

Raheum Nanotech Co., Ltd.

Business Valuation Report

September 2020

Strictly Private and Confidential

Samhwa Accounting Firm × MOORE

Letter of Transmittal

To: Raheum Nanotech Co., Ltd.

Re: Raheum Nanotech Co., Ltd. Business Valuation Report

At the request of Raheum Nanotech Co., Ltd. (hereinafter the "Company"), Samhwa Accounting Firm has performed a business valuation engagement as of the valuation date (September 28, 2020) and hereby submits this report.

The scope of this engagement, as pre-agreed with the Company, includes the Company's financial projections and valuation-related matters necessary to determine the terms of investment attraction and financing from financial institutions.

This report has been prepared as a reference for investment attraction purposes and may not be used for any other purpose. Samhwa Accounting Firm assumes no obligation to revise this report for events or changes in circumstances occurring after the date of submission.

September 28, 2020

Samhwa Accounting Firm CEO: Seok Wan-ju

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Business Valuation

Section 01. Executive Summary

1.1 Projected Income Statement (Unit: USD thousands)

Category	2020(E)	2021(E)	2022(E)	2023(E)	2024(E)	2025(E)
Revenue	1,041	12,235	26,820	47,651	68,605	111,059
Cogs	695	5,082	12,218	20,578	29,287	44,567
Gross Margin	346	7,153	14,603	27,074	39,318	66,493
SG&A	509	3,557	5,978	11,231	16,303	29,118
Operating Income	(-)163	3,598	8,624	15,843	23,015	37,375
Corporate Tax	-	773	1,879	3,468	5,045	8,204
Net Income	(-)163	2,824	6,746	12,376	17,970	29,171

Key Assumptions

- Business is assumed to proceed as per the Company's business plan.
- Development costs are not capitalized as intangible assets, resulting in a loss in 2020.

Section 03. Understanding the Company | 1.1 Company Overview

Raheum Nanotech Co., Ltd. — Specialized in R&D, Manufacturing & Sales of LED Displays (Est. 2018.07.02)

Company Name	Raheum Nanotech Co., Ltd.	Website	http://transparentled.com
Founded	2018.07.02	Employees	7 persons
Business Reg. No.	885-86-01025	Corporate Reg. No.	110111-6800092
Address	27 Sampung-ro, Gyeongsan, Gyeongbuk (Gyeongbuk		
Industry	Electronic Circuits & PCB Manufacturing	Main Products	Transparent LED Display
CEO	Lee Myung-hun (DOB: 1958.02.10)	Paid-in Capital	KRW 340,000,000 (approx. \$283,333)
Par Value / Shares	KRW 500 / 680,000 shares		

Patents Held (as of end of 2019)

- ① Metal nanowire transparent electrode and manufacturing method (App. No. 2018-0090049)
- ② Method for forming micro-electrode patterns via non-etching printing (Pat. No. 2018-0132829)
- ③ Transparent LED display device and manufacturing method (Pat. No. 10-2052886)

Section 03. Understanding the Company | 1.2 Shareholder Structure

As of the valuation date (September 28, 2020), the largest shareholder is the CEO.

Shareholder	Shares	Ownership
Lee Myung-hun (CEO)	485,725	71.43%
Park Sung-ho	60,716	8.93%
Jeong Sung-hong	60,716	8.93%
Lee Jeong-gil	26,249	3.86%
Kim Myeong-ok	25,296	3.72%
Kim Seung-hee	11,852	1.74%
Lee Yu-ri	9,446	1.39%

** CEO Lee Myung-hun holds a controlling stake of 71.43%. Venture company certification acquired on 2019.04.08.*

Section 03. 2.1 Business Areas

2. Current Business Overview

2.1 Business Areas

Target Market

Transparent Display Panel Manufacturing

Transparent Display Panel Mfg.



Transparent Display Panel Mfg.

- Transparent signage panel distribution
- LED module import substitution
- Global market expansion

Transparent LED Digital Signage Production

Digital Signage



- Adhesive transparent signage
- Content feed & editing
- Smart factory / city / highway
- On-demand module expansion

Future Vision: Smart-IoT Global Service Platform

Service Network

Signage Management Service

- Ad content marketplace
- Ad/corporate signage management
- Technology solution development
- Signage controller development



Client Central Control Room

Section 03. 2.2 Pipeline Strategy — Transparent Display Panel Manufacturing

2. Current Business Overview

2.2 Pipeline Future Strategy

Target Market	
Transparent Display Panel Manufacturing	
Category	Details
Target Market	- Transparent signage panel distribution market - LED module import market - Overseas market
Business Strategy	- Price competitiveness via patent-based mass production (30-40% cost reduction) - Eco-Friendly certification - KC (Korea) Certification
Strategic Program	Universal controller & circuit board development
Sales Plan	- Nationwide distribution to ad agencies & outdoor signage companies - Import substitution via price competitiveness - Panel/signage/solution end-to-end package - Overseas market expansion

Section 03. 2.2 Pipeline Strategy — Transparent LED Digital Signage Production

2. Current Business Overview

2.2 Pipeline Future Strategy

Target Market	
Transparent LED Digital Signage Production	
	
Digital Signage • Adhesive transparent signage • Content feed & editing • Smart factory / city / highway • On-demand module expansion	
Category	Details
Target Market	• Retail (franchise & general retail stores) • Delivery market • B2B (enterprise & factory)
Business Strategy	• Price competitiveness via mass production (30–40% cost reduction) • Build reference sites rapidly • Capture market share at market entry
Strategic Program	• Ad agency-linked free infrastructure install / ad-cost offset model • Existing signage mgmt, new rental policy, hot-place free trial • Delivery registration & NEP/MAS promotion
Sales Plan	• Expansion: telecom, franchise, corporate channels • Target affluent retail: hospitals, pharmacies, luxury stores

Section 03. 2.2 Strategic Business — Ad Agency Infrastructure Model

2. Current Business Overview

2.2 Pipeline Future Strategy

Target Market

❖ Strategic Business — Ad Agency Model

(Free infrastructure install → ad-cost offset model)

Transparent LED Digital Signage Production

Digital Signage



- Adhesive transparent signage
- Content feed & editing
- Smart factory / city / highway
- On-demand module expansion

Signage Spec: 1,350mm × 720mm (7 Pitch, Transparent LED)

Free Installation Target: 1,000 retail stores (franchise partners)

Revenue model: Ad agency covers installation cost via ad slot fees

Goal: Offset install cost through advertising revenue share

Required Budget

KRW 3.5M × 1,000
= **USD 29.2M**

Raheum (Investor)

Balance

+USD ~20M yr1

Projected Sales

USD 50M / Yr 1
USD 75M / Yr 2-5

Section 03. 2.2 Service Network Overview

2. Current Business Overview

2.2 Service Network Overview

Target Market

Service Network

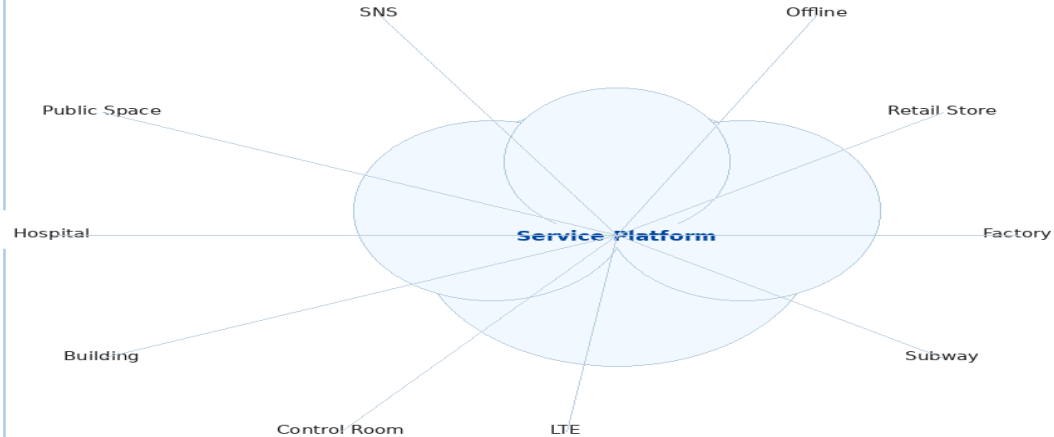
Raheum Service Network Concept

Signage Management Service

- Ad content marketplace
- Ad/corporate signage mgmt
- Technology solution development
- Signage controller development



Client Central Control Room



Section 03. 2.2 Service Network Strategy

2. Current Business Overview

2.2 Service Network Strategy

Target Market		
Service Network	Category	Details
Signage Management Service • Ad content marketplace • Ad/corporate signage mgmt • Technology solution development • Signage controller development  Client Central Control Room	Target Market	• Retail market (ad agency ↔ advertiser content exchange) • B2B (content production companies) • General ad creators
	Business Strategy	• Ad Content Development Platform ✓ Web-based ad content, open API, IoT dev environment & Tier-1 technology ✓ Payback programs & B2B solutions, DRM support • Market-open / SNS sharing / guest-participation signage management • Enterprise Solutions: ✓ PLC-HMI factory management system ✓ Multi-location signage & content management ✓ General solution (ad display, multi-display, multi-sink)

Section 03. 2.3 Key Milestones



... continued on following slides

Section 03. 3. Financial Overview

3. Financial Overview

Summary Balance Sheet			
Unit: KRW thousands			
Category	FY 2020 2Q	FY 2019	FY 2018
Current Assets	315,771	362,326	455,551
(1) Quick Assets	166,829	264,826	420,551
Demand deposits	2,000	2,000	-
Regular deposits	150,764	231,700	390,518
Trade receivables	-	189	-
Short-term loans	-	-	6,000
Cash & equivalents	10,816	18,129	20,917
Prepaid expenses	3,234	12,804	3,110
Prepaid taxes	15	5	5
(2) Inventory	148,942	97,500	35,000
Raw materials	51,442	0	0
Finished goods	97,500	97,500	35,000
Non-current Assets	1,309,562	1,017,348	289,472
Tangible assets	104,715	103,517	-
Intangible assets	1,185,176	861,160	275,800
Other non-current	19,671	52,671	13,671
Total Assets	1,625,333	1,379,674	745,022
Current Liabilities	1,279,076	1,108,533	557,909
Accounts payable	53,942	33,462	802
Accrued expenses	12,819	17,602	1,786
Short-term borrowings	1,199,201	1,049,201	550,000
Accrued liabilities	13,114	8,268	5,322
Total Liabilities	1,279,076	1,108,533	557,909
Total Equity	346,257	271,142	187,113

Summary Income Statement			
Unit: KRW thousands			
Category	FY 2020 2Q	FY 2019	FY 2018
Revenue	30,400	19,326	583
Growth Rate	57.3%	3,214.9%	-
Cost of Revenue	11,007	-	-
COGS Ratio	36.2%	0.0%	0.0%
Gross Profit	19,393	19,326	583
Gross Margin	64%	100%	100%
SG&A Expenses	79,687	146,544	48,269
SG&A Ratio	262%	758%	8,279%
Operating Income	(60,294)	(127,218)	(47,686)
Non-op. Income	122,003	210,497	35,045
Non-op. Expense	16,593	27,474	247
Income before Tax	45,116	55,805	(12,887)
Corporate Tax	0	1,777	0
Net Income	45,116	54,029	(12,887)

Section 04. 1.1 Display Industry Characteristics

4. Industry Analysis & Business Understanding

1.1 Display Industry Characteristics

1. Display Industry Trends — 1.1 Display Industry Characteristics



- Display competitiveness determined by upstream components; Korea's upstream sector is weak and heavily import-dependent
- Display equipment & components: mostly SME-dominated, with a relatively high proportion of specialized labor
- Korea vs. Japan (tech leader): 96.4% tech level; gap narrowed from 0.5 yr → 0.1 yr; relative level improved to 93.6%

1) Display Market

A display renders electronic data on screen for human use.

- 1 The display industry covers all activities related to producing materials, components, and equipment for display panels.

A panel-centric, high system-dependency industry where technology leadership determines global market share.

Panel competitiveness driven by manufacturing process and material technology; requires large production facilities and active R&D investment.

Section 04. 1.2 Digital Signage

4. Industry Analysis & Business Understanding

1.2 Digital Signage

1.2 Relevant Sector for the Company



출처: 중소기업기술로드맵, 디스플레이, 2018-2020

(2) Digital Signage Display

- Digital Signage (DID): outdoor ad displays controlled via communications networks. Delivers info/ad content to commercial venues.
- Government invested KRW 333B through 2018 to secure SW/content & next-gen display technology. Active in early international standardization.

- ❖ Digital Signage: IT-network-based information display (LCD/LED/PDP) at outdoor ads, facilities, and commercial venues
- ❖ Advantage over TV/newspaper: centralized content management & location/time-tailored information delivery
- ❖ Unlike static billboards, shows time-varying content with internet connectivity — positioned as "4th screen"
- ❖ Bidirectional IT-convergent system rapidly gaining attention as a next-generation media platform

Section 04. 1.3 Global Market Trends — Digital Signage Market (CAGR 12.9%)

4. Industry Analysis & Business Understanding

1.3 Global Market Trends — Digital Signage (CAGR 12.9%)

1.3 Global Market Trends

1.3 Global Market Trends

(단위 : 백만 달러, %)

구분	'16	'17	'18	'19	'20	'21	CAGR
세계시장	19,300	21,789	24,600	27,773	31,400	35,450	12.9

* 출처 : 과학기술정보통신부, 디지털사이니지 산업 활성화 대책(안), 2015



- Telecoms, IT companies, DS specialists & platform firms form a competitive ecosystem of service differentiation
- Global DS market: USD 19.3B ('16) → USD 35.5B ('21) at CAGR 12.9%; advertising/content shows highest growth (39.7%)
- IHS forecasts 4.7-5.6% annual growth; smart content/intelligence and real-time data driving rapid revenue increase
- Hardware-centric market expanding to services/media/ads; retail 50% | advertising 15% | finance 6% | transport 5%

Section 04. 1.4 Domestic Market Trends — CAGR 13.4%

4. Industry Analysis & Business Understanding

1.4 Domestic Market Trends — CAGR 13.4%

1.4 Domestic Market Trends

1.4 Domestic Market Trends

구분	2016	2017	2018	2019	2020	2021	CAGR
국내 내수시장	25,500	28,917	33,100	37,535	39,700	45,019	13.4

* 출처 : 과학기술정보통신부, 디지털사이니지 산업 활성화 대책(안), 2015



- Projected to grow from KRW 2.5T ('16) to KRW 4.5T ('21) at CAGR 13.4%; display leads production share at 66.8%
- Domestic digital signage: 100+ primary specialists; 90.1% are SMEs — clearly an SME-led industry structure
- Companies founded 2005–2009: 36% of total; 2010+: 14% — accelerating pace of new company formation
- Digital signage workforce: 3,411 workers; companies actively adding staff (36.6% in '12) — high employment effect

Section 04. 1.6 Peer Company Comparison

4. Industry Analysis & Business Understanding

1.6 Peer Company Comparison

1. Display Industry Trends — 1.6 Key SME Competitors

[Key SME Comparison]							Unit: KRW M, %
Company	Total Assets	Revenue	Rev. Growth	Op. Income	Net Income	R&D Intens.	
1.6 Key SME Competitors							
G-Smart	13,021	33,703	72.3% / 70	7,111 / 70	2 / 70	3.3 / 70	
Odihaitek	4,133	3,644	40.2%	6.9%	4%	0.6%	
Dilli	58,245	37,156	-10.5%	8.0%	10%	5.3%	
Kiosk Korea	2,691	4,683	73.8%	8.1%	12%	6.7%	

Source: KOSME, Display Industry Analysis 2018-2020

- G-Smartglobal: transparent LED glass — world's first global exclusive distribution; surpassed KRW 90B revenue within 2 years of launch
- itreive: actively entering urban VR Theme Park business; one of Korea's leading VR companies
- es.j.ei: embedded software developer with key strengths in system integration & solution development
- Odihaitek: developing "safe-use macro LCD" for security monitoring and technology research applications
- Dilli: UV printer specialist, pioneer in digital inkjet printing technology
- G-Smartglobal: transparent LED glass, world's first & global exclusive distribution; KRW 90B+ revenue in 2 years
- itreive: actively entering urban VR Theme Park business; leading VR company in Korea
- es.j.ei: embedded software developer with strengths in system integration & solutions
- Odihaitek: developing "safe-use macro LCD" for security monitoring; Dilli: UV printer / digital inkjet pioneer
- Kiosk Korea: transparent display and multi-vision technology; leading domestic digital signage supplier

Section 04. 2. Advertising Industry Trends

4. Industry Analysis & Business Understanding

2. Advertising Industry Trends

2. Advertising Industry Trends — 2.2 Domestic Advertising Market

2.2 Domestic Advertising Market Trends



- 2019 ad market: KRW 17.2T (7,256 companies), +4.9% YoY. Ad agencies hold largest share at 38.5% of total
- Average revenue per company: KRW 23.7B; agency operating profit (KRW 33.3B) highest; online agencies (KRW 33B)
- 2019 media breakdown: total KRW 11.3T; top 4 media (TV, radio, print, PC) account for approximately 27.8% each
- Outdoor advertising: 54.3% share (KRW 9.9T); digital outdoor 17.9% — outdoor holds a stable industry position

Section 05. Business Valuation Methodology

Asset-Based Approach	Earnings-Based Approach	Intrinsic Value Approach	Discounted Cash Flow (DCF)	Market Value Comparison ✓
Valuation based on net book value / liquidation value	Present value of projected future earnings	Blend of Asset-Based & Earnings-Based / Weighted avg. 4:6 (asset/earnings) / IPO price standard	Enterprise value via projected free cash flows discounted at WACC	Valuation using listed peers' stock prices and financial ratios (PER-based) — Selected for this report

Selected Method: Market Value Comparison (PER)

- Two peer industries were considered for PER calculation: "Display Equipment & Components" and "Advertising."
- PER (Price-to-Earnings Ratio) = $\text{Market Price per Share} \div \text{EPS}$ | Enterprise value based on 2021 projected net income: approx. USD 2.82M

Section 05. 2. PER Basis — Display Equipment Industry (Peer Comparison)

5. Valuation Methodology

2. PER Basis — Display Equipment Industry (Peer Comparison)

2.1 P/E Ratio (PER)

PER (Price-to-Earnings Ratio) divides market price per share by EPS, showing how many times earnings the market prices the stock. This report uses the average PER of peer companies.

2.2 PER Calculation

Category	PER = 18.89	PER = 20	PER = 30
Net Income (KRW M)	3,389	3,389	3,389
PER	18.89	20.00	30.00
Enterprise Value (KRW)	64,025	67,779	101,669

<Peer Comparison>

(*) Source: Navar "Display Equipment & Components" industry share data

Company	Market Cap	Revenue	Op. Income	Net Income	Net Margin	Net Inc.\$	PER
Dongah Elec *	9,260	987	198	153	11.27		
GRT *	1,405	947	774	645	1.61		
Eltech *	12,150	914	37	13	62.95		
Roches Systems *	5,450	834	43	12	16.52		
KJ Enjei *	12,700	801	38	44	14.87		
AFP Entex *	8,350	700	22	14	15.84		
Youngwoo Media *	1,590	633	115	-21	5.13		
Sunsisi *	7,010	631	114	71	10.23		
Pan Indian *	1,985	523	-4	-37	56.71		
Uri Enjel *	984	491	36	48	13.30		
iPi *	10,000	491	31	41	7.06		
Urizome *	1,725	430	271	54	6.82		
Hancom *	2,425	390	72	76	8.11		
iComp. *	4,600	325	-15	-12	34.07		

Average: 18.89

Section 05. 2. PER Basis — Advertising Industry (Peer Comparison)

5. Valuation Methodology

2. PER Basis — Advertising Industry (Peer Comparison)

2.1 P/E Ratio (PER)

PER (Price-to-Earnings Ratio) divides market price per share by EPS, showing how many times earnings the market prices the stock. This report uses the average PER of peer companies.

2.2 PER Calculation

Category	PER = 18.74	PER = 20	PER = 30
Net Income (KRW M)	3,389	3,389	3,389
PER	18.74	20.00	30.00
Enterprise Value (KRW)	63,492	67,779	101,669

<Peer Comparison>

(*) Source: Navar "Display Equipment & Components" industry share data

Company	Market Cap	Revenue	Op. Income	Net Income	Net Margin	Net Inc.\$	PER
Jeil Planning	21,300	34,217	2,058	1,395	19.05		
iMON *	3,980	367	77	81	14.11		
Jitomal	4,910	5,421	219	153	4.85		
Oricom *	4,105	1,985	80	59	13.16		
iNoseon	51,300	12,743	1,219	946	15.35		
Yeco Mktg *	27,300	1,114	378	334	21.91		
SM C&C *	1,675	1,667	48	38	-		
iNomedia *	31,950	1,170	306	225	14.13		
Fledi *	8,620	386	88	66	28.45		
Unicrosse *	42,200	345	122	93	33.31		
WiseBiz *	1,750	0	0	1	23.03		

Average: 18.74

Section 06. 1. Valuation Results Summary

Scenario 1

Display Equipment Industry PER
(PER = 18.89)

**approx.
\$53.4M**

USD 53,354K

Scenario 2

Market Average PER
(PER = 20)

**approx.
\$56.5M**

USD 56,483K

Scenario 3

High-Growth Company PER
(PER = 30)

**approx.
\$84.7M**

USD 84,724K

Key Valuation Basis (Based on 2021 Projected Net Income)

Category	PER=18.89 (Display)	PER=20	PER=30
Net Income FY2021	USD 2,824K	USD 2,824K	USD 2,824K
Est. Enterprise Value	USD 53,354K	USD 56,483K	USD 84,724K

Section 06. 2. Sales Projection (Unit: USD thousands)

2. Sales Projection

(Unit: USD thousands; Rate: 1 USD = 1,200 KRW)

Product	Target Market & Category	2020	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Notes
Transparent Packaging	Import module substitution	-	2,083	4,167	6,250	8,333	10,417	Mkt share -0.5%/yr
	Transparent signage mfg.	-	250	500	750	1,000	1,250	350 units, 10/store
	sub	-	2,333	4,667	7,000	9,333	11,667	
	Legacy signage mgmt.	-	36	144	216	288	360	3M/store, 10 stores/yr
	Project ad revenue	561	5,104	5,833	11,667	17,500	23,333	
Transparent Placement	Project investment income	1,000	6,333	6,333	6,333	6,333	6,333	
	Retail - Medical	-	350	1,400	2,100	2,800	3,500	Sales partners
	Retail - Pharmacy	-	350	1,400	2,100	2,800	3,500	
	Retail - Franchise	125	350	1,400	2,100	2,800	3,500	
	B2B - Automotive	-	300	1,200	1,800	2,400	3,000	
	B2B - Marketing/PR	167	700	2,800	4,200	5,600	7,000	Monthly 10 factories
	sub	853	8,889	22,611	34,007	45,450	56,833	
Service Network	Content market	12	100	200	400	700	1,100	5M/store setup fee
	Content sharing	50	400	800	1,600	2,800	4,400	1.5M/ad(30%)
	sub	225	1,800	3,600	7,200	12,600	19,800	
Global SV	Overseas signage & sol.	-	-	838	2,509	5,015	8,352	Basic pack + Op sol
	Global business svc.	-	-	1,150	3,317	3,450	24,917	+2 countries/yr
	sub	-	-	1,988	5,826	8,465	33,268	
Grand Total		1,041	12,722	32,181	52,583	73,583	118,059	

Section 06. 2. Advertising Revenue Estimation Basis (Unit: hours, USD)

Section 06. 2. Advertising Revenue Estimation Basis

(Unit: hours, KRW / USD)

2. Sales

■ The largest portion of early-stage revenue comes from advertising income, estimated as follows:

After free installation of transparent digital signage at retail stores, revenue is generated by running ads on the signage.

Target: install 1,000 franchise units at no charge in the short term — in discussions with "ad agency partners."

(*) Estimated Ad Revenue Calculation				Key Assumptions		
Available ad time per agency per day (hrs)		2,880		- Via corporate advertising industry experts, transparent signage can realistically generate approx. KRW 120M/year in ad revenue. - Business plan reflects advertising leadership and market timing.		
Monthly ad cost per agency (KRW / USD)		KRW 149,760 → \$125				
Annual ad cost per agency		KRW 1,797M → \$1.50M				
5 agencies assumption total		KRW 8,986M → \$7.49M				
(**) Annual Advertising Revenue Projection						
Unit: hrs, USD						
Category	2020(E)	2021(E)	2022(E)	2023(E)	2024(E)	2025(E)
No. of ad agencies	1	3	5	6	7	8
Available hrs/day per age	8.0	2.7	1.6	1.3	1.1	1.0
Actual ad hours	2.0	2.0	1.6	1.3	1.1	1.0
Ad time (hrs → mins)	120	120	96	80	69	60
Ad slot fee (USD)	43	43	43	43	43	43
Slot daily ad revenue	5,200	5,200	4,160	3,467	2,972	2,600
Set daily ad revenue	5,200	15,600	20,800	20,800	20,800	20,800
Set monthly ad revenue (	156,000	468,000	624,000	624,000	624,000	624,000
Set annual ad revenue (U	1,872,000	5,616,000	7,488,000	7,488,000	7,488,000	7,488,000
No. of sets	83	833	833	1,667	2,083	2,500
Revenue (USD thousar	188	5,616	7,488	14,976	18,720	22,464

Unit: hrs, USD

Section 06. 3. Cost of Revenue Estimation (Unit: USD thousands)

Section 06. 3. Cost of Revenue Estimation

3. Cost

Key Assumptions

- Cost of revenue estimated using peer industry ratios after categorizing revenue by business type.
- Company owns transparent LED platform → actual COGS expected lower than peer ratios.

3.1 Revenue by Business Type

Revenue	2020(E)	2021(E)	2022(E)	2023(E)	2024(E)	2025(E)
Transparent LED Signage	350	6,100	18,966	30,371	42,777	56,182
Ad Revenue	899	8,582	13,218	26,810	39,550	77,089
Total Revenue	1,249	14,682	32,184	57,181	82,326	133,271

3.2 Estimated Cost of Revenue

■ Estimated Manufacturing Cost

Unit: USD thousands

	2020(E)	2021(E)	2022(E)	2023(E)	2024(E)	2025(E)	Est. %
I. Raw Material (Signage)	97	1,683	5,232	8,379	11,801	15,499	15.499
I. Raw Material (Ad)	15	146	225	457	674	1,314	1.314
II. Labor Total	336	206	740	827	1,066	1,203	1.203
Salary	310	190	684	764	985	1,110	1.110
Severance	26	16	57	63	82	92	92
III. Overhead Total	387	4,063	8,463	15,030	21,603	35,464	35.464
Depreciation	19	163	163	163	163	163	163
Welfare	30	18	65	73	94	106	106
Other (Signage)	83	1,438	4,471	7,159	10,084	13,244	13.244
Other (Ad)	256	2,444	3,764	7,634	11,262	21,951	21.951
IV. Total COGS	834	6,098	14,661	24,693	35,144	53,480	53.480
(COGS Ratio)	66.8%	41.5%	45.6%	43.2%	42.7%	40.1%	40.1%

Key Assumptions

- Reference: Bank of Korea Business Analysis (2018), peer industry ratios (C261.2 Semiconductor & Electronic Components / M713 Advertising)
- Labor, depreciation, welfare costs estimated separately - No separate inventory assets assumed

Section 06. 4. SG&A Estimation (Unit: USD thousands)

Section 06. 4. SG&A Estimation

4. SG&A

Key Assumptions

- SG&A estimated using peer industry ratios after categorizing revenue by type.
- Company owns transparent LED signage platform → actual costs expected lower than peer ratios.

■ Estimated SG&A

Unit: USD thousands

	2020(E)	2021(E)	2022(E)	2023(E)	2024(E)	2025(E)	Est.%
<Total>	509	3,557	5,978	11,231	16,303	29,118	29,118
Salary	167	383	579	810	1,073	1,128	1,128
Severance	14	32	48	68	89	93	93
Welfare	20	46	69	98	129	135	135
Depreciation	2	14	14	14	14	14	14
Other (Signage)	19	333	1,035	1,658	2,335	3,067	3,067
Other (Ad)	288	2,748	4,232	8,583	12,662	24,680	24,680
(SG&A Ratio)	48.9%	29.1%	22.3%	23.6%	23.8%	26.2%	26.2%

■ 2019 Asset Depreciation Schedule

Category	Acquisition Cost	Method	Rate	Useful Life	Depreciation
Building (factory)	0	Straight-line	0.025	40 yr	0
Equipment	94	Straight-line	0.200	5 yr	19
Other	10	Straight-line	0.200	5 yr	2
Total	104				21

Depreciation Allocation by Cost Type

Category	Depreciation	COGS %	SG&A %
COGS	19	90.4%	90%
SG&A	2	9.6%	10%
Total	21	100%	100%

■ Projected Depreciation Schedule

Unit: USD thousands

Asset	2020(E)	2021(E)	2022(E)	2023(E)	2024(E)	2025(E)	2026(E)
Building	0	42	42	42	42	42	42
Equipment	19	99	99	99	99	99	99
Other	2	10	10	10	10	10	10
Total	21	151	151	151	151	151	151

◆ Assumptions: Building KRW 2.0B, Equipment KRW 0.5B, Other tangible assets KRW 50M acquired in 2021

Section 06. 5. Labor Cost Estimation (Unit: persons, USD thousands)

Section 06. 5. Labor Cost Estimation

5. Labor Cost

■ Headcount Plan

Category	2020(E)	2021(E)	2022(E)	2023(E)	2024(E)	
Sales & Management	3	8	11	15		9
Production	7	4	16	16		1
Total	10	12	27	31	40	40

Key Assumption

- Labor costs follow the company's headcount plan.

■ Labor Cost Estimation

Unit: USD thousands

Category	2020(E)	2021(E)	2022(E)	2023(E)	2024(E)	2025(E)
1) Salary	425	542	1,148	1,447	1,894	2,053
2) Severance	35	45	95	120	158	171
3) Welfare	45	58	124	158	208	224
Total	506	648	1,368	1,725	2,258	2,447

■ Key Ratios

Category	2020(E)	2021(E)	2022(E)	2023(E)	2024(E)
Severance ratio vs. Salary (1/12 applied)	8.30%	8.30%	8.30%	8.30%	8.30%
SG&A welfare ratio vs. Salary	12.01%	12.01%	12.01%	12.01%	12.01%
Production welfare ratio (labor)	8.80%	8.80%	8.80%	8.80%	8.80%

◆ Reference: Bank of Korea Business Analysis (2018), peer industry ratios (C261.2 Electronic Components / M713 Advertising)

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