

Update

2022-03-31

Crunchfish: Business model crystalizing

- We add digital cash online and gesture for automotive to our forecast model
- At the same time, we revise expected rollout speed and risk adjustment
- On balance, we keep our valuation interval of SEK 41.60 – 66.20 SEK per share

Analysts

Alf Riple, CFA
073-840 4008
alf.riple@vhcorp.se

Jens Jacob Aabel Nordkvist
073-422 5876
jensjacob.aabelnordkvist@vhcorp.se

Stock ticker: CFISH
Industry: Technology
Listed on: Nasdaq First North
Latest stock price (SEK): 19,32
Market cap (MSEK): 644
Enterprise Value (MSEK): 611
Total number of shares (M): 30,93
- of which free float (M): 17,80

VHCF fair value per share
DCF model SEK 41.60 - 66.20

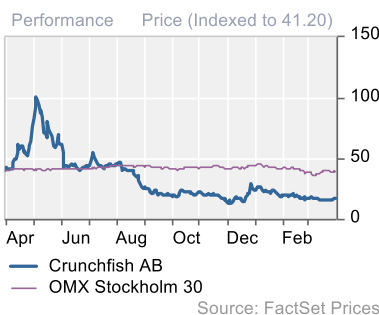
Crunchfish AB
Address: Stora Varvsgatan 6A
211 19 Malmö
Webpage: crunchfish.com
CEO: Joachim Samuelsson

Main owners (31 Dec 2021) Kapital (%)

Femari Invest AB	24,3
Corespring Invest AB	18,3
Paul Cronholm	3,5
Carlquist Holding AB	3,2
Nitrox Consulting AB	2,2

Stock price history

Crunchfish AB vs. OMXS30



	-1m	-3m	-12m
Change (%)	0,1	-25,6	-55,0
52 w k range (Low /Hi) - SEK	13,30 / 109,80		

Source: FactSet

After the increasingly detailed communication from Crunchfish recently, the design of its emerging digital cash business model has become much clearer. Its platform model enables online and offline payments on a plethora of devices. In addition, the company is getting firmer in its orientation of the gesture technology towards AR/VR glasses and automotive applications. We have therefore decided to completely redo our forecast model to account for these changes, which we present below. Our new forecasts and updated assessment of risk pull in opposite directions, but overall, we see no reason to change our valuation range for the company's shares of SEK 41.60 – 66.20 SEK per share.

Crunchfish has taken huge strides in its development of an architecture for digital payments. Its solutions answer many of the challenges that the future of payments is faced with, such as convenience, speed, security, robustness, interoperability and anonymity. We see a distinct possibility that Crunchfish's solutions could be adopted on a broad scale across the payment industry around the world. The possibilities are, in other words, enormous. Yet at the same time, experience has shown that it sometimes takes time for new opportunities to gain traction. In our new economic scenario and valuation model for the company, we have tried to capture both the opportunity and the uncertainty.

In the previous version of our forecast model, we considered offline digital payments to be a unique selling point for Crunchfish's solution, and that it would offer a new level of convenience for which the market would be willing to pay. Our forecast of digital cash revenues therefore included offline payments only. We assumed that the service would have an addressable market equivalent to half of the world's adult population, that it would yield an annual service fee to Crunchfish of SEK 50 per user, and that the market penetration at the end of the forecast horizon would have grown to 2 percent of the addressable market.

Table 1: Financial Overview

MSEK	2020	2021	2022e	2023e	2024e
Total revenues	23,2	20,3	21,3	60,7	170,0
Growth (%)	10%	-12%	5%	186%	180%
EBITDA	-17,6	-29,2	-32,4	-10,5	76,8
EBITDA margin (%)	neg	neg	neg	neg	45%
EBT	-25,3	-38,5	-44,0	-23,2	63,2
Cash holdings	8,7	32,8	14,9	5,0	52,7
Total assets	44,3	64,2	51,0	58,3	121,8
Total equity	34,8	55,8	40,9	47,7	110,9
Solidity (%)	79%	87%	80%	82%	91%
P/E	neg	neg	neg	neg	10,2
ROE	neg	neg	neg	neg	57%
EV/EBIT (x)	neg	neg	neg	neg	9,7
EV/Sales (x)	26,4	30,1	28,7	10,1	3,6

Source: Västra Hamnen Corporate Finance

To account for the risk in establishing a brand-new business model, we applied a risk factor of 50 percent to the estimated revenues accruing to Crunchfish in the scenario. Furthermore, we assumed that Crunchfish would start reaping revenues from this business already in H2 2022.

We add Digital Cash Online solution to our model

There are several reasons why we have found it necessary to rethink our model. The most important is that Crunchfish has communicated an online digital cash offering that has compelling attributes in its own right, either as a complement to the offline service in each market or as a standalone service. A second point is that our model was rudimentary in assuming Crunchfish would approach the whole global market all in one go, whereas the company now states a hierarchy of priorities with regards to geographic markets. A third point is that, while we sense that Crunchfish is in continuous discussions with payment providers in India already, it looks a tad optimistic to believe that revenues will start flowing already this year.

Crunchfish's payment solution solves some current issues

Before going into the specifics of our revised model, it is worth summarising what we see as the crucial attractions of Crunchfish's payment infrastructure. Let us start with the problem; commercial banks usually run their core banking systems, containing bank accounts and all associated functions, on decades-old systems. As banks have grown, merged, and developed new services, the systems have usually been patched rather than replaced for fear of losing some of the attributes of the legacy systems. As a result, core banking systems are massive in scale and slow in execution, unable to cope with the demands of modern banking. They are plagued with unplanned disruptions and downtime which makes instant payment validation impossible. A modern payment system must be able to handle near-instant processing of transactions from a multitude of payment rails as a continuous service without downtime.

Digital Cash Online operates alongside legacy systems

This is where Crunchfish's solution steps in, enabling banks to both keep the legacy systems with their existing features and access new capabilities. The innovation entails a new banking system to be built alongside the legacy banking system. The new one can be called Digital Cash Online (DCO) and run either on inhouse servers or in a secure public cloud. Participating customers retain their full account balances in the legacy system, but a portion of their account balance is reserved by the DCO, which is built to modern standards and can facilitate heavy loads at maximum speeds with zero downtime. The DCO will integrate with all payment rails – cards, instant payments, mobile wallets, cryptocurrencies and central bank digital currencies – and clear payments from all rails in real-time. The DCO will update periodically back to the legacy system for settlement which means load balancing that system.

Enables allocation of bank balance to different devices

What is more, the new high-speed, high-volume DCO will enable bank customers to allocate part of their bank balances to different kinds of devices, both mobile phones and offline devices such as smart cards. This architecture consequently forms a common platform for all kinds of digital payments either offline or online and across different devices and payment rails.

Online and Offline solutions cover a variety of markets

Crunchfish's DCO service should bring benefits to banking markets everywhere. The offline solution would, however, be most valuable in markets where the internet connection is patchy. We have decided to amend our forecast model accordingly, assuming a much higher market penetration for online than offline. Moreover, Crunchfish has stated a hierarchy of priorities between different markets. First is India, where the customer side has been prepared for some time already. Second is South East Asia, where Crunchfish could leverage its partnership with V-Key, who already has an established customer network there. Third is the rest of the world, among which the Western economies are assumed to be prioritised first.

Given this list of priorities, we have decided to model a digital cash market rollout at different speeds and different risks in the three geographical segments. We also see differing

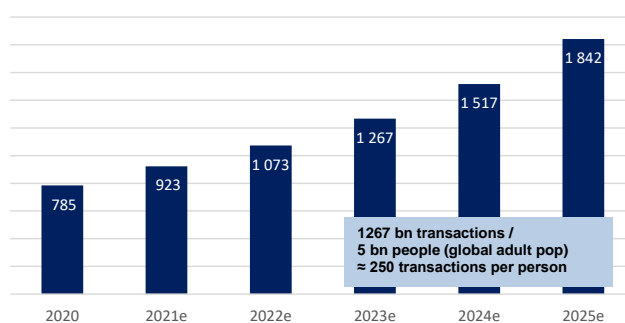
market penetration rates for the online vs. the offline solutions, believing the online part has a wider application potential.

Revised forecast model differentiates between geographies

In summary, the assumptions of our revised forecast model are as follows:

- The first revenues from **India** will occur in Q1 2023.
- The addressable market in India (offline & online) is assumed to equal half of the adult population (15 years or older), about 0.5 billion people in total.
- Market penetration for the offline solution grows from 2023 onwards to reach a penetration rate of 2 percent in 2030.
- Online penetration grows simultaneously to a rate of 5 percent in 2030.
- Offline revenues to Crunchfish are assumed to be a fixed annual fee of SEK 50 per year.
- Online revenues are assumed to be transaction-based and we assume a fee of SEK 0.02 per transaction.
- For online users, we assume that all of their non-cash payments are routed through the DCO and constitute billable transaction volume for Crunchfish.
- We assume an average of 250 annual online transactions per user in 2023, growing 20 percent annually over the forecast horizon based on Capgemini's forecasts, cf. Figure 1 below.
- For **South East Asia**, we assume the addressable market is half the adult population in the region, roughly 250 million people.
- The pricing, market structure and pace of market rollout are assumed equal to the Indian market, but with a one-year delay. First revenues thus occur in Q1 2024.
- For the **rest of the world**, we once again use the same assumptions but with another year's delay, meaning an addressable market of 1.75 billion people and first revenues in Q1 2025.

Figure 1: Global non-cash transactions volume (billions)

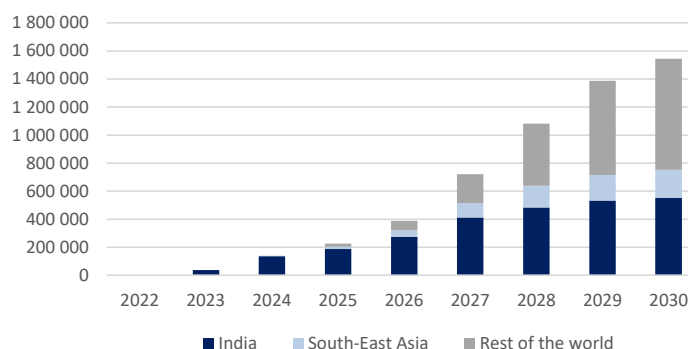


Source: World Payments Report 2021, Capgemini

Different risk factors for different geographies

Furthermore, we no longer apply a uniform risk coefficient of 50 percent for all digital cash revenues. We differentiate the risk factors for the three geographies based on how close they are to materialising. Hence, we risk adjust by shaving 30 percent off our revenue estimates for India, 50 percent off our South East Asia forecast and 70 percent off the rest of the world. Figure 2 below shows the risk-adjusted revenue forecasts per geography.

Figure 2: Digital Cash revenue per geography (SEKk)

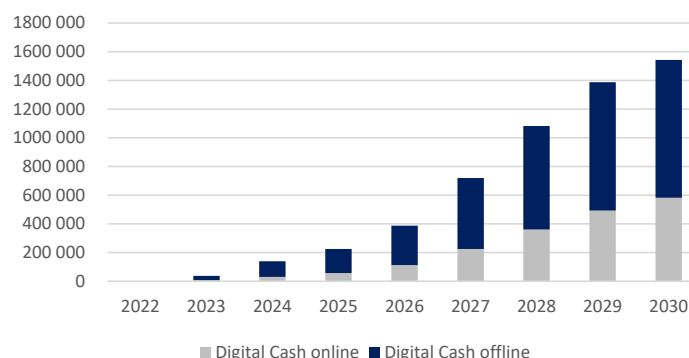


Source: Västra Hamnen Corporate Finance

Uniqueness of offline solution justifies higher price

As for the revenue split between offline and online, we still see a bigger total contribution from offline. This is despite the higher potential number of users of the online solution. A key factor is that we expect the uniqueness of the offline solution to justify a higher price point, while the price sensitivity in per-transaction charges may set a roof for online fees.

Figure 3: Digital Cash revenue split (SEKk)



Source: Västra Hamnen Corporate

Focus within Gesture Interaction tilted towards automotive applications

As for Gesture Interaction, Crunchfish has over the past year improved the versatility of the technology. Currently, the company has three products within this business segment: XR Skeleton, FB Skeleton and PS Skeleton. XR Skeleton captures hand gestures by tracking 21 points with millimetre accuracy, FB Skeleton tracks full body movements through 34 points on the body and PS Skeleton combines hand and full body tracking. XR Skeleton Stereo, a dual camera capable of streaming two cameras simultaneously, is currently under development. The use cases of these products range from public screen interaction to automotive applications.

EU regulations support rollout of DMS

The latter is of particular interest given the recent regulation requirements regarding driver monitoring systems (DMS). EU regulation states that in 2022, all new type-approved cars with a certain level of autonomous driving capability must have a camera-based DMS installed. By 2026, this regulation will apply to all newly produced cars on the EU market irrespective of their level of automation. Euro NCAP, the well-established safety rating system for new car models, has also decided to include DMS as a primary safety feature that is required in order to receive a five-star safety rating.

In order to capitalise on this opportunity with their Gesture Interaction technology, Crunchfish has entered into an agreement with an AI technology company in Asia Pacific to develop a proof-of-concept solution for interacting in a car using body tracking and hand gestures.

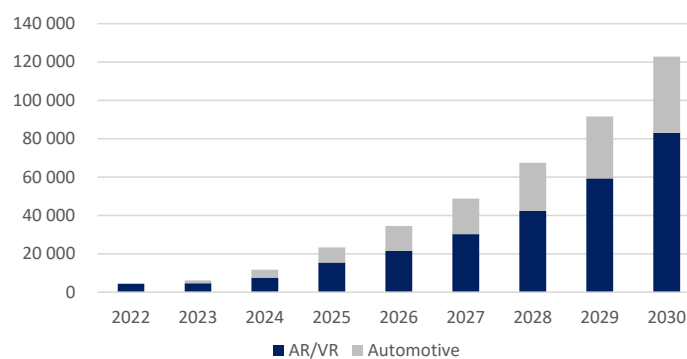
Priority shifted within Gesture Interaction

These developments have led us to make certain changes to our valuation model with regards to Gesture Interaction. The subsegments Mobiles and Industry AR/VR Glasses have been removed as we deem Crunchfish's priority to be on Household AR/VR Glasses and Automotive applications.

Both subsegments have attractive market potential

As previously mentioned in earlier reports, we believe the household AR/VR glasses have substantial potential even though they aren't about to hit the mass market anytime soon. We therefore retain our steep increment in sold units for the period from late 2023 and onwards. As for Automotive, we have forecast an increased growth rate after 2022 due to the EU regulation and a further increase after 2026 when all newly produced cars require DMS. Both these subsegments have attractive market potential and the revenue split within Gesture Interaction for our forecast period is shown in figure 4 below.

Figure 4: Gesture Interaction revenue split (SEKk)



Source: Västra Hamnen Corporate Finance

Lower short-term but higher long-term revenues

Taken together, our new revenue forecast implies lower revenues in the short term but higher at the forecast horizon compared with our previous forecast. We have not done any changes on the cost side, hence our profit estimates are revised in a similar way to the revenue forecasts.

Forecast uncertainty high

The uncertainty around any forecast for Crunchfish is as always very high. It is easy to imagine events such as an early agreement with a major Indian payment provider which would bring about much higher and faster revenues than our forecast. At the same time, there is always a possibility that events will unfold more slowly than expected. Our forecasts are our best effort to present a probability-weighted scenario.

Revisions entail a need for financing

That said, this scenario implies a need for further financing of the company even after the execution of the warrant program which comes due in Q4 2022. We have pencilled in a new equity issue of SEK 30 million in 2023. The timing, magnitude and kind of financing to expect is another point of major uncertainty and depend on the company's financial performance.

Valuation interval unchanged

All the revisions made entail a higher revenue potential in the long-term, something our revenue forecasts at the end of the forecast horizon illustrates. At the same time, we feel it is warranted to risk-adjust our near-term revenues to a higher degree than previously. Taken altogether, our new valuation interval is extremely close to our previous interval, hence we keep it unchanged. **We therefore maintain our valuation interval of SEK 41.60 – 66.20 per share for Crunchfish.**

Income Statement - Annual Data

kSEK	2020	2021	2022e	2023e	2024e	2025e	2026e	2027e
Net revenues	10 883	3 957	4 513	43 398	152 233	248 386	422 683	769 312
Capitalised development cost	10 106	14 342	14 665	15 087	15 344	15 595	15 846	16 101
Other revenues	2 215	2 045	2 092	2 264	2 451	2 653	2 872	3 109
Total revenues	23 204	20 344	21 270	60 749	170 028	266 634	441 401	788 522
Cost of goods sold	-213	-211	0	0	0	0	0	0
Personnel costs	-20 965	-23 388	-26 874	-35 649	-46 674	-59 517	-75 893	-96 775
Other external costs	-16 936	-16 011	-22 843	-30 302	-39 673	-50 589	-64 509	-82 258
Other operating expenses	-48	-755	-3 977	-5 276	-6 908	-8 808	-11 232	-14 323
Profit from affiliated companies	-2 595	-9 186	0	0	0	0	0	0
EBITDA	-17 553	-29 207	-32 424	-10 478	76 773	147 719	289 767	595 166
Amortisation & depreciation	-7 662	-7 661	-11 582	-12 711	-13 584	-14 239	-14 752	-15 173
EBIT	-25 216	-36 868	-44 006	-23 188	63 189	133 480	275 016	579 993
Financial items, net	-120	-1 600	0	0	0	0	0	0
EBT	-25 336	-38 468	-44 006	-23 188	63 189	133 480	275 016	579 993
Taxes	0	0	0	0	0	0	0	0
Net profit	-25 336	-38 468	-44 006	-23 188	63 189	133 480	275 016	579 993
Earnings per share (SEK)	-0,92	-1,26	-1,26	-0,65	1,76	3,72	7,67	16,18
Growth (%)								
Net revenues	-25,3%	-63,6%	14,1%	861,7%	250,8%	63,2%	70,2%	82,0%
EBITDA	na	na	na	na	na	92,4%	96,2%	105,4%
EBIT	na	na	na	na	na	111,2%	106,0%	110,9%
Net profit	na	na	na	na	na	111,2%	106,0%	110,9%
% of revenues (%)								
EBITDA margin	neg	neg	neg	neg	45,2%	55,4%	65,6%	75,5%
EBIT margin	neg	neg	neg	neg	37,2%	50,1%	62,3%	73,6%
EBT margin	neg	neg	neg	neg	37,2%	50,1%	62,3%	73,6%
Profit margin	neg	neg	neg	neg	37,2%	50,1%	62,3%	73,6%
Personnel costs	192,6%	591,1%	595,5%	82,1%	30,7%	24,0%	18,0%	12,6%
Total OPEX	348,7%	1014,8%	1189,8%	164,1%	61,3%	47,9%	35,9%	25,1%
Profitability (%)								
ROE	neg	neg	neg	neg	57,0%	54,6%	52,9%	52,8%
ROIC	neg	neg	neg	neg	86,1%	147,5%	212,6%	297,5%

Source: Västra Hamnen Corporate Finance

Balance Sheet - Annual Data

kSEK	2020	2021	2022e	2023e	2024e	2025e	2026e	2027e
Inventories	0	0	0	0	0	0	0	0
Account receivable	3 048	771	1 142	15 639	29 683	42 145	72 131	123 579
Receivables fr affiliated comp	472	33	1 000	1 000	1 000	1 000	1 000	1 000
Prepaid costs & accrued inco	1 318	1 384	1 722	1 842	1 939	2 035	2 134	2 237
Other receivables	869	1 093	1 063	1 108	1 163	1 220	1 279	1 341
Cash and cash equivalents	8 668	32 756	14 867	5 049	52 653	172 542	416 715	944 579
Total current assets	14 374	36 037	19 794	24 638	86 438	218 942	493 258	1 072 736
Tangible assets	1 265	696	567	462	376	306	250	203
Intangible assets	20 829	27 323	30 534	33 016	34 862	36 288	37 440	38 414
Long-term receivables	5	0	0	0	0	0	0	0
Affiliated companies	7 823	137	137	137	137	137	137	137
Total fixed assets	29 921	28 155	31 238	33 615	35 375	36 731	37 826	38 754
Total assets	44 296	64 192	51 032	58 252	121 812	255 672	531 084	1 111 490
Accounts payable	2 381	1 104	2 172	2 184	2 194	2 203	2 213	2 224
Accrued cost & prepaid inco	4 611	4 188	4 852	5 162	5 423	5 687	5 964	6 253
Other liabilities	1 905	3 057	3 100	3 186	3 287	3 393	3 502	3 615
Loans	0	0	0	0	0	0	0	0
Total current liabilities	8 897	8 349	10 124	10 533	10 904	11 284	11 679	12 092
Total non-current liabilities	561	0	0	0	0	0	0	0
Total equity	34 838	55 843	40 908	47 720	110 908	244 389	519 405	1 099 398
Total equity and liabilities	44 295	64 192	51 032	58 252	121 812	255 672	531 084	1 111 490

Source: Västra Hamnen Corporate Finance

Cash flow statement

kSEK	2020	2021	2022e	2023e	2024e	2025e	2026e	2027e
Operating activities	-14 968	-20 952	-32 424	-10 478	76 773	147 719	289 767	595 166
Changes in working capital	2 027	1 566	130	-14 253	-13 825	-12 235	-29 748	-51 201
Investing activities	-15 151	-15 837	-14 665	-15 087	-15 344	-15 595	-15 846	-16 101
Financing activities	23 640	59 303	29 071	30 000	0	0	0	0
Cash flow for the period	-4 453	24 022	-17 888	-9 818	47 603	119 890	244 173	527 864
Beginning cash balance	13 181	8 668	32 755	14 867	5 049	52 653	172 542	416 715
Adjustments	-60	65	0	0	0	0	0	0
Ending cash balance	8 668	32 755	14 867	5 049	52 653	172 542	416 715	944 579

Source: Västra Hamnen Corporate Finance

Income Statement - Quarterly Data

kSEK	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022e	Q2 2022e	Q3 2022e	Q4 2022e
Net revenues	1 101	917	1 056	883	1 070	1 070	1 070	1 303
Capitalised development cost	3 346	4 448	2 926	3 622	3 657	3 737	3 555	3 716
Other revenues	545	504	498	498	508	518	528	539
Total revenues	4 992	5 868	4 480	5 003	5 235	5 324	5 153	5 557
Cost of goods sold	-150	0	0	-61	0	0	0	0
Personnel costs	-5 799	-6 493	-5 283	-5 812	-6 241	-6 506	-6 849	-7 278
Other external costs	-4 140	-5 211	-3 203	-3 457	-5 305	-5 530	-5 822	-6 186
Other operating expenses	0	-74	-210	-472	-924	-963	-1 014	-1 077
Profit from affiliated companies	-481	-380	-702	-7 623	0	0	0	0
EBITDA	-5 578	-6 289	-4 918	-12 421	-7 234	-7 676	-8 531	-8 984
Amortisation & depreciation	-1 993	-1 953	-1 932	-1 784	-2 767	-2 858	-2 947	-3 010
EBIT	-7 571	-8 242	-6 850	-14 205	-10 001	-10 533	-11 478	-11 994
Financial items, net	-195	-388	-443	-574	0	0	0	0
EBT	-7 766	-8 630	-7 293	-14 779	-10 001	-10 533	-11 478	-11 994
Taxes	0	0	0	0	0	0	0	0
Net profit	-7 766	-8 630	-7 293	-14 779	-10 001	-10 533	-11 478	-11 994
Earnings per share (SEK)	-0,27	-0,30	-0,26	-0,42	-0,29	-0,30	-0,33	-0,34
Y-o-Y Growth (%)								
Net revenues	-43,5%	-60,7%	-64,5%	-75,7%	-2,8%	16,7%	1,3%	47,5%
EBITDA	na	na	na	na	na	na	na	na
EBIT	na	na	na	na	na	na	na	na
Net profit	na	na	na	na	na	na	na	na
% of revenues (%)								
EBITDA margin	neg	neg	neg	neg	neg	neg	neg	neg
EBIT margin	neg	neg	neg	neg	neg	neg	neg	neg
EBT margin	neg	neg	neg	neg	neg	neg	neg	neg
Profit margin	neg	neg	neg	neg	neg	neg	neg	neg
Personnel costs	526,6%	708,4%	500,3%	658,3%	583,2%	608,1%	640,1%	558,7%
Total OPEX	902,6%	1284,9%	823,5%	1103,3%	1165,3%	1214,9%	1278,9%	1116,2%
Profitability (%)								
ROE	neg	neg	neg	neg	neg	neg	neg	neg
ROIC	neg	neg	neg	neg	neg	neg	neg	neg

Source: Västra Hamnen Corporate Finance

Balance Sheet - Quarterly Data

kSEK	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022e	Q2 2022e	Q3 2022e	Q4 2022e
Inventories	0	0	0	0	0	0	0	0
Account receivable	479	784	841	771	586	821	938	1 142
Receivables fr affiliated comp	546	292	145	33	1 000	1 000	1 000	1 000
Prepaid costs & accrued inco	1 255	1 297	2 248	1 384	1 623	1 720	1 831	1 722
Other receivables	718	719	1 151	1 093	948	1 007	1 081	1 063
Cash and cash equivalents	11 534	1 385	6 028	32 756	22 630	17 733	5 282	14 867
Total current assets	14 531	4 477	10 412	36 037	26 787	22 280	10 132	19 794
Tangible assets	1 170	1 083	1 026	696	661	628	597	567
Intangible assets	22 277	24 785	25 626	27 323	28 248	29 159	29 799	30 534
Long-term receivables	5	5	0	0	0	0	0	0
Affiliated companies	8 342	7 961	7 759	137	137	137	137	137
Total fixed assets	31 794	33 834	34 411	28 155	29 045	29 924	30 532	31 238
Total assets	46 325	38 311	44 823	64 192	55 833	52 204	40 664	51 032
Accounts payable	1 938	1 487	797	1 104	2 162	2 172	2 183	2 172
Accrued cost & prepaid incon	4 511	5 152	4 970	4 188	4 846	4 933	4 876	4 852
Other liabilities	2 695	3 119	2 796	3 057	2 982	3 055	3 038	3 100
Loans	10 000	10 000	25 000	0	0	0	0	0
Total current liabilities	19 143	19 759	33 564	8 349	9 990	10 159	10 097	10 124
Total non-current liability:	0	0	0	0	0	0	0	0
Total equity	27 182	18 552	11 260	55 843	45 843	42 045	30 567	40 908
Total equity and liabilities	46 325	38 311	44 823	64 192	55 833	52 204	40 664	51 032

Source: Västra Hamnen Corporate Finance

Cash flow statement

kSEK	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022e	Q2 2022e	Q3 2022e	Q4 2022e
Operating activities	-5 362	-6 184	-4 480	-4 926	-7 234	-7 676	-8 531	-8 984
Changes in working capital	2 463	558	-2 415	961	766	-221	-364	-50
Investing activities	-4 346	-4 448	-3 421	-3 622	-3 657	-3 737	-3 555	-3 716
Financing activities	10 042	-45	14 943	34 306	0	6 736	0	22 335
Cash flow for the period	2 796	-10 119	4 627	26 718	-10 125	-4 897	-12 450	9 585
Beginning cash balance	8 668	11 534	1 385	6 028	32 756	22 630	17 733	5 282
Adjustments	70	-30	15	10	0	0	0	0
Ending cash balance	11 534	1 385	6 028	32 756	22 630	17 733	5 282	14 867

Source: Västra Hamnen Corporate Finance

Disclaimer

This marketing material has been prepared by Västra Hamnen Corporate Finance AB ("Västra Hamnen").

The material has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report.

The material has been prepared on the basis of publicly available information that Västra Hamnen has deemed to be reliable. However, it cannot be guaranteed that the information is correct. The material is published for marketing purposes and does not purport to constitute a basis for any investment decision. The information provided herein does not constitute investment advice and neither does the information take into consideration the individual needs, goals and circumstances of any particular recipient of this material. The reader is recommended to seek supplementary information elsewhere and to obtain relevant and specific professional advice before making any investment decision.

All views, opinions and conclusions communicated through this material shall be seen as valid on the publication date of this report only and are subject to change without notice. None of the information herein shall be construed as a recommendation or solicitation for the purchase or sale of any financial instrument.

In no event will Västra Hamnen be liable for direct, indirect or incidental damages resulting from the information in this report. Financial instruments can decrease as well as increase in value. Past performance is not indicative of future results.

The material is not directed at any such person, physical or legal, to whom the distribution of such material would imply a risk of violation of any laws or regulations applicable in Sweden or any other jurisdiction.

Contents of this report shall not be copied, reproduced or distributed to any third party without prior written permission from Västra Hamnen.

Conflicts of interest

Recipients should note that this material has been commissioned by the company mentioned in this report and that Västra Hamnen has received remuneration from the company for the production of the report. The remuneration is fixed and predetermined and in no way dependent on the content of the report or the views expressed herein.

The company mentioned in the report has reviewed the material prior to publication. The recipient may assume that this review has led to changes in the factual information presented in the report. Any assumptions, conclusions and scenarios are however the result of Västra Hamnen's own analysis of available information.

Västra Hamnen has internal rules prohibiting all of its employees from buying or selling shares issued by companies with which Västra Hamnen has ongoing agreements to produce marketing material like the present.

Readers of this material are made aware that one of Crunchfish's main owners is Corespring Invest AB, whose ownership interest is 18.3 percent of the capital and votes. Corespring Invest AB also holds a minority stake in Västra Hamnen. Corespring Invest AB has in no way been involved in the production of this material nor influenced its contents.

Västra Hamnen has a separate agreement with Crunchfish AB to act as its Certified Adviser on Nasdaq First North.

Västra Hamnen Corporate Finance AB

Jungmansgatan 12

211 11 Malmö

Telefon: +46 40 200 250

E-post: info@vhcorp.se

www.vhcorp.se

