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FOR IMMEDIATE RELEASE**Tangram Flex – Operational Assurance and Cyber Resilience for our Nation’s Most Critical Systems – Announces \$4.5M Investment from Hale Capital Partners**

Dayton, Ohio, December 18, 2018 – Today, Tangram Flex, Inc. announced a \$4.5 million investment from Hale Capital Partners. The company, a spinout from Galois, Inc., is headquartered in Dayton, Ohio, and is the provider of AI-based software development tools focused on cyber assurance and resilience of our nation’s most critical systems.

The investment in Tangram Flex continues Hale Capital’s focus both on corporate spin-outs and on supporting companies that provide critical and innovative technology to help the U.S. Government advance national security.

Tangram’s software provides operational assurance and cyber-resilience for mission-critical embedded systems used in aircraft, missiles, and many other U.S. defense systems. As the need for autonomy and interoperability of defense platforms accelerates, so do the risks of catastrophic compromises and malfunctions. Tangram’s smart tooling for auto-generated software interfaces offers quick and secure reconfigurability for cyber-physical systems. The Tangram products enable the reuse of existing components alongside new capabilities, while providing strong guarantees of system safety and behavioral correctness.

Martin M. Hale Jr., CEO & Portfolio Manager at Hale Capital, states: "We are thrilled to be working with a company like Tangram. They have demonstrated customer pull and one of the most unique sets of IP allowing them to bring unmatched capabilities to a market in desperate need of a solution. While the initial focus is mission critical military applications, Tangram will provide the same safety and cyber assurances for commercial aircraft, autonomous vehicles,



connected medical devices, and more. We look forward to continuing to be part of Tangram's remarkable growth."

Ricky Peters, CEO of Tangram Flex, states: "Here at Tangram Flex we are delighted to be working with Hale Capital Partners and their Operating Partner, Sterling Phillips, an accomplished entrepreneur in the Fed IT sector. We are excited to bring in a strategic investor who believes in our team, understands our product, and sees the growing need for more flexible systems which can adapt to ever-evolving mission needs. Tangram is already profitable and the Hale investment allow us to expedite the execution of our vision for added assurance across all cyber-physical systems."

The Tangram technology is based on decades of research and innovation, supported by the U.S. Department of Defense, in creating provably safe embedded systems and "systems of systems" architectures. It turns previously complex, inflexible or outdated systems into modular and secure modern platforms. The technology dramatically reduces system lifecycle costs while providing assurance artifacts that support secure system development and reconfiguration.

About Hale Capital Partners

Hale Capital partners with talented entrepreneurs to achieve remarkable corporate transformations. Whether providing equity or debt in control or non-control situations, we serve as stewards for the ideas of extraordinary leaders as they seek to accelerate growth in public companies, divestitures, special situations and other lower middle market companies. Founded in 2007, Hale's roadmap to success centers on a program of transformation—financial, cultural, and operational—developed from extensive academic work and two decades of investment expertise. This critical intellectual property helps our companies evolve, grow, and compete in an ever-shifting marketplace. To learn more about Hale Capital, visit halecapital.com.

About Tangram Flex

Tangram Flex modernizes systems engineering with incredibly flexible and precise integration of components for re-use across cyber-physical systems. The company's products and its advanced modules are the result of decades of investment in advancing the safety and security of cyber-physical systems. Tangram is a spin-off from Galois, Inc. with expertise rooted in 19 years of computer science R&D focused on creating provably secure and safe systems for DARPA, Air Force, Navy, the intelligence community, and NASA. To learn more about Tangram Flex, visit tangramflex.com.