



Anoto implements a guaranteed rights issue of approx. SEK 65 million

Lund, 17 October, 2013 — The board of Anoto Group AB (publ) has decided to implement a rights issue of approximately SEK 65m. The capital acquisition enables the company to continue its international expansion and pursue the growth opportunities available for the company's technology for digital writing.

The rights issue is guaranteed to 89 percent by external investors. The subscription price has been set at 0.25 SEK per share. Record day for participation in the rights issue is November 20, 2013 and the subscription period runs from November 22 until December 6, 2013. The rights issue requires approval by an extraordinary general meeting on November 15, 2013.

Background and reasons

Through its business units Enterprise Solutions and Technology Licensing (OEM), Anoto offers solutions that increase workflow efficiency in several market segments such as education, health care and a number service segments. A continuous focus on product development has resulted in a broad product portfolio including Anoto Live™ and a number of products developed for partners such as Livescribe Sky™, which handles simultaneous recording of writing and sound. The latest addition to the product portfolio is Live PDF™ that replaces scanning and Live Forms™ intended for advanced handling of report form data.

During the latest two years, Anoto has through a number of strategic cooperations and investments established a platform that gives the company access to cutting edge development skills and significant sales potential. Earlier this year, Panasonic launched the world's first tablet with built in Anoto technology. This is a first step in Anoto's ambition to be the partner of choice for tablet manufacturers that would like to include writing technologies in their products.

During the second quarter, the Swedish operations have been restructured into one business unit focusing on hardware R&D. Furthermore, functions in Sweden have been incorporated in the international subsidiaries. The restructuring has resulted in a reduction of 35 full time equivalents and consultants in Lund corresponding to a net effect of SEK 30m in annual cost reduction. Additional restructuring of the subsidiaries in the UK are planned.

The board deems that current funds are not sufficient for the working capital requirements in the coming twelve months. One example is the company's

inventory that ties up significant amounts of capital. Furthermore, the capital from the rights issue will be used to repay short term debts and to strengthen certain sales and marketing functions. It is the board's opinion that the rights issue together with ongoing restructuring efforts will create foundations to finance the business until profitability is achieved.

Terms for the rights issue

The company's shareholders will have pre-emptive right to subscribe for new shares in proportion to the number of shares previously held by them. Two (2) existing shares entitle to subscription to three (3) new shares at a subscription price of SEK 0.25. The record date for participation in the rights issue is November 20, 2013.

In the event that all new shares are not subscribed for with pre-emptive rights, such shares shall be allotted to shareholders and others who have subscribed for shares without subscription rights. Such allotment shall firstly be made to those who have subscribed for shares by exercise of subscription rights. The subscription period runs from November 22 until December 6, 2013 or such later date as the Board of Directors may decide.

The rights issue may result in an increase of the share capital of no more than SEK 5,208,742.74 and an increase in the total number of shares of no more than 260,437,137 shares.

Underwriting guarantees

In order to secure that the rights issue is subscribed to a sufficient extent, the company has entered into underwriting agreements with a number of external investors to a total amount of SEK 58m, corresponding to 89 percent of the rights issue.

Indicative timetable for the rights issue

15 November 2013	Last day of trading in the shares including right to participate in the rights issue
20 November 2013	Record date for participation in the rights issue, i.e. shareholders who are registered in the company's share register as of this day will receive subscription rights for participation in the rights issue
21 November 2013	Estimated publication of the prospectus
22 Nov. – 3 Dec. 2013	Trading in subscription rights
22 Nov. – 6 Dec. 2013	Subscription period
11 December 2013	Estimated day for press release regarding outcome in the rights issue



Advisors

Redeye acts as financial advisor and Setterwalls Advokatbyrå acts as legal advisor in connection with the rights issue.

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About Anoto Group:

Anoto Group AB is a global leader in digital writing solutions, which enables fast and reliable transmission of handwriting into a digital format. Anoto operates worldwide through a global partner network that delivers user-friendly digital writing solutions for efficient capture, transmission, distribution and storage of data. Anoto is currently in use across multiple business segments, e.g. consumer, healthcare, banking and finance, transportation and logistics and education. The Anoto Group has over 100 employees and is headquartered in Lund (Sweden). The company also has offices in Basingstoke, Guildford and Wetherby (UK), Amsterdam (NL), Boston (US) and Tokyo (Japan). The Anoto share is traded on the Small Cap list of NASDAQ OMX Stockholm under the ticker ANOT. For more information, please visit: www.anoto.com.

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persons concerned to subscribe for shares in Anoto will only be made through the prospectus that Anoto expects to publish on November 21, 2013, which prospectus, among other things, will contain financial statements and information on the Board of Directors and auditor of Anoto.

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