



HAWK AI ACCELERATES GLOBAL EXPANSION WITH \$17 MILLION SERIES B

Munich, January 26, 2023 - Hawk AI, Germany's leading provider of anti-money laundering (AML) and fraud prevention technology for banks and payment companies, announced \$17M in Series B financing to accelerate product development and global expansion. The funding round was led by Sands Capital from Washington D.C., with participation from new and existing investors, including DN Capital, Coalition, BlackFin Capital Partners, and Picus Capital.

Hawk AI helps financial institutions fight financial crime. Powered by Explainable AI and based on flexible cloud infrastructure, the company's surveillance platform helps financial institutions detect and prevent the financial crime that other systems miss while it supports efficient investigation of suspicious account behavior in a user-friendly case management environment.

"My co-founder Wolfgang Berner and I started this business based on the strong belief that only leading-edge, real-time surveillance technology can deliver the change needed to fight financial crime. This contrasts the obvious, drastic deficiencies in legacy technology. Hawk AI's growth will continue to be fueled by industry-wide demand for AI, Cloud outsourcing, and a convergence of Fraud and AML technology. This funding will allow us to reach our ambition to become the leading global surveillance platform faster," said Tobias Schweiger, CEO and Co-Founder of Hawk AI.

"Financial crime has historically been challenging to identify due to the complexity of financial structures and regulations. Hawk AI's sophisticated technology and use of explainable artificial intelligence present critically needed straightforward solutions for institutions across the payments landscape," said Chris Eng, Principal at Sands Capital. "Hawk AI is a leader in creating a more secure financial ecosystem, and we are excited to partner with their team as they continue to expand their platform globally."

"As financial crime grows in volume and sophistication, and payments are completed in real-time, financial services companies need to upgrade their anti-fraud and money laundering infrastructure. Incumbent platforms have expensive on-premise deployments, cumbersome UX, and generate thousands of false positives for compliance analysts to screen, creating an expensive regulatory liability. Hawk AI's cloud-native infrastructure and practical application of machine learning are solving the cost and compliance challenges in financial services," said Guy Ward Thomas, Partner at DN Capital.



“We invested in Hawk 18 months ago based on their strong vision for revolutionizing the fight against financial crime. It has been a pleasure seeing that vision realized through further Fraud and AML product development, onboarding of large international customers, and revenue growth. We look forward to their continued future success and will keep on supporting the team in this direction,” said Maxime Mandin, Investment Director at BlackFin Capital Partners.

Money laundering and fraud are significant economic and societal problems. More than \$2 trillion is laundered annually, fraud losses in the US were over \$41 billion in 2022, all while fraud has increased by more than 37% in high-growth markets over the last 12 months. Financial institutions are under constant pressure to improve their transaction monitoring, screening, and customer due diligence initiatives to protect their business. Augmenting traditional rule-based systems with Explainable AI allows such institutions to find more cases of financial crime while drastically reducing the burden of false positives that overwhelm internal teams.

Hawk AI is led by industry experts that have successfully built payment firms and digital banks. The company experienced 298% year-over-year revenue growth in 2022, recently won the coveted Fintech Germany award, and added Singapore to its global presence spanning Munich, London, New York, San Francisco and Paris. Hawk AI operates in more than 60 countries across Europe, North America, Asia, and Latin America, processing billions of transactions for customers including large financial institutions and listed entities. The company partners with leading firms including VISA and Diebold Nixdorf, and more than 40% of Hawk AI's revenue originates from the USA.

About Hawk AI

Hawk AI helps banks, payment companies and Fintechs fight financial crime with AML and fraud surveillance. Powered by explainable AI (patent-pending) and cloud technology with a core focus on information sharing, Hawk AI improves the efficiency and effectiveness of anti-financial crime teams. Fully modular, cloud-native, and enhanced with machine learning, Hawk AI makes customer and transaction surveillance more efficient and ensures regulatory compliance. Using traditional rules combined with artificial intelligence to detect suspicious behavior in real-time, Financial Crime specialists can investigate true instances of suspicious activity. The solution drastically reduces false positive rates by over 70% compared to legacy AML/CFT solutions. Founded in 2018 by experienced Fintech veterans, the company has scaled globally, processing billions of transactions across 60 countries. Hawk AI works with leading financial institutions and partners such as North American Bancard, Moss, Banco do Brasil Americas, Mambu, Visa, and Lexis Nexis.



Media Contact

Chaneigh Bernard, Prosek Partners

Cbernard@prosek.com

+1 646 818 9274