PRESS RELEASE

Vypin Licenses Kudelski Security Technology to Enable Secure Tracking Solutions

Kudelski Security Provides Cryptography Services and Technology Specifically Designed for Low Power IoT Devices

PHOENIX and ATLANTA, April 30, 2018 – Kudelski Security, the cybersecurity division within the Kudelski Group (SIX:KUD.S) and trusted innovator for the world's most security-conscious organizations, today announced a strategic agreement with <u>Vypin</u>, a provider of IoT solutions featuring sensor-based beacons and supporting management software. Through this partnership, Vypin has licensed power-efficient, anti-spoofing technology designed by Kudelski Security to extend the life span of Vypin's beacons and IoT tags. Examples of these devices include reSeal™, an electronic seal for container integrity, and the recently launched <u>safeTstrap</u> a sensor-based strap that provides proactive firearm security.

The challenge facing manufacturers of these types of tags is to design algorithms that not only provide robust security but are also power-efficient, to enable the tags to operate for up to five years without having to charge or change the battery. The security risk posed by IoT tags varies depending upon the customer and application, but if a tag can be 'spoofed,' the integrity of the information that it provides can legitimately be called into question. For Vypin, security and longevity were both primary concerns and they turned to Kudelski Security for a custom solution to a unique business problem.

"Cryptography is a core capability of Kudelski Security and a one of our key differentiators in the market," said Rich Fennessy, chief executive officer, Kudelski Security. "Vypin had a unique security challenge where security and power efficiency were both important to their success. Our experts were able to analyze their devices, understand their requirements and create custom technology that enables Vypin to differentiate its products in the market through their longevity and security."

The Kudelski anti-spoof solution provides 128-bit security based on industry-standard algorithms. In addition, it prevents spoofing and tampering of beacons and optionally protects the confidentiality of the transmitted data. The solution is optimized for ease-of-integration and efficiency, relying on a BlueNRG-1 system-on-chip (SoC) but is also suitable for a wide range of systems. The solution is differentiated from other available Bluetooth low-energy (BLE) security protocols in that it requires no clock and therefore is more power efficient.

"Having efficient security designed by Kudelski Security and integrated in our products is a necessary and welcomed addition to our IoT solution sets," said Mitch Bernet, chief executive officer, Vypin. "The fact that Kudelski Security was able to tailor its vast array of security offerings to our specific hardware helps us to maintain a competitive edge in the marketplace."

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 www.kudelskisecurity.com.

About Vypin

Vypin believes that the right technology is the best way to improve safety and security at work and home. Vypin's IoT solutions and data services for real time operational visibility enabled by its unique, patented and patent-pending sensor technologies are delivered in a simple yet effective low-cost architecture. Vypin turns client operations into zones of interest, capturing asset identification, location, and state information through advanced sensors (asset status, environment status). More information is available at www.vypin.com.

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