



Anoto and NeoLAB resolve legal disputes and establish strategic relationship

Lund, April 12, 2017 – Anoto Group AB (Anoto) and NeoLAB Convergence Inc. (NeoLAB) have today resolved their outstanding legal disputes and formed a mutually beneficial strategic relationship. This understanding will save the parties significant legal fees and permit them to collaborate in ways that deliver increased value to their respective stakeholders.

This collaboration currently includes a multi-faceted cross-licensing agreement and an intention for NeoLAB to provide Anoto with hardware design and supply capabilities relating to the Anoto DNA (ADNA) business.

ADNA leverages Anoto's proprietary microdot pattern to mark individual physical objects in unobtrusive ways that permit common mobile devices to identify the unique items. NeoLAB recognizes the market potential of ADNA and welcomes the opportunity to, at Anoto's request, apply its hardware expertise to the development of dedicated ADNA reading devices. These devices will benefit certain use-cases in which phones and tablets are a suboptimal way to read ADNA.

This collaboration reflects the parties' mutual respect for each other's business and technology. Under the terms of the cross-license agreement, NeoLAB will pay Anoto USD 2 million, reflecting the relative size and value of the parties' respective patent portfolios, while Anoto will pay NeoLAB USD 0.5 million for the IP associated with the dedicated ADNA reading device that NeoLAB will develop. In order to increase global market for pattern and digital pen business, Anoto and NeoLAB agree to co-develop mobile applications and software.

"I am very pleased to have helped Anoto and NeoLAB reach an agreement to drop the expensive litigation in Japan and to commit to fair competition and constructive cooperation," said Joonhee Won, CEO of Anoto. "The leadership of both companies is dedicated to using our resources to meet the needs of the expanding global market rather than to engage in value-destroying distractions like lawsuits. The important work that Anoto is doing with its smartpen technology and ADNA enriches the lives of millions of people around the world and this deserves our undivided attention."

For further information, please contact:

Joonhee Won, CEO

For more information about Anoto, please visit www.anoto.com or email ir@anoto.com

Anoto Group AB (publ) Reg.No. 556532-3929, Mobilvägen 10, SE- 223 62 Lund Tel. +46 46 540 12 00

About Anoto

Anoto is a publicly held Swedish technology company known globally for innovation in the area of information-rich patterns and the optical recognition of those patterns. It is a leader in digital writing and drawing solutions, having historically used its proprietary technology to develop smartpens and the related software. These smartpens enrich the daily lives of millions of people around the world. Now Anoto is also using its pattern, optics, and image-processing expertise to bridge between the analogue and digital domains through an initiative known as Anoto DNA (ADNA). ADNA makes it possible to uniquely and imperceptibly mark physical objects and then easily identify those individual objects using ubiquitous mobile devices such as phones and tablets. ADNA is enabling exciting possibilities for product innovation, marketing insights, and supply-chain control. Anoto is traded on the Small Cap list of Nasdaq Stockholm under ANOT.