

December 3, 2020



Kubient's KAI Identifies SynthNet Ad Fraud, Impacting Mobile App Ad Ecosystem

Fraud scheme targeting the mobile app space and evading detection from traditional linear fraud systems identified by KAI platform

NEW YORK, Dec.3, 2020 /PRNewswire/ -- [Kubient](#) (NasdaqCM: KBNT, KBNTW), the cloud advertising marketplace that enables advertisers and publishers to reach, monetize and connect their audiences efficiently and effectively, today announced the identification of previously undetected fraudulent synthetic network (SynthNet) designed to present web based or computer generated traffic as legitimate mobile application traffic coming from premium app publishers. The SynthNet fraud was detected through Kubient's Artificial Intelligence (KAI), an in-stream ad-fraud prevention tool that uses pattern recognition and device scoring to catch and identify fraud before it happens. The result was a significant amount of fraudulent website and computer traffic being transmitted that claimed to come from mobile sources like The Washington Post, Weather Underground, and a mixture of apps in other categories such as gaming, entertainment, utilities, shopping, and food.



SynthNet is a Central Control System (CCS) bot, meaning it doesn't infect devices or make calls from third party networks, but rather it is deployed directly by the fraudsters on their own systems. These bad actors use it to sell fraudulent traffic as a video ad placement which offers a higher payout to the publisher compared to traditional display advertising. To deploy SynthNet at large scale and have wide saturation across the United States, SynthNet used a Cloud Service Broker (CSB). The service enabled SynthNet to be deployed across multiple cloud providers such as AWS, Google and Azure without needing a direct account with the services and it allows them to continue to operate and deploy if they are disabled from any single provider.

"Bad actors are getting smarter about finding ways to send false impressions," said Paul Roberts, Interim CEO and founder of Kubient. "We continue to urge advertisers to be cautious of the partners they allow into their tech stacks and remain skeptical about suspicious activity or CPMs that appear to be too good to be true. As ad budgets are still recovering due to COVID-19, it's important that media buyers are buying quality inventory and are catching fraud as soon as possible."

The KAI algorithm is trained to analyze the behavior, consistency, and quality to determine audience credibility - accurately flagging fraud within the 300 milliseconds time frame of a programmatic advertising auction. In fact, Kubient's technology catches it in less than 10 milliseconds, which the company believes is faster than any other tool on the market. In the case of SynthNet, Kubient saw two things in a routine analysis of KAI:

- Fingerprint device information called "User Agents" that were being used in the auction requests which were many versions passed the current iterations of the web browsers they portrayed; and
- The same "User Agents" were in fact Mobile Web traffic, yet the criminals were attempting to sell the advertising impressions as Mobile App traffic.

"Fraudsters have devised simplistic yet agile systems that allow them to do less work but achieve maximum impact while evading typical anti-fraud measures," stated Roberts. "KAI technology goes beyond the narrow scope our competitors are relying on and allows us to weed out this new crop of criminals quickly before our clients spend any money."

Following the unveiling of the fraud, Kubient reached out to the three companies that had been impacted by the invalid traffic and is working to future proof their ad operations moving forward.

This discovery comes on the heels of the Kubient Fraud Prevention Team also discovering [Weasel Fraud](#) in October. To learn more about Kubient and read the full white paper, view the [Weasel Fraud White Paper](#).

About Kubient

Kubient is a technology company with a mission to transform the digital advertising industry to audience-based marketing. Kubient's next generation cloud-based infrastructure enables efficient marketplace liquidity for buyers and sellers of digital advertising. The Kubient Audience Cloud is a flexible open marketplace for advertisers and publishers to reach, monetize and connect their audiences. Kubient's platform provides a transparent programmatic environment with proprietary artificial intelligence-powered pre-bid ad fraud prevention, and proprietary real-time bidding (RTB) marketplace automation for the digital out of home industry. The Audience Cloud is the solution for brands and publishers that demand transparency and the ability to reach audiences across all channels and ad formats. For additional information, please visit www.kubient.com.

Forward-Looking Statements

The information contained herein includes forward-looking statements. These statements relate to future events or to our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. You should not place undue reliance on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could, and likely will, materially affect actual results, levels of activity, performance or achievements. Any forward-looking statement reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We assume no obligation to publicly update or revise these forward-

looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future. The safe harbor for forward-looking statements contained in the Securities Litigation Reform Act of 1995 protects companies from liability for their forward-looking statements if they comply with the requirements of the Act.

Kubient Public Relations

Clarity PR

Molly Gagnon

T: 1-646-934-6924

kubient@clarity.pr


Kubient Investor Relations

Gateway Investor Relations

Matt Glover and Tom Colton

T: 1-949-574-3860

Kubient@gatewayir.com

 View original content to download multimedia <http://www.prnewswire.com/news-releases/kubients-kai-identifies-synthnet-ad-fraud-impacting-mobile-app-ad-ecosystem-301185234.html>

SOURCE Kubient