True Entropy Encryptors







Weakness of current cryptography

- Established encryption methods such as <u>AES</u> and the new PQC standards <u>CRYSTALS-Dilithium</u>, <u>CRYSTALS-KYBER</u> or <u>SPHINCS+</u> are based on complex numerical algorithms and are becoming more and more CPU-intensive.
- Encryption processes are time-consuming and not practical for IoT and streaming encryption of large amounts of data.
- Encryption is not user friendly.
- Less than 50% of the data on servers and in the cloud is protected by encryption <u>https://www.statista.com/statistics/1243960/sensitive-data-encrypted-in-cloud-percentage</u>.
- Less than 2% of data on home devices and IoT is encrypted <u>https://www.devprojournal.com/technology-trends/internet-of-things/iot-security-avoid-these-5-mistakes/</u>.
- Unbreakable encryption of all sensitive data in transit and at rest, including the under-served IoT sector, is the most secure solution for the PQC era.



Business opportunity



Target customers:

- Banks and financial institutions
- Healthcare (protecting patients' clinical data)
- Automotive industry (keyless entry, OTA updates)
- Cloud service providers (cloud data storage and streaming)
- Defense industries



Entropy is good

- The mission of RANDAEMON is to develop an innovative and practical encryption system based on physical entropy.
- Technology protected by 11 issued US patents, several pending and issued in Korea, Australia, and in the EU:

US Patent <u>10,430,161</u> US patent <u>10,901,695</u> US patent <u>11,036,473</u> US patent <u>11,048,478</u> US patent <u>11,249,725</u> US patent <u>11,281,432</u> US patent <u>11,567,734</u> US patent <u>11,586,421</u> US patent <u>11,614,921</u> US patent <u>12,014,153</u> US patent <u>12,034,834</u>

 RANDAEMON's encryption method is unbreakable by quantum computers and AI because it requires brute force search over an enormous number of permutations.



RANDAEMON's innovative solution

- Encryption method maximizes entropy using true random numbers.
- Cryptographic devices are scalable, integrated into the IoT and connected to PCs via USB or networked with servers, supporting streaming and block encryption.
- Encryption and decryption are fast, easy to use, and very hard to break due to the enormous number of possible permutations available.
- Decrypting messages on computing devices does not require access to the embedded encryption device, only software and the key.



RANDAEMON's hardware-based solution

- Cryptography is all about maximizing the state of disorder (entropy) of ciphers.
- Current mainstream cryptography uses pseudo-entropy for encryption
- RANDAEMON's True Quantum Random Number Generators (tQRNG) are based on a quantum process of beta nuclear decay in nuclei of ³H (tritium) or ⁶³Ni nuclei to continuously generate random numbers.
- The advanced, tritium-based PoC tQRNGs can generate high quality random numbers from 1 Mbps to over 1 Gbps.
- Tritium-based tQRNGs were developed in collaboration with MB Microtech, a Swiss company with over 50 years experience and excellence in tritiumbased technology <u>https://mbmicrotec.com</u>.
- Easy scaled and manufactured to build integrated chips, USB devices and blade servers for easy to use and safe encryption.
- PoCs have been extensively tested by the <u>NIST.SP.800-90B</u> battery of tests and other industry tests such as <u>Dieharder</u> or <u>ENT</u>.



RANDAEMON's software solution: AIRBARN™

- AIRBARN[™] Artificial Intelligence-Resistant Bury Among Random Numbers encryption software.
- AIRBARN™ inserts a message into a stream of random bits from built-in tQRNGs using a randomly generated key.
- The resulting cipher looks like random numbers (visualized as graphics):



Picture of RANDEAMON's COO Low entropy original



Random bits from tQRNG hardware



AIRBARN[™]-encrypted photo High entropy



Advantages of AIRBARN[™]

- Coding and decoding can be supported on low-power CPUs (IoT).
- High efficiency for both streaming and block encoding (servers).
- Longer keys do not increase computational complexity but make it harder to break the code.
- Decryption requires NO hardware only free AIRBARN[™] software and the key.
- Great for PQC:
 - Future quantum computers will not be able to break the AIRBARN[™] cipher:
 - Simple 256-bit key creates a staggering 3.45·10⁶² possible permutations.
- Use of AI will not be useful due to the perfect randomness of the encrypted messages.
- Solution for effective encryption methods for both, IoT and servers.



Current state of RANDAEMON technology

- Advanced version of PoC tQRNGs with optimized software for low (1 Mbps) and high (up to 1 Gbps) efficiency random bit extraction have been built and tested.
- AIRBARN[™] software supports encryption and decryption on macOS, Linux and Windows, as well as iOS and Android.











Timelines

- Goals:
 - To begin production of V1.0 series,
 - Marketing to reach first enterprise customers.
- Deliverables products for extensive testing and initial sales:
 - Low efficiency (tQRNG up to 10 Mbps) USB devices with Windows, macOS and Linux user software as well as iOS and Android software for AIRBARN[™] encryption,
 - High efficiency (tQRNG ≥ 1 Gbps) blade servers with API to embedded software for AIRBARN[™] encryption.
- Timeframe 18-24 months.
- PoC tQRNG devices and AIRBARN [™] software are available for immediate testing.



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