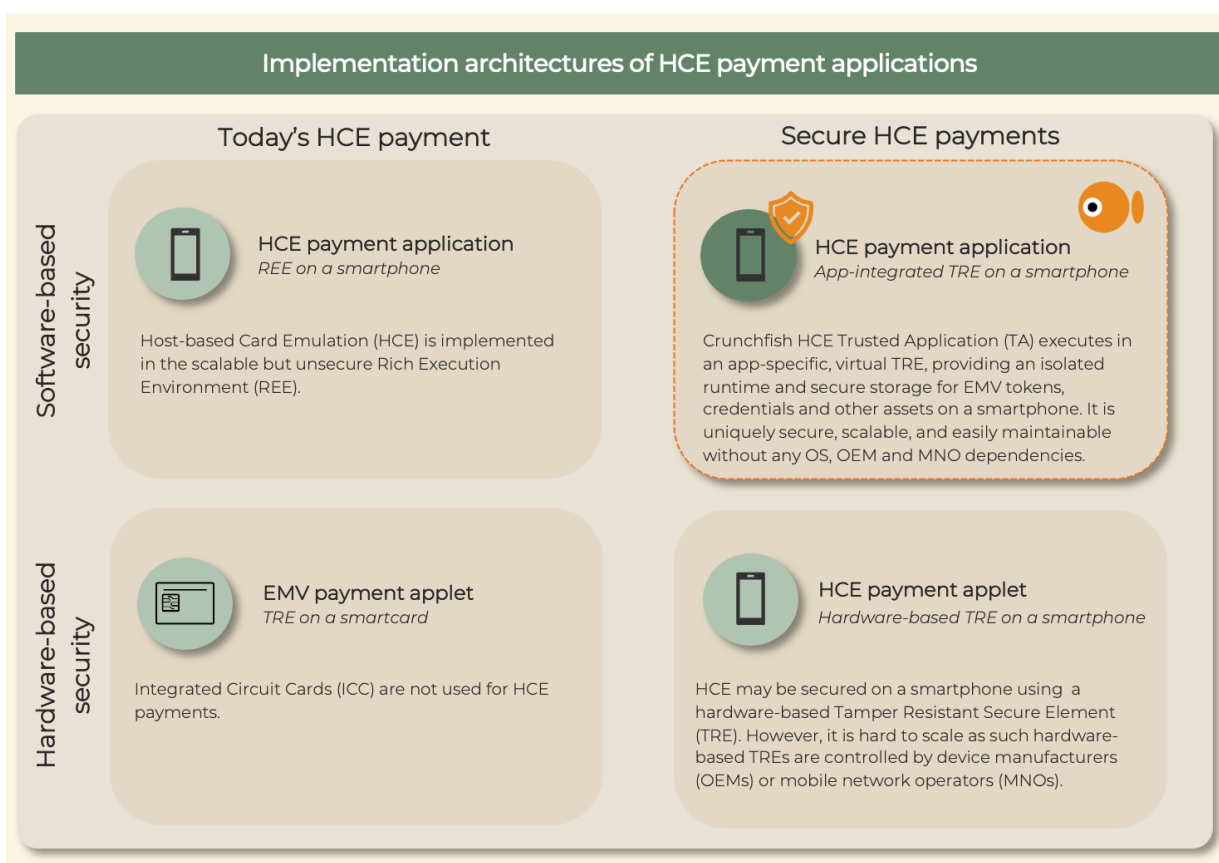


Crunchfish enables secure and scalable mobile card payments

Crunchfish AB ("Crunchfish") broadens the Digital Cash solution by patenting secure and scalable mobile wallets using Host-based Card Emulation (HCE) for online as well as offline EMV payments leveraging virtual secure elements. This patent-pending application is of strategic importance for Crunchfish as it extends the company's total addressable market and the near-term revenue opportunities considerably as mobile wallets with tokenized HCE payments is the major digital payment method in the world, with almost 5 billion mobile wallets at the end of 2023.



It is a challenge to add secure HCE payment capabilities to payment applications on smartphones. Payment applications running on smartphones are implemented in software-based Rich Execution Environments (REEs), which provide high level of scalability but have security issues for HCE payment applications. EMV tokens, credentials and other HCE assets are not safe from attacks. To be truly secure, HCE payments must be implemented as a Trusted Application (TA) within a Tamper Resistant Element (TRE) that protects the TA with an isolated secure runtime for storing of EMV tokens, credentials, and other HCE assets.

A key consideration for establishing the required additional security with maintained scalability is how the TRE is implemented. It could either be implemented in hardware or software. HCE payments implemented in a hardware-based TRE are hard to scale as such TREs are controlled by device manufacturers (OEMs) or mobile network operators (MNOs). A software-based virtual TRE adds the required additional security whilst maintaining the desired scalability as it is easily deployable and maintainable on all smartphones, without any OS, OEM, or MNO dependencies. Furthermore, Crunchfish's novel approach for HCE payments has the potential to enrich HCE payments by adding novel use cases, e.g. offline, scan and pay and P2P payments.

"This innovation is a significant milestone for Crunchfish as it positions Crunchfish as a disruptive technical provider within the mainstream mobile card payments. The total addressable market and near-term revenue opportunities for Crunchfish are significantly increased by adding HCE payment capabilities to our secure and scalable Digital Cash solution for offline payments.", **says Joachim Samuelsson, Crunchfish's CEO.**

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This information is such information as Crunchfish AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on March 27th, 2024.

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About Crunchfish – crunchfish.com

Crunchfish is a deep tech company developing a Digital Cash platform for Banks, Payment Services and CBDC implementations and Gesture Interaction technology for AR/VR and automotive industry. Crunchfish is listed on Nasdaq First North Growth Market since 2016, with headquarters in Malmö, Sweden and with a subsidiary in India.