



Ajax Systems attracts \$10 million investment from Horizon Capital's new fund EEGF III

PRESS RELEASE

March 29, 2019 – Kyiv, Ukraine: Horizon Capital, a U.S. private-equity firm investing in high growth export-oriented and domestic companies in Ukraine and the near region, and Ajax Systems, a leading producer of smart security systems in Ukraine, have announced that Horizon Capital's latest \$200 million fund, Emerging Europe Growth Fund III, LP (EEGF III) has acquired a minority stake in the Company for \$10 million. EEGF III's investment was made through the purchase of a portion of the shares held by SMRK, an early-stage financial investor in Ajax Systems, and a portion of the shares held by Company management.

Founded in 2011, Ajax Systems is one of Europe's leading professional security systems manufacturers. Today, the Company's products are sold in over 75 countries world-wide. Ajax Systems enjoys an impressive track record of revenue growth and profitability and is well-positioned for continued expansion given the smart home security market is projected to grow by 25% per year to \$24 billion by 2022.

"We are honoured to partner with Alexander Konotopskyi, Ajax Systems' talented founder and their impressive management team, and look forward to contributing to the Company's continued success in the years ahead. We were attracted to this Company by Alexander's vision, the stellar results achieved, their innovative product offering and success in serving customers both in Ukraine and in international markets", said Lenna Koszarny, Horizon Capital's Founding Partner and CEO. "This deal fits very well into our investment thesis of backing Ukraine's new generation of visionary entrepreneurs. These are young men and women who dare to be bold, who take an idea and put their energy, skills and passion behind it, who leverage the talents of top-rate professionals within Ukraine and develop world-class products that compete on a global stage. Horizon Capital looks forward to supporting Ajax Systems in its pursuit of excellence and quest to become a true global champion."

"We are thrilled to welcome Horizon Capital as our partner in Ajax Systems. Our Company has been successful in launching our products in international markets and we are confident that through our collaboration with a reputable and experienced fund as Horizon Capital, we will reach even greater heights in the future. The partnership with Horizon Capital is truly an important milestone in achieving our aspirational targets and ambitious growth plans," – commented Alexander Konotopskyi, Founder & CEO of Ajax Systems. "Our results achieved to date would not have been possible without the tremendous commitment to quality, high performance levels, hard work and sense of mission of our strong team, as well as the early backing of SMRK. Ajax Systems has been growing at a tremendous rate with over 70% of revenue coming from export sales to over 75 countries, predominantly the European Union. We are blessed that the foundation of our team are world-class Ukrainian engineers and developers who take enormous pride in their work and the products that we develop. We are committed to continue our international expansion for the benefit of our employees, customers and shareholders. We look forward to expanding Ajax Systems' position as a global leader in the security market."

"This deal sends a strong and clear message about investment opportunities in Ukraine, both for venture capital and private equity investors. We expect the Ajax Systems example to encourage more Ukrainian entrepreneurs to found start-ups, in order to achieve even greater success", said Andriy Dovzhenko, the Managing Partner of SMRK.

Ajax is the most awarded wireless security system in Europe, recognized for its revolutionary design and high-quality standards with the titles of "Intruder Alarm of the Year" (Security & Fire Excellence Awards), "Best Innovative Product" (MIPS Securika), silver medal for Security & Firefighting Risks (Expoprotection), and finalist at Intersec. The Company's entire production and R&D team are based in Ukraine.

Ajax Systems (<https://ajax.systems>) is a fast-growing home security equipment company with 100% of its production in Ukraine. It was founded in 2011 by Alexander Konotopskyi. Today, the Company employs over 500 people, nearly 20% focused on R&D. Products are developed and manufactured in Ukraine. Ajax Systems wireless security systems are on the cutting edge of technology and science, with 5 patents to date. Ajax Systems product line includes over 20 devices for protection of premises and adjacent territories, fire safety, flood protection, and offering home automation and integration of video surveillance.

Horizon Capital (www.horizoncapital.com.ua) is the leading private equity firm in Ukraine, backed by over 40 institutional investors in four funds. Led by Founding Partners Lenna Koszarny and Jeffrey C. Neal and Senior Partner Denis Tafintsev, Horizon manages over \$850 million in assets from investors with a capital base exceeding \$350 billion. Its Ukraine-focused funds have invested over \$650 million in 140 companies employing over 46,000 people in Ukraine and the near region. Horizon Capital is a value-added investor, backing visionary entrepreneurs leading transformational businesses in Ukraine and the near region.

SMRK (<https://smrk.vc>) is a Ukrainian venture fund founded by Andriy Dovzhenko and Oleksandr Kosovan in 2013. The Fund is focused on both seed and pre-seed stages investing from USD \$100,000 and up to \$1 million per investment. The Fund has concluded 12 deals to date and continues to invest into promising start-ups founded in Ukraine.