

PRESS RELEASE

## **Springtide Ventures and Rockaway invest into the Czech Startup ThreatMark**

**Prague, 30 June 2017 – ThreatMark s.r.o., a company that has developed a solution for mobile and web-based applications that provides effective protection against fraud and cyberattacks, has attracted two leading domestic investors. The Springtide Ventures Fund from the KKCG Group and the Rockaway Ventures Division of the Rockaway Investment Group have acquired a 32.2% stake in ThreatMark.**

The two investors intend to provide ThreatMark not only with financial backing, but also with know-how, and take part in the company's management and assist it with market entry in other European countries as well as in the U.S. and Asia.

ThreatMark was established in Brno two years ago as a laboratory specializing in the development of solutions for cybersecurity and protection against online fraud. The company's products are the response to the insufficient security of online applications and, more importantly, the fact that the security of their users continues to be neglected. Apart from developing proprietary security solutions, ThreatMark conducts research into malware detection, artificial intelligence, and behavioral biometry, and applies the results of its research activities into the production environment, banking systems in particular.

Thanks to its robust nature, the system developed by ThreatMark is able to compete with established brands on the fraud detection market. The unique features and the company's innovative approach to rapid integration helps to gain competitive advantage. ThreatMark's solution processes hundreds of parameters that define clients' actions when opening a new account online, during the logon process, and also helps to protect users during their interaction with the applications. It analyzes hundreds of connection, device and session parameters and measures the interaction of the users with the device and the application. This in combination with action context and transaction content analysis is used to predict high-risk operations, detect hacker attacks against payment systems, and prevent unauthorized access to online accounts in mobile and web-based applications. The solution also allows banks to comply with the legal requirements under the PSD2 directive.

ThreatMark currently operates in the Czech Republic, Poland, Slovakia, and the United Kingdom.

During its beginnings, ThreatMark was assisted by the Cleverlance Group, a Czech IT corporation that acted as a seed investor, and provided ThreatMark with the necessary starting capital and access to the Czech and Slovak markets through its subsidiary AEC, a.s. AEC acted as ThreatMark's system integrator and brokered contacts to its established clients in the financial sector. Cleverlance will continue to hold an ownership interest in the company.

*"ThreatMark has developed a system that very effectively detects the entire spectrum of fraud and current attacks against online applications. Thanks to its robust nature, the product is able to compete with established brands on the fraud*

*detection market, and the company's innovative approach facilitates fast integration into existing IT systems," explained AEC's CEO and ThreatMark's co-founder Tomáš Strýček.*

By acquiring a stake in this Czech startup, Springtide Ventures has demonstrated adherence to its strategy of investing into Central European and Israeli companies with a potential to operate on the global scale and succeed on advanced markets, particularly in Europe and in the U.S. As in other projects, the fund plans to take advantage of its strengths: the KKCG Group's size and resources, effective management system, IT expertise, base of operations in the heart of Europe, and experience with expansion to global markets.

*"We find ThreatMark attractive because of its products and the market it targets. The number of attacks against services that require online login grows every year in terms of their frequency, extent, and seriousness. For instance, while as much as 200 million dollars was stolen from online accounts in the United Kingdom alone in 2014, the sum grew by another 25% one year later. At the same time, a significant portion of attacks remain undetected for a long time, in part due to their increasingly sophisticated nature,"* said Executive Director of Springtide Ventures Marek Jablonský.

*"For most startups, venture capital is the holy grail. We've succeeded in reaching this milestone, thanks to the hard work and expertise of the entire ThreatMark team. The new capital as well as the extensive experience of our partners will allow us not only to accelerate the development of our product, but also, and more importantly, to boost business activities on foreign markets,"* added Michal Tresner, Executive Director and one of the founders of ThreatMark.

For the Rockaway Investment Group, the transaction adds another company to the startup portfolio of the Rockaway Ventures Division. The decision to buy into ThreatMark was based on the company's team of technology experts and unique solution with high global scaling potential. The transaction has been overseen by Andrea Lauren, a Rockaway Instrument Partner and fintech specialist who has recently joined the group's management.

## **SPRINGTIDE**

### **Springtide Ventures**

Springtide Ventures is an investment fund specializing in companies with global ambitions whose products and services are based on or closely related to information technologies (IT), mainly in such areas as digital marketing, geoinformation systems, online gaming, cloud infrastructure, cybersecurity, and big data. To date, Springtide Ventures has invested into six Czech and Israeli companies. In the forthcoming years, the fund plans to invest to the tune of EUR 40-60 million.



### **KKCG Investment Group**

KKCG is an international investment group with assets worth EUR 2 billion and more than 2,500 employees. The group's long-term investment strategy focuses on crude oil and natural gas production, lotteries, tourism, and investments into new technologies. KKCG holds stakes in more than 25 Czech and foreign corporations, including MND Group, SAZKA Group, DataSpring, SafeDX, VÍTKOVICE, FISCHER Travel Group, and others. KKCG operates in 10 countries worldwide.

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### **Rockaway Capital Investment Group**

The vision of Rockaway Capital is centered on building Internet-based economy through value added. Rockaway currently follows two main investment strategies. The first one consists of buying into regional companies with a strong position and a proven business model, including the likes of Invia, Heureka, Chytrý Honza, or Mall Group, which operate on 15 European markets. The second strategy consists of providing backing to technology startups with global ambitions through the Rockaway Ventures Division. Rockaway is headed by Jakub Havrlant who founded the group in 2013 to pursue his investment activities.

## **Cleverlance**

### **Cleverlance Group**

The Cleverlance Group brings together Czech IT companies that operate on the international level in providing consulting, solutions, and services with a focus on finance, telecommunications, utilities, and public administration. The group includes Cleverlance Enterprise Solutions, AEC, TrustPort, CTS TRADE IT, and Cleverlance H2B. The business of Cleverlance Enterprise Solutions centers on supporting business processes and offering innovative services through the implementation of effective SW solutions.

## **AEC**

### **AEC**

Since its establishment in 1991, AEC has been one of the leading Czech providers of products and services for data and information security. AEC offers security solutions produced by such global leaders as Check Point, RSA, Tenable, McAfee, FireEye, Forcepoint, IBM, and Kaspersky. The company's portfolio of information security services includes risk analytics, penetration tests, implementation of security processes, and other specialized services. AEC has been a member of the Cleverlance Group since 2008.



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