HiddenTag® PROPOSAL

HiddenTag® for Your Brand


Company	CK&B Co.Ltd.
Established	December 3, 2007
CEO	Ki-Hyeok Bae
Business parts	Product Authenticity Verification Service, Mobile Solution, Multimedia Solution, Content DNA
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Homepage	www.hiddentag.com

Brand Protection Service

The Solution: An easy-to-use authenticity verification service HiddenTag®
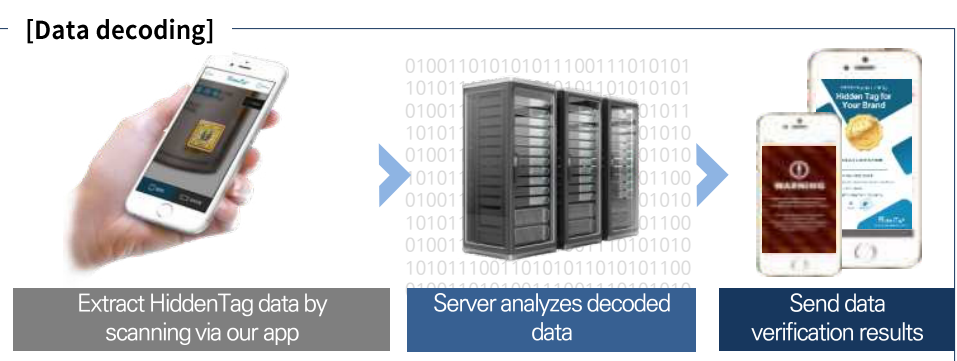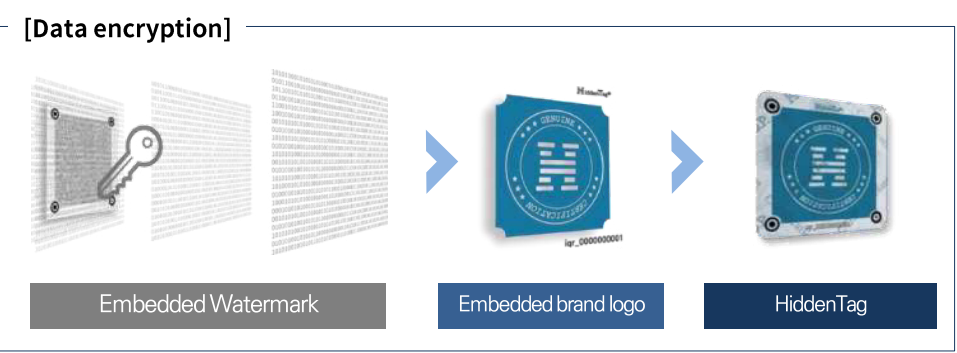
A Simple User Experience

After purchasing a product, consumers can easily verify the product's, authenticity by using their smartphones to scan a label.
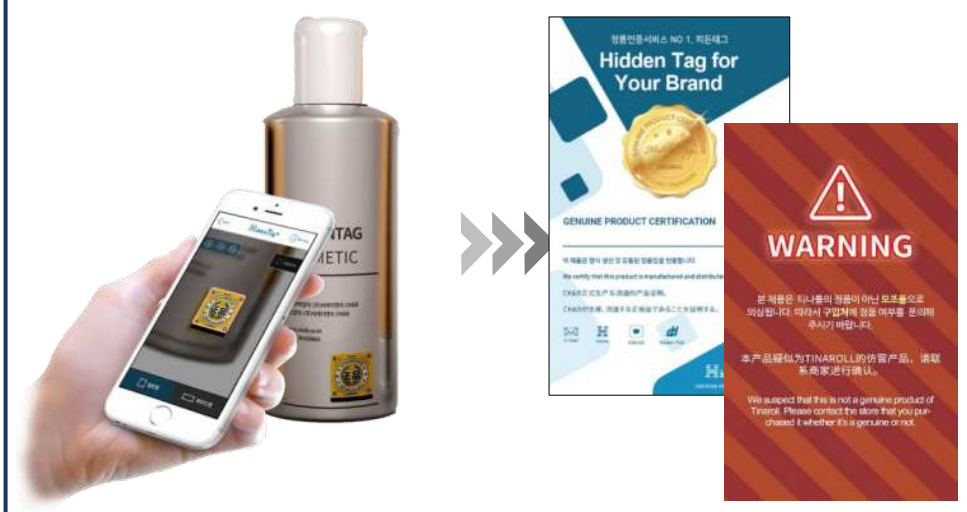
Scan the label

Check authenticity!
Easily find counterfeit products!

Secure Authentication

[Data encryption]

| Embedded Watermark | Embedded brand logo | HiddenTag |

[Data decoding]

| Extract HiddenTag data by scanning via our app | Server analyzes decoded data | Send data verification results |

No. 1 Authentication Solution HiddenTag®

Brand Protection Service

HiddenTag with Security, convenience, expandability

The major services

HiddenTag lebel

- Hard to differentiate with naked eyes
- One-of-a-kind data
- Prevent illegal counterfeit through leading authentication technology
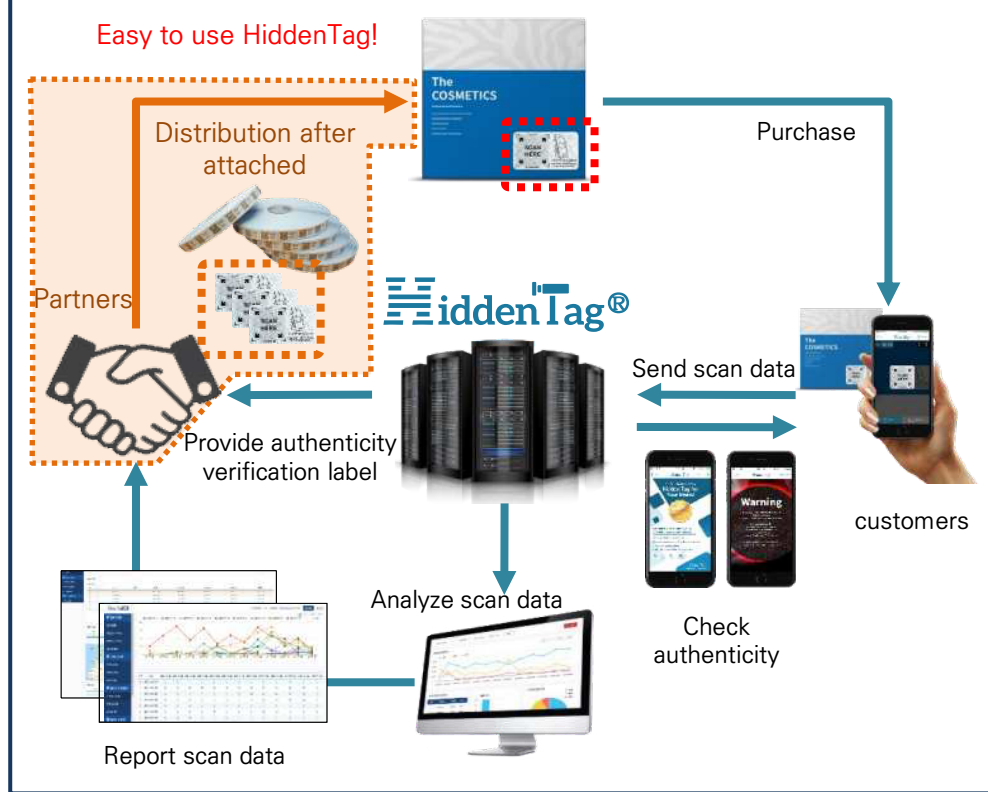
HiddenTag mobile application

- Authenticity verification possible via HiddenTag app
- Provide the services by 7 different languages for global customers

HiddenTag server

- Produce the label data, collect authentication data and analysis
- Check authenticity and additional services available
- Analyze scan data

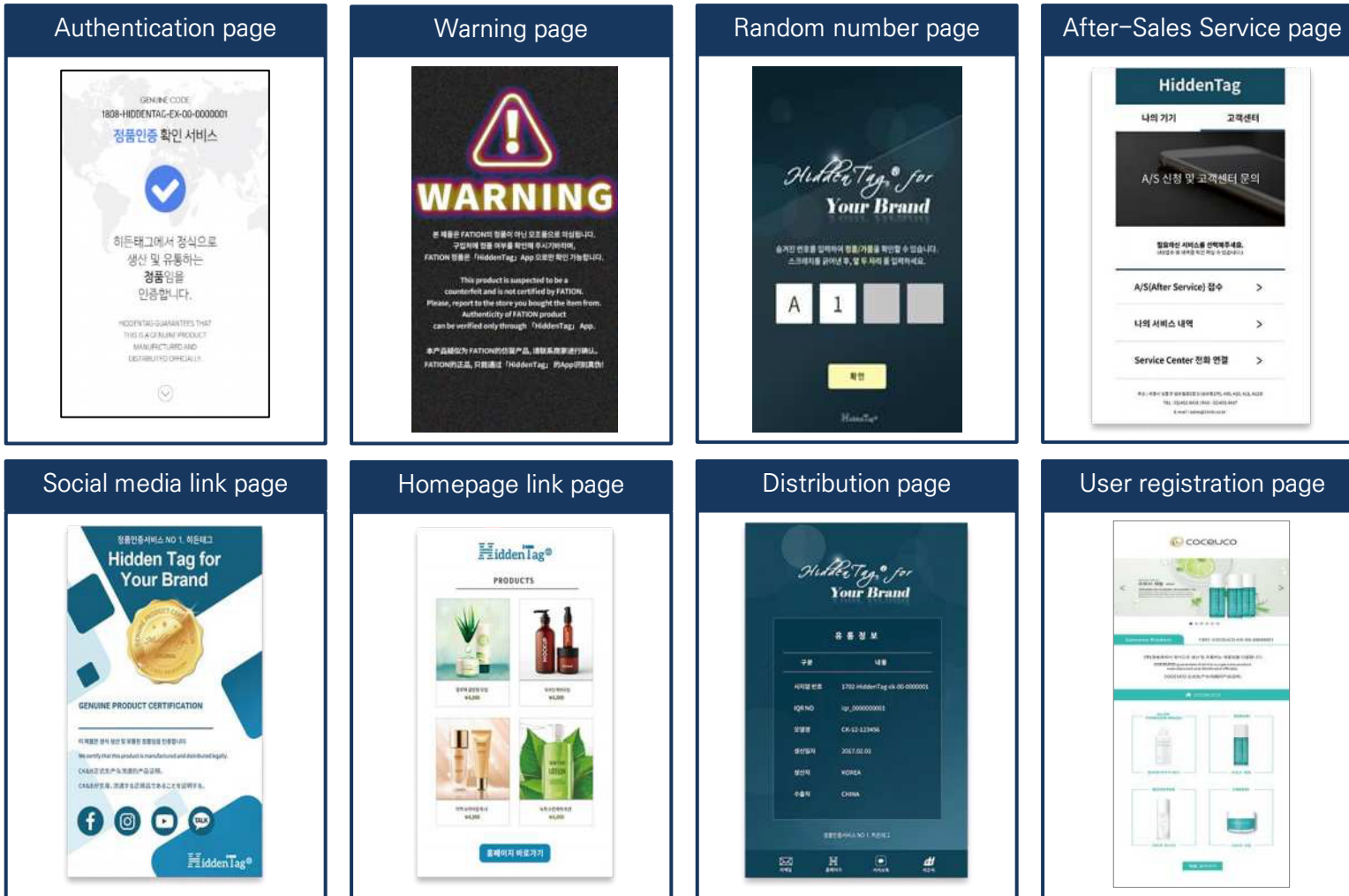### The process of HiddenTag introduction

Easy to use HiddenTag!

Distribution after attached

The COSMETICS

SCAN HERE

Purchase

Partners

HiddenTag®

Provide authenticity verification label

Send scan data

Analyze scan data

customers

Check authenticity

Report scan data

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HiddenTag Delivery Types

HiddenTag allows brands to have customized designs of the labels

Label Types
Can be further customized

Design			OPTION	Destructive Type • All sizes available • Various shapes • Label breaks apart when removed • non-reusable
Minimum Size	12mm * 12mm [Scratch area + 2mm]	20mm * 8mm [Scratch area + 2mm]		Seal Type • Application to append • Package seal • Seal part on desired area
Material	Hologram + Transparent PT			

Material Types
Can be further customized

Type	Pouch	Care Label	Hangtag	Epoxy
Minimum size	140mm * 190mm	30mm * 84mm	50mm * 90mm	Can be customized
Material	PET	PP	Snow White art paper 200g	

User customized mobile landing pages for better content-engagement

Authentication page	Warning page	Random number page	After-Sales Service page

| Social media link page	Homepage link page	Distribution page	User registration page

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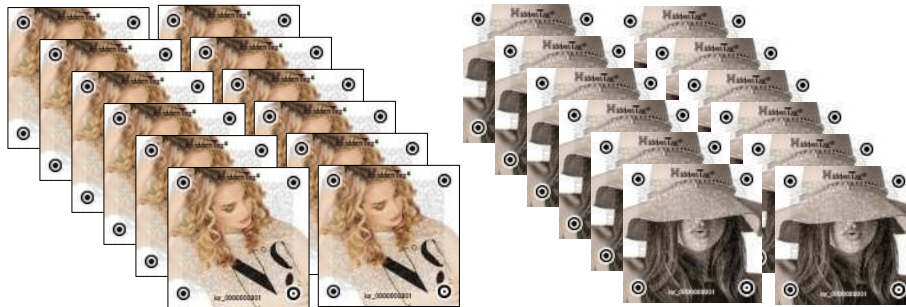
Competitive technology

Each label has an embedded identification
"Digital + Analogue" – authenticity verification secure label

Outwardly identical label → unique data per label → unique data per product

How its created?

| Base Material | Data Code | Main Image | Protect Cover |
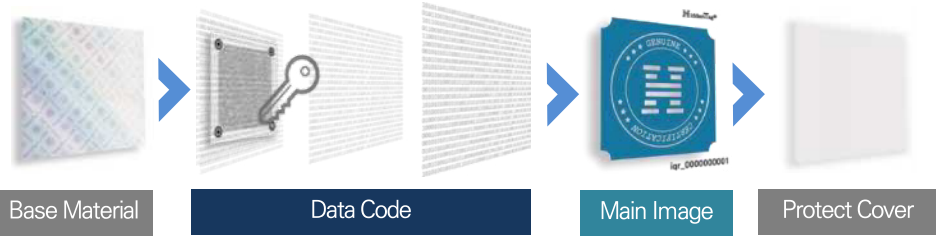
Hard to differentiate with the naked eye:

HiddenTag authenticity verification secure label

One-of-a-kind data

Data embedded in HiddenTag is different

per product type per brand!

• Using unique technology to identify authenticity

• Same appearance but unique data per label

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Competitive technology

Using the latest technology in the brand-authentication field

Leading authentication technology

Division	Hologram	Material	QR Code	RFID/NFC	HiddenTag®
Way of authenticity	Analog	Analog	Digital	Digital	Digital
Image					
Features	▪ Vulnerable to counterfeit ▪ Few effective authentication solutions	▪ Verification purpose susceptible to individual error ▪ Non-objective method ▪ Requires training and previous experience	▪ Overly Accessible technology ▪ Easy to create → easy to duplicate → easy to manipulate ▪ Vulnerable to hacking ▪ Hard to trace	▪ Costly ▪ Low sensitivity and specificity = high error rate ▪ Verification requires specific tools	▪ Specialized verify-cation technology ▪ Impossible to duplicate unique data sets ▪ Track and trace possible ▪ One of a kind compatible app data cannot be scanned otherwise
Security level	very low	high	very low	very high	very high
Convenience of use	normal	Low	high	low	high
Ease of production	high	normal	high	low	very high

Real case of counterfeit tracking and tracing:
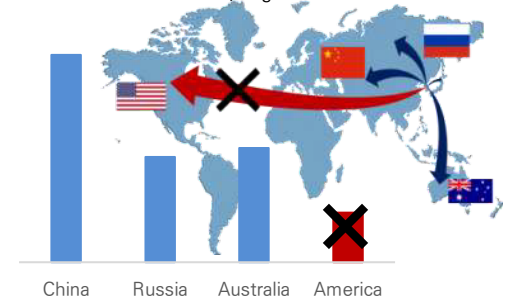
▪ Verifying real products

Results of Monitoring
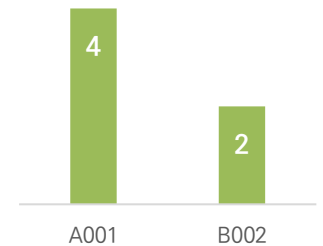
▪ Tracking and tracing illegal counterfeits example:

Number of scans (5-100 times) recorded indicates illegal activity

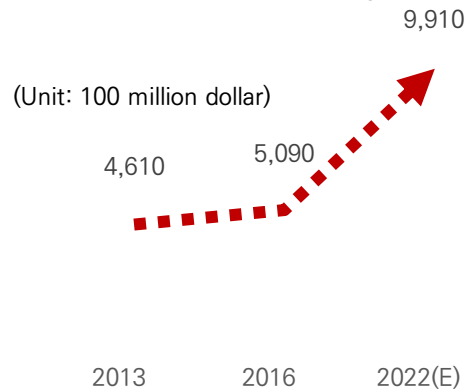Identifying counterfeits through tracing abnormal/illegal distribution networks

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Today's illegal counterfeit market

Increased damage due to the mass global reach counterfeit products – HiddenTag is the solution
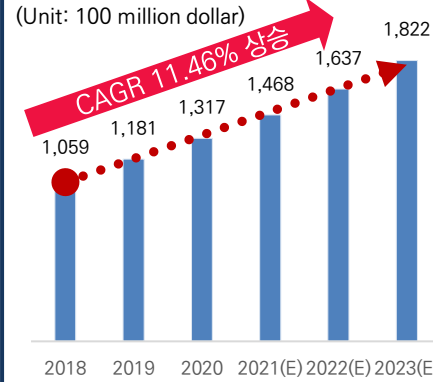
Fight against counterfeit

USA

China

Vietnam

Thailand

Korea

- Trends in counterfeit trading

(Unit: 100 million dollar)

9,910

5,090

4,610

2013   2016   2022(E)

(Source : Trends in Trade in Counterfeit and Pirated Goods, 2019)
1) 2022(E) : Estimate

How severe is the problem?

(Unit: 100 million dollar)

CAGR 11.46% 상승

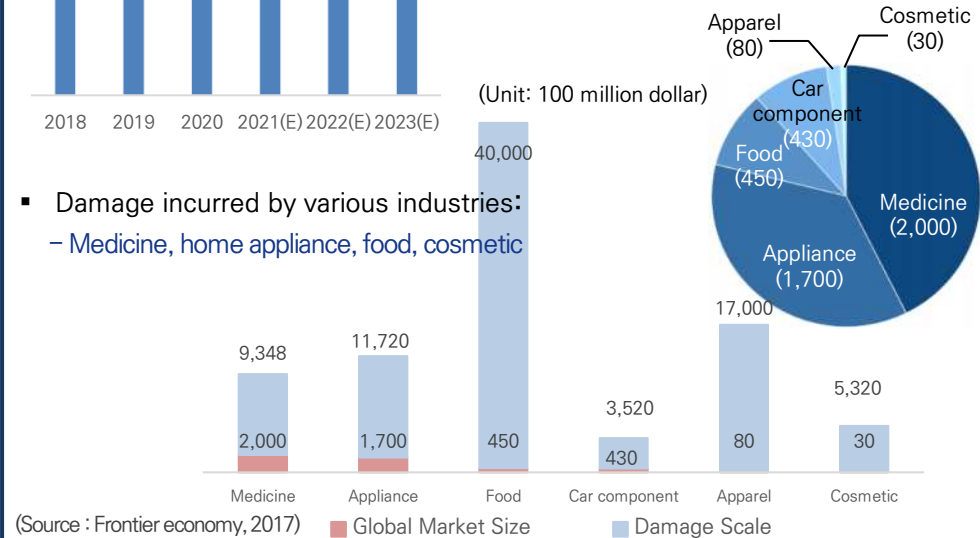1,059   1,181   1,317   1,468   1,637   1,822

2018   2019   2020   2021(E) 2022(E) 2023(E)

- Size of the illegal market

70.3% increase in the counterfeit market between 2018 and the present day

(Source : Markets and Markets Analysis, 2019)

(Unit: 100 million dollar)

- Damage incurred by various industries:
  – Medicine, home appliance, food, cosmetic

Apparel (80)   Cosmetic (30)

Car component (430)

Food (450)

Medicine (2,000)

Appliance (1,700)

40,000

17,000

9,348   11,720

3,520   5,320

2,000   1,700   450   430   80   30

Medicine Appliance Food Car component Apparel Cosmetic

(Source : Frontier economy, 2017)   ▪ Global Market Size   ▪ Damage Scale

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Features

Optimized service for your international expansion

<table>
<tr>
<th>The only Korean technology obtains a certificate from CTAAC</th>
<th>Will aid with client's efforts in internationalization – client centered approach</th>
<th>Acquired Chinese ICP
(Internet Content Provider Certification of China)</th>
</tr>
<tr>
<td>

• HiddenTag had certified in China by CTAAC (China Trade Association of Anti-Counterfeiting) and passed through technology examination from CTAAC in 2016 as the first Korean Technology.

• Since 2016, HiddenTag passed through a test that renews technology certificate for 3years in 2019.

</td>
<td>

• HiddenTag Aims to provide effective counterfeit control services in cooperation with public institutions with judicial authority in China through the data reported by users.

• It protects the products of companies that have not fully secured trademark rights in China. Provision of service with intention to aid in increase of overseas sales.

</td>
<td>

• An ICP (Internet Content Provider) license is a state-issued registration number that allows you to host your website on a mainland Chinese server and operate business online.

• HiddenTag acquired ICP license to provide trusted and stable service at WeChat application which has 1 billion users.

</td>
</tr>
</table>

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Features

Authenticity Verification App with the Highest User Awareness in the industry

Operates subsidiaries and agencies around world

- We have been operating several overseas subsidiaries and agents to provide tailored solutions globally.

- HiddenTag technology has been certified in China by the CTAAC (China Trade Association of Anti-Counterfeiting) to sell anti-counterfeit technology HiddenTag since 2019

Global Authenticity Verification Service
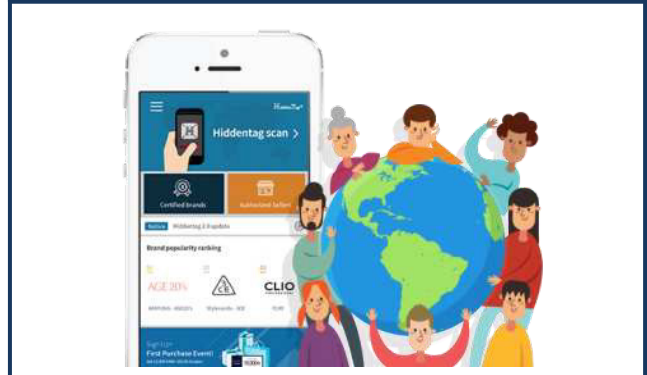
- HiddenTag app is registered in app markets around the world and has been accessed and used in over 150 countries.

- HiddenTag App has been ranked #1 in app evaluation/ #1 in cumulative downloads among all product authenticity verification apps.

- Multi-language support → Korean, Chinese, English, Japanese, Thai, Vietnamese. Also, Hindi, Spanish and Arabic will be added soon

Exclusive intellectual property rights licensed to HiddenTag – making HiddenTag a strong, competitive contendor

- We have domestic patents and intellectual property rights including America, Japan, China and Vietnam as well to provide secure solution to our partners

- More than 30 domestic/international patents

	Patent rights	Trademark rights
Domestic	23(1)	5
International	4(5)	10(1)

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Distribution Management Solution

- Provide the production and distribution information of each product
  (manufacturer, vender date of production, batch/lot number)

- Customized distribution information pages depending on client' need
- Can be a accessed both from smartphone and web system

HiddenTag, Landing page
- Scan the label on the product
- Click the hidden button in the landing page

② Admin Login Page
- Enter Administrator's ID and password

③ Landing page
- Check distribution information

④ Admin webpage for data analytics
- Individual product information is linked to each HiddenTag data
- Select the search fields e.g. serial number and name of products
- Individual and mass search possible, excel format download functions available

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Case1	Consumers can check distribution information of the product without admin page

- Scan and check the authenticity of your product
- Click "check vendor" button

- Check if a serial number matches the vendor information
- Contact numbers to report to brand owners if vendor information is not matching serial number.

Case 2	Consumer or brand admin specific layout depending on need

- Consumer : Click on "My product info" button to check product details
- Admin : Click on hidden button in the landing page to open admin log-in screen

- Consumer : check detailed information about the product
- Admin :modify/manage the product information on the mobile page.

Admin Web Page(PC)

- Admin can manage and insert bulk information
- Check each individual scanned record

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Distribution Channel Trace

- Inventory protection, labor force control, reduction of unnecessary costs
- Enable efficient product supply and check global distribution channel
- Adjust production through sales volume and consumer real-time information

Abnormal distribution monitoring

| Manufacturer |

| On-off line Store and Consumer |

Domestic

Overseas

Online A   Online B

- Products are connected with blockchain via HiddenTag

- Observe the production, distribution and consumption process without risk of forgery
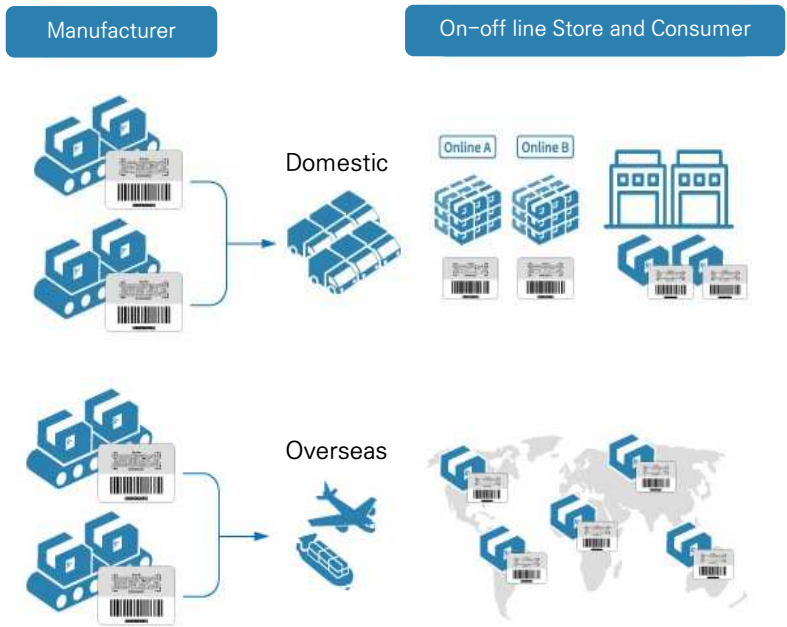
Consumer monitoring

- Consumer purchase pattern and quantity analysis possible
- Analysis of intermittent time between purchases made by the same customer

② Vendor monitoring

- Tracking unusual vendor activity
- Can analyze market success depending on specific distribution channels

③ Sale monitoring

- Monitoring sales status by time periods
- Distribution channel details by product available
- Can record time spent at each stage of distribution

④ Market monitoring

- Area distribution analysis by nation and city
- Monitoring areas of unusual distribution activity

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Monitoring Service

- Scan the GPS data → Global monitoring possible
- Available information:
  - Number of Scans
  - Country/ Scan location
  - Duplicated data monitoring

View all HiddenTag scan records

- Check the scan records of each product separately

② Scan data statistics
(number of scans, country of scan etc)

- Show different types of scan data through specific search criteria/filters(number of scans, country) and check graphs

③ Duplicate attempt detection

- Show overall scan statistics as well as statistics of suspicious scans

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Report

- When consumers scan any counterfeit labels, warning page pops up right away reporting the fake label on the HiddenTag app

- The information consumers can report include the details of the products and sellers. This information can be used to track/trace fake products

Suspect the label

– Scan the label of suspicious product

② Check the fake label

– Check the label which reveals fake product

③ Report the fake label

– Report the fake label via HiddenTag App

④ Admin monitoring

– Monitor the report about fake labels via admin page in real-time

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User Registration Service

- Channels for collecting consumer data
- After–sales information service for the purchased products
- Using collected consumer data to create consumer–specific marketing strategies

Scan the labels

- Consumers scan the label on the product

② Enter consumer's information

- Once consumers enter their information, the server records user information as related the product

③ HiddenTag provides consumer reports

- User information data reports can be delivered to brands daily, weekly or quarterly

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User Registration Service Case

| Case 1 | HiddenTag unique codes can be used to register authentic products + Only registered products can be used company schemes |

Scan HiddenTag
- Consumers scan HiddenTag

② Authenticity verification and Construction registration
- After checking the authenticity of the product, register construction confirmation

③ Provide consumer data to brands
- Send consumer info to brands by email.
- Brands can provide faster service by checking the registered construction certificate when the customer visits again

| Case 2 | Use customer information for After-sales services |

Scan HiddenTag
- Provide HiddenTag label and product separately

사용자 등록 | 조회하기

② Check authenticity and register for warranty
- Consumers register their information after verifying the product authenticity
- Once consumers register their information, brands can offer benefits such as warranty period extension etc
- Consumers can attach the HiddenTag label after registering information

③ Provide user information report
- Send consumer information to brands by email.
- Once consumers claim warranty, brands can check consumer information instantly and offer A/S service

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Event Service

• Stage plenty of marketing events through management of products
• Targeted Ads by language
• Various coupon drawing events

Scan HiddenTag

– Scan HiddenTag label on the product

② Authentication page or Event winner page

– Pop–up of the general authentication page + random event winner pages
– HiddenTag can be used to optimize marketing strategy access

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Event Service Case

Scan HiddenTag

– Scan HiddenTag label on the product

② Provide various event page randomly

– Various event winner notification pages will pop-up when randomly chosen event winners scan the label

③ Certified event winners

– Rewards will be provided once winner enters personal information

– Certified process

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Additional services for brands

Promotional services utilizing global traffic

Mobile advertising services

- Various HiddenTag advertisement tools
- Targetted ads by language(Korea/Chinese/English/Vietnamess/Thai)

HiddenTag   오후 1:44
(광고) 푸석푸석 피부, 자고일어나면 부드럽게!

[In box]   [Push Notification of HiddenTag App]   [Banner Ad area]
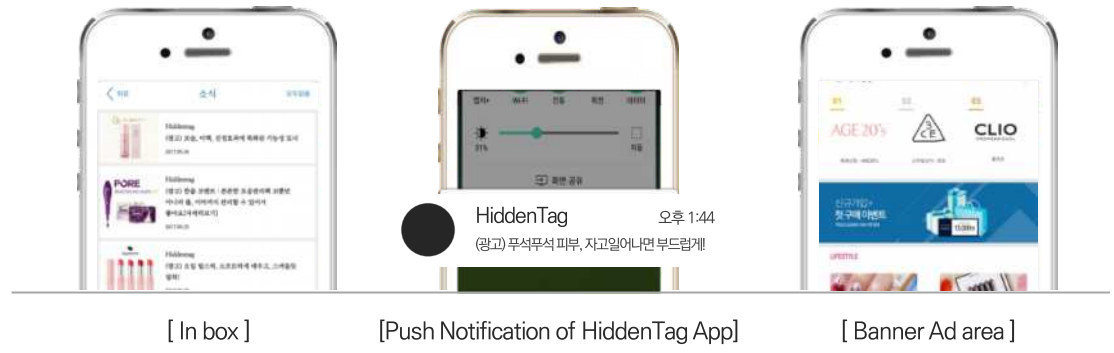
② Genuine Store

- Promote/sell products to global consumers
- Increase reliability of products through HiddenTag
- Expansion of sales channels, investigation of local reaction

Unit, Thousand

China
Korea
Vietnam
HongKong
Taiwan
Malaysia
Thailand
Macao
Singapore
Mongolia
USA
Others
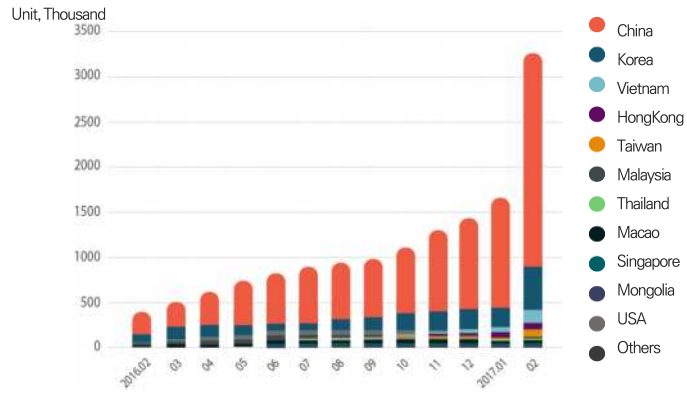
[HiddenTag App scan top ranking by country]

The daily number of WeChat mini program users

300 million

The total number of Products protected by HiddenTag

400 million

The value of products protected by HiddenTag

4 trillion won

[HiddenTag store]

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Additional services for brands

Additional services available for brands exporting their goods

Law firm service

Biggest law firm in China

Strengthen the protection of intellectual property

First Korean brand protection technology acknowledged by Chinese government agency
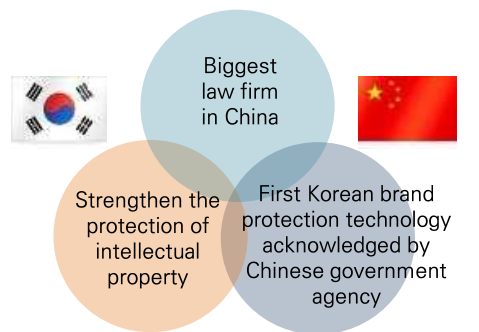
- Strong alliance with firms to provide legal services → litigation in cases where HiddenTag detects illegal counterfeit operations

- Korean Litigation Agent–SANM (Law Firm specializing in intellectual property rights–copyrights, patent rights, trademark rights)

- Chinese Litigation Agent – YINGKE(Established in 2001, one of the biggest law firms in China with 7,000 lawyers)

Export Voucher

HiddenTag®

SBC   CK&B   kotra

수출바우처 정품인증분야 공식수행기관으로 5년 연속 선정

- HiddenTag has been selected as an official organization of export voucher by KOTRA and KOSME for five consecutive years, from 2016 to 2020.

Press Release

- Potential for promotion collaboration : collaborative press releases etc

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Benefit

Customer's sales increase = Reliability improvement of HiddenTag®

CK&B's ultimate goal is to fully protect customers' contents and brand values promoting symbiotic growth

Prevent from counterfeit attempts	Improve customer satisfaction	Cost effective vendor and inventory management solutions
• Protect the value of brands from counterfeit goods • Increase consumers trust by direct engagement	• Enable brands to provide fast and efficient customer support service with the help of consumer information collected with the help of HiddenTag • Using HiddenTag technology for marketing strategies	• With the help of the unique identifier of each product, It is possible to check product's sales and easily manage inventory • Efficient marketing plan can be set based on scan data analytics

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Industry Credibility
Number 1

HiddenTag has been chosen as the go-to product authenticity verification tool for various public institutions and associations

China Trade Association for Anti-counterfeiting

First Korean company acknowledged by the Chinese government as an official anti-counterfeit solution

Korea international Trade Association

Selected as K+ mark certification

Korea Trade-Investment Promotion Agency

Korea Broiler Council

Korea Fashion&Culture Development Agency

The highest number of references by industry

1000

Over 700 brands has already partnered with HiddenTag

No. 1 Authentication Solution

Reference

M.O.I	ALICE MARTHA	Aekyung AGE 20s	23.65	PINK CROSS

VOLAYON	A PIECEOFCAKE	Nanda	MARHEN . J	WAKEMAKE

No. 1 Authentication Solution

Reference

CLEWNCO	FCMM	IUNIK	ECO NANO KOREA	ROMAND

SOME BY MI	OIOI	NEIKIDNIS	MOONSHOT	TANGLE ANGEL

No. 1 Authentication Solution

Contact us

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(#409-412, SK V1 TOWER, 5, Seongsuil-ro 8-gil, Seongdong-gu, Seoul, S. Korea)

4 min walking distance from exit 4 of Tukseom Station

6 min walking distance from exit 1 of Seongsu Station

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