Kudelski Security Partners with Hosho
To Secure Blockchain Ecosystems

*New alliance offers comprehensive capabilities to enable new levels of security
for blockchain development*

Cheseaux-sur-Lausanne, Switzerland, Phoenix (AZ), USA and Las Vegas (NV), USA, March 19th, 2019 – Kudelski Security, the cybersecurity division of the Kudelski Group (SIX:KUD.S) today announced a strategic partnership with Hosho, a global leader in blockchain security and smart contract auditing, to extend the capabilities of Kudelski Security's recently launched Blockchain Security Center (BSC). The partnership makes the companies' unique skillsets, market-leading services, and proven intellectual property (IP) available to help forward-leaning organizations better secure their use of blockchain and distributed ledger technology (DLT).

Smart contracts are the most critical piece of a blockchain company's technical ecosystem – contract vulnerabilities can be exploited by malicious actors, leading to stolen and often unrecoverable funds, or unintentional code executions that could result in the locking up of millions of dollars. According to Hosho, security vulnerabilities have cost blockchain companies more than $2 billion in lost or stolen capital in 2018, and their own audit of smart contracts found that more than one in four have critical vulnerabilities and three in five have at least one security issue.

"Hosho has deep expertise and a world-class reputation for auditing the 'smart contracts' that are essential to blockchain business process workflows," said Rich Fennessy, CEO of Kudelski Security. "Combined with our expertise in cryptography, embedded security down to silicon level, and secure application development, Hosho is an ideal partner in what we believe will be a growing coalition of likeminded organizations focused on improving the underlying security of blockchain and expanding its use in business applications."

Increasingly, organizations are investing in understanding how blockchain technology can optimize business processes as well as developing applications aimed at improving efficiencies, lowering costs and enabling new business models. The combination of resources enabled through this partnership provides business executives, investors, engineers, and blockchain developers greater confidence in designing, building, and running secure applications. The result is the potential for less risk, higher efficiency, and ultimately, greater value realized from these investments.

"Hosho and Kudelski Security share the same vision for cyber resilience. It is the first time a blockchain cybersecurity leader has joined forces with a publicly traded cybersecurity company," said Hartej Sawhney, Co-Founder and President of Hosho. "Enterprises are rapidly investing into incorporating decentralized ledger technologies into their legacy systems. Companies such as Kudelski, with 30 plus years of experience in cybersecurity, IoT, and public access solutions, are needed to meet the increasingly complex demands of the Fortune 500."

Kudelski Security's blockchain expertise is built on more than 30 years' experience in information security, cryptographic design as well as more recent work in public blockchain coin design and implementation, point of sale technology development, detailed audits of application code, protocol creation, and cryptographic algorithms for major industry players in the cryptocurrency, digital communications and IoT markets. In addition to providing security audits, architecture reviews, and development services, the Kudelski Security BSC is developing a suite of expanded cryptographic solutions, full-stack enterprise blockchain security recommendations, and developer tools to support the entire blockchain ecosystem.

To learn more about Kudelski Security's blockchain offerings, please visit: www.kudelski-blockchain.com.

About Kudelski Security

Kudelski Security is the premier advisor and cybersecurity innovator for today's most security-conscious organizations. Our long-term approach to client partnerships enables us to continuously evaluate their security posture to recommend solutions that reduce business risk, maintain compliance and increase overall security effectiveness. With clients that include Fortune 500 enterprises and government organizations in Europe and across the United States, we address the most complex environments through an unparalleled set of solution capabilities including consulting, technology, managed security services and custom innovation. For more information, visit http://www.kudelskisecurity.com/.

About Hosho

Hosho is the global leader in blockchain security, specializing in enterprise-grade security services for Fortune 500 and early-stage companies alike. Hosho continues to set the standard for blockchain security, providing state-of-the-art smart contract auditing and penetration testing services. With blockchain, the repercussions of a security hack are much greater than in traditional technology, making cybersecurity-related services of the utmost importance. Hosho plays an important role in the nascent blockchain industry by resolving issues that often lead to funds being lost or stolen. For more information on Hosho and our comprehensive suite of services, please visit www.hosho.io.

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