



Anoto receives USD 2 million order from SMark in transaction estimated to be worth at least USD 4 million with recurring revenue

Stockholm, August 31, 2017 – SMark Co., Ltd. (SMark), an existing partner of Anoto Group AB (Anoto) for Anoto DNA (ADNA), has now become a distributor of Anoto digital pens with the submission of a substantial initial order for Anoto's newest pen. In addition to the USD 2 million in hardware revenue that will be realized in 2017, this order also includes an annual license fee expected to bring total revenue to at least USD 4 million over the next three years.

The compelling synergies between ADNA and the digital pen market prompted SMark to become a licensed distributor of Anoto digital pens in Korea and for its customers throughout Asia. Anoto will start production of its new pen in early September as planned and will immediately increase production capacity in an effort to deliver this additional USD 2 million of pens by the end of 2017.

"This is the very first formal order for our new pen and I'm thrilled it's such a large one," said Joonhee Won, CEO of Anoto. "I see this as a strong vote of confidence and an unequivocally positive sign. SMark has very large clients in Asia and I hope this is the beginning of a trend among Anoto partners."

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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 unobtrusively 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.