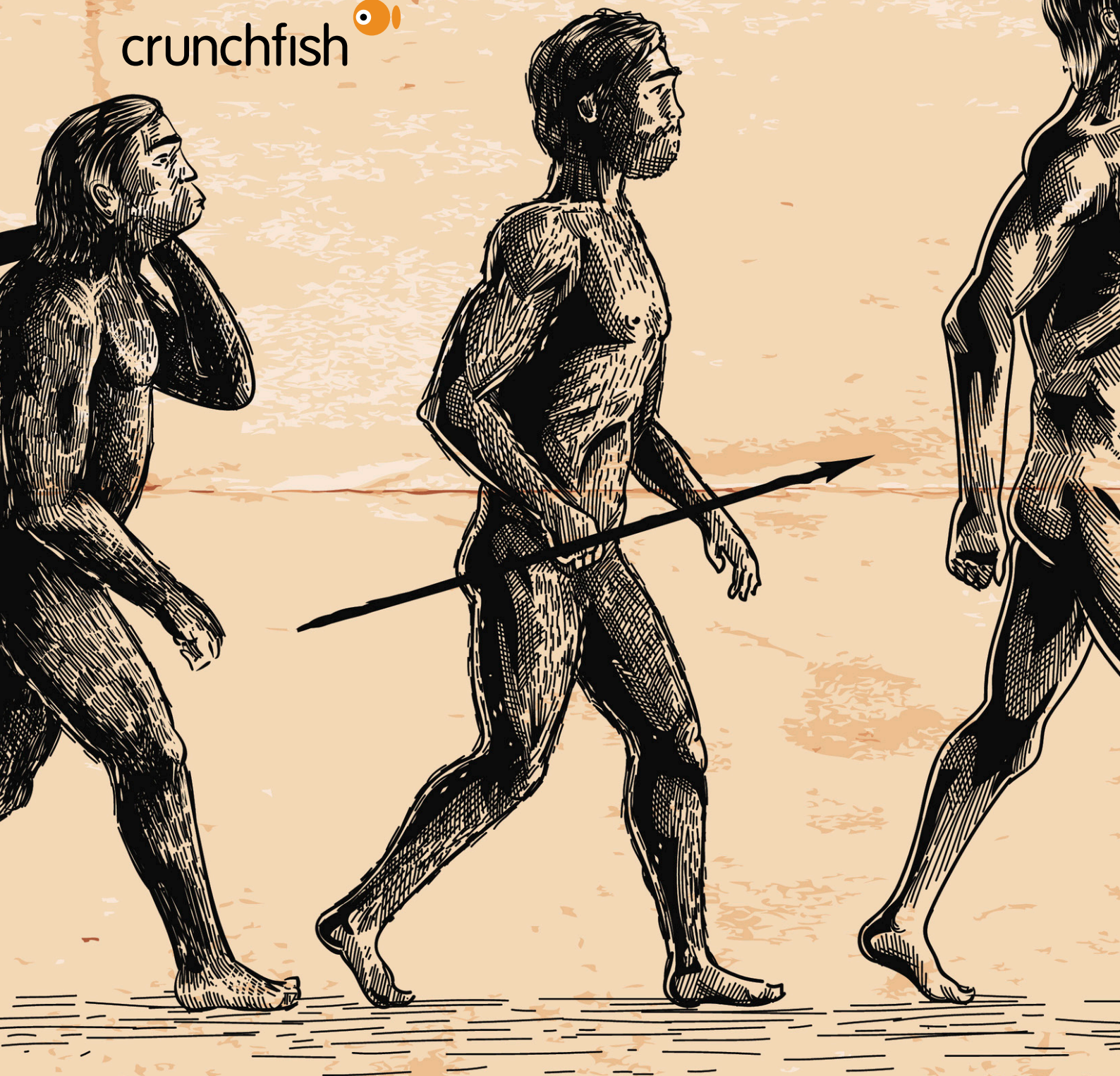


crunchfish 



Invitation to exercise warrants of series T09

Subscription period 5 - 19 December 2022

Important notice: Subscription and payment for the new shares should take place well before December 19, 2022, as different nominees have different processing times. Warrants that are not exercised on December 19, 2022, at the latest or sold on December 15, 2022, at the latest will expire without value.



Big deals are coming

Joachim Samuelsson
CEO Crunchfish AB



Crunchfish is engaged in two of the world's hottest technology areas - digital payments and advanced imaging - and is at the forefront of both. In digital payments, Crunchfish markets Digital Cash, a proprietary and patented technology that enables payment services to work offline. This is a major innovation as today's digital payment services, whether based on card, real-time or crypto payments are essentially online systems. In advanced image processing, Crunchfish Gesture Interaction focuses on AR/VR and the automotive industry through proprietary AI technology with extremely good accuracy and performance. Again with patented inventions.

Crunchfish has announced several significant customer deals during the year. In Digital Cash, the pilot with India's leading bank led by the RBI is very important. Recently, two African opportunities have been announced as well. Firstly, an evaluation of Digital Cash by the Central Bank of Nigeria for their digital currency eNaira, and secondly, a partnership where Crunchfish will deliver the mobile payment solution with offline functionality to mobile operators. There is also a letter of intent for a directed share issue of three million shares to the partnership's investment company. The investment, to be made at market value in the first quarter, will finance Crunchfish for a long time if the deal goes through.

In Gesture Interaction, Crunchfish has announced a customer agreement with Chinese Lenovo for smart AR glasses, one of the world's largest electronics manufacturers, with a small upfront payment and a variable revenue per unit manufactured. A similar deal has also been signed with Chinese Ximmerse, also in AR. Recently, Crunchfish signed a two-year agreement with Chinese

Oppo, one of the world's largest mobile phone manufacturers, for gesture control of mobile phones and tablets. This agreement included an upfront payment of \$500,000, enabling Crunchfish to report positive EBITDA in the third quarter.

Why do we rely on the net to pay?

Paying digitally is convenient and the transition from physical cash to digital payments is rapid. The Covid-19 pandemic pushed digitalisation even further as many people did not want to touch cash anymore. However, cashless societies become vulnerable and totally dependent on the functioning of connectivity and payment services servers.

Digital payments come in many forms. Card solutions compete with real-time payments and pre-deposit mobile wallets. In parallel, central banks are exploring CBDC - Central Bank Digital Currency - to digitise currency and thus avoid being marginalised as physical cash disappears. The common denominator of these payment solutions is that they rely on internet connectivity. Crunchfish Digital Cash breaks that dependency and makes all types of payment services more robust because they work even if the payer or banks are offline.

To make payment services robust, we need to move away from the need for connectivity and towards the good qualities of cash - it always works, it's easy to use and the payer can be private. This must be safeguarded as cash goes digital. This is where Crunchfish's innovative thinking and patent-pending three-step distinct payment process - Reserve, Pay, Settle - is a complement that enhances all the world's payment services. There is huge interest in Crunchfish Digital Cash, not least demonstrated by the

interest from India's and Nigeria's leading central banks. Crunchfish Digital Cash has the potential to be an ecosystem innovation with banks and payment services worldwide as customers.

How can a computer understand gestures?

Crunchfish develops AI technology for gesture control with exceptional performance, optimised for augmented and virtual reality (AR/VR) and the automotive industry. Using advanced image processing and training a computer with millions of annotated images, algorithms are created that allow a camera to make electronics understand gestures and translate them into commands. Gesture control makes it possible to interact with electronics at a distance or when, for example, a touch screen or physical buttons are unavailable. Screen interaction in vehicles is an example where Crunchfish solutions can be applied for both convenience and increased driving safety. AR is another area that will drive the development of gesture control in the future. Through gesture control, AR users can interact with virtual objects and control user interfaces projected in front of their eyes.

Crunchfish has several different gesture control products for different hardware and applications. All in high demand. Crunchfish XR Skeleton Stereo is optimized for the high-end AR/VR market, using dual cameras and supporting two-handed interaction with high precision and performance. A similar product exists for AR/VR products with only one camera sensor and this XR Skeleton product was also recently launched with two-handed interaction for the best possible user experience. This newest solution expands the market opportunity further in gesture control.

Why invest in Crunchfish?

Crunchfish has patented cutting-edge technology in two of the world's fastest-growing technology areas. In 2022, the company has received initial deals and indications that big deals are coming. The company is extremely scalable with low costs and huge revenue potential. Crunchfish is well-funded through the conversion of TO9 in December which provides the company with approximately SEK 23 million if fully subscribed. The company has also announced a directed share issue within three months of three million new shares at market share price. Based on the November 2022 closing price of SEK 22, the company will receive an additional SEK 66 million if the agreement is completed. The company has a highly competent, committed management team and a stable, long-term ownership base. The train has not yet departed! Crunchfish's IPO share price in 2016 was SEK 15; at the last year-end and financing round, the share price traded at SEK 25.

Where to find more information about Crunchfish?

The Crunchfish website contains a lot of information divided into two business areas Digital Cash and Gesture Interaction. All news can be searched using a flexible search engine. Crunchfish communicates mainly in English. Investors have their own tab on the website where annual and quarterly reports are available. They are very informative. The annual report is written in Swedish, while the quarterly reports are in English. There are also investment memorandums under the heading Equity Raises. They are written in Swedish, such as the memorandum when the TO9 warrants were created through an issue where two TO9 warrants were obtained free of charge on purchase of three shares for SEK 25 each. The investor tab contains information on ownership structure, share price performance and governance information. As a service to investors, Västra Hamnen Corporate Finance offers commissioned analysis. The analysis is based on a discounted cash flow model and quarterly CEO interviews.

In the first half of 2022, the company hosted 22 hour-long webinars on Digital Cash, Gesture Interaction or the company. In 2020 and 2021, 55 half-hour interviews were conducted with internal and external people. The webinars and interviews containing very detailed information are in English and are available via links at the bottom of the home page. Prior to the conversion of TO9, Crunchfish CEO participated in two investor meetings that presented an overview of the company, once in English and once in Swedish. Links to these recorded presentations are linked among the news on Crunchfish website. There are also two external shareholder forums on Discord and Facebook where the company's development can be discussed with other shareholders.

Crunchfish is based in Malmö where the company management is located and all development takes place. The business is run from two wholly owned subsidiaries - Crunchfish Digital Cash AB for offline payments and Crunchfish Gesture Interaction AB for gesture control. The company has a subsidiary in India and offices in Stockholm. The company was founded in 2010 and employs 21 people.

How to exercise warrants of TO9

Terms	One (1) warrant of series TO9 entitles the holder to subscribe for one (1) newly issued share in Crunchfish.
Subscription price	SEK 13.40.
Subscription period	5 - 19 December, 2022.
Last day of trading	15 December, 2022.
Payment	At time of subscription.

Redemption of warrants

One (1) warrant of series TO9 in Crunchfish entitles the holder to subscribe for one (1) newly issued share in the Company.

One (1) warrant of series TO9.

Entitles the holder to subscribe for one (1) share in Crunchfish.

One (1) warrant + SEK 13.40 gives one (1) new share in Crunchfish.

One (1) warrant of series TO9 + SEK 13.40.

One (1) new share in Crunchfish.

Exercise of nominee-registered warrants (e.g. Avanza/Nordnet)

Holders of warrants who have their holdings nominee-registered (holdings in securities custody services, investment savings accounts (ISK) or endowment insurances) must notify the exercise of warrants by contacting their respective nominee and follow the nominee's instructions regarding subscription and payment. This should take place well before December 19, 2022, as different nominees have different processing times.

Payment according to nominee's instructions.

Exercise of directly registered warrants

Holders of warrants who have their holdings directly registered (holdings on a VP account) must notify the exercise of warrants by completing and submitting an application form for the exercise, so that the application form is received by the issuing agent, Nordic Issuing, no later than December 19, 2022. The application form is available on the Company's, the issuing agent's and Västra Hamnen Corporate Finance respective websites (www.crunchfish.com, www.nordic-issuing.se, www.vhcorp.se).

Payment must be received by Nordic Issuing no later than December 19, 2022.

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Contact

For any questions regarding warrants of series TO9, please contact Nordic Issuing, which acts as issuing agent to Crunchfish AB in connection with the exercise of warrants of series TO9.

Nordic Issuing

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