

DOCUMENTS TO BE PRESENTED AT THE ANNUAL GENERAL MEETING IN ANOTO GROUP AB (PUBL) 22 MAY 2014

Resolution to implement an incentive scheme for senior executives (item 16)

The Board proposes that the General Meeting resolves to adopt an incentive scheme for senior executives employed in the Group.

Incentive scheme allows participants free of charge will be assigned a certain number of stock options. The options can be exercised to purchase shares from the date of publication of the Company's quarterly report for the third quarter of 2017, but no later than 1 June 2017, until 30 June 2017.

The allocation of the options shall be decided by the Board in accordance with the following guidelines. The Company's CEO may purchase up to [*] options, certain senior executives may each purchase up to [*] options and certain other senior executives in the group may each purchase up to [*] options.

Provided that the participant is still employed by the Group at the exercise of the options, the employee is entitled to purchase shares in Anoto Group AB at a price equal to 150 per cent of the average closing price of the Company's shares on NASDAQ OMX Stockholm during the period from 23 May 2014 up to and including 30 May 2014.

The incentive scheme comprises a maximum of 9,252,113 stock options, representing approximately 2.0 per cent of the share capital after dilution of the rights issue.

The Board shall be responsible for preparing the detailed terms and conditions of the incentive scheme, in accordance with the above mentioned terms and guidelines. To this end, the Board shall be entitled to make adjustments in incentive scheme to meet foreign regulations or market conditions. The Board may also make other adjustments if significant changes in the group, or its markets, result in a situation where the decided terms and conditions for exercising the options become inappropriate.

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

No compensation for ordinary dividends on the underlying shares shall occur. In case of an extraordinary dividend, the Board shall have the right to resolve on whether the options exercise price shall be object to recalculation.

The options may not be transferred or pledged.

The incentive programme will be accounted for in accordance with IFRS 2, which entail that the options shall be recorded as a personnel cost in the income statement during the vesting period. The total recognized cost for the incentive programme will be dependent on the development of the price of the Anoto share.

In accordance with guidelines provided by the Board, the incentive programme has been prepared by external advisors and has been reviewed at meetings of the Board during spring 2014.

The rationale for the proposal is to create opportunities to keep and to recruit competent personnel and to increase the motivation amongst the employees. The Board considers that the adoption of the incentive scheme as described above is in the favour of the Group and the shareholders in the Company.

The incentive scheme allows employees of the Group to be granted stock options entitling them to acquire shares in the Company. Such transfers fall within the scope of Chapter 16 of the Swedish Companies Act, which means that a resolution to approve the incentive scheme is valid only where supported by shareholders holding not less than nine-tenth of both the shares voted and of the shares represented at the General Meeting.

Resolution authorising the Board to issue warrants (item 17)

To ensure delivery of shares to participants in the incentive scheme described under paragraph 16 above, and to cover any social security costs related to the incentive scheme, it is proposed that the Board be authorised, on one or more occasions until the next Annual General Meeting, to issue up to 10,639,930 warrants, representing approximately 2.3 per cent of the share capital after dilution of the rights issue. The warrants shall be issued free of charge and, with disapplication of the shareholders' pre-emptive right, may be subscribed for by Anoto AB, a subsidiary of the Company.

A valid resolution by the General Meeting pursuant to the proposal above requires that the resolution be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the General Meeting.