NFC, getting closer to our life
DUALi Inc.



01 What is NFC?

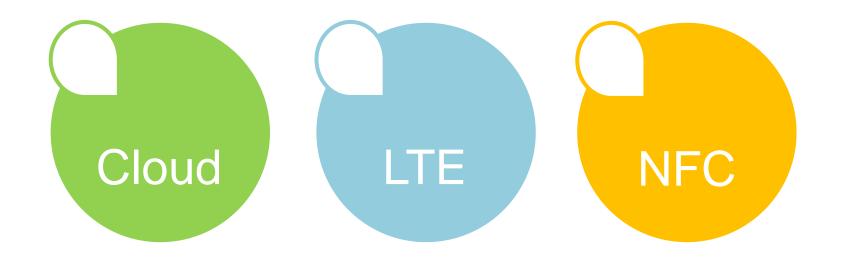
02 NFC History

03 How NFC works?

04 NFC Market Trends

05 DUALi Performance

What is NFC?



Share Wireless ?

What is NFC?

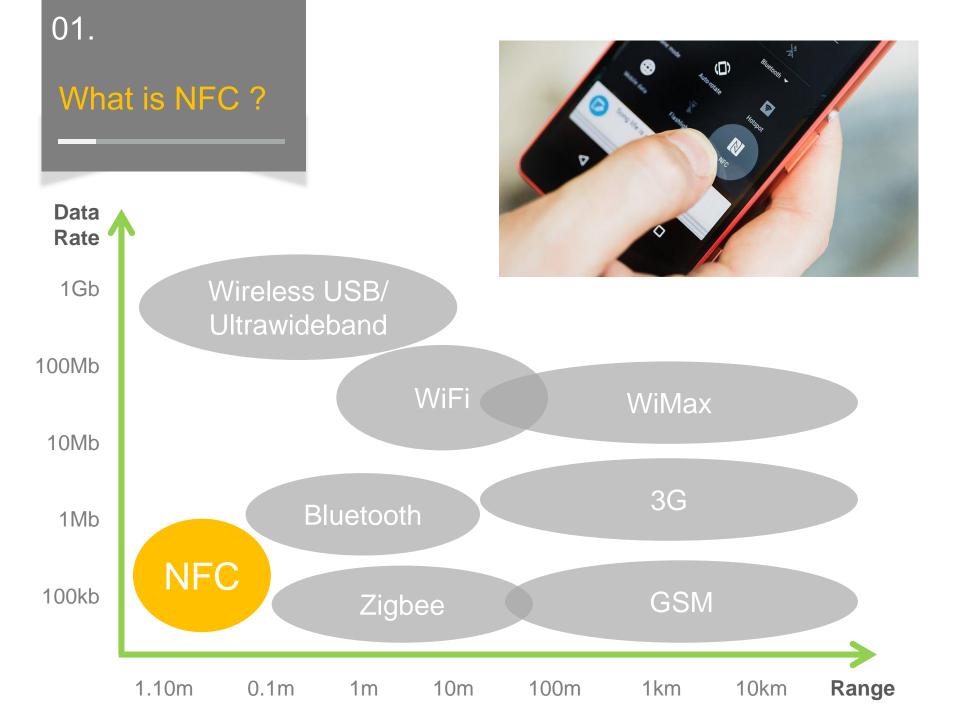
Short range
High Frequency 13.56MHz
Wireless communication

Mobile or Handheld devices



Proximity of a few centimeters (Up to 10cm)

Simplified Transaction
Data Exchange
Wireless Connections



What is NFC?

Payment Solution

Open Payment Solution

Membership / Loyalty Solution







NFC Solution

Access Control / Payment / Membership

NFC manager / NFC Compatibility Test Tool







ID Security Solution

Corporate / Campus / Hospital



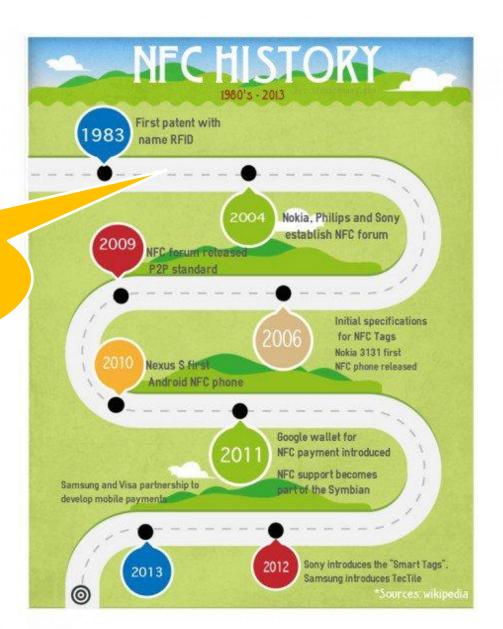




History of NFC

2000 DUALi was established





How it works?

NFC Devices Operate in 3 Modes



How it works?

1) Card Emulation Mode





https://www.youtube.com/
watch?v=Scu_wSEVrXA

How it works?

1) Card Emulation Mode





TOUCHING

CUSTOMER

DUALi

- ✓ Any of cards can be used
- √ Manage various membership card by cloud server app
- ✓ Low cost to set up loyalty program
- ✓ Optimized for small-medium size of stores
- ✓ Dragon (NFC Desktop Reader)
- ✓ Annually 5,000 units supplying



How it works?

2) Tag Reader/Writer Mode





- ✓ Smart Tag for pets
- √ Report of disappearance
- √ Tagging by the 3rd person
- ✓ Check information of pet→ Make a call to pet owner



How it works?

3) Peer to Peer Mode

- NFC P2P FUNCTION TEST (4MODE)
- 1. Passive P2P as Initiator 106/212/424bps and Target
- 2. Active P2P as Initiator 106/212/424bps and Target
- 3. Reader Mode Read/Write NDEF message/Tag Detect
- 4. Card Mode T2T/T3T/T4TA Card emulation
- NFC Debug test (USB interface)







- ✓ Pre-paid Payment System in Qatar Theme Park
- ✓ Wearable NFC Device / DUALi's NFC Reader
- ✓ Plugfest Platinum Sponsor
- ✓ NFC PAD proved as P2P compatibility tester

How it works?

4) Convergence Application

Story Time Product Package









Magic Disc Set

Bluetooh NFC Reader (optional)

NFC Character Toys



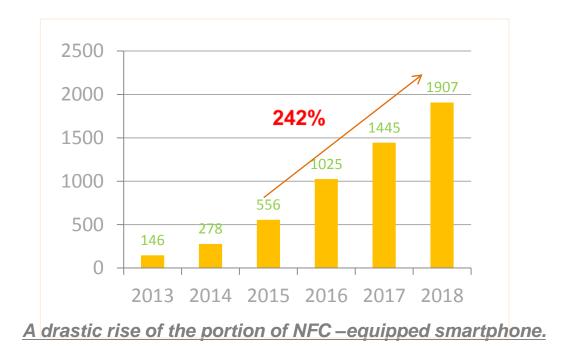
Badanamu Story Time



- ✓ Alphabet Game by NFC tag/reader
- ✓ Education contents + NFC technology
- ✓ Interactive learning

NFC Market Trends





- √ 54.2% of smartphones are equipped with NFC
- √ 242% growth from 2015 through 2018
- ✓ It is related to recent movement for adopting NFC phone payment.

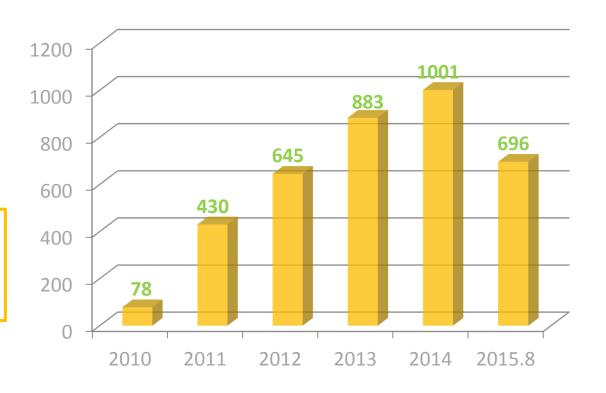


NFC Market Trends



- ✓ NFC Tag 30.9%
- ✓ Etc. 11.7%

(Camera, Printer, Accessories)



NFC related Patent application rate in Korea

NFC Market Trends

1

Payment migrating to NFC Emergence of HCE NFC Market Trends



NFC bridging the loT







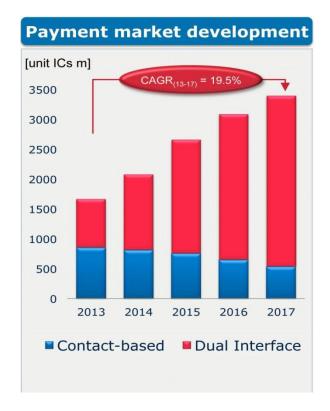


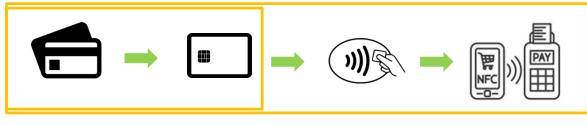


2

NFC Market Trends

Payment Migrating to NFC





Magstripe Card IC (Contact) Card RFID (Contactless)
Card

NFC Phone

- ✓ NFC Payment Market
- ✓ Strong needs for protection of the customer's credentials against manipulation and fraud that Magstripe card has.
- ✓ Payment cards are migrating from MSR card to chip-based solutions with strong Dual Interface growth.

04.

NFC Market Trends

Emergence of HCE



What is difference between HCE & SE?



Tokenization of PAN (Personal Account Number)

Risk assessment in real-time



Hardware based

Dependent on mobile operator/card issuer

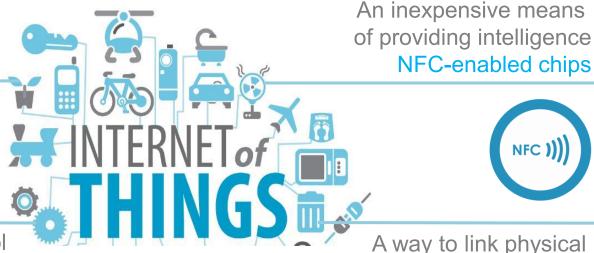
NFC Market Trends

NFC Bridging the IoT



Easy network access **NFC Connection Handover**







NFC-enabled chips

A means of easy user control Intuitive tap interface

A way to link physical objects to the online world **NFC Tags**

DUALi Performance





- ✓ From OEM Modules to General Card Readers
- ✓ Starting from "OEM Module" to customize each customer's demand
- ✓ All machines needed to be "NFC-enabled"
- ✓ Annually supplying 12,000 RF card printer module to Entrust Datacard

05.

DUALi Performance















- ✓ From OEM Modules to General Card Readers
- ✓ Annually supplying 15,000units of ATM RF module to all around for Thailand, Indonesia, South Korea,

DUALi Performance



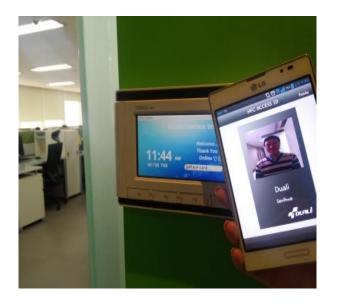












- ✓ Consistent demands for Android device combined. with NFC feature.
- ✓ Stable compatibility available high-end Android device, called iTOUCH 20 and iTOUCH pop 2.
- ✓ Equipped with accumulated field experience through various project in domestic market (Access control / Time attendance)

DUALi Performance





iTOUCH 20 deployed in Them Park

ADabisc ∞, Qatar, 2015





iTOUCH pop2 deployed in Library







iTOUCH 20 deployed in Taxi System

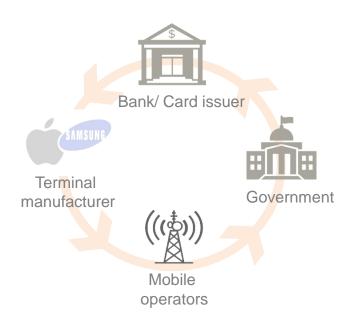
Mexico, 2013





Conclusion

NFC, getting closer to our life



User

NFC, is no more option feature of Smartphone

Infrastructure

EMV, expanding NFC-enabled payment terminal

Security/Independence

HCE, eliminates dependence on mobile operators