

HIDDEN: Hiddn is leveraging on its unique IP within secure storage and authentication and sign LOI with Tactilis to create a leading global biometric smartcard company

(Oslo, 12 December 2018) Hiddn Solutions ASA (Hiddn, OSE: HIDDEN) has entered into a Letter of Intent (LOI) with Tactilis Pte Limited (Tactilis) to create the global industry leader within biometric encrypted smartcards.

“We are pleased to announce this ambition to join forces with Tactilis to create a fast-growing industry leader within biometric authentication, encryption and smartcards. The Tactilis biometric multifunction card business is a perfect platform for scaling our joint operations across the globe. We are highly impressed by the Tactilis team, technology and growth opportunities and we look forward to the further process of developing our significant value creation opportunities,” says Carl Espen Wollebakk, CEO of Hiddn.

The transaction

The business combination will take place as an acquisition of all shares of Tactilis for a total consideration of 649 million new shares in Hiddn to the sellers, following a non-binding letter of intent for the potential acquisition. Following a potential transaction, the Tactilis shareholders will hold 86.25 % of Hiddn, with the current Hiddn shareholders owning 13.75 % of the company on a fully diluted basis, implying a Hiddn transaction value of approximately NOK 275 million prior to the new consideration shares.

Hiddn will prepare a prospectus as part of the business combination.

About Tactilis

Tactilis offers simple, quick and easy-to-scale solutions that makes it easy to authenticate and manage identities, protect personal data and create trustworthy environments for citizens, businesses and government organizations. The company has entered into multiple contracts including volume deliveries of multifunction ID-cards for US Veterans and multifunction Citizen-ID cards for the population of Madeira/Portugal. The company has based on the government grade fingerprint sensor technology from NEXT Biometrics built the world's first operational biometric smart card factory with an annual capacity of five million cards in Penang, Malaysia. Tactilis is headquartered in Singapore, with operations and development in Malaysia and Portugal and sales in Hong Kong. For additional information about Tactilis, see the enclosed presentation.

“Hiddn is the technology leader in the market for secure encrypted storage devices. Serving state-of-the art customers like NATO and the Dutch Government, Hiddn is developing the unrivalled and proven position in the high-end encryption market into a product offering that addresses all market segments. By providing biometric authentication functionality to the Hiddn product portfolio in addition to the new capabilities in scaling the Tactilis biometric multifunction card business, the combined entity will be a force of strength in the world of biometric multifunction cards and encryption,” says Michael D. Gardiner, CEO of Tactilis.

The joint opportunity

Tactilis has developed a unique technology finally allowing secure and convenient implementations of biometric authentication in world-wide populations. The Tactilis biometric multifunction card, in combination with the card reader or carrier, enables replacement of pin-codes and passwords which today typically represents the weakest link in high-end security systems. Additionally, it adds multi-function card capabilities and a complete system enabling seamless downloading, maintenance and user operations of the defined applications.

“In addition to leveraging on the stand alone potential for the Tactilis and Hiddn product platforms, we plan in the first phase to replace our existing Hiddn card with the Tactilis government grade biometric card. We plan on



expanding our combined Hiddn/Tactilis offering later on as to create a powerful strategic expansion of our addressable markets”, says Wollebekk.

The completion of the proposed acquisition is subject to, among other things, final transaction agreements being entered, approval by the shareholders of Tactilis, approval by the Hiddn shareholders at an extraordinary general meeting and the continued listing of Hiddn. Subject to the completion conditions being fulfilled, the acquisition is expected to close during the first quarter of 2019.

ENDS

For further information, please contact:

Carl Espen Wollebekk, CEO of Hiddn, telephone: + 47 930 55 505 /e-mail: cew@hiddn.no

About Tactilis

Tactilis has developed a unique technology finally allowing secure and convenient implementations of biometric authentication in world-wide populations. Their card format, the 4 GB storage capacity in combination with their card reader/carrier enables replacement of pin-codes and passwords which today typically represents the weakest link in high-end security systems. Additionally it adds multi-function card capabilities and a complete system enabling seamless downloading, maintenance and user operations of the defined applications. Combining the card with the Tactilis slim card carrier, the system is operational at home, in store or outdoors whenever and wherever there is wi-fi bluetooth, nfc or USB connection.

For more information, please visit: www.tactilis.com

About Hiddn Solutions ASA

Hiddn Solutions ASA is listed on the Oslo Stock Exchange under the ticker HIDDEN. The company is offering impenetrable proprietary hardware-based authentication and encryption products with a superior level of security as well as a wider product suite addressing all market segments looking for solutions to ensure that sensitive information stays confidential and unavailable to unauthorised access. Based on Hiddn's unrivalled and proven position in the high-end encryption market, the company is implementing a strategy of adapting the proprietary technology to the high-volume markets to take advantage of the growing global security challenges and the arising regulatory requirements. Hiddn has established a product offering that addresses all market segments from the high-end security clients to the retail market, as well as established partnerships with some of the most important sales and distribution partners in Europe. Hiddn sees significant growth opportunities and rising demand from customers and is well on its way to solidify its leading position in the growing market for secure data storage.

For more information, please visit: www.hiddn.no