurred in bringing inventories to their present location and condition. Net realizable value reflects estimated selling prices less estimated costs of completion and selling costs. The Group records write-downs for obsolete, slow-moving and damaged inventory where necessary.

Share-based payments

The Group operates equity-settled share-based payment arrangements. The fair value of options granted is determined at grant date using the Black-Scholes model and recognized as an expense over the vesting period, with a corresponding increase in equity. Estimates of expected vesting are reviewed at each reporting date.

Income Taxes

Income taxes comprise current and deferred tax.

Current tax is based on taxable profit for the period. Due to historical losses, no material current tax expense has been recognized in recent years.

Deferred tax is recognized on temporary differences and tax loss carry-forwards in accordance with IAS 12 Income Taxes. Deferred tax assets relating to loss carry-forwards are recognized only to the extent that it is probable that future taxable profits will be available. Given the Group's history of losses, deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets is reassessed at each reporting date.

Segment reporting

The Group has the following three strategic divisions, which are its reportable segments – Retail, Enterprise Solutions, and OEM. Segment performance is evaluated based on operating profit. Certain items, including share-based payments and specific research costs, are not allocated to segments as they are not included in internal performance measures.

New standards not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements is effective for annual reporting periods beginning on or after 1 January 2027. The standard will replace IAS 1 and is expected to affect presentation and disclosure, including subtotals in the statement of profit or loss and disclosures relating to management-defined performance measures. The Group is assessing the effect of adopting IFRS 18 on its future financial statement presentation.

NOTE 3 – Assessments when applying the Group’s accounting policies and the main sources of uncertain estimates

Assessments and applications in the financial statements

Preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and assumptions are reviewed periodically. Changes in estimates are recognized in the period in which they are revised if the revision affects only that period, or the period in which the revision is made and future periods if the revision affects both current and future periods.

Key sources of uncertainty in the estimates

The information below concerns key assumptions about the future and other key sources of uncertainty in the estimates on the balance sheet date that entail significant risk of substantial adjustments to reported assets/liabilities for the next financial year.

Impairment testing of goodwill

Goodwill is allocated to cash-generating units representing the Group’s operating segments. Goodwill is not amortized but is subject to at least annual impairment test. When testing for impairment losses, the value in use is calculated for the cash generating unit to which goodwill has been allocated. The value in use is based on the estimated future cash flows that the cash-generating unit is expected to give rise to. The achievement of these cash flows is dependent on management’s ability to successfully execute the company’s strategic goals. There can be no assurance that these goals will be achieved, and there is inherent uncertainty in any forecast of future cash flows.

As a part of the annual closing process, Anoto tested the value of the Group goodwill and found that there were no indications of impairment to the Group’s remaining goodwill for the current period. The group will continue to review the carrying amount of goodwill against the progress made in the business and specifically in the cash generating unit to which goodwill have been allocated and further adjust goodwill as appropriate.

The reported value for goodwill is MSEK 27 as of the balance sheet date. For additional information, refer to Note 22.

Impairment testing of capitalized development expenditures and other intangible assets

Intangible assets including capitalized development expenditures that are amortized based on management’s estimates of the periods in which the assets will generate revenue but are also reviewed regularly for indications of impairment. Impairment tests are based on a review of the recoverable amount, which is estimated based on management’s projections of future cash flows using internal business plans and forecasts.

Asset impairment requires management’s judgment, particularly in assessing:

- whether an event has occurred that may affect asset values,
- whether there are sufficient financial resources to complete the development, including an estimation of remaining period of development and costs,
- whether the carrying value of an asset can be supported by the net present value of future cash flows, which are estimated based upon the continued use of the asset in the business,
- the appropriate assumptions to be applied in preparing cash flow projections, and
- the discounting of these cash flows.

The value in use is based upon the estimated future cash flows that the technology and products are expected to generate. For additional information, see notes 18.

When testing for impairment losses, the value in use is calculated for the technology and products developed by the group. During the year, Anoto tested the Group's capitalized development expenditures for impairment and found indications of impairment for one asset. An impairment totalling 494 KSEK was booked for the Group during the year. For additional information, refer to Note 18. The group will continue to review the carrying values of capitalized development expenditures and other intangible assets against the progress made in the business and will further adjust the carrying value of other intangible assets including capitalized development expenditures as appropriate.

Impairment testing of receivables from associates

The Group has tested the value of receivables from the associated company KAIT and recognised a full impairment of MSEK 31 during the current period. The Group applies the general approach under IFRS 9, assessing whether there has been a significant increase in credit risk since initial recognition and measuring expected credit losses accordingly.

The assessment is based on historical information, current conditions, and forward-looking estimates. There is significant uncertainty in forecasting future cash flows for KAIT due to limited availability of up-to-date financial information. The impairment has been determined based on management's best estimates.

Further information is provided in Note 37.

Inventories

The Group values inventory at the lower of historical cost, based on the first-in, first-out basis, and net realizable value. The calculation of net realizable value involves management's judgment as to the estimated sales prices, overstock articles, obsolete and out-dated articles, damaged goods, and selling costs. If the estimated net realizable value is lower than cost, a valuation allowance is established for inventory obsolescence.

Legal proceedings

Anoto recognizes a liability when the Group has an obligation from a past event involving the transfer of economic benefits and when a reasonable estimate can be made of what the transfer might be. The Group reviews outstanding legal cases regularly in order to assess the need for provisions in the financial statements. These reviews consider the factors of the specific case using internal resources and external counsel as appropriate. The financial statements may be affected to the extent that management's assessments of the factors considered are not consistent with the actual outcome.

Other judgements and estimates

In addition to the above, the preparation of the financial statements requires management judgement in areas that are not considered to involve significant risk of material adjustment to carrying amounts in the next financial year. These include:

- Determination of useful lives and depreciation methods for property, plant and equipment and intangible assets
- Accruals for operating expenses and provisions for obligations with uncertain timing or amount
- Foreign exchange remeasurement of monetary assets and liabilities
- Allocation of costs between cost of goods sold and operating expenses

NOTE 4 – Risk management by the group

The Anoto Board of Directors has adopted a financial policy for:

- Simplifying and harmonizing the Group's financial activities
- Defining rules for the financial risks that are accepted by the Board
- Adopting guidelines for the Group to operate independently
- Delegating management of financial risks to the senior management

The areas of the financial policy that most affect Anoto's management of financial risks are liquidity and currency. The group management of Anoto identify liquidity and currency risk in preparing budgets, forecasts, and when reviewing the performance of the business. Management maintains strategies to minimize the impact of these risks.

Risk definitions

Liquidity risk	The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.
Loans	Loans are financial liabilities, other than short-term trade payables on normal credit terms.
Market risk	The risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market prices. There are three types of market risk: currency risk, interest rate risk and other price risk.
Currency risk	The risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in foreign exchange rates.
Interest risk	The risk that the fair value or future cash flows from a financial instrument will fluctuate because of changes in market interest rates.
Other price risks	The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors related to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.
Credit risk	The risk that one party to a financial instrument will fail to discharge an obligation and cause a financial loss.

Liquidity policy

In accordance with the Group Finance policy the cash needs of the Group are continually updated. These cash flow analyses give information about cash planning, deposits, interest periods etc. In accordance with the liquidity policy, available cash shall consist of cash and negotiable securities with an official credit rating equivalent to Moody's P1.

Liquidity and financing risk

Anoto's cash and cash equivalents, as cash and bank deposits, amounted at the end of 2025 to MSEK 0 (4). There is no liquidity reserve, such as overdraft facilities.

The only other financial liabilities, apart from the interest on the loans, that will affect cash flow are accounts payable and other current liabilities. All these liabilities fall due within 3 months.

Maturity structure financial liabilities (KSEK):

2025

	0-3 months	4-6 months	7-12 months	1-5 years
Borrowings	2,357	0	0	25,532
Long terms Liabilities	0	0	0	0
Accounts payable	28,137	0	0	0
Other current liabilities	40,260	0	0	0

2024:

	0-3 months	4-6 months	7-12 months	1-5 years
Borrowings	4,585	56	56	0
Long terms Liabilities	0	0	0	1,372
Accounts payable	24,906	0	0	0
Other current liabilities	33,781	0	0	0

Given current liabilities exceed current assets at period end, management recognizes the liquidity risk faced by the Group. Management is in ongoing discussions with suppliers regarding extended payment terms and believes that the Group has historically been able to renegotiate and defer certain payments when necessary. The Group is also actively managing working capital through prioritization of critical expenditures, limiting non-essential costs and adjusting the pace of investments in line with available liquidity.

Subsequent to period end, the Company completed a secured convertible loan transaction that strengthens the Company's capital structure by combining new funding with the consolidation of existing convertible debt into a single financing framework. The transaction provides for up to USD 1.49 million in new capital, of which USD 0.9 million was disbursed at closing.

Management and the Board's view is that 2026 will be a year of significant commercial progress for the Group, driven by the commercial scaling of inq, a meaningful contribution from the new distribution channel with Amazon, the ramp-up of enterprise deployments with existing and prospective customers, and the operational efficiencies arising from deeper use of AI tooling across software development, customer support and marketing (see "Outlook for the Future"). The Board considers that the Group's improved product platform, strengthened commercial channels, expected improvements in operating cash flow, additional financing obtained subsequent to period end and continued focus on cost discipline provide a reasonable basis for the Board to adopt the going concern assumption in preparing these financial statements.

Nevertheless, material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. If the commercial scaling of the inq platform is delayed, if market adoption develops more slowly than anticipated, or if management's revenue and margin plans do not deliver in line with expectations, the Group will require additional financing during 2026. If such financing is unavailable, delayed, or only obtainable on unfavorable terms, there is a risk that Anoto may not be able to sustain operations, meet its obligations to suppliers and partners, or pursue planned growth initiatives. The Board continues to evaluate financing options and to manage the Group's cash position with discipline.

Currency exposure and currency policy

Transaction exposure

Transaction exposure arises when the entities within the group have revenue or expenses in a currency other than its functional currency. Anoto has significant currency flows in USD, EUR, GBP, and KRW because most of its invoicing are denominated in these currencies. However, as GBP and KRW are mainly used in our UK and Korean entities respectively, where the functional currency is the same, the transaction exposure in these currencies is low. The Group's currency policy does not provide for hedging, mainly because it is difficult to predict cash flow needs in the relevant currencies.

The net exposure in EUR results from the Group invoicing mostly in EUR for the European market and expenses in our Swedish entities.

The net exposure in USD is attributable to revenue and expenses in USD in a number of subsidiaries, notably Anoto Korea and Anoto AB, where the functional currency is not USD. The Group also uses USD for intercompany transactions, which results in transaction exposure within local entities.

Sensitivity analysis exposure

Sensitivity Analysis (Net Income impact of 5% points change of operating currencies against SEK)

USD	(+/-) 2.0 MSEK
EUR	(+/-) 0.1 MSEK
GBP	(+/-) 0.7 MSEK
KRW	(+/-) 0.3 MSEK
CAD	(+/-) 0.0 MSEK

Translation exposure

Translation Exposure (Translation Reserve (equity) impact of 5% points change of operating currencies against SEK)

USD	(+/-) 18.4 MSEK
EUR	(+/-) 0.1 MSEK
GBP	(+/-) 6.5 MSEK
KRW	(+/-) 8.8 MSEK
CAD	(+/-) 0.0 MSEK

Interest risk

Interest rates and interest rate risk remain high this year amid the highly uncertain global environment. The Group's current borrowings are at fixed interest rates and are therefore not exposed to interest rate risk at the reporting date. Details of interest-bearing liabilities are set out in note 31.

However, the Group is exposed to interest rate risk in respect of future financing. An increase in market interest rates may result in higher borrowing costs on new or refinanced debt.

Credit risk

The management of credit risks can be broken down into commercial risks and financial risks. The provisions set aside for bad debt losses as of the balance sheet date is based on expected, not incurred credit losses and not identified any commercial credit risks. The financial credit risk on financial transactions is that the company incurs losses as a result of non-payment by counterparts related to investments and bank deposits.

The Company's standard payment terms are primarily upfront payments prior to the delivery of goods or services. In limited cases, primarily for customers in the retail segment, credit terms are extended, with payment typically due within 30 days of the invoice date. For additional information about credit risk in accounts receivable, see Note 26. Expected loss rates are based on the payment profile for sales over the past 24 months before 31 December 2025, as well as the corresponding historical credit loss during that period. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. However, given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period. The financial credit risk is managed as part of the Group's finance policy.

For additional information about credit risk in receivables from related parties and impairments done, please see note 37. The parent company's intercompany receivables have been assessed for expected credit loss at year end by applying the general approach under IFRS 9. This involves assessing whether there has been a significant increase in credit risk since initial recognition. Depending on the outcome, the Group recognizes either 12-month ECL or lifetime ECL. The assessment incorporates historical data, current conditions, and forward-looking forecasts. For other financial instruments, it is assessed that no significant credit risks exist.

Note 5 – Segment reporting

The Group has the following three strategic divisions, which are its reportable segments – Retail, Enterprise Solutions, and OEM. These divisions offer different products and services and are managed separately because they require different technology and marketing strategies.

Anoto's retail segment delivers high-quality, intuitive smartpens and a robust software ecosystem that allows users to digitize handwritten content instantly. Anoto's Enterprise Solutions unit provides a powerful platform for automated data capture at scale. Organizations use our smartpens and dot-pattern printed forms to digitize handwritten content from clinical, operational, and customer-facing processes—all without changing frontline workflows. Anoto's OEM business has been largely dormant in 2025, aside from some internal sales to Anoto's other segments. For more information on these segments, please refer to the Directors Report.

Amounts not allocated to segments consists of operating expenses, assets, and liabilities of non-revenue generating, SG&A subsidiaries and elimination adjustments, which are not attributable to any particular segment, these amounts are allocated to the "other" column.

The total presented for the Group's operating segments reconcile to the financial figures as presented in this financial statement as follows. There is no reportable revenue for the parent company.

(KSEK)	Group 2025	Group 2024
Revenues		
Total Reportable Segment reporting	41,180	39,856
Eliminations	-18,806	-9,787
Group Revenues	22,374	30,069
Expenses		
Total Reportable Segment reporting	-80,319	-98,400
Other expenses not allocated	-19,218	-1,481
Eliminations	18,806	9,787
Group Operating Profit	-58,357	-60,025
Financial costs	-56,848	-1,571
Finance income	776	5,816
Group Profit before taxes	-114,430	-55,781

(KSEK)	Group 2025	Group 2024
Assets		
Total Reportable Segment Assets	320,194	391,936
Other	245,972	330,557
Eliminations	-489,504	-577,365
Group Assets	76,661	145,128

(KSEK)	Group 2025	Group 2024
Liabilities		
Total Reportable Segment Liabilities	764,898	804,814
Other	260,599	257,036
Eliminations	-932,541	-997,147
Group Liabilities	92,955	64,703

(KSEK)	Group 2025	Group 2024
Revenues		
Enterprise Forms	8,493	11,738
Retail	13,841	18,331
OEM	39	0
Group Revenues	22,374	30,069

(KSEK)	For the year ended 31 December 2025					
	Enterprise Forms	Retail	OEM	Other	Elimination	Total
Revenue						
From external customers	8,493	13,841	39	-	-	22,374
From other segments	8,552	5,126	4,988	140	-18,806	0
Segment Revenue	17,045	18,968	5,027	140	-18,806	22,374
Costs of Goods Sold	-10,868	-13,126	-4,974	-	18,806	-10,161
Depreciation and Amortization	-2,344	-222	-465	-2,064	-	-5,095
Impairment of Fixed Assets	-494	0	-209	0	-	-703
Other Operating Expenses	-5,409	-35,848	-6,221	-17,294	-	-64,772
Segment Operating Profit	-2,069	-30,228	-6,842	-19,218	0	-58,357
Segment Assets	262,602	44,443	13,149	245,972	-489,504	76,661
Segment Liabilities	382,203	208,000	174,695	260,599	-932,541	92,955

(KSEK)	For the year ended 31 December 2024					
	Enterprise Forms	Retail	OEM	Other	Elimination	Total
Revenue						
From external customers	11,738	18,331	0	-	-	30,069
From other segments	740	1,252	7,794	-	-9,787	0
Segment Revenue	12,478	19,584	7,794	-	-9,787	30,069
Costs of Goods Sold	-1,500	-14,338	-9,658	-	9,787	-15,709
Depreciation and Amortization	-3,221	-477	-1,837	-473	-	-6,008
Impairment of Fixed Assets	0	-2,996	-5,570	0	-	-8,566
Other Operating Expenses	-11,024	-20,567	-27,213	-1,008	-	-59,812
Segment Operating Profit	-3,267	-18,794	-36,484	-1,481	0	-60,026
Segment Assets	296,069	63,948	31,920	330,557	-577,365	145,128
Segment Liabilities	377,655	211,667	215,492	257,036	-997,147	64,703

NOTE 6 – Net sales and assets

Group sales by revenue type

(KSEK)	Enterprise Solutions (B2B)	Retail (B2C)	OEM	Total
Hardware	4,236	13,841	39	18,117
Royalties and License	4,256	0	0	4,256
Professional Services	0	0	0	0
31 December 2025 Total	8,493	13,841	39	22,374

(KSEK)	Enterprise Solutions (B2B)	Retail (B2C)	OEM	Total
Hardware	4,563	18,331	0	22,894
Royalties and License	7,148	0	0	7,148
Professional Services	26	0	0	26
31 December 2024 Total	11,738	18,331	0	30,069

Group sales per market and per product group

(KSEK)	Enterprise Solutions (B2B)	Retail (B2C)	OEM	Total
Sweden	60	175	0	235
EMEA ¹⁾	4,178	607	0	4,785
Americas ²⁾	2,847	13,059	0	15,906
APAC	1,408	0	39	1,447
31 December 2025 Total	8,493	13,841	39	22,374

¹⁾ 82% attributable to Germany

²⁾ 85% attributable to United States and 15% to Canada

(KSEK)	Enterprise Solutions (B2B)	Retail (B2C)	OEM	Total
Sweden	126	909	0	1,035
EMEA ¹⁾	4,885	2,407	0	7,292
Americas ²⁾	6,103	15,015	0	21,118
APAC	624	0	0	624
31 December 2024 Total	11,738	18,331	0	30,069

¹⁾ 54% attributable to Germany

²⁾ 80% attributable to United States and 20% to Canada

The Group does not use variable pricing methods. Customers may return items for a full refund (less shipping) within 30 days of purchase.

In presenting the geography information, segment net sales has been based on the geography location of customers and grouped into three regions plus the Sweden Country.

In 2025, the Group had two customer who each comprised more than 10% of the Group's total revenue for the year – Deutsche Telekom IT GmbH (2.8 MSEK) and Infomax Technologies (2.2 MSEK).

Group assets per market

(KSEK)	Intangible assets		Tangible assets	
	2025	2024	2025	2024
Sweden	7,897	6,506	3,470	33
US	28,062	33,777	34	18
UK	3,528	5,902	88	47
Korea	333	1,391	39	581
Canada	-	-	2	5
Ireland	12,922	6,347	-	-
Total	52,742	53,924	3,632	684

NOTE 7 – Average number of employees

	2025	2025	2024	2024
	No. of Ee's	Of which are Men	No. of Ee's	Of which are Men
Group companies:				
Korea	9	8	9	7
UK	7	5	2	1
Canada	1	0	1	0
Total	17	13	12	8

NOTE 8 – Board of Directors and management split by gender

	2025	2025	2024	2024
	No. of Ee's	Of which are Men	No. of Ee's	Of which are Men
Board of Directors Parent company	5	5	4	4
Board of Directors Group companies	4	4	4	4
Total Board	9	9	8	8
Management Group companies	6	5	6	5
Total Management	6	5	6	5

NOTE 9 – Salaries and remuneration

(KSEK)	2025	2024
Salaries		
Board of Directors and CEO	5,230	4,453
Other senior executives	18,478	12,311
Other employees UK	5,057	577
Other employees Korea	4,290	4,543
Other employees Canada	308	476
Total salaries	33,363	22,360
Payroll overhead		
Board of Directors and CEO	38	259
Other senior executives	1,101	552
Other employees Sweden	0	6
Other employees UK	820	42
Other employees Korea	588	568
Other employees Portugal	0	12
Other employees Canada	37	58
Total payroll overhead	2,584	1,497
Pension expenses		
Other senior executives	177	0
Other employees UK	196	0
Other employees Korea	565	1,231
Total pension expenses	938	1,231
Total salaries and remunerations	36,885	25,089
Whereof:		
Sweden	18,839	14,072
UK	10,789	2,388
Korea	6,912	8,082
Portugal	0	12
Canada	345	534
Total	36,885	25,089

*A number of senior executives, including Group CEO - Mats Karlsson and CFO - Hans Haywood are not direct employees of the Group, but rather invoice as consultants from their own companies. Of the total salaries and remunerations figure

presented in this note, 15.3 MSEK are as a result of consultant invoicing rather than employee compensation. CEO – Mats Karlsson invoices under parent entity, Anoto Group AB. All senior executives invoicing as consultants are contracted under our Swedish entity, Anoto AB.

**Payroll overhead includes share-based compensation recognized in accordance with IFRS 2, 38 KSEK in 2025 and 308 KSEK in 2024. For more information on share-based compensation, see note 30.

Salaries and other remunerations are included in the statement of comprehensive income headlines as follows:

(KSEK)	2025	2024
Selling expenses	20,051	9,127
Administrative expenses	7,482	5,289
R&D expenses	9,352	10,672
Total	36,885	25,089

Salary and remuneration in Korea include severance benefits accrued in accordance with local labour laws, which vary depending on a number of factors, including length of service, average wage, and reason for severance.

NOTE 10 – Remuneration of the Board of Directors, CEO and management

Board and CEO 2025	(KSEK)	Salary/ Remuneration	Pension	Other Remuneration ³⁾	Total
Mats Karlsson	CEO	3,000	-	-	3,000
Joonhee Won	Ex-CEO	0	-	38	38
Kevin Adeson	Chairman of the Board	900	-	-	900
Alexander Fallstrom	Board Member	300	-	-	300
Gary Stolkin	Board Member	300	-	-	300
Adrian Weller	Board Member	575	-	-	575
Matthew Doerner	Board Member	155	-	-	155
Total¹⁾		5,230	-	38	5,267

Board and CEO 2024	(KSEK)	Salary/ Remuneration	Pension	Other Remuneration ³⁾	Total
Mats Karlsson	CEO	2,000	-	-	2,000
Hans Haywood	Ex-CEO, CFO	3,496	-	-	3,496
Joonhee Won	Ex-CEO	723	-	493	1,216
Kevin Adeson	Chairman of the Board	411	-	-	411
Dennis Song	Ex-Chairman of the Board	162	-	-	162
Gary Stolkin	Board Member	137	-	-	137
Alexander Fallstrom	Board Member	137	-	-	137
Adrian Weller	Board Member	7	-	-	7
Injoon Jeong	Ex-Board Member	54	-	-	54
Pedro Pinto	Ex-Board Member	48	-	-	48
Total¹⁾		7,175	-	493	7,668

Management 2025	Salary/ Remuneration	Pension	Other Remuneration	Total
Other senior executives	18,478	177	1,101	19,755
Total	18,478	177	1,101	19,755

Management 2024	Salary/ Remuneration	Pension	Other Remuneration	Total
Other senior executives ²⁾	9,589	-	394	9,984
Total	9,589	-	394	9,984

¹⁾ Compensation to Board members (Board fees) are paid from the parent company. Compensation to the CEO may originate from other Group companies or associate companies.

²⁾ Compensation to Group management may originate from Group companies and includes 6 (5) members of management in 2025. No severance payments have been paid to management during the year

³⁾ Other remuneration consists of share-based compensation recognised in accordance with IFRS 2. For more information on share-based compensation, please see note 30.

No bonuses have been paid to management, board members or CEO during the year.

Guidelines for compensation to the Executives of the Company

Anoto adopted new guidelines at the last AGM and have during 2025 applied the guidelines adopted.

The compensation level and structure shall be at market level. The total compensation shall be a balanced mix of fixed salaries, variable compensation, retirement and health plans, any other benefits and terms for dismissal and severance payments. The compensation may also comprise stock related long term incentive programmes.

The variable compensation varies for each executive and shall primarily be related to Anoto's budget and may not exceed fifty per cent of the fixed salary. The retirement plan shall be competitive. Other benefits, like health plans, housing allowances and company cars, shall be competitive. As a main rule, all Executives shall have a mutual notice period of three months. There have been no severance packages agreed to with the current executive team.

Stock related incentive plans are to be determined by the AGM. Issues and transfers of securities determined by the AGM according to the rules of Chapter 16 in the Swedish Companies Act are not comprised by these guidelines in case the AGM has or will make such decisions.

Board members of the Company, elected by the AGM, may in special cases receive a fee for services performed within their respective areas of expertise, separately from their board duties and for a limited period of time. Compensation for these services shall be paid at market terms. The Board of Directors shall be entitled to deviate from these guidelines in a certain case should there be specific reasons.

NOTE 11 – Audit Fees

Audit fees refer to the audit of the financial statements and the accounting records. For the Parent company this also includes the administration of the business by the Board of Directors and the CEO.

Other services relate mainly to consultancy services, such as services related to prospectuses, review of quarterly reports, and general advice related to annual report and ESEF.

(KSEK)	2025	2024
BDO		
Audit assignment, BDO	2,913	2,861
Other services	219	215
Total	3,132	3,076
Other auditors		
Kilsby & Williams - UK statutory audit	39	17
Total	39	17
Total	3,171	3,093

NOTE 12 – Operating costs by type

(KSEK)	Note	2025	2024
Cost of goods sold		-10,161	-15,709
Personnel cost ¹⁾	9, 10	-36,885	-25,089
External services		-12,707	-13,791
Rent		-570	-722
Travel expenses		-643	-1,764
Marketing and PR		-4,929	-3,013
Depreciation and amortisation	15	-5,095	-6,008
Impairment ²⁾	15	-703	-9,051
Other expenses		-10,753	-13,081
Total		-82,447	-88,229

¹⁾ A number of senior executives, including Group CEO - Mats Karlsson and CFO - Hans Haywood are not direct employees of the Group, but rather invoice as consultants from their own companies. Of the total personnel costs presented in this note, 16.6 MSEK are as a result of consultant invoicing rather than employee compensation. Mats Karlsson, who served as Group CEO during the financial year and resigned thereafter in March 2026, invoiced Anoto Group AB. All senior executives invoicing as consultants are contracted under our Swedish entity, Anoto AB.

²⁾ Impairment of capitalized R&D, for more information, see note 18 and 22.

NOTE 13 – Other operating income

(KSEK)	2025	2024
Exchange gains	82	0
Proceeds from sale of participation in group companies	0	0
Write-back of trade payables ¹⁾	4,039	0
Other operating income	493	1,989
Total	4,614	1,989

¹⁾ Derecognition of long-outstanding trade payables where the legal statute of limitations for enforcement has lapsed

NOTE 14 – Other operating costs

(KSEK)	2025	2024
Other operating expenses ¹⁾	-1,428	-3,069
Write down of prepaid expenses ²⁾	-1,755	0
Loss on Sales of Fixed Assets	-209	-499
Exchange losses	0	-286
Total	-3,392	-3,855

¹⁾ Mainly relates to a one-time write-down of components held by Anoto Korea used in production, following the transfer of the Group's production activities to Anoto AB during the year.

²⁾ Full impairment of a prepaid development cost incurred in 2018 (1.8 MSEK). Following a reassessment during the year, the amount was deemed no longer recoverable and has been written off.

NOTE 15 – Depreciation, amortization and impairment

Depreciation of property, plant and equipment and amortization and impairment of intangible fixed assets are included in the statement of comprehensive income as follows:

(KSEK)	2025	2024
Amortization intangible fixed assets		
Research & development expenses	-4,974	-5,904
Total amortization intangible fixed assets	-4,974	-5,904
Depreciation tangible fixed assets		
Administrative expenses	-121	-104
Total depreciation tangible fixed assets	-121	-104
Impairment intangible fixed assets		
Research & development expenses	-703	-9,051
Total impairment intangible fixed assets	-703	-9,051
Total amortization, depreciation and impairment	-5,798	-15,058

The group reviews intangible assets on a regular basis to determine if these have been impaired and if the estimated recoverable amount is less than the carrying value an impairment is recognized. Capitalized technology was tested for impairment during 2025 and we noted indicators for impairment of fixed assets totalling 703 KSEK for the year.

NOTE 16 – Financial income and expenses

(KSEK)	2025	2024
Financial income		
Interest income	774	1,476
Other financial income	2	0
Exchange gains	0	4,340
Total financial income	776	5,816
Financial expenses		
Interest expenses on loans	-3,113	-1,571
Other financial expenses ¹⁾	-31,997	0
Exchange losses ²⁾	-21,738	0
Total financial cost	-56,848	-1,571
Total financial net income/(expense)	-56,072	4,244

¹⁾ Impairment loss of 31.0 MSEK to Anoto's loans receivable from KAIT, for more information, see note 37

²⁾ Exchange losses were recorded during the period due to an unfavourable movement in the USD/SEK exchange rate, where the US dollar weakened from 10.9982 to 9.20133, impacting the translation and revaluation of USD-denominated balances.

Financial income and expenses comprise interest on borrowings, revaluation gains and losses, and impairment of financial assets, arising from financial assets and liabilities recorded at cost less impairment losses.

NOTE 17 – Income taxes and deferred taxes

(KSEK)	2025	2024
Current tax expense	0	0
Deferred tax	0	0
Total	0	0

Correlation between tax expense for the year and reported profit/loss before tax

(KSEK)	2025	2024
Reported profit/(loss) before tax	-114,429	-55,781
Tax in accordance with current tax rate of 20,6% (20,6%)	23,572	11,491
Tax impact of non-deductible expenses	-201	-217
Tax impact of different tax rates in foreign subsidiaries	-786	-
Increase/decrease of tax deficits without corresponding capitalization	-22,585	-11,273
Tax reported	0	0

Tax deficit

(KSEK)	2025	2024
Opening balance Swedish companies	-1,401,595	-1,277,341
Opening balance foreign companies	-1,736,265	-1,661,341
Opening balance adjust from prior year	-	-
Tax deficit of the year Swedish companies	-197,328	-124,254
Tax deficit of the year foreign companies	-63,805	-74,923
Closing tax deficit	-3,398,992	-3,137,860

	2025	2024
Nominal amount, tax asset 20.6% Swedish companies	700,192	646,399

No tax effect on issue costs is reported due to group deficits. This refers to the year's issue costs as well as previous years' issue costs.

Due to the fact that the Group still reports a loss, the value of deferred tax assets is not recognized in the balance sheet. Some of the amounts above can be subject to limitations in the future. The deferred tax charge and deferred tax liabilities in the Group relate to intangible fixed assets.

Note 18 – Capitalised development expenditures

In accordance with IAS 38, the Group capitalised MSEK 10 (5) of qualifying development expenditure during 2025. Including capitalisation, total R&D investment amounted to approximately MSEK 28 for the year, of which MSEK 18 was recognised as an expense in the income statement. Expenditure not meeting the criteria for capitalisation under IAS 38 has been expensed as incurred.

(KSEK)	2025	2024
Accumulated historical cost		
Opening accumulated historical cost	169,381	156,490
Capitalization for the year ¹⁾	9,676	5,151
Translation difference	-8,643	7,739
Closing accumulated historical cost	170,414	169,381
Accumulated amortization		
Opening accumulated amortization	-78,646	-70,207
Amortization for the year according to plan	-3,792	-4,857
Translation difference	3,965	-3,581
Closing accumulated amortization	-78,473	-78,646
Accumulated impairment losses		
Opening accumulated impairment losses	-78,483	-66,343
Impairment losses for the year ²⁾	-494	-8,566
Translation difference	3,791	-3,574
Closing accumulated impairment losses	-75,186	-78,483
Closing residual value	16,756	12,253

¹⁾ Internally developed

²⁾ 2025 value consists of an impairment of the remaining value of capitalized costs held by Anoto Korea. 2024 value consists of a full impairment of Echo2 and a few projects previously under development that were discontinued.

Capitalised development expenditures comprise costs incurred on the development of products and technology.

Carrying amount and remaining amortization period of significant assets:

ACE: Anoto Cloud for Enterprise – 3,734 KSEK – 2 years remaining

701L: INQ Pen (and App) – 9,535 KSEK – 4.5 years remaining

Remaining portion 3,205 KSEK is made up mainly of R&D projects in-progress, which are expected to launch in 2026 and includes new hardware and software solutions for both B2B and B2C business lines.

When testing for impairment losses, the value in use is calculated for the technology and products developed by the group. The value in use is based upon the estimated future cash flows that the technology and products are expected to generate. If book value exceeds the value in use for a specific asset, the value is impaired.

Key assumptions used in the impairment testing of capitalized costs, including assumptions relating to sales volumes and other forecast drivers, are aligned with those applied in the impairment testing of goodwill. Further information regarding key assumptions and methodologies is provided in Note 22. Goodwill impairment testing is limited to the Retail CGU, whereas impairment testing of capitalised development costs encompasses the Group as a whole; however, the underlying assumptions used in the respective impairment models are based on similar forecast inputs and management estimates.

Amortization by function is shown in note 15.

Capitalized technology was tested for impairment during 2025, and we noted indicators for impairment for ACE in our Q3 forecasts, as such a partial impairment of 494 KSEK was booked. We also reviewed amortization estimates, methods and the amortization periods for our intangible assets and noted no indicators that warranted a change in amortization.

(KSEK)	ACE Assumed Value	ACE Changed Value	INQ Pen + Apps Assumed Value	INQ Pen + Apps Changed Value
Discount rate before tax	22.70%	23.11%	23.24%	35.53%
Operating profit margin- 5 year average	19.94%	19.89%	8.28%	5.46%

The tables above sets out the assumed values for the variables used in the calculation of future value in use to estimate cash flow and the changed values which, when adjusted, would result in a recoverable value equal to the carrying value, resulting in an impairment. In Q4 2025, our impairment tests indicate there is headroom of 20 KSEK for ACE and 3.5 MSEK for the INQ pen and app, indicating no further impairments were necessary in the year.

NOTE 19 – Patents

(KSEK)	2025	2024
Accumulated historical cost		
Opening accumulated historical cost	82,363	80,784
Acquisitions	0	406
Translation difference	-6,796	1,174
Closing accumulated historical cost	75,567	82,363
Accumulated amortization		
Opening accumulated amortization	-78,407	-76,656
Amortization for the year according to plan	-634	-634
Translation difference	6,539	-1,116
Closing amortization	-72,502	-78,407
Closing residual value	3,065	3,957

NOTE 20 – Brands

(KSEK)	2025	2024
Accumulated historical cost		
Opening accumulated historical cost	4,171	2,925
Acquisitions	1,146	1,172
Translation difference	-553	74
Closing accumulated historical cost	4,765	4,171
Accumulated amortization and impairment losses		
Opening accumulated amortization	-2,521	-2,414
Amortization for the year according to plan	-80	-63
Translation difference	283	-44
Closing amortization and impairment losses	-2,319	-2,521
Closing residual value	2,446	1,650

NOTE 21 – Other intangible assets

(KSEK)	2025	2024
Accumulated historical cost		
Opening accumulated historical cost	58,852	58,853
Translation difference	-1	-1
Closing accumulated historical cost	58,851	58,852
Accumulated amortization and impairment losses		
Opening accumulated amortization	-55,042	-54,692
Amortization for the year according to plan	-320	-350
Translation difference	0	0
Closing amortization and impairment losses	-55,361	-55,042
Closing residual value	3,490	3,810

NOTE 22 – Goodwill

(KSEK)	2025	Livescribe	Anoto Korea	Total
Accumulated historical cost 2025				
Opening accumulated historical cost		130,186	36,200	166,386
Translation differences		-21,269	-5,289	-26,559
Closing accumulated historical cost 2025		108,917	30,911	139,828
Opening accumulated impairment losses		-97,931	-36,200	-134,132
Translation differences		16,000	5,289	21,289
Impairment losses for the year		0	0	0
Closing accumulated impairment losses 2025		-81,932	-30,911	-112,843
Closing net balance 2025		26,985	0	26,985
2024				
(KSEK)		Livescribe	Anoto Korea	Total
Accumulated historical cost 2024				
Opening accumulated historical cost		118,863	37,559	156,422
Translation differences		11,323	-1,359	9,964
Closing accumulated historical cost 2024		130,186	36,200	166,386
Opening accumulated impairment losses		-89,414	-37,559	-126,973
Translation differences		-8,518	1,359	-7,159
Impairment losses for the year		0	0	0
Closing accumulated impairment losses 2024		-97,931	-36,200	-134,132
Closing net balance 2024		32,255	0	32,255

Impairment testing

In the beginning of 2012 Anoto acquired the UK based company Ubiquitous Systems Ltd, creating an additional goodwill of 13,6 MSEK. In relation to Shanwell Holding Ltd, 18,5 MSEK was added to the total goodwill balance. During 2014 Ubiquitous Systems Ltd was transferred to Shanwell Holding Ltd which became Anoto Ltd.

During the fourth quarter of 2015 the Group acquired the US based company Livescribe, Inc., creating an additional goodwill of 102,5 MSEK.

On 31 May 2016 Anoto Group AB acquired the remaining 81% of the shares and votes in the company Pen Generations Co. Ltd. for MSEK 38,9. Pen Generations Co. Ltd. has been a longstanding Anoto partner.

Impairment testing of goodwill is performed for each cash generating unit annually or more frequently when an indication of a decline in value occurs. Livescribe - the one remaining cash generating unit with a goodwill balance was tested for impairment in 2025 and we found no indicators of impairment.

The recoverable amount of the cash-generating unit has been determined based on value in use calculations using cash flow projections derived from the approved budget for the next 5 years.

Key assumptions include an average annual revenue growth of 42% and average operating margin (EBIT) of 11%, reflecting both historical performance and management's expectations of future market conditions.

When assessing the value of the cash generating unit, a discount factor of 23.24% (22.80%) and a perpetual growth rate after 5 years of 2.0% (2.0%) have been used.

Five-year forecasts and cash flow estimations have been prepared by management for Livescribe and management's estimates of sales and margins in relation to new sources of revenue that are now being developed.

Forecasts are done in line with consideration of the Group's performance in prior periods and the Group's strategy for the next years, using the most up to date knowledge about the business and the market. Nevertheless, actuals may not follow as expected, and in the past Anoto faced some non-recurring issues that had negative material impact on revenues such as production disturbances from technical issues to changing manufacturing supplier with ramp-up period higher than expected.

Important variables

Market Growth	Group management expects long-term positive development in the markets where Anoto's products are used. The growth forecasts are built on underlying forecasts and discussions with partners and customers together with expected long-term growth and take into account of past experience and other external sources of information.
Discount Rate	The discount rate of 23.24% has been used for Livescribe, which reflects uncertainties caused by the ongoing conflict between Russia and Ukraine, alongside unrest in the wider Middle East and heightened tensions in East Asia, present continued geopolitical uncertainty and the resulting highly uncertain global environment reflected in rising interest rate. It is also determined with regards to the market conditions and the required return of the Group. Considering Anoto's current tax position where the Group companies will not pay any tax over the foreseeable future, the difference between discount rate before and after tax will be minimal.
Gross Profit	The long-term forecasted gross profit is calculated carefully. Gross margins have been reviewed for each cash generating entity based on the past performance and management's expectation for the future and take into account margin improvement initiatives that have been negotiated with customers and suppliers. Assumed values for gross margins have been updated compared to the prior year following changes and reallocations between parts of the business, changes in forecasts and changes in sales mix affecting the gross margin in the respective cash generating unit.
Cost Increase	Cost increases have been forecasted for each cash generating unit in line with increases in revenue and in consideration of inflation.
Perpetual growth rate	The company believes that a reasonable perpetual growth rate would be around the average historical inflation rate. Also, consideration is taken to the annual inflation rate target from the Swedish Central bank which is 2.0%.

Goodwill in relation to Anoto Limited and Anoto Korea were written down to zero in 2018 and 2023, respectively.

(KSEK)	Livescribe Assumed Value	Livescribe Changed Value
2025		
Perpetual growth rate	2.00%	-1.30%
Discount rate before tax	23.24%	24.92%
Gross Profit - 5 year average	39.1%	38.6%
Cost increase - 5 year average	7%	37%

(KSEK)	Livescribe Assumed Value	Livescribe Changed Value
2024		
Perpetual growth rate	2.00%	2.00%
Discount rate before tax	22.80%	26.57%
Gross Profit - 5 year average	58.0%	52.0%
Cost increase - 5 year average	7%	15%

The tables above sets out the assumed values for the variables used in the calculation of future value in use to estimate cash flow and the changed values which, when adjusted, would result in a recoverable value equal to the carrying value, resulting in an impairment. In 2025, our impairment tests indicate there is headroom of 3.2 MSEK between recoverable value and carrying value. Accordingly, no impairment was recognised during the year. While the recoverable amount exceeded the carrying amount, the valuation remains sensitive to changes in key assumptions.

NOTE 23 – Property, plant, and equipment

(KSEK)	2025	2024
Accumulated historical cost		
Opening accumulated historical cost	64,876	65,167
Additions for the year	4,020	87
Translation difference	-1,287	-378
Closing accumulated historical cost	67,610	64,876
Accumulated depreciation and impairment		
Opening accumulated depreciation	-64,192	-62,999
Depreciation for the year according to plan	-794	-709
Impairment of Fixed Assets	-209	-485
Translation difference	1,219	0
Closing depreciation and impairment losses	-63,977	-64,192
Closing residual value	3,632	684

NOTE 24 – Other long-term Receivables

(KSEK)	2025	2024
Opening balance	743	709
Additions	139	91
Settlements	-113	-58
Total	769	743

NOTE 25 – Inventory

(KSEK)	2025	2024
Raw material (components)	6,152	2,629
Finished goods	9,017	11,869
Total	15,169	14,498

In 2025, a total of COGS 10,161 KSEK (2024: COGS 15,709 KSEK) of inventory was included in profit and losses as an expense. Of this amount, 696 KSEK (2,971 KSEK) is related to write-downs due to obsolete or damaged inventory.

NOTE 26 – Accounts receivable

(KSEK)	2025 Gross	2025 Net	2025 Provision %	2024 Gross	2024 Net	2024 Provision %
Not due	346	342	1%	544	544	0%
Due 1 - 30 days	26		100%	129	129	0%
Due 31 - 60 days	11	10	6%	388	104	73%
Due 61 - 90 days	120	103	14%	31		100%
Due more than 90 days	1,119	927	17%	(247)	(247)	0%
Total	1,621	1,382	15%	844	530	37%

The possibility that the Group's customers will not fulfil their payment obligations is a credit risk. The Group's customers undergo credit checks and information about their financial positions are obtained from various credit reporting agencies. The Group has a policy that guides the extension of credit to customers.

The Group applies the IFRS 9 expected credit loss model to trade receivables using a simplified approach. Lifetime expected credit losses are recognised from initial recognition, based on historical loss experience adjusted for forward-looking information and customer-specific risk factors. The provision for doubtful receivables amounts to KSEK 239 (315). Assessment of the need for provisions against accounts receivable more than 60 days overdue are made on an individual basis.

Changes in the allowance for doubtful accounts during the fiscal years ended December 31, 2025 and 2024 were as follows:

(KSEK)	2025	2024
Expected credit loss as at 1 January calculated under IFRS 9	315	1,708
Expected credit loss recognized during the year	210	-307
Receivables written off during the year	-285	-1,086
Loss allowance as at 31 December	239	315

Apart from the reserve for bad debts, the company believes that the credit worthiness of its customers is satisfactory. No security related to accounts receivable are held by Anoto.

The gross amount in the table above represents the maximum credit exposure.

Concentration of credit risk	2025			2024		
	Number of customers	% Total number of customers	% Share of value	Number of customers	% Total number of customers	% Share of value
Exposure < 1 MSEK	28	100%	100%	26	100%	100%
Exposure 1-10 MSEK	0	0%	0%	0	0%	0%
Exposure > 10 MSEK	0	0%	0%	0	0%	0%
Total	28	100%	100%	26	100%	100%

NOTE 27 – Prepaid expenses and accrued income

(KSEK)	2025	2024
Prepaid insurance	187	178
Prepaid software licenses	192	359
Prepaid contractor fee ¹⁾	1,476	1,985
Prepaid manufacturing costs	259	-
Other	111	284
Total	2,226	2,806

¹⁾ increase primarily driven by expenditures relating to an ongoing marketing video project that had not been completed as of the reporting date.

NOTE 28 – Provisions

(KSEK)	2025	2024
Opening balance	2,705	2,094
New provisions	132	611
Unutilized amount returned	-286	0
Total	2,551	2,705

Includes provisions for severance benefits to employees in our Korean entity and for product warranty commitments relate to the sale of pens during 2025 and 2024. Warranty provisions are based on calculations made on historical data for warranties related to the sale of pens. The amount is expected to be paid within 12 months.

NOTE 29 – Accrued expenses and deferred income

(KSEK)	2025	2024
Accrued employee compensation and benefits	8,311	4,001
Accrued royalties and interest	275	800
Accrued board compensation	4,722	2,492
Deferred income	1,960	4,061
Other services and goods	6,153	11,612
Total	21,421	22,966

Accrued employee compensation increased during the period, primarily reflecting timing differences in the recognition of costs and limited settlement of outstanding liabilities.

Change in deferred revenue

(KSEK)	2025	2024
Opening balance	4,061	7,979
Deferred during the year	211	319
Recognized as revenue	-2,312	-4,238
Closing balance	1,960	4,061

Revenue recognized in 2025 that was included in contract liability (deferred income) balance at the beginning of the period KSEK 2,312 (4,238).

NOTE 30 – Share-based payments to employees

Option Program

As of December 31, 2025, Anoto Group has the following valid option programs:

In Q2 2021, an incentive scheme for senior executives was adopted that comprises a maximum of 17,789,489 stock options at a subscription price equal to 120 per cent of the average volume weighted closing price of Anoto Group's shares on Nasdaq Stockholm for each trading day during the period from 8 June 2021 up to and including 29 June 2021. The maximum number of stock options to be allocated to the CEO (Perry Ha) is 6,469,745 and to each of the other senior executive is between 200,000 and 4,313,163. The vesting period for the issued options are as follows: one third of the options will become exercisable one year after the date of grant of the options. Thereafter, the remaining two thirds of the options vest on a pro rata basis, with 1/24 per month, until all options have vested. All options can be exercised three years after the date of grant of the options. The stock options can be exercised to purchase common stock in the Company no later than on the fifth anniversary from the date of grant of the options minus one day, after which any outstanding options lapse. Perry Ha, resigned in December 2021 and the Board has granted him 2,156,581 options and cancelled all other options. Perry's options vested on March 5, 2022 and has expired three years from the date of vesting in March 2025. As of 31 December 2025, there were 1,800,000 options outstanding.

In Q3 2022, an incentive scheme for senior executives was adopted that comprises a maximum of 14,000,000 stock options at a subscription price equal to 120 per cent of the average volume weighted closing price of Anoto Group's shares on Nasdaq Stockholm for each trading day during the period from 20 June 2022 up to and including 4 July 2022. The maximum number of stock options to be allocated to the CEO (Joonhee Won) and Chairman of the Board (Jorgen Durban) is 7,000,000 each. The vesting period for the issued options are as follows: the options vest on a pro rata basis, with 1/36 per month, until all options have vested. All options can be exercised three years after the date of grant of the options. The stock options can be exercised to purchase common stock in the Company no later than on the fifth anniversary from the date of grant of the options minus one day, after which any outstanding options lapse. Upon Jorgen Durban's resignation from the Board in 2023, it was resolved that his options shall be considered to be vested for two years, corresponding to two-thirds of the 7 million options awarded to Jörgen Durban within the framework of the aforementioned incentive program. The options of series shall be exercisable at the third annual general meeting that follows the grant of the options (Annual General Meeting 2025). The options shall thereafter be exercisable for two years from the first day on which they can be exercised. As of 31 December 2025, there were 11,666,667 options outstanding.

Grant Date	Strike Price	Expiry	Number of Options	
			2025	2024
30/06/2021	1.06	29/06/2026	1,800,000	2,400,000
19/08/2021	1.06	05/03/2025	-	2,156,581
17/07/2022	0.81	16/07/2027	11,666,667	11,666,667

	2025		2024	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
As at 1 January	0.88	16,223,248	0.89	17,223,248
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	1.06	2,756,581	1.06	1,000,000
As at 31 December	0.84	13,466,667	0.88	16,223,248
Vested and exercisable at 31 December		13,466,667		14,862,137

No payments are due or have been paid on the grant of options and no options have been exercised during the year.

The value of outstanding options is calculated using the Black & Scholes valuation model, using a risk-free rate of 0.9 and 2.11 for the 2021 and 2022 programs, respectively. As at December 31, 2025, the value of outstanding options amounts to KSEK 1,962 (2,455). A total of KSEK 38 (308) relating to employee share options has been recognised against equity during the year, with a corresponding charge recognised as personnel costs in the income statement. This amount does not include social security costs.

NOTE 31 – Interest bearing liabilities

(KSEK)	Nominal interest	Maturity	2025 Nom. Value	2025 Book value	2024 Nom. Value	2024 Book value
Third party loans	3.7%-8%	2027	27,216	27,889	4,644	4,644
Total interest bearing liabilities			27,216	27,889	4,644	4,644

Liabilities comprise of 24.9 MSEK in convertible loans secured during the year, which have been classified as compound financial instruments in accordance with IAS 32. The liability component represents the present value of the contractual cash flows discounted at a market rate of 15.8% for similar debt instruments without a conversion feature. The equity component represents the value of the embedded conversion option and is presented within equity. The convertible loan bears interest at eight (8) per cent per annum and matures on 1 October, 2027. The loan is secured by a first ranking floating charge (business mortgage) over Anoto AB in the amount of SEK 20 million and by a share pledge over Anoto AB's shares in KAIT Knowledge AI Holdings Pte. Ltd.

NOTE 32 – Leasing

Right-of use assets are included in the balance sheet under property, plant and equipment, and the corresponding lease liability is included in current liabilities. The group had no leases reporting under IFRS 16 as at year end 2025.

Lease payments not recognized as a liability

The group has elected not to recognize a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

(KSEK)	2025	2024
Short-term lease	317	353
Variable lease payments	159	261
	476	616

NOTE 33 – Reconciliation of liabilities arising from financing activities

The changes in the group's liabilities arising from financing activities can be classified as follows:

(KSEK)	Long-term borrowings	Short-term borrowings	Total
01/01/2025	0	4,644	4,644
Cash flows:			
- Repayments	0	-2,287	-2,287
- Proceeds	25,211	0	25,211
Non-cash			
- Reclassification	321	0	321
31/12/2025	25,532	2,357	27,889

(KSEK)	Long-term borrowings	Short-term borrowings	Total
01/01/2024	15,600	8,686	24,286
Cash flows:			
- Repayments	0	-1,189	-1,189
- Proceeds	0	23,333	23,333
Non-cash			
- Reclassification ¹⁾	-15,600	-26,186	-41,786
31/12/2024	0	4,644	4,644

¹⁾ All convertible bonds were converted to shares in the set-off issue during the year

NOTE 34 – Financial instruments

Group 2025	Amortised Cost	FVTPL	FVOCI	Total
Accounts receivable and other short- and long-term receivables	4,921	-	-	4,921
Liquid assets, incl. current investment	197	-	-	197
Assets	5,118	-	-	5,118
Convertible debt and short-term loans ¹⁾	24,559	-	-	24,559
Accounts payable	28,137	-	-	28,137
Other liabilities	40,260	-	-	40,260
Liabilities	92,955	-	-	92,955

Group 2024	Amortised Cost	FVTPL	FVOCI	Total
Accounts receivable and other short- and long-term receivables	72,214	-	-	72,214
Liquid assets, incl. current investment	3,809	-	-	3,809
Assets	76,022	-	-	76,022
Convertible debt and short-term loans	4,644	-	-	4,644
Accounts payable	24,906	-	-	24,906
Other liabilities	35,153	-	-	35,153
Liabilities	64,703	-	-	64,703

¹⁾ 2025 convertible debt comprises of 24.9 MSEK loan secured during the year. The investors have the right to convert the loan into equity at a conversion price of SEK 0.06.

NOTE 35 – Related parties

Related parties (KSEK)		Selling of goods and services	Purchasing of goods and services	Sale of shares in KAIT	Receivable from related party on 31 December	Liability to related party on 31 December
Third party	2025	-	49	-	-	-18,848
Associate company	2025	-	-	-	-	-
Third party	2024	-	2,859	-	-	-1,914
Associate company	2024	-	-	-	35,543	-

During the year, the Group utilized the services of The Talent Business Ltd, a company related to Gary Stolkin, who is a member of the Board of Directors of Anoto Group AB and Adeson Advisors, a company related to Kevin Adeson, the chairman of Anoto Group AB's Board of Directors. A total of 5 KSEK was paid for recruitment services. In addition, the group entered into new financing agreements with related party Achilles Capital AB (previously DDM Debt AB), totaling 18.8 MSEK in convertible loans, with a fixed conversion price of SEK 0.06.

Receivables from associate (KAIT) were assessed for recoverability in accordance with IFRS 9, leading to a full impairment of 31 MSEK in the year.

NOTE 36 – Investment in associates

(KSEK)	2025	2024
Accumulated historical cost		
Opening accumulated historical cost	38,453	38,453
Addition during the year	0	0
Associates net income for the year	0	0
Closing accumulated historical cost	38,453	38,453
Accumulated impairment losses		
Opening accumulated impairment losses	-38,453	-38,453
Impairment losses for the year	0	0
Closing accumulated impairment losses	-38,453	-38,453
Closing residual value	0	0

Knowledge AI Holdings Pte, incorporated in Singapore (company UEN: 202138904M), and its subsidiaries (KAIT) was deconsolidated from the Group in July 2023, of which Anoto was previously majority shareholder. Post deconsolidation, KAIT is treated as an associate company, with Anoto owning 45% share. Anoto and KAIT have a licensing agreement in place, allowing KAIT to purchase Anoto's hardware at a discounted price and for use of Anoto's technology in exchange for a royalty fee paid as a percentage of sales. Anoto has no other obligations towards KAIT.

The carrying amount of the investment in KAIT has been fully written down in prior periods. Accordingly, no carrying value is recognized as at 31 December 2025.

For the financial year ended 31 December 2025, the Group has not obtained current financial information from KAIT due to non-response from its management, despite repeated requests. Summarized financial information for KAIT is based on the latest available financial statements for the year ended 31 December 2024, as provided by KAIT's management. These financial statements have not been audited by the Group or by KAIT's external auditors, and accordingly, no assurance can be provided as to their accuracy or completeness.

(USD)	2024
Profit/loss for the year	697,463
Other comprehensive Income	16,519
Total comprehensive income	713,982
Current Assets	408,987
Non-current Assets	36,123
Total Assets	445,110
Current Liabilities	1,573,896
Non-current Liabilities	5,639,861
Total Liabilities	7,213,757

NOTE 37 – Receivables from Associates

The risk that the Group's associate, KAIT, may not fulfil its payment obligations represents a credit risk exposure for the Group. The Group assesses this credit risk in accordance with the general approach under IFRS 9 Financial Instruments, which requires an evaluation of whether there has been a significant increase in credit risk since initial recognition.

This assessment incorporates all reasonable and supportable information available without undue cost or effort, including historical data, current conditions, and forward-looking information. In particular, the Group considers the absence of up-to-date financial information from KAIT, together with other qualitative factors, when evaluating changes in credit risk and estimating expected credit losses.

During the year, the Group recognized a full impairment loss of MSEK 31 in respect of receivables from associates, reflecting management's estimate of expected credit losses based on the best available information. Due to the lack of current financial information, the measurement of expected credit losses involves significant judgment and estimation uncertainty.

(KSEK)	2025	2024
Opening balance	35,543	28,964
Additions	0	1,526
Reclassification	0	697
Translation difference	-4,523	4,356
Impairment	-31,020	0
Total	0	35,543

¹⁾ In 2025, we recognized an impairment loss of 31.0 MSEK to Anoto's loans receivable from KAIT.

NOTE 38 – Equity

Changes in the number of shares and their par value, see below. All shares are fully paid and entitle the holder to an equal dividend percentage.

Share issues – Number of shares	2025	2024
Registered opening balance	331,859,066	331,859,066
Directed Issue, 20 Jan 2025 ¹⁾	125,043,750	0
Set-off Issue, 20 Jan 2025 ²⁾	414,823,830	0
Rights Issue, 20 Jan 2025 ³⁾	230,636,107	0
Registered closing balance	1,102,362,753	331,859,066

Par value (SEK)	2025	2024
	0.13	0.4

¹⁾ Directed Issue, price SEK 0.12

²⁾ Set-off Issue, price SEK 0.09

³⁾ Rights Issue, price SEK 0.12

Equity (KSEK)	2025	2024
Translation reserve		
Accumulated exchange rate differences at beginning of the year	-14,103	-20,977
Exchange rate differences for the year	14,524	6,874
Accumulated exchange rate differences at year end	421	-14,103

Capital management

Since its founding in 1999, Anoto Group has developed electronic pens that turn what is written on paper into digital form. The group's ambition is to achieve profitable growth and in the future be able to pay dividends on invested capital.

Anoto defines capital as equity. There is only one class of shares. Anoto Group has so far not paid any dividend and will suggest to the Annual General Meeting of 2026 that no dividend is paid.

The group has no announced targets regarding dividends, debt/equity ratios or other capital ratios other than to strive for profitability and positive cash flow. When solid profitability has been achieved targets for dividends, debt/equity ratios etc. will be determined.

NOTE 39 – Specification to Statement of Cash Flows

(KSEK)	2025	2024
Cash and bank balances	197	3,809
Total	197	3,809

Other Items not affecting cash flow

Exchange gains and losses	21,738	-3,969
Gain/losses at valuation to fair value	6,753	6,874
Impairment of loan receivables ¹⁾	31,020	0
Other	-3,679	-2,294
Total	55,832	611

¹⁾ Consists of impairment of loans receivable in KAIT. See note 37 for more information.

NOTE 40 – Pledged Assets and Contingent Liabilities

The dispute with Green Mango Corp. was resolved during the year. In connection with this matter, Anoto Korea has recorded a liability of KRW 200,000,000, representing the court judgment amount and an estimate for legal costs. In addition, accrued expenses of KRW 52,710,000 have been recognized for a potential VAT refund obligation.

In October 2025, the Company announced that it has entered into a secured convertible loan agreement in an aggregate principal amount of approximately USD 2.4 million with a group of investors including Achilles Capital AB, Mark Stolkin and Machroes Holdings Ltd. The loan is secured by a first ranking floating charge (business mortgage) over Anoto AB in the amount of SEK 20 million and by a share pledge over Anoto AB's shares in KAIT Knowledge AI Holdings Pte. Ltd. The agreement also contains customary negative pledge and indebtedness restrictions.

NOTE 41 – Events after December 31, 2025

After having analysed all the events occurring following the fiscal year end until the date of the publishing of the annual report, the Board of Directors reached the conclusion that the following events required disclosure:

1. In January 2026, the Group entered into a netting agreement with KAIT, whereby outstanding receivables will be converted into equity at a conversion price of USD 0.40 per share, resulting in the issuance of approximately 4.5 million new shares.

At 31 December 2025, the Group fully impaired its remaining receivables from KAIT. This impairment was made due to the lack of up-to-date financial information and KAIT's continued status as a pre-revenue start-up, which resulted in significant uncertainty regarding recoverability.

The netting and conversion agreement was concluded after the reporting period and is therefore considered a non-adjusting event in accordance with IAS 10 Events after the Reporting Period. As such, no adjustments have been made to the 31 December 2025 financial statements.

2. On 3 March 2026, the Company announced the closing of a secured convertible loan transaction that strengthens the Company's capital structure by combining new funding with the consolidation of existing convertible debt into a single financing framework.

The transaction provides for up to USD 1.49 million in new capital, with USD 0.9 million disbursed at closing. The agreement allows the capacity for additional subscriptions, which may be accepted in subsequent closings over the coming two months, subject to the terms of the agreement. In addition, all amounts outstanding under the USD 2.4 million convertible loan announced in October 2025 have been set-off into this new agreement.

The structure also enables directors and employees to participate through the set-off of accrued remuneration, supporting liquidity management and long-term alignment. Overall, the transaction represents a measured increase in available capital while simplifying and extending the Company's existing financing arrangements.

The convertible loan bears interest at eight (8) per cent per annum and matures on 1 October, 2027, unless converted or repaid earlier in accordance with its terms. The Company retains the right to prepay the loan at any time prior to maturity without penalty.

Lenders are entitled to convert outstanding principal together with accrued and unpaid interest into newly issued ordinary shares in Anoto at a conversion price of SEK 0.06 per share, subject to customary adjustments and applying a fixed SEK/USD exchange rate of 9.05.

In addition, the loan will be mandatorily converted at the same conversion price upon the completion of a qualified equity financing of at least USD 3 million equivalent, at a subscription price of at least SEK 0.12. Conversion is subject to applicable corporate and shareholder approvals and will be carried out in accordance with the Swedish Companies Act. If necessary to enable issuance at the conversion price, the Company may propose a reduction of the quota value of the share.

The loan is secured by customary security arrangements, including a first-ranking floating charge over designated group assets, and contains standard covenants consistent with market practice, including negative pledge and indebtedness restrictions.

3. On 10 March 2026, the Company announced that the Board of Directors has appointed Jonathan Faiman as Chief Executive Officer, effective immediately. Jonathan Faiman succeeds Mats Karlsson, who is stepping down from his role as Interim CEO and will support a smooth transition.
4. Despite the new round of convertible loans secured in March 2026, management recognizes the continued liquidity risk faced by the Group at the publication date of this annual report and remains in ongoing discussions with suppliers regarding extended payment terms. Management believes that the Group has historically been able to renegotiate and defer certain payments when necessary. The Group is also actively managing working capital through the prioritization of critical expenditures, limitation of non-essential costs, and adjustment of the pace of investments in line with available liquidity. The Board will continue to evaluate additional financing alternatives and other measures to support the Group's liquidity position in the coming months.

NOTE 42 – Parent Company details

Anoto Group is a Swedish limited company with its registered office in Stockholm. The shares of the parent company are listed on the NASDAQ OMX Stockholm Stock exchange. The address of the head office is Flaggan 1165, SE 116 74, Stockholm. The consolidated financial statements for 2025 relate to the parent company and its subsidiaries, jointly referred to as the Group.

NOTE 43 – Climate related matters

Anoto does not pursue any activities that require environmental permits but is conscious of our responsibilities to the climate and environment. As we use Lithium-Ion batteries, we have received the following certifications:

- US : FCC (Radio Frequency certification)
- Canada : IC (Radio Frequency certification)
- EU : CE (Radio Frequency certification), RoHS and WEEE
 - o WEEE - Waste Electrical and Electronic Equipment
 - o RoHS - Restriction of Hazardous Substances

We do not operate our own factories, so Anoto is not exposed to any climate matters at the point. However, our contract manufacturer's factory has ISO 9001 (Quality Management System) and ISO 14001 (Environmental Management System) certifications.

NOTE 44 – Macroeconomic and Geopolitical Risks

The Board of Directors and Management are cognizant of many broader global risks that may impact operations. These include persistent inflation across major economies, which continues to exceed the policy targets of several central banks and may contribute to increased input costs. The ongoing conflict between Russia and Ukraine, alongside unrest in the wider Middle East and heightened tensions in East Asia, present continued geopolitical uncertainty and potential supply-chain disruption.

Trade-policy developments in the United States continue to create commercial uncertainty. Elevated and rapidly evolving U.S. tariffs on goods and components originating from Asia, including China, remain in effect and could directly affect the Group's cost base. Such tariffs could either compress margins or require adjustments to retail and wholesale pricing, potentially dampening demand in price-sensitive segments. Retaliatory trade measures from affected countries could also affect the supply of key components used in Anoto's manufacturing processes.

After the year end, the outbreak of armed conflict involving Iran has materially elevated geopolitical risk in the wider Middle East region. Although Anoto has no direct operations in any of the affected countries, the Board has assessed the potential indirect consequences for the Group and considers the principal exposures to be (i) possible disruption to global trade, which could affect the lead-time and cost of components moving between Asia and the Group's markets; (ii) energy-driven price shocks, as heightened risk to oil and gas supply feeds through into freight, plastics and electronics manufacturing costs, and into broader input-cost inflation in the economies where the Group sells; and (iii) a risk-off shift in financial markets that could affect the Group's ability to access capital on reasonable terms during 2026. Management and the Board are monitoring the situation closely together with its manufacturing and logistics partners. As of the date of this report, no specific financial-statement adjustment has been made in respect of this event; it is disclosed as a non-adjusting subsequent event in accordance with IAS 10. Further disclosure is set out in Note 41 — Events after December 31, 2025.

In assessing the potential financial impact of the macroeconomic and geopolitical environment, management has evaluated contingency scenarios including selective reshoring of assembly to non-Asian manufacturing partners, renegotiation of supplier contracts, energy-cost pass-through where commercially feasible, and pricing adjustments. As of the date of this report, the Group has not recognized any specific provisions in respect of these risks. The Board and management consider the geopolitical environment to represent an ongoing focus area for 2026 and subsequent reporting periods, consistent with ESMA and the Swedish Financial Reporting Supervisory Board (*Nämnden för svensk redovisningstillsyn*) guidance for 2025 annual reports.

The Group continuously reviews and assesses its supply-chain strategy to mitigate these risks, including geographic diversification of suppliers, potential local assembly options, inventory-buffer and freight-routing contingencies, and close coordination with suppliers and logistics partners. Contingency planning and sensitivity analyses are ongoing to ensure that Anoto remains agile and responsive to shifts in the macroeconomic, energy-price or regulatory environment.

INCOME STATEMENT – PARENT COMPANY

(KSEK)	Note	Parent Company 2025	Parent Company 2024
Net sales		9,279	8,632
Gross profit/loss		9,279	8,632
Administrative expenses	P2, P4, P5	-11,186	-8,921
Operating profit/loss		-1,908	-289
Results from financial items			
Profit/loss on shares in group companies	P6	-35,000	-40,050
Interest and similar income	P3	6,433	17,137
Interest and similar expenses	P3	-95,158	-157,658
Appropriation		0	-14,000
Profit/loss before taxes		-125,633	-194,860
Taxes	P10	0	0
Profit/loss for the year		-125,633	-194,860

There are no transactions recognized in other comprehensive income for the parent company, wherefore, total comprehensive income corresponds to profit/loss for the year.

BALANCE SHEET – PARENT COMPANY

(KSEK)	Note	Parent Company 2025	Parent Company 2024
ASSETS			
Non-current assets			
Intangible fixed assets			
License		3,490	3,789
Total intangible fixed assets		3,490	3,789
Financial fixed assets			
Receivables from associates	P9	0	14,981
Shares in group companies	P7	837	837
Receivables - group companies	P8	224,851	272,254
Total financial fixed assets		225,689	288,072
Total non-current assets		229,179	291,862
Current assets			
Receivables - group companies	P8	0	0
Other receivables		405	29,969
Total current receivables		405	29,969
Cash and bank balances		0	94
Total current assets		405	30,062
TOTAL ASSETS		229,584	321,924

(KSEK)	Note	Parent Company 2025	Parent Company 2024
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity			
Share capital	P12	143,307	139,380
Ongoing share issue		0	3,926
Statutory reserve		123,031	123,031
Total restricted equity		266,338	266,338
Non restricted equity			
Share premium reserve		729,298	726,529
Earnings brought forward		-699,065	-504,242
Results for the period		-125,633	-194,860
Total non-restricted equity	P11	-95,019	27,427
Total equity		171,319	293,765
Non-current liabilities			
Convertible debt		22,202	0
Other long-term to group companies		10,343	1,033
Total Non-current liabilities		32,544	1,033
Current liabilities			
Accounts payable		6,635	9,821
Liabilities to group companies		0	599
Other liabilities		12,903	5,908
Accrued expenses and prepaid income		6,183	10,797
Total current liabilities		25,721	27,126
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		229,584	321,924

CASH FLOW STATEMENT – PARENT COMPANY

(KSEK)	Note	Parent Company 2025	Parent Company 2024
OPERATING ACTIVITIES			
Profit after financial items		-125,633	-180,860
Items not affecting cash flow:			
Depreciation and amortization of assets		299	469
Net interest expense		-3,309	-5,236
Share based compensation		38	308
Other items	P14	127,721	184,549
Cash flow from operating activities before change in working capital		-884	-771
Cash flow from change in working capital			
Change in operating receivables		-1,497	-37,329
Change in operating liabilities		142	-5,695
Total change in working capital		-1,355	-43,024
Cash flow from operating activities		-2,239	-43,795
Investment activities			
Investment in shares in subsidiaries		0	1
Additional loans to group companies		-49,744	16,240
Cash flow from investment activities		-49,744	16,241
Total cash flow before financing activities		-51,984	-27,554
Financing activities			
New share issues		26,860	4,475
Share Issue Cost		-181	-166
Loan Proceeds		25,211	23,333
Repayment of financial liabilities		0	0
Cash flow from financing activities		51,890	27,642
Cash flow for the year		-93	87
Cash and cash equivalents at beginning of the year		94	6
Cash and cash equivalents at end of the year		0	94

No interest, taxes, or dividends have been paid from the parent company in 2025.

CHANGES IN SHAREHOLDERS' EQUITY – PARENT COMPANY

(KSEK)	Restricted Equity				Unrestricted Equity		Total Equity
	Share capital	Ongoing share issue	Reserve for development expense in equity	Statutory reserve	Share premium	Earnings brought forward	
Opening balance 1 January 2024	139,380	0	170	123,031	726,181	-570,139	418,623
Profit/loss for the year	-	-	-	-	-	-194,860	-194,860
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-194,860	-194,860
Capitalized development expenditure	-	-	-	-	-	-	-
Amortization for the year	-	-	-170	-	-	170	0
Directed Issue*	-	11,254	-	-	3,751	-	15,005
Set off Issue*	-	20,757	-	-	0	-	20,757
Rights Issue*	-	37,334	-	-	12,445	-	49,779
Reduction of Capital @0.42	-	-65,419	-	-	-	65,419	0
Employee stock options	-	-	-	-	-	308	308
Issue Cost	-	-	-	-	-15,848	-	-15,848
Closing balance 31 December 2024	139,380	3,926	0	123,031	726,529	-699,103	293,765
Opening balance 1 January 2025	139,380	3,926	0	123,031	726,529	-699,103	293,765
Profit/loss for the year	-	-	-	-	-	-125,633	-125,633
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-125,633	-125,633
Directed Issue*	11,254	-11,254	-	-	-	-	0
Set off Issue*	20,757	-20,757	-	-	-	-	0
Rights Issue*	37,334	-37,334	-	-	-	-	0
Reduction of Capital @0.42	-65,419	65,419	-	-	-	-	0
Convertible loan equity	-	-	-	-	3,330	-	3,330
Employee stock options	-	-	-	-	-	38	38
Issue Cost	-	-	-	-	-181	-	-181
Closing balance 31 December 2025	143,307	0	0	123,031	729,679	-824,698	171,318

*Reported gross of issuance costs.

There is no tax effect presented because of the parent entity's tax deficits.

Notes to the parent company financial statements

NOTE P1 - Summary of material accounting policy information

The parent company's annual accounts have been prepared in accordance with the Swedish Annual Accounts Act (ÅRL) and the Swedish Corporate Reporting Board recommendation RFR 2, "Reporting for Legal Entities". Application of RFR 2 entails that the parent company, in the annual report for the legal entity, shall comply with all EU-endorsed IFRSs and pronouncements as far as possible within the framework of the Annual Accounts Act, the Pension Obligations Vesting Act, and taking into account the connection between accounting and taxation. RFR 2 includes which exceptions from and amendments to IFRS are to be made.

For details of the parent company's accounting policies, refer to the Group's accounting policies above. The section below is limited to the parent company's deviations from the Group's policies.

Changes to accounting principles

No new or amended IFRS interpretations or other regulatory changes have had a significant effect on the parent company's financial position, results or disclosures.

Classification and presentation format

The income statements and balance sheets for the parent company are prepared in accordance with the Annual Accounts Act. The differences in the parent company's income statement and balance sheet compared with the Group's financial statements consist mainly of the reporting of financial income and costs and the reporting of equity.

The report over changes in shareholders' equity is prepared in the same format as for the group but with columns as required by the statements of the Annual Accounts Act.

Shares in subsidiaries

Shares in subsidiaries are initially recorded at cost. If the carrying amount of the investment exceeds the recoverable amount (refer to section above on impairment losses), an impairment loss is recognized. Transaction costs are included in the cost for the subsidiary. Contingent payments are measured according to the probability that the payment will be made.

Receivables from subsidiaries

Receivables from subsidiaries are initially as well as subsequently recorded at costs, retranslated at the exchange rate on the balance sheet date, and unrealized exchange gains and losses are included in profit or loss. Receivables are assessed annually for impairment, in accordance with IFRS 9. This involves assessing whether there has been a significant increase in credit risk since initial recognition. Depending on the outcome, the Group recognizes either 12-month ECL or lifetime ECL. The assessment incorporates historical data, current conditions, and forward-looking forecasts. Impairment testing was done based on management's best estimates. The impairment loss of receivables from subsidiaries is recorded directly in profit and loss.

NOTE P2 – Operating costs by type

(KSEK)	Note	Parent company 2025	Parent company 2024
Personnel cost	P5	-4,517	-1,304
External services		-4,196	-5,755
Rent		0	-155
Travel expenses		0	-848
Marketing and PR		-20	0
Depreciation and amortisation		-299	-469
Impairment ¹⁾		-1,755	0
Other expenses		-400	-390
Total		-11,186	-8,921

¹⁾ Expense relates to the full impairment of a prepaid development cost incurred in 2018. Following a reassessment during the year, the amount was deemed no longer recoverable and has been written off.

NOTE P3 – Financial income and expenses

(KSEK)	Parent company 2025	Parent company 2024
Financial income		
Interest income	355	615
Interest from Group companies	5,641	5,415
Other financial income	403	
Exchange gains	33	11,106
Total financial income	6,433	17,137
Financial expenses		
Interest expenses on loans	-2,688	-826
Interest expenses on leases	-	-
Other financial expenses ¹⁾	-82,782	-156,832
Exchange losses	-11,882	-
Total financial cost	-97,352	-157,658
Total financial net income/(expense)	-90,909	-140,521

¹⁾ Comprises primarily of the parent company's write-off of intercompany loans receivable from group companies totalling 155.5 MSEK in 2024 and 66.7 MSEK in 2025. For more information, see note P8.

NOTE P4 – Audit Fees

Audit fees refer to the audit of the financial statements and the accounting records. Other services relate mainly to consultancy services, such as services related to prospectuses, review of quarterly reports, and general advice related to annual report and ESEF.

(KSEK)	Parent company 2025	Parent company 2024
BDO		
Audit assignment, BDO	2,913	2,861
Other services	219	215
Total	3,132	3,076

NOTE P5 – Salaries and remuneration

(KSEK)	Parent Company 2025	Parent Company 2024
Salaries		
Board of Directors and CEO	4,480	996
Total salaries	4,480	996
Payroll overhead		
Board of Directors and CEO	38	259
Other senior executives		20
Other employees Sweden		6
Other employees Korea		23
Total payroll overhead	38	308
Total salaries and remunerations	4,517	1,304
Whereof:		
Sweden	4,517	1,304
Total	4,517	1,304

For further details on remuneration of the board, CEO and other executive management and related remuneration policies and guidelines adopted, refer to notes 8 and 9.

NOTE P6 – Profit/loss on participations in subsidiaries

(KSEK)	Parent Company 2025	Parent Company 2024
Impairment of shares	-35,000	-40,050
Total	-35,000	-40,050

The parent company's participation in group companies was tested for impairment at year end and an impairment of the parent company's participation in Anoto AB 35,000 KSEK (40,050 KSEK) was assessed.

NOTE P7 – Participation in Group companies

(KSEK)	Parent Company 2025	Parent Company 2024
Opening balance acquisition cost	837	836
Additions for the year	35,000	40,051
Impairment loss for the year	-35,000	-40,050
Total	837	837

Additions during 2025 consists of an additional shareholders contribution from the parent company to Anoto AB of 35 MSEK converted from loans receivable from Anoto AB to the parent company and was impaired during the year.

Entity Name	Reg no.	Domicile	Total no. of participation	% of capital and votes	Shareholders' equity	Carrying amount
Anoto AB	556320-2646	Stockholm	5,000	100%	6,302	0
XMS Penvision AB	556708-4685	Stockholm	611,731	93.20%	953	836
Anoto Korea Inc. ¹⁾	129-86-60962	Seongnam	20,000,000	100%	-161,546	0
Livepen Ireland	756192	Dublin	100	100%	-2,143	1
						837

¹⁾ Ordinary shares 18,860,000 and preferred shares 1,140,000

The Anoto Group contains sub-groups consisting of the following companies

Entity name	Domicile	Country	Operational	Parent Company	Equity
Anoto Inc.	San Francisco	USA	Operational	Anoto AB	100%
Anoto Portugal	Lisbon	Portugal	Operational	Anoto AB	100%
Anoto Ltd.	London	UK	Operational	Anoto AB	100%
Anoto Canada	Vancouver	Canada	Operational	Anoto AB	100%
Livescribe, Inc.	San Francisco	USA	Operational	Anoto Inc	100%
INQ Inc.	New York	USA	Operational	Anoto Inc	100%

NOTE P8 – Receivables in Group companies

(KSEK)	2025	2024
Anoto AB	146,354	121,625
Anoto Inc.	0	9,546
Anoto LTD	6	0
Anoto Korea	0	28,637
Livescribe Inc.	65,669	111,265
Anoto Canada	4	4
XMS	5	5
Livepen Ireland	1,778	1,173
INQ	11,035	0
Total	224,851	272,254

The receivables above are presented net of impairments. The parent company has significant receivables from subsidiaries, which have been assessed for expected credit losses at year end in accordance with IFRS 9, based on estimates of the subsidiaries' future cash flows. The intercompany receivables are long-term in nature and have contractual maturity dates of 10 years under the loan agreements in place. Impairment indicators were identified for receivables from the following entities, and the resulting expected credit losses have been recognised as a financial expense in the parent company's financial statements.

Impairment of receivables in Group companies:

(KSEK)	2025	2024
Anoto Korea	-21,713	-37,307
Anoto AB	0	-104,518
Anoto LTD	0	-13,518
Anoto Singapore	0	-158
Livescribe	-36,787	0
Anoto Inc	-8,213	0
Total	-66,713	-155,502

NOTE P9 – Receivables from Associates

Knowledge AI Holdings Pte, incorporated in Singapore (company UEN: 202138904M), and its subsidiaries (KAIT) was deconsolidated from the Group in July 2023, of which Anoto was previously majority shareholder. Post deconsolidation, KAIT is treated as an associate company, with Anoto owning 45% share. Anoto and KAIT have a licensing agreement in place, allowing KAIT to purchase Anoto's hardware at a discounted price and for use of Anoto's technology in exchange for a royalty fee paid as a percentage of sales. Anoto has no other obligations towards KAIT.

The Parent is exposed to credit risk in respect of receivables from KAIT. This exposure is assessed in accordance with the general approach under IFRS 9, including an evaluation of whether there has been a significant increase in credit risk since initial recognition.

For the financial year ended 31 December 2025, the Parent has not obtained updated financial information from KAIT due to lack of response from its management, despite repeated requests. This has been considered an indicator of increased credit risk and has required significant judgment in assessing the recoverability of outstanding receivables and other exposures.

Summarized financial information for KAIT is based on the latest available financial statements for the year ended 31 December 2024, as provided by KAIT's management. These financial statements have not been audited, and no assurance is provided as to their accuracy or completeness.

(USD)	2024
Profit/loss for the year	697,463
Other comprehensive Income	16,519
Total comprehensive income	713,982
Current Assets	408,987
Non-current Assets	36,123
Total Assets	445,110
Current Liabilities	1,573,896
Non-current Liabilities	5,639,861
Total Liabilities	7,213,757

During the year, the Parent recognized a full impairment loss of KSEK 12 963 related to receivables from KAIT, reflecting management's estimate of expected credit losses based on the best available information at the reporting date. Due to the absence of current financial information, the measurement of expected credit losses involves significant estimation uncertainty.

(KSEK)	2025	2024
Opening balance	14,981	13,738
Translation difference	-2,018	1,243
Impairment	-12 963	0
Total	0	14,981

NOTE P10 – Related parties

Related parties (KSEK)		Selling of goods and services	Purchasing of goods and services	Stock options granted	Receivable from related party on 31 December	Liability to related party on 31 December
Group company	2025	9,279	-	-	224,851	-10,343
Associate company	2025	-	-	-	-	-
Third Party	2025	-	-	-	-	-18,848
Group company	2024	8,632	-	-	272,254	-1,632
Associate company	2024	-	-	-	14,981	-
Third Party	2024	-	946	-	-	-

The group entered into new financing agreements with related party Achilles Capital AB (previously DDM Debt AB), totaling 18.8 MSEK in convertible loans, with a fixed conversion price of SEK 0.06.

Loans from the parent company to subsidiaries uses a 2.5% nominal interest rate, which reflects a market-based assessment derived from a normalized base interest rate of approximately 1.5%, consistent with recent policy rates of the Sveriges Riksbank, together with an appropriate credit spread of 1%. The parent company's intercompany receivables have been assessed for expected credit loss at year end based on calculations of the subsidiaries value in use, in accordance with IFRS 9. In 2025, indications of impairment were noted on intercompany receivables totaling 66.71 MSEK and on receivables from associates totaling 12.96 MSEK, and booked as a financial expense in the parent company's financial statements. For more information, see note P8.

NOTE P11 – Income taxes and deferred taxes

Correlation between tax expense for the year and reported profit/loss before tax

(KSEK)	Parent company 2025	Parent company 2024
Reported profit/(loss) before tax	-125,633	-194,860
Tax in accordance with current tax rate of 20,6% (20,6%)	25,811	40,141
Tax impact of non-deductible expenses	-21,141	-40,493
Tax impact of non-taxable income	-	-
Increase/decrease of tax deficits without corresponding capitalization	-4,740	352
Tax reported	0	0

Tax deficit

(KSEK)	Parent company 2025	Parent company 2024
Opening balance	-38,116	-38,469
Opening balance adjust from prior year	36,836	-
Tax deficit of the year	-4,740	352
Closing tax deficit	-6,020	-38,116

The Company has unrecognized tax losses as at 31 December 2025 amounting to 29.2 MSEK (6.2 MSEK) that are available to be offset against future profits for an unlimited period of time. The movement in unrecognized tax losses in 2025 is the net effect of 23.0 MSEK additional tax losses for the current year.

NOTE P12 – Proposed Appropriation of Accumulated Result

The Board of Directors propose that the accumulated loss of KSEK 95,020 be carried forward.

Proposed appropriation of accumulated result in the parent company (SEK):	SEK
Retained earnings	30,613,895
Loss for the year	-125,633,498
Total	-95,019,604

NOTE P13 – Equity

Changes in the number of shares and their par value, see below. All shares are fully paid and entitle the holder to an equal dividend percentage.

Share issues – Number of shares	2025	2024
Registered opening balance	331,859,066	331,859,066
Directed Issue, 20 Jan 2025 ¹⁾	125,043,750	0
Set-off Issue, 20 Jan 2025 ²⁾	414,823,830	0
Rights Issue, 20 Jan 2025 ³⁾	230,636,107	0
Registered closing balance	1,102,362,753	331,859,066

Par value (SEK)	0.13	0.4
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1) Directed Issue, price SEK 0.12

2) Set-off Issue, price SEK 0.09

3) Rights Issue, price SEK 0.12

NOTE P14 – Specification to Statement of Cash Flows

(KSEK)	2025	2024
Cash and bank balances	0	94
Total	0	94

Other Items not affecting cash flow

Exchange gains and losses	11,882	-11,003
Impairment of shares in subsidiaries	35,000	40,050
Impairment of loan receivables ¹⁾	79,676	155,502
Other	1,163	0
Total	127,721	184,549

¹⁾ For more information, see note P8 and P9.

NOTE P15 – Pledged Assets and Contingent Liabilities

In October 2025, the parent company announced that it has entered into a secured convertible loan agreement in an aggregate principal amount of approximately USD 2.4 million with a group of investors including Achilles Capital AB, Mark Stolkin and Machroes Holdings Ltd. The loan is secured by a first ranking floating charge (business mortgage) over Anoto AB in the amount of SEK 20 million and by a share pledge over Anoto AB's shares in KAIT Knowledge AI Holdings Pte. Ltd. The agreement also contains customary negative pledge and indebtedness restrictions.

SIGNATURES FOR THE ANNUAL REPORT

The Annual Report and consolidated financial statements were approved by the Board on May 15, 2026. The consolidated statement of comprehensive income and the statement of financial position, as well as the Parent Company's income statement and balance sheet will be presented to the Annual General Meeting on June 29, 2026 for adoption.

The Board of Directors and CEO affirm that the consolidated financial statements have been prepared in accordance with International Accounting Standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards and present a true and fair view of the group's position and results, and that the group management report provides a true and fair overview of the development of the group's operations, position, and results, as well as describing significant risks and uncertainties facing the companies included in the Group.

The Annual Report has been prepared in accordance with generally accepted accounting standards and provides a true and fair view of the company's position and results. The Directors' Report for the Group and Parent Company provides a true and fair overall account of the development of the Group's and Parent Company's business, financial position and earnings and describes significant risks and uncertainties facing the Parent Company and the companies within the Group.

Stockholm, May 15, 2026

Kevin Adeson
Chairman of the Board

Jonathan Faiman
CEO

Gary Stolkin
Board Member

Adrian Weller
Board member

Alexander Fällström
Board Member

Matthew Doerner
Board Member

Our auditor's report was submitted on May 15, 2026

BDO Mälardalen AB

Carl-Johan Kjellman
Authorized Public Accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of Anoto Group AB (publ.) Corporate identity number 556532-3929

Report on the annual accounts and consolidated accounts**Opinions**

We have audited the annual accounts and consolidated accounts of Anoto Group AB (publ.) for the financial year 2025. The annual accounts and consolidated accounts of the company are included on pages 1-63 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of Directors in accordance with the Audit Regulation (537/2014/EU) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Material uncertainty regarding the assumption of going concern

We would like to draw attention to the administration report's section Liquidity risk, financing risk and continued operations as well as note 4 - Risk management by the group. There it is stated that there is a risk for liquidity problems and that the company may be unable to continue operations if revenue does not increase or capital cannot be raised in sufficient quantity. These conditions indicate that there is a significant uncertainty factor that can lead to significant doubts about the company's

ability to continue its operations. Our opinion is not modified in respect of this matter.

Emphasis of Matter

Without affecting our opinion, we would like to draw attention to Note 18 Capitalized expenses for development expenditures and Note 22 Goodwill, which states that the value of intangible assets depends on a number of significant assumptions, such as market growth and the company's growth rate. If these assumptions are not met, and there is a more negative development, there is also a risk of further impairment of the Group's intangible assets and the parent company's book values of shares in subsidiaries and other financial fixed assets, respectively.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Revenue recognition

The groups net sales as of 31 December 2025 amount to approx. SEK 22 million. Net sales mainly consist of sales of digital pens and associated software and designs. A description of the assumptions on which the Group companies' revenue recognition is based can be found in Note 2. There, Anoto Group AB (publ.) describes how revenue is reported in the Group. The recognition of revenue requires that the group has the required routines for identifying performance commitments, and for ensuring that the revenues are reported as performance commitments are performed. Revenue recognition linked to agreements that include performance commitments requires in certain cases that the management make assessments regarding the distribution of the transaction price between different performance commitments. Revenue recognized constituted a significant area in our audit considering the significance of the reported amounts and that it includes significant elements of estimations.

How our audit addressed the Key audit matter

Our audit procedure included but were not limited to: Initially, we reviewed the accounting principles and routines for the sales process and revenue recognition in each Group company. We have reviewed the company's and the respective group companies processes for revenue recognition and carried out a review of agreements with customers using a sample-based approach. We have also examined whether the performance commitments identified have been met. We have reviewed the information provided in the annual report.

Valuation of intangible assets

Goodwill and other intangible assets such as capitalized expenses for development expenditure, trademarks and patents as well as other intangible fixed assets amount to approx. SEK 53 million. Note 2 sets out principles for impairment tests and Note 22 sets out the significant assumptions used by management in preparing the impairment tests. The company performed an impairment test at the beginning of year 2026. An impairment test contains a number of assumptions, including future market development, the

possibility of achieving growth, profitability development and the discount factor. It is thus complex assumptions and estimates that the company management and the board must make. This is described in Note 3.

As intangible fixed assets, including goodwill, constitute a significant amount and the required assumptions include assessments and estimates, each of which can be of decisive importance for the valuation, this has been a particularly key audit matter in the audit.

How our audit addressed the Key audit matter

Our audit procedures included but were not limited to: Initially we and BDO's valuation specialists reviewed, whether the established impairment tests per cash generating unit, including group companies, had essentially been carried out in accordance with accepted principles and methods. In our review, we checked the most important assumptions for impairment testing applied by company management and the board such as growth, profitability and discount rates. We reviewed the simulations and sensitivity analyses conducted by company management and the board. These tests have also formed the basis for our control of the information provided in the annual report in Note 2-3 and Note 22.

Valuation of inventory

The Group recognized inventory of approx. SEK 15 million on December 31, 2025. The inventory balance consists of raw materials and finished goods. We have identified this area as a key audit matter since the assessment of whether the inventory may be sold for more than the initial cost is complex and involves significant levels of judgment and estimates. The obsolescence reserve is based on individual assessments based on management's judgements. For further judgements see Note 2 Accounting principles and Note 25 Inventories.

How our audit addressed the Key audit matter

Our audit procedures included but were not limited to: Initially we evaluated the group's routines and internal controls for managing inventory. We examined management's assessment of the inventory's valuation with a focus on ensuring that the correct inputs have been used in the valuation model and that it fairly reflects reality in view of the valuation of obsolete inventory.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 64-65 & 74-79. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of

this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to

events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Anoto Group AB (publ) for the financial year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other information

The company has securities admitted to trading on a regulated market and must publish its annual report and consolidated report in accordance with ch. 16. Section 4 of the Swedish Securities Market Act. Such a company must, according to ch. 16 § 4 a of that law, prepare its annual report and consolidated report in a format that enables uniform electronic reporting. At the time of the issuance of this auditor's report, no annual accounts and consolidated accounts have been drawn up in such a format as prescribed in ch. 16. Section 4 a of the Securities Market Act. We have therefore not been able to submit such a statement as is required according to ch. 9. Section 35 b of the Swedish Companies Act.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Remarks

The Board has, in violation of the Swedish Accounting Act (1999:1078), Chapter 7, Section 2, stored accounting records outside of Sweden without obtaining permission from the Swedish Tax Agency.

BDO Mälardalen AB was appointed auditor of Anoto Group AB (publ) by the general meeting of the shareholders on 27 June 2025 and has been the company's auditor since 2021.

Stockholm,

BDO Mälardalen AB

Carl-Johan Kjellman
Authorized Public Accountant

Alternative performance measures

Anoto Group presents certain financial measures in this annual report that are not defined under IFRS. Anoto Group believes that these measures provide useful supplemental information to investors and the group's management as they allow evaluation of the company's performance. Because not all companies calculate these financial measures similarly, these are not always comparable to measures used by other companies.

These financial measures should not be considered a substitute for measures defined under IFRS. Definitions of alternative measures used by Anoto Group that are not defined under IFRS are presented below.

Operating profit/loss

The operating result of the business. Gross profit less costs for sales, administrative, R&D and other operating income/costs.

(KSEK)	Group 2025	Group 2024
Gross profit	12,213	14,360
Selling expenses	-39,026	-26,495
Administrative expenses	-14,562	-15,043
Research & development expenses	-18,203	-30,982
Other operating income	4,614	1,989
Other operating cost	-3,392	-3,855
Operating profit/loss	-58,357	-60,025

Operating margin

Operating margin: Shows the business's operating result in relation to sales. Operating profit/loss as a percentage of net sales.

(KSEK)	Group 2025	Group 2024
Operating profit/loss	-58,357	-60,025
Operating margin	-260.83%	-199.62%

Cash flow per share for the year

An indication of cash generated per share can be used to assist in determining any distribution policy. Cash flow for the year divided by the weighted average number of shares during the year.

(KSEK)	Group 2025	Group 2024
Cash flow	-3,555	1,193
Weighted average number of ordinary shares	1,060,143,373	331,859,067
SEK	0.00	0.00

Equity/Asset ratio

A measure of how assets are financed. Equity attributable to shareholders of Anoto Group AB (including non-controlling interest) as a percentage of total assets.

(KSEK)	Group 2025	Group 2024
Total assets	76,661	145,128
Equity attributable to the shareholders of Anoto Group AB	-16,293	80,425
	-21.25%	55.42%

EBITDA

Operating profit/loss before depreciation, amortisation and impairment.

EBITDA: Shows the business's underlying performance, adjusted for the effect of depreciation and amortization, in relation to sales. Valuable to indicate the business's underlying cash generating ability. A reconciliation from group operating profit/loss is set out below.

(KSEK)	Group 2025	Group 2024
Operating profit/loss	-58,357	-60,025
Depreciation and amortisation	5,798	15,058
EBITDA	-52,559	-44,967

Shareholders' equity per share

Provides shareholders the ability to compare book value with market value. Shareholders' equity divided by the number of shares at the year end.

(KSEK)	Group 2025	Group 2024
Equity attributable to the shareholders of Anoto Group AB	-16,293	80,425
Number of ordinary shares	1,102,362,753	331,859,066
SEK	-0.01	0.24

Net debt

An indication of the level of borrowings. Interest-bearing liabilities less liquid assets and current investments.

(KSEK)	Group 2025	Group 2024
Interest-bearing liabilities	27,889	4,644
Liquid assets	-197	-3,809
Net debt	27,692	835

Capital employed

Illustrates total capital tied to operations. Total assets less non-interest bearing provisions and liabilities (including deferred tax liabilities), less short term interest bearing liabilities.

(KSEK)	Group 2025	Group 2024
Total assets	76,661	145,128
Non-interest bearing provisions	-2,551	-1,333
Non-interest bearing liabilities	-60,355	-57,354
Short term interest bearing liabilities	-2,357	-4,644
Capital employed	11,398	81,797

CORPORATE GOVERNANCE REPORT

Anoto Group AB (publ.) is governed by its Articles of Association and the Swedish Companies Act. Since Anoto is listed on Nasdaq Stockholm, Anoto also applies Nasdaq Stockholm's Rule Book for Issuers. Since July 1, 2008, Anoto has applied the Swedish Code of Corporate Governance (see www.bolagsstyrning.se). Anoto is, in accordance with the Swedish Companies Act and the Swedish Code of Corporate Governance, required to present a Corporate Governance Report.

Corporate Governance Structure

Anoto is governed by several bodies.

The shareholders exercise their voting rights at General Meetings of the Shareholders by electing the Board of Directors and external auditors and make decisions on other issues like the adoption of the annual report and stipulating how to appoint the Nomination Committee.

The Nomination Committee nominates candidates to the Board of Directors, Chairman of the Board and external auditors. A Nomination Committee is required by the Code, but not by the Companies Act. Ahead of the 2025 Annual General Meeting, the Company has chosen not to nominate and appoint a Nomination Committee, which is a deviation from the Code (see more about this below). The Board is responsible for the appointment of the CEO, the development of long-term strategy, and controlling and evaluating Anoto's day-to-day operations. Due to various changes to the composition of the Board during the year, there were periods when the board was not quorum until new board members were elected in subsequent EGMs, which is also a deviation from the Code.

The CEO is in charge of and responsible for daily operations and the management of Anoto in accordance with the Swedish Companies Act, and in accordance with instructions and guidelines from the Board of Directors.

External auditors appointed by the shareholders at the Annual General Meeting examine the Company's annual report and accounts as well as the management by the Board of Directors and the CEO.

Annual General Meeting

The Annual General Meeting is the corporate body where the shareholders in Anoto can exercise their rights by electing the Board of Directors and deciding on all other issues voted on at Annual General Meetings in accordance with the Companies Act and the Articles of Association.

The Annual General Meeting is normally held in May or June. The notice of the Annual General Meeting, together with the agenda, is published on Anoto's website and in the Swedish Newspaper Post och Inrikes Tidningar (the Swedish Official Gazette). As a courtesy, the date and place for the Annual General Meeting together with information on how to obtain the agenda is published in the Swedish newspaper Dagens Nyheter.

All information material to the Annual General Meeting is available in both Swedish and English. The Annual General Meeting is held in Swedish.

Annual General Meeting 2025

The Annual General Meeting (AGM) in 2025 was held in Stockholm on 27 June 2025. In particular the following decisions were resolved by the AGM:

The AGM resolved to discharge the Board members and the Chief Executive Officers from liability for 2024.

As member of the Board of Directors until the end of the next AGM, the AGM re-elected Kevin Adeson, Alexander Fällström, Gary Stolkin, and Adrian Weller. Further, Matthew Doerner was elected as a new Board member.

The AGM re-elected Kevin Adeson as the Chairman of the Board of Directors.

The AGM re-elected the registered auditing company BDO Mälardalen AB as auditor.

The AGM resolved to introduce a long-term incentive program ("LTIP 2025") for members of the management team and other key personnel, however this was not actioned during the year.

The AGM resolved by the required majority to authorize the Board of Directors to, on one or more occasions during the period up to the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, against cash

payment, payment in kind or set-off, decide on an issue of ordinary shares, warrants and/or convertibles that entails the issuance of or conversion into a maximum of 275,000,000 ordinary shares, which corresponds to a dilution of approximately 20.0 percent of the share capital and votes, based on the current number of shares in the Company.

The purpose of this authorization and the reason for any deviation from the shareholders' preferential rights is to increase the Company's flexibility to finance its ongoing operations and at the same time broaden and strengthen the Company's ownership base with strategic or long-term investors. The basis for the issue price shall be the market conditions prevailing at the time of the issue.

Anoto's Annual General Meeting 2026

Anoto's Annual General Meeting 2026 will take place on June 29, 2026 in Stockholm. Invitation will be published in accordance with what is stipulated.

Extraordinary General Meetings

No Extraordinary General Meetings were held during 2025.

The Board of Directors

The Board of Directors is responsible for the company's organization and the management of the company's affairs. The Board of Directors shall continuously assess the company's and the Group's financial situation. The Board of Directors shall ensure that the company's organization is designed so that accounting, asset management and the company's financial conditions in general are controlled in a satisfactory manner.

The CEO is appointed by the Board and is responsible for day-to-day administration in accordance with the Board's guidelines and instructions. The Board has established rules of procedure for its work, as well as instructions for the division of work between the Board and the CEO and for financial reporting to the Board. Rules of procedure are reviewed and adopted annually. The review is based, among other things, on the evaluation of the individual and collective work carried out by the Board. All Board members are responsible for the Board's work to varying extents unless otherwise decided at Board meetings or in accordance with the Board's work instructions or applicable laws or statutes. The Chairman of the Board leads the work of the Board and is responsible for ensuring that the Board's work is carried out efficiently and ensures that the Board fulfils its duties. The Chairman of the Board is particularly familiar with and monitors the company's and the Group's operations and ensures a satisfactory organisation and accounting. By means of a decision recorded in the minutes, the Board of Directors may delegate the handling of a particular matter to one or more Board members.

In addition to financial reporting and monitoring of day-to-day business operations and profitability development, the Board meetings discuss strategic issues and issues that do not fall within the scope of day-to-day management, as well as matters related to the capital structure. Senior executives regularly report on business plans and strategic issues.

According to Anoto's Articles of Association, the Board of Directors shall consist of a minimum of three and a maximum of eight Board members, with a maximum of five deputies. On 31 December 2025, Anoto's Board of Directors consisted of five AGM-elected members. The Board consists of members with experience from different geographical areas and different industries.

At the 2025 Annual General Meeting, Kevin Adeson, Alexander Fällström, Gary Stolkin, and Adrian Weller were re-elected as board members. Further, Matthew Doerner was elected as a new Board member. Kevin Adeson was re-elected Chairman of the Board.

Information on the remuneration of the Board members can be found in Note 10 in the Annual Report. The table below shows the members of the Board of Directors, their position, when they were elected and whether they are considered independent in relation to the Company and its senior executives and in relation to the Company's major shareholders.

Name	Position	Board member since	Independent in relation to the company and its executives	Independent in relation to larger shareholders
Kevin Adeson	Chairman	2024	Yes	Yes
Alexander Fällström	Member	2024	Yes	No
Gary Stolkin	Member	2024	Yes	Yes
Adrian Weller	Member	2024	Yes	Yes
Matthew Doerner	Member	2025	Yes	No

Below is information about the Board members with year of birth, position, post-secondary education, experience, ongoing assignments and shareholdings and options in Anoto. Assignments in subsidiaries within the Group have been excluded. All members' holdings refer to current holdings as of the date of this corporate governance report. The holdings include the holdings of spouses and minor children, as well as holdings through companies in which the person concerned has a changing ownership and/or significant influence.

Kevin Adeson

(born 1964)

Position: Chairman

Education: BA Honours in Accounting from Bradley University

Experience: Over 37 years of high-level Investment Banking experience gained at Bankers Trust, Morgan Stanley, and most recently at HSBC where Kevin was Co-Head of Investment Banking and Markets, and then Vice Chairman of Global Banking and Markets.

Other positions: Founded Adeson Advisors at the end of 2023, taking on strategic advisory roles with a select group of private equity, corporate and start up clients. Kevin is also a Senior Advisor at Hunterpoint Capital and Inflexion Private Equity Partners.

Holding: -

Alexander Fällström

(born 1990)

Position: Board member

Education: Bachelor's Degree from Harvard University

Experience: Analyst Investment Banking Division (Industrials) at Jefferies, Financial Analyst Investment Management Division Goldman Sachs, Associate Investment Banking Division Capillar Advisory, Investment Manager NV Capital AB, Investment Manager DDM

Other positions: Chairman Enersize Oyj (publ.), Board Member LiveArena Technologies AB

Holding: 2,568,352 shares

Gary Stolkin

(born 1960)

Position: Board member

Education: Bachelor's Degree and Masters from Oxford University

Experience: Founder & Global CEO, The Talent Business

Other positions: Director – TTB Holdings Limited, Director – The Talent Business (US) LLC, Director – The Talent Business (Singapore) Pty Ltd, Director – The Talent Business Europe OU, Director – The Leadership Business Limited

Holding: -

Adrian Weller

(born 1970)

Position: Board member

Education: PhD in Computer Science from Columbia University, and BA in Mathematics from the University of Cambridge

Experience: Leading researcher in machine learning and artificial intelligence. He is a Director of Research in machine learning at the University of Cambridge. Adrian also leads research projects in AI and machine learning at The Alan Turing Institute. He has previously worked in the financial sector, including roles as Managing Director at Citadel and as a senior trader at Goldman Sachs and Salomon Brothers.

Other positions: Head of Safe and Ethical AI at The Alan Turing Institute (UK national institute for data science and AI).

Holding: 35,792,361 shares

Matthew Doerner

(born 1977)

Position: Board member

Education: MBA from the Stockholm School of Economics

Experience: Matthew is a public-markets CEO and board director with deep experience in technology-enabled transformation, governance, and value creation. He currently leads a listed investment company and serves on the board of

Anoto Group AB, bringing expertise in digital platforms, AI-driven analytics, commercialization, and investor engagement across international markets.

Other positions: CEO Achilles Capital AB, CEO Omnio Global

Holding:

As shown by the table above, all Board members, except Alexander Fällström and Matthew Doerner are independent in relation to Anoto and its largest owners. The company does therefore comply with the conditions of the Swedish Code of Corporate Governance requiring that a majority of the members elected by the Annual General Meetings to be independent from the company and its management, and that no less than two of the Board members are independent from the largest shareholders.

Nominating committee

Anoto does not have a nomination committee. This constitutes a deviation to section 2.1 of the Swedish Code of Corporate Governance. The reasons why no nomination committee has been appointed are mainly as follows. Anoto has two main owners who are institutional investors. The company's Board of Directors has an ongoing dialogue with the principal shareholders and, instead of appointing a Nomination Committee, includes the proposals that the Nomination Committee would otherwise make with comparable principles for the Nomination Committee.

Nor has Anoto established an Audit Committee, but the Board of Directors fulfils its duties.

Work of the Board of Directors 2025

During the year, the Board convened fifteen times. Where appropriate, staff members, as rapporteurs in their specific areas of expertise, attend the meetings of the Management Board. During the year, however, no employee was present as rapporteur, instead reporting or presenting the employees directly to Anoto's CEO or to the Chairman of the Board. The Board dealt with matters related to the overall Group strategy. The Board has also dealt with matters concerning new share issues through offsetting of debt to lenders to the company. Furthermore, the Board dealt with ongoing issues related to the Group's financing and compliance. The Board continuously evaluated the performance of Anoto, the CEO and Anoto's management team.

The Board Members attendance at Board Meetings and Committee Meetings is set forth below:

Board Member:	Number of board meetings:
Kevin Adeson	15 / 15
Alexander Fällström	14 / 15
Gary Stolkin	14 / 15
Adrian Weller	11 / 15
Matthew Doerner*	5 / 6

*Board member since 27 June 2025

The board has not decided to delegate any responsibilities to any sub-committees such as Audit committee and Compensation committee. Hence the board in its entirety has full responsibility for such matters.

Evaluation of the work of the Board of Directors

In order to ensure the quality of the Board's work and to clarify any need for additional skills and experience, an annual evaluation of the Board's work and its members is carried out. In 2025, the evaluations, which were led by the Chairman of the Board, took place through the Chairman holding individual evaluation discussions with all Board members. The compiled results of the evaluations were presented to the Board.

CEO and Group Management

The CEO is responsible for decision-making within the Group regarding the areas delegated by the Board.

The management team consists of seven people, Group CEO Mats Karlsson, Group CFO Hans Haywood, Group CTO Pedro Pinto, Group CMO James Kennedy, Group COO Julia Arnold, Head of Commercial Operations Jonathan Faiman, and CEO of Anoto Korea Steve Kim. The CEO and management team manage and control Anoto's day-to-day operations, where the CEO is responsible.

After year end, in March 2026, the Company announced that the Board of Directors has appointed Jonathan Faiman as Chief Executive Officer, taking over from Mats Karlsson, effective immediately.

Below is information about these senior executives with year of birth, position, education, experience and ongoing assignments and as well as share and option holdings in Anoto. Assignments in subsidiaries within the Group have been excluded. All senior executives' holdings refer to current holdings as of the date of this corporate governance report.

Jonathan Faiman

(born 1969)

Position: Chief Executive Officer (appointed in March 2026)

Education: BSc in Physics from Imperial College London

Experience: Jonathan has over 30 years' experience across finance, technology, and energy. He began his career at Bankers Trust before joining Goldman Sachs' Fixed Income division. He is a co-founder and former COO of Ocado plc, where he played a central role in building and scaling the business into a global leader in online grocery and automation technology through to its IPO. He now focuses on building and investing in technology-led platforms. At Anoto, he is driving the evolution of the company into INQ—integrating digital pen and paper with AI to create a new category of intelligent, real-time workflow capture across multiple large-scale industry verticals.

Other positions: -

Holding: -

Mats Karlsson

(born 1964)

Position: Interim Chief Executive Officer

Education: Executive MBA from Mgruppen

Experience: Co-founder & Director of Acquisitions (Sweden) of byNordic Acquisition Corporation (publicly listed on Nasdaq NY), serial tech entrepreneur with more than 25 years management experience and a number of successful investments and exits. Among others he was co-owner and chief marketing officer in mobile technology software company Tactel that was sold to private equity fund FSN Capital III.

Other positions: -

Holding: 10,000,000 shares

Hans Haywood

(born 1968)

Position: Chief Financial Officer

Education: Master in Chemical Engineering from Imperial College, University of London.

Experience: Founder and director of HKA Capital Advisors which provides management and business consulting services. Prior to that, Hans was co-CIO of a Swiss-based family office/private equity fund where he made active investments in the technology and resources sectors. Previously, he was a partner and senior portfolio manager of a multi-strategy hedge fund. Earlier in his career, Hans was a Managing Director at Credit Suisse in the fixed income trading department.

Other positions: Non-Executive Director at Nasdaq-listed SRM Entertainment and Jupiter Wellness Acquisition Corp.

Managing Member at HKA Capital Advisors.

Holdings: 64,850,000 shares

Julia Arnold

(born 1981)

Position: Chief Operating Officer

Education: PhD in Financial Economics from Imperial College London, an MSc in Finance from Imperial College London, and a BSc in Economics from the London School of Economics.

Experience: Julia previously served as COO for KAIT, a subsidiary of Anoto. During her tenure at KAIT, Julia was responsible for identifying and implementing cost savings as well as improving systems and processes.

Other positions: -

Holdings: -

Pedro Pinto

(born 1987)

Position: Chief Technology Officer

Education: PhD in Computing from Imperial College London, MSc in Advanced Computing from Imperial College London, BSc in Information Systems and Computer Engineering from Instituto Superior Técnico.

Experience: Previously served as Chief Technology Officer at Knowledge AI Inc. and Quadratic Solutions LLC, Head of Engineering at Allio Fintech Corporation, Principal Engineer at Shootproof Inc., Technical Leader at Collage.com Inc., and Senior Software Engineer at Enki Labs Inc.

Other positions: Board member at Alfarroba Technologies Lda and Alfarroba Technologies OU.

Holding: -

James Kennedy

(born 1971)

Position: Chief Marketing Officer

Education: Degree from University of Cambridge

Experience: James worked for Apple Inc for 9 years in the US and Europe latterly as Director of Marketing Communications, Europe during which time he was involved in 27 product launches, and most recently as Marketing Director of Entain.

Other positions: -

Holdings: 17,250,000 shares

Steve Kim

(born 1968)

Position: Chief Executive Officer of Anoto Korea

Education: MSc in Mechanical Engineering from Seoul National University

Experience: Steve has many years of experience in hardware design and manufacturing. He has developed, among other things, a satellite radio, an image processing chip, a DNA search device, a PDA (Personal Digital Assistant) and various multimedia signal processors

Other positions: -

Holding: 1,000,000 options of series 2021/2022

Remuneration Committee

The Board of Directors has not established a Remuneration Committee, but the entire Board of Directors fulfils the tasks of the Remuneration Committee. Board members who may be members of the executive management may not participate in the work due to the independence requirements set out in the Swedish Code of Corporate Governance.

Shareholders Controlling More than One Tenth of the Shares in the Company

Three shareholders had, on the 31st of December 2025, a direct or indirect ownership of more than one tenth of the votes for all shares – Stolkin Helicopters Ltd (25.5%) and Achilles Capital AB (19.1%).

Anoto's Articles of Association

The company's Articles of Association do not comprise limitations concerning the number of votes each shareholder can represent in the Annual General Meeting, or specific conditions related to appointment or dismissal of Board members or introduction of amendments to the Articles of Association.

Internal Control

The Board of Directors is responsible for internal control in accordance with the Swedish Companies Act and the Swedish Code of Corporate Governance. This section on internal control focuses on internal control of financial reporting.

Anoto's Board of Directors has determined that there is no need for an internal audit department or function. The reason why it has been assessed that there is no need for such a special audit function is with regard to Anoto's size and that the Board, primarily through the Chairman of the Board, has ongoing contact and unusually close cooperation with the company's CEO together with other circumstances such as the Chairman's ongoing follow-up on issues of an internal audit nature and that Anoto's CEO and finance department in cooperation with the external auditors of can adequately monitor and monitor internal control as required.

Anoto's Board of Directors is ultimately responsible for the follow-up of risk management and internal control over financial reporting.

Control environment

The corporate culture of Anoto encourages initiative while assuming responsibility for meeting the defined strategic objectives of Anoto. Each employee at Anoto has a job description setting out tasks, responsibilities and authorizations.

The CEO has adopted guidelines and policies for specific areas that the employees are required to follow. Anoto has implemented a Code of Conduct that is applicable to Anoto and its suppliers. The Code of Conduct describes Anoto's requirements with respect to ethical behavior, child labor and the environment.

A detailed delegation plan has been drawn up with well-defined levels of attestation and decision levels. This is applied throughout Anoto.

Risk assessment

Risk assessments are performed in order to identify and map risks. The most important risks for the internal control of the financial reporting are identified at Group and Company level, as well as at a regional level. The outcomes of the risk assessments result in actions and tasks that support the internal control of the financial reporting.

Control measures

The Board has implemented a system for control and risk management based on the Board's Rules of Procedure - also including instructions for the CEO and reports that are to be made to the Board and the Finance Policy. These rules constitute the framework for internal control. The Board of Directors shall continuously issue instructions to the CEO for when and how information necessary for the Board's assessment of the company's and subsidiaries' financial situation and for the Board to be able to perform its duties in general, including to complete the company's financial reporting, shall be collected and reported to the Board. At each ordinary Board meeting, the company's and the Group's liquidity, earnings and position shall be presented to or reported to the Board of Directors and satisfactory documentation for the financial reporting shall be provided.

Anoto's processes and systems for ensuring effective internal controls are designed with the intention of managing and limiting the risks of material errors in the reporting of financial data, thus ensuring that both strategic and operational decisions are based on accurate financial information.

The operational work of controlling the day-to-day activities is carried out by the CEO and the Management Team. Specific guidelines govern the capacity for decision making on different issues. In addition, there are several operational meeting forums like management meetings and steering committees that address specific control issues in the operational activities. These forums effectively steer Anoto towards the defined strategic objectives.

Monitoring

There are general as well as detailed control measures aimed at preventing, discovering and correcting faults and deviations. The control organization is evaluated by the CEO on an ongoing basis with the aim of ensuring quality and efficiency.

The CEO continually keeps the Board informed of the Group's financial position, performance and any areas of risk. Anoto's external auditors attend at least two Board meetings per year, at which the auditors provide their assessment and observations on the business processes, accounts and reports. The Board takes note of the feedback given to the Group as a result of the financial reporting. The Chairman of the Board is also in regular contact with the auditors of the Group.

The Board continually monitors Anoto's financial performance by reports, as well as information from the CFO at Board Meetings. Regular follow-up ensures compliance with the Company's Finance Policy, thus identifying any deficiencies in internal controls.

Internal controls also include detailed annual budgets split by application areas, geographic areas and cost centers. Forecasts are delivered three times a year; in May, August and November. Forecasting follows the same organizational set-up as the annual budget. In December, the Board adopts the budget for the following year. In addition to budgeting and forecasting, Anoto's Management Team continually works with overall three-year strategic scenarios.

No breach of the listing agreement or good stock market practice

Anoto has not breached Nasdaq Stockholm's listing agreement or deviated from good stock market practice as decided by Nasdaq Stockholm's disciplinary committee or statement from the Swedish Securities Council during the financial year 2025 or during the period from the end of the financial year 2025 and the date of issue of this corporate governance report. The Company notes that this annual report is published after the statutory reporting deadline of 30 April 2026, but within a short delay on 15 May 2026.

Auditor's statement on the Corporate Governance Report

To the General Meeting of shareholders in Anoto Group AB (publ), corporate identity number 556532-3929

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2025 on pages 66-73 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance report. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinion

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm May 15, 2026

BDO Mälardalen AB

Carl-Johan Kjellman

Authorized Public Accountant

GROUP INFORMATION

Kevin Adeson

Chairman of the Board

Born 1964

Board member since 2024

Shareholding: -

Education: BA Honours in Accounting from Bradley University

Alexander Fällström

Independent Board Member

Born 1990

Board member since 2024

Shareholding: 2,568,352 shares

Education: Bachelor's Degree from Harvard University

Gary Stolkin

Independent Board Member

Born 1960

Board member since 2024

Shareholding: -

Education: MA Philosophy, Politics & Economics, University of Oxford

Adrian Weller

Independent Board Member

Born 1970

Board member since 2024

Shareholding: 35,792,361 shares

Education: PhD in Computer Science from Columbia University, and BA in Mathematics from the University of Cambridge

Matthew Doerner

Independent Board Member

Born 1977

Board member since 2025

Shareholding: -

Education: MBA from the Stockholm School of Economics

Senior Management

Jonathan Faiman

Chief Executive Officer (appointed in March 2026)

Born 1969

Employed since 2026

Shareholding: -

Education: BSc in Physics from Imperial College London

Mats Karlsson

Interim Chief Executive Officer

Born 1964

Employed since 2024

Shareholding: 10,000,000 shares

Education: Executive MBA from Mgruppen

Hans Haywood

Chief Financial Officer

Born 1968

Employed since 2024

Shareholding: 64,850,000 shares

Education: Master in Chemical Engineering from Imperial College, University of London.

Julia Arnold

Chief Operating Officer

Born 1981

Employed since 2024

Shareholding: -

Education: PhD in Financial Economics from Imperial College London, an MSc in Finance from Imperial College London, and a BSc in Economics from the London School of Economics.

Pedro Pinto

Chief Technology Officer

Born 1987

Employed since 2024

Shareholding: -

Education: PhD in Computing from Imperial College London, MSc in Advanced Computing from Imperial College London, BSc in Information Systems and Computer Engineering from Instituto Superior Técnico.

James Kennedy

Chief Marketing Officer

Born 1971

Employed since 2024

Shareholding: 17,250,000 shares

Education: Degree from University of Cambridge

Steve Kim

Chief Executive Officer of Anoto Korea

Born 1968

Employed since 2018

Shareholding: 1,000,000 options of series 2021/2022 in Anoto Group AB

Education: BA Control and Instrument Engineering, Seoul National University, Republic of Korea

The Anoto Share

Anoto Group AB (publ.) has been listed on the NASDAQ OMX Stockholm Stock Exchange (ticker: ANOT) since June 16, 2000. Today the share is listed on the Small Cap list of the NASDAQ OMX Nordic Exchange Stockholm. The share was previously traded on the New Market starting on March 15, 2000. Anoto Group's market cap of SEK 52,803 as per Dec 31, 2025 is allocated among 1,102,362,753 shares.

Each share entitles the holder to one vote at general meetings and all shares provide equal rights to participation in the company's assets and profits.

Share price performance

The price of the Anoto Group share decreased by 58 percent from SEK 0.120 to 0.050 during the year. During the same period, the NASDAQ OMX Stockholm PI increased by 9.2 percent. Anoto Group's market capitalization was MSEK 52.8 on December 31, 2025.

Shareholders

At the end of 2025, Anoto Group had 13,029 shareholders. Foreign shareholders controlled 76.52% and the ten largest shareholders controlled 70.95%.

Dividend policy

The company's future dividend policy will reflect its earnings, financial position and financing needs. Dividend proposals will be examined in the light of shareholder demands for a reasonable return and the company's internal financing requirements.

Option programmes

The parent company has implemented various stock option programs as set forth in Note 30.

Analysts

Anoto Group is covered by analysts at banks and securities brokers.

Per share data 2025

Number of shares 2025-12-31	1,102,362,753
Number of outstanding options and warrants 2025-12-31	13,466,667
Average number of shares	1,060,143,373
Earnings per share (SEK)	-0.09
Fully Diluted Earnings per share (SEK)	-0.09
Cash flow per share (SEK)	0.00
Fully Diluted Cash flow per share (SEK)	0.00
Shareholder's equity per share (SEK)	-0.01
Shareholder's equity per share incl. options (SEK)	-0.01

Largest shareholders on December 31, 2025

1	THE BANK OF NEW YORK MELLON, W9	27.4%	301,499,421
2	Achilles Capital AB	19.1%	210,165,550
3	HONGKONG & SHANGHAI BANKING CORP, W8IMY	6.3%	68,946,324
4	IBKR FINANCIAL SERVICES AG, W8IMY	5.9%	65,243,837
5	Bergs Securities AB	3.4%	37,702,777
6	GOLDMAN SACHS & CO. LLC, W9	3.3%	35,818,648
7	Försäkringsaktiebolaget AvanzaPension	1.9%	21,135,867
8	CBLDN-SAXO BANK A/S	1.5%	16,700,000
9	Björndahl Anders	1.3%	14,147,000
10	BNP PARIBAS SA LONDON, W8IMY	1.0%	10,826,388
	Total	70.95%	782,185,812

Shareholders by size on December 31, 2025

Shares held	Total number of shareholders	% total number of shareholders
1 – 500	6,554	50.3%
501 – 1,000	1,297	10.0%
1,001 – 5,000	2,618	20.1%
5,001 – 10,000	820	6.3%
10,001 – 15,000	366	2.8%
15,001 – 20,000	226	1.7%
20,001 -	1,147	8.8%
	13,029	100.00%

FIVE-YEAR SUMMARY

Summary of comprehensive income statements

(KSEK)	2021	2022	2023	2024	2025
Net sales	71,730	69,362	43,012	30,069	22,374
Gross profit	38,581	42,901	27,038	14,360	12,213
Amortisation and impairment of intangible fixed assets	-11,677	-12,036	-116,951	-15,958	-4,974
Depreciation - property, plant and equipment	-2,243	-2,199	-1,364	-104	-121
Operating profit/loss	-57,143	-47,219	-68,326	-60,025	-58,357
Other financial items	16,637	16,231	-15,668	4,244	-56,072
Profit/loss after financial items	-40,506	-30,987	-83,995	-55,781	-114,429
Tax	283	84	-244	0	0
Profit/loss after tax	-40,223	-30,903	-84,238	-55,781	-114,429

Summary of balance sheets

Assets	2021	2022	2023	2024	2025
Intangible fixed assets	175,764	179,186	58,188	53,924	52,742
Tangible fixed assets	4,408	5,212	2,168	684	3,632
Financial fixed assets	3,648	1,483	29,673	36,286	769
Total non-current assets	183,820	185,881	90,029	90,894	57,143
Inventory	27,231	40,406	28,407	14,498	15,169
Accounts Receivable	6,540	1,557	13,505	530	1,382
Other current assets	17,600	9,166	9,058	35,398	2,770
Cash and cash equivalents	3,885	1,721	2,616	3,809	197
Total current assets	55,255	52,850	53,586	54,234	19,518
Total assets	239,074	238,732	143,615	145,128	76,661

Liabilities and shareholders' equity	2021	2022	2023	2024	2025
Shareholders' equity	144,515	110,997	59,330	80,425	-16,293
Minority interests	-11,768	-19,346	0	-	0
Long-term liabilities					
Non-interest-bearing	-	498	15,774	1,372	0
Interest bearing	-	14,627	-	-	22,202
Current liabilities					
Non-interest-bearing	64,683	74,418	59,824	58,687	68,396
Interest-bearing	41,644	57,538	8,686	4,644	2,357
Total liabilities	106,327	147,082	84,284	64,703	92,955
Total liabilities and shareholders' equity	239,074	238,732	143,614	145,128	76,661

Summary of cash flow statements

(KSEK)	2021	2022	2023	2024	2025
Profit/loss after financial items	-40,223	-30,903	-84,238	-55,781	-114,429
Items that do not affect liquidity	-5,916	-20,558	66,407	16,274	60,927
Change in working capital	7,117	23,509	-19,892	21,442	12,833
Cash flow from operating activities	-39,022	-27,952	-37,723	-17,661	-38,292
Cash flow from investment activities	-7,009	-2,271	13,307	-7,599	-14,869
Total cash flow before financing activities	-46,032	-30,223	-24,416	-25,260	-53,160
Cash flow from financing activities	47,536	27,703	25,150	26,453	49,605
Cash flow for the year	1,504	-2,520	734	1,193	-3,555

Key ratios

	2021	2022	2023	2024	2025
Sales growth, %	2	-3	-38	-30	-26
Gross margin, %	54	62	63	48	55
Capital employed (KSEK)	132,747	106,775	75,104	81,797	11,398
Equity/assets ratio, %	60	46	41	55	-21
Net debt (KSEK)	37,759	55818	6,070	835	27,692
Earnings per share (SEK)	-0.25	-0.20	-0.25	-0.15	-0.09
Earnings per share after dilution (SEK)	-0.25	-0.20	-0.25	-0.15	-0.09
Cash flow per share for the year (SEK)	0.01	-0.01	0.00	0.00	0.00
Cash flow per share after dilution (SEK)	0.01	-0.01	0.00	0.00	0.00
Shareholder's equity per share (SEK)	0.67	0.48	0.18	0.24	-0.01
Shareholder's equity per share after dilution (SEK)	0.67	0.48	0.15	0.22	-0.01
Average no. of employees	33	36	19	12	17
Sales per employee (KSEK)	2,174	1,940	2,264	2,506	1,316
Payroll expenses incl. social security contribution (KSEK)	29,105	31,379	20,393	25,089	36,885
(of which pension premiums were)	325	767	638	1231	938

Definitions

GROSS MARGIN

Gross profit as a percentage of net sales. Gross profit is defined as net sales less cost of goods sold.

SHAREHOLDERS' EQUITY PER SHARE

Shareholders' equity divided by the number of shares at the year end.

AVERAGE NUMBER OF EMPLOYEES

Average number of employees during the year.

NET DEBT

Interest-bearing liabilities less liquid assets and current investments. Interest-bearing liabilities consist of convertible debt and short term interest bearing liabilities.

SALES PER EMPLOYEE

Net sales divided by the average number of employees.

SALES GROWTH

Increase in net sales as a percentage of net sales for the previous year.

EARNINGS PER SHARE

Profit after tax divided by the weighted average number of shares during the year.

OPERATING MARGIN

Operating profit/loss as a percentage of net sales.

CAPITAL EMPLOYED

Total assets less non-interest bearing provisions and liabilities, (including deferred tax liabilities), less short term interest bearing liabilities.

EQUITY/ASSETS RATIO

Shareholders' equity including non-controlling interest as a percentage of total assets.

CASH FLOW PER SHARE FOR THE YEAR

Cash flow for the year divided by the weighted average number of shares during the year.

EBITDA

Operating profit before depreciation and amortisation

OPERATING PROFIT/LOSS

Gross profit less costs for sales, administration, R&D and other operating income/costs.

Annual General Meeting

Anoto's Annual General Meeting will be held on June 29, 2026. Invitation will be published in accordance with what is stipulated.

Financial reporting

Anoto Group's financial reports are released in Swedish and English. The easiest way to obtain the reports is by downloading them from www.anoto.com.

Following is the schedule of Anoto Group's financial reports for its 2026 financial year:

- Q1 Report – May 29, 2026
- Q2 Report – August 31, 2026
- Q3 Report – November 30, 2026
- Year-End Report – February 26, 2027