



## **Inside Secure completes the acquisition of Meontrust and enters Security-as-a-Service market**

*Addition of strong authentication solutions bolsters company's offerings in Entertainment, Financial, and Telecom segments*

**Aix-en-Provence, France, August 28, 2017 – Inside Secure** (Euronext Paris: INSD), at the heart of security solutions for mobile and connected devices, today announced it has completed the acquisition of Meontrust, a Finland-based cybersecurity emerging-growth company, in an all-cash cash transaction of up to 5 million euros.

Meontrust has developed MePIN™, a flexible authentication, identification and authorization technology, ideally suited for the financial, insurance, retail and telecom markets. MePIN dynamically authenticates a user with a tap, PIN, fingerprint or face recognition, depending on the service provider. It runs on all major operating systems and is flexible to serve small to very large customers. The MePIN solution is provided as an on-premise deployment or as a cloud-based service with customers paying on a subscription or “pay-per-use” basis.

Meontrust's authentication capability is vital in serving the strong demand seen from banks to meet the more stringent authentication requirements for all online payments imposed by the European Union by 2018. These include PSD2 (Payment Services Directive) and GDPR (General Data Protection Regulation).

This acquisition is a significant step in accelerating the deployment of Inside Secure strategy:

- Meontrust's unique strong authentication technology reinforces and complements Inside Secure's comprehensive solutions in mobile banking & payment and digital content protection;
- Meontrust's Security as a Service (SECaaS)<sup>1</sup> business offering demonstrates the potential to augment other Inside Secure products with service based offerings;
- Strengthens Inside Secure's portfolio of products to address the significant market opportunity of PSD2;
- Offers short-term upselling opportunities with Inside Secure's current customers.

Amedeo D'Angelo, president and chief executive officer of Inside Secure, commented: *“The fundamental trend in our industry is to provide leading-edge Security-as-a-Service (“SECaaS”). Customers are willing to pay an ongoing user fee for hosted services. Meontrust's unique technology, MePIN, provides strong critical authentication and authorization capability through SECaaS. This gives us the ability to enhance and extend our offer to our customers, protecting content and mobile applications for high-growth markets such as online payments and new-release movie distribution. It also enables our company to generate additional recurring revenues over time. This first acquisition following our strategic transformation is fully consistent with our objective to consider external opportunities that will strengthen our portfolio of technologies, products and solutions in high-profile markets such as IoT, mobile banking and mobile payment.”*

Markku Mehtälä, founder and chief executive officer of Meontrust, stated: *“Joining Inside Secure brings growth opportunities for both companies; MePIN has established an enviable position in the telecom authentication market and will effectively meet the needs of Inside Secure's financial services and content protection customers, as well as Inside Secure's own mobile and SECaaS products and roadmaps. The whole Meontrust team is looking forward to growing as part of the Inside Secure family.”*

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<sup>1</sup> SECaaS is a business model in which a service provider integrates their security offering into a corporate infrastructure on a subscription basis or “pay-per-use” more cost effectively than most individuals or corporations can provide on their own, when total cost of ownership is considered

Inside Secure acquired Meontrust in an all-cash transaction for a consideration of up to EUR 5 million, including, marginally, an earn-out payable in 2019 and 2020 subject to completion of certain business targets.

### **Conference call**

Amedeo D'Angelo, President and Chief Executive Officer of Inside Secure, and Richard Vacher Detournière, General Manager and Chief Financial Officer, will comment on the acquisition of Meontrust and will be available to answer questions during a conference call to be held on August 28, 2017 at 7pm CET / 6pm GMT / 1pm EST. To participate to the conference call, you may call the following numbers prior to the scheduled start time: +33 (0)1 72 00 15 10 (France) or +44 203 043 24 40 (United Kingdom) or + (1) 646 722 49 07 (USA), PIN: 26330594#. A replay of the conference call will also be available approximately two hours following the conference call.

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### **About Inside Secure**

Inside Secure (Euronext Paris – INSD) is at the heart of security solutions for mobile and connected devices, providing software, silicon IP, tools and know-how needed to protect customers' transactions, content, applications, and communications. With its deep security expertise and experience, the company delivers products having advanced and differentiated technical capabilities that span the entire range of security requirement levels to serve the demanding markets of network security, IoT security, content and application protection, mobile payment and banking. Inside Secure's technology protects solutions for a broad range of customers including service providers, content distributors, security system integrators, device makers and semiconductor manufacturers. For more information, visit [www.insidesecond.com](http://www.insidesecond.com)

### **About PSD2**

PSD2 (Payment Services Directive) was approved by the European Parliament and is coming into effect in 2018 with the main objectives of securing e-payments and expanding the financial services ecosystem within the EU and for global companies operating into and out of the EU. The PSD2 mandates the use of Strong Customer Authentication (SCA) to manage transactions between banks and new financial institutions, ensuring consumers' data and finances remains secure while opening financial markets to innovation and new services.

### **Forward-looking statements**

This press release contains certain forward-looking statements concerning the Inside Secure group. Although Inside Secure believes its expectations to be based on reasonable assumptions, they do not constitute guarantees of future performance. Accordingly, the company's actual results may differ materially from those anticipated in these forward-looking statements owing to a number of risks and uncertainties. For a more detailed description of these risks and uncertainties, please refer to the "Risk Factors" section of the registration document approved by the French financial market authority (the Autorité des marchés financiers – the "AMF") on March 28, 2017 under number D.17-0244, available on [www.insidesecond.com](http://www.insidesecond.com)