



FUSE —  
CAPITAL

# CASE STUDY

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GLASSWALL

2023

# Meet Glasswall

Glasswall is a leading cybersecurity company specialised in safeguarding organizations against advanced threats delivered through malicious files. Their innovative technology focuses on file-based threats, ensuring the secure transfer and storage of various file formats commonly used in data exchange. Glasswall's flagship product, Content Disarm and Reconstruction (CDR) software, rebuilds files based on known-good elements, eliminating potential threats and mitigating risks associated with malware, ransomware, and zero-day exploits.



# Unique Value Proposition & Market Presence

Glasswall's CDR technology sets them apart from legacy cross-domain solutions that rely solely on malware detection. By sanitizing and reconstructing files to the manufacturer's published "known good" specification, Glasswall eliminates all known and unknown threats within milliseconds. The company's scalable platform enables industrial-scale file processing, attracting major government contracts, solidifying its market position. Glasswall offers its solutions mainly (95%) using partner organisations. By having partners implement the Glasswall solution and providing support as needed, it reduces overhead and improves sales efficiency. The responsibility of engaging in long-term sales channels lies with the partners, while Glasswall benefits from the upside.

## How Glasswall CDR removes risks

### 1. Inspect

Breaks the file down into its constituent components. Validates the file's structure against the specification.

### 2. Rebuild

Non-conforming file structures that fail validation are rebuilt in-line with the file's specification.

### 3. Clean

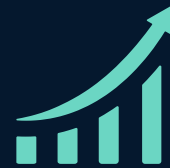
Removes high-risk file structures that contain active content, based on a configurable policy.

### 4. Deliver

Semantic change ensure the file integrity. The safe and the visually identical file is ready to use.

# Growth Opportunities & Use of Funds

Glasswall sought private/venture debt financing to address specific challenges and seize opportunities. Key focus areas included securing capital for growth and marketing. Glasswall, on top of having secured very important government contracts, has also built up a significant pipeline. Hiring talented individuals to capitalize on these opportunities, and scale up from there, was the primary driver of this deal. Furthermore, bolstering the balance sheet with additional cash would enable Glasswall to pursue larger contracts successfully



209% ARR in the last 18  
months

**£40m**

capital raised  
(equity)

CDR Market Size

**\$1B+**

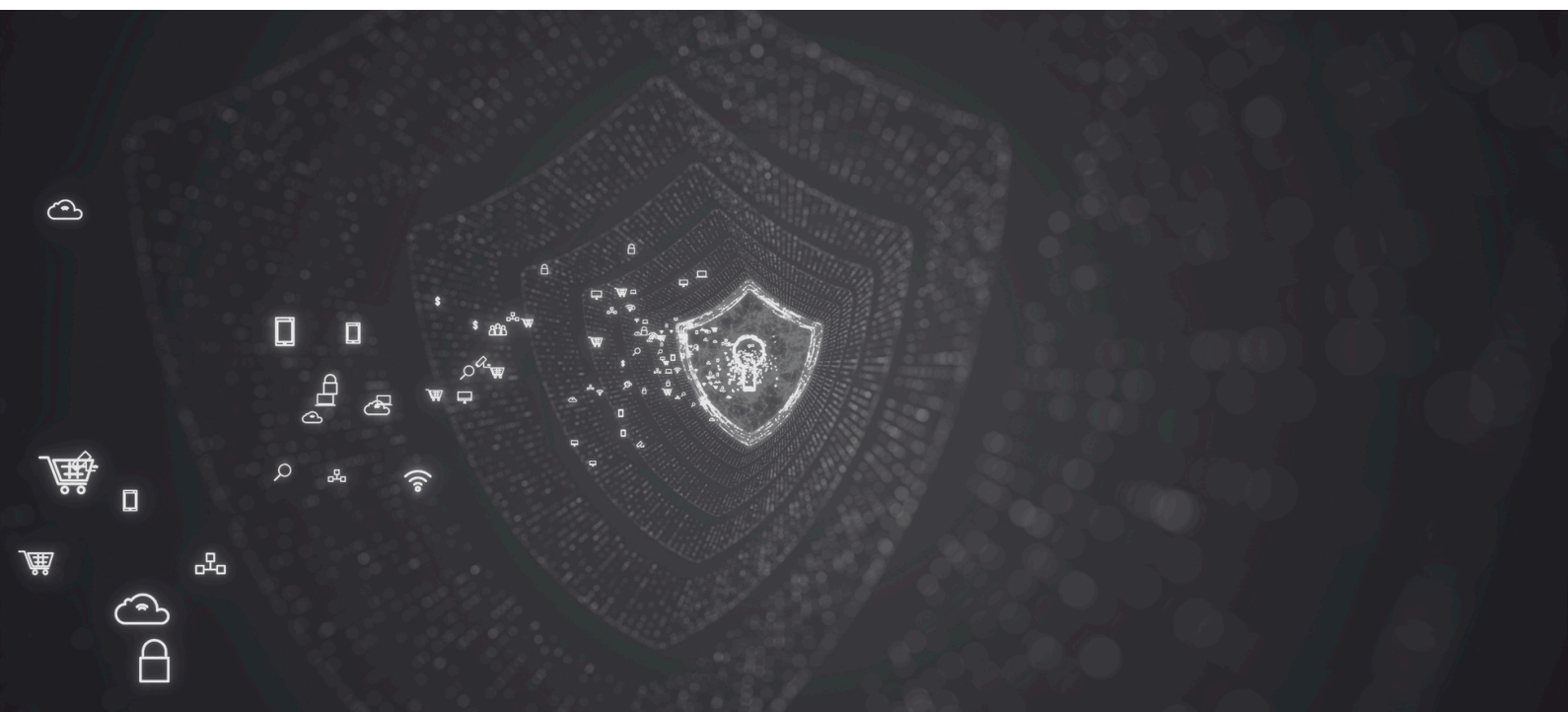
capital raised  
(equity)

# Why They Chose Fuse Capital

Although Glasswall possessed the necessary expertise to pursue financing independently, they chose to work with Fuse Capital. Fuse Capital's close relationship with HSBC facilitated smoother communication and negotiations, freeing up Glasswall's resources. Fuse Capital aided in developing a solid base case, understanding & negotiating covenant, and providing quicker deliverables – all of which proved invaluable to the overall process. This allowed the senior team at Glasswall to get on with what they do best, running their company while Fuse Capital did all the heavy lifting.

# Challenges in Finding Suitable Lenders

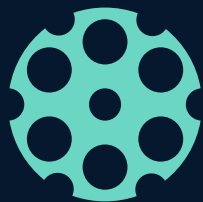
The challenge was finding the right lending partner with the correct debt structure. This is because there was no immediate requirement for funding, so balancing costs, flexibility and availability of funds when needed, was key. To ensure we have right partner, we secured five offers of funding.



# Presentation and Negotiation Complexities:

During the presentation and negotiation process, Glasswall faced complexities specific to its business. Identifying suitable lenders was a challenge due to the differing structures of the offers received. Revolver Deals To alleviate this, Fuse Capital created a comprehensive model that simulated cash flows, drawdowns, and repayments, aiding the client in making informed decisions. Ultimately, HSBC's offer stood out, primarily due to the flexible structure of the debt deal, including a "revolver" option that provided borrowing flexibility. And importantly, the final offer did not have any warrants.

## Revolver Deals



A revolver debt deal offers flexibility by allowing the borrower to withdraw funds as needed and replenishing the available credit as repayments are made.

Interest is charged on the outstanding balance, and the facility can be renewed or terminated after a predefined duration.



# Areas Where Fuse Capital Provided The Most Help

In order to address this problem Working Voices engaged with Fuse Capital to find private debt funding solutions. “Fuse Capital’s experience working in the private debt market gave us confidence that we could source the growth funding we needed without restrictive covenants or diluting our equity” said FD of Working Voices Stephen Furner. “The process of working with Fuse Capital was professional and easy. They were committed to getting the deal done and their knowledge of our business and industry and the debt market meant they produced a high quality investment memorandum.”

**Speed of execution was key in making the deal efficient for all parties.**

Moreover, Fuse Capital’s support in understanding and negotiating covenants, developing a strong base case, facilitating effective communication, and delivering prompt results greatly contributed to the successful outcome.

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# Looking to raise capital that fuels, not slows—your growth?

Fuse Capital helps close the right deal at the right  
time, with the right partner.

Let's talk!



For more information or to discuss your funding needs, please contact us at:



[www.fuse-capital.com](http://www.fuse-capital.com)



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