

HFR Company Profile

July 2020

Future Digital Infrastructure Builder	
Mobile Access	
Broadband Access	
Private 5G & Services	

Create the Resonant Networking

Networking should include not only providing connectivity tools, but also providing the necessary services. Networking, like nature, will be always staying next to us.

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Company in Brief

Company	HFR, Inc.
Established	Jan. 5 th , 2000
Business Type	ICT Equipment and Service Platform Builder
Main Products	Mobile and Broadband Networks
IPO	2018 (KOSDAQ 230240)
Homepage	www.hfrnet.com

Subsidiary and Affiliates

Company	Main Business	Location	Shares
allRadio	Telecom equipment maker	Korea	100%
ZPsys	Telecom equipment maker	Korea	53.45%
nTels	ICT service platform provider	Korea	19.34%
ccWell	On-premise ICT service provider	Korea	100%
HFR Networks	Telecom equipment provider	USA	98.75%
HFR K-Access Vina	ICT equipment developer	Vietnam	100%

As of July in 2020

Business Areas

Mobile Access

4G/5G xHaul: WDM & Packet RAN Transport

Indoor & Outdoor Cellular Radio Units

Broadband Access

10 Gigabit FTTx

Wi-Fi Access Point & Controller

Private 5G & Services

5G SA vCore/vRAN

5G Business Platform

Shareholder List

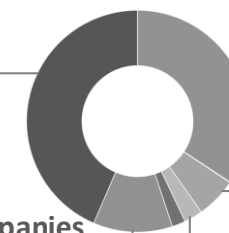
43.2 Other Individuals

34.25 Founder

5.94 Financial Investors

11.55 Other minor companies

2.69 2019 KIF-Stonebridge IT



As of July in 2020

Founder / Rep. Director



Jongmin Cheong

HFR has been growing as a leading company in the Telecom and IT sector in South Korea - an IT-powered nation.

Within a rapidly changing industry, HFR continuously devises ways to technologically advance - faster than any other telecommunications firm in the world. From broadcasting transmission devices to multimedia solutions, HFR continues to be a leader of next generation services in every part of the telecommunication market.

HFR's vision statement is "**creating the resonant networking**" and the strategy is to reshape its portfolio from manufacturing to a more focused ICT service. The pace and intensity of change means it's all the more important that people and enterprises are at the center of the digital future.

HFR will be able to play a greater role in the digital lives of people and enterprises with the networking service. Also HFR will accelerate and enrich the development of its portfolio of open transformation initiatives, which it deems essential to compete in the digital infrastructure.

BOD Members



Jongmin Cheong

- Ph.D (KAIST)
- SK Telecom



Yoonjae Shin

- Head of Domestic Business
- Soongsil University
- 26 years of Broadband Experience



Beumgeun Cho

- Head of Production Unit
- Keumoh N.I.T
- 25 years of Industry Experience



Jaemin Park

- Professor of Kunkuk University
- Ohio State University



Geunchang Lee

- Independent Lawyer
- KAIST

Corporate Committees



Corporate Strategy, HR Committee

- Head: Jongmin Cheong



Information Management

- Head: Sunghyun Han



Technology Strategy

- Head: Jongmin Kim



Audit Committee

- Head: Jungwon Ahn



System/Process Improvement

- Head : Enuha Cho

Who We Are ■■■

HFR will be the company that builds "Future Digital Infrastructure"

Industry Digital Transformation



eHealth



Smart Factory



Autonomous Vehicle



Machine Vision

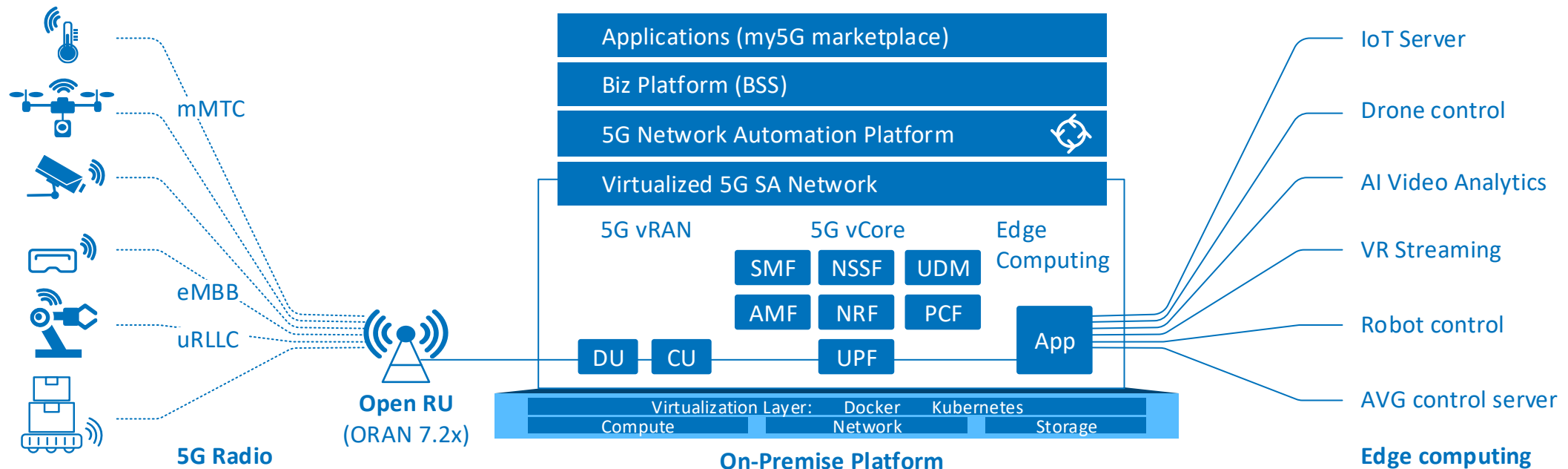


Video Surveillance



Smart Hotel

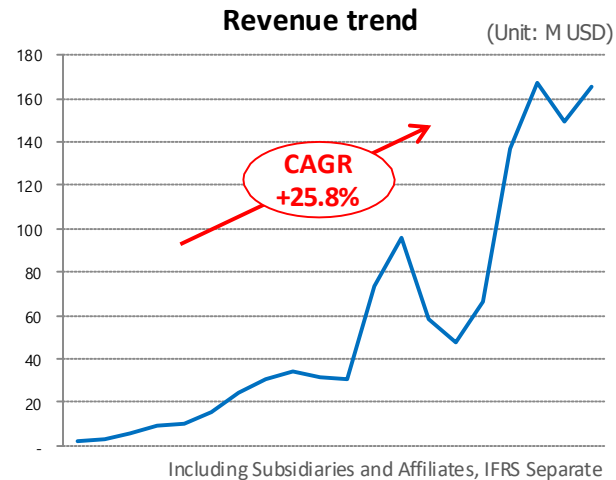
HFR as a Future Digital Infrastructure Builder



Why HFR is an Attractive Bet

Return on Investment

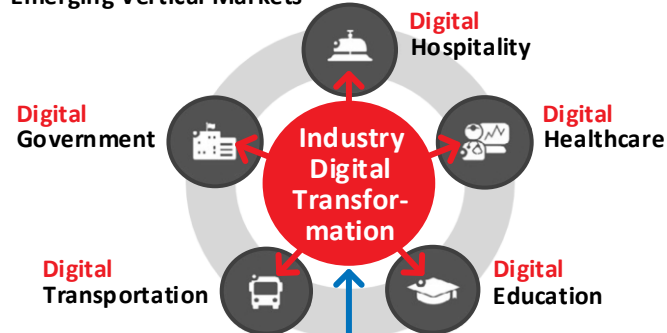
- Positioned as a leading 5G company with visionary strategy
- Continued growth with 20 years of continuous operating profit



Competitive Advantage

- **Network Agility** for automation and orchestration
- **Digital Diversity Management** for managing the explosion of diverse digital technologies
- **Global Infrastructure Enablement** to span global customers and suppliers to deliver "infrastructure everywhere"

Emerging Vertical Markets

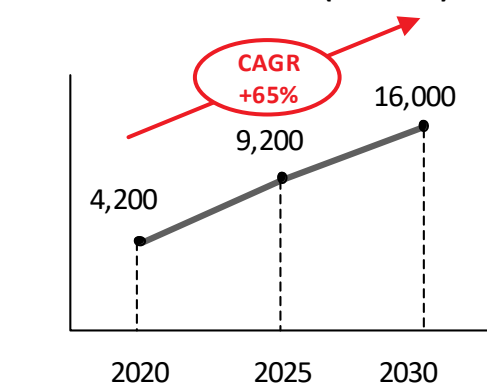


HFR's Future Digital Infrastructure

Upside Market Growth

- **Governments Support** for the recovery from COVID-19
- **5G Market Growth** for automation and orchestration
- **Global Private 5G Market** will be exponentially growing in US, Japan and Europe

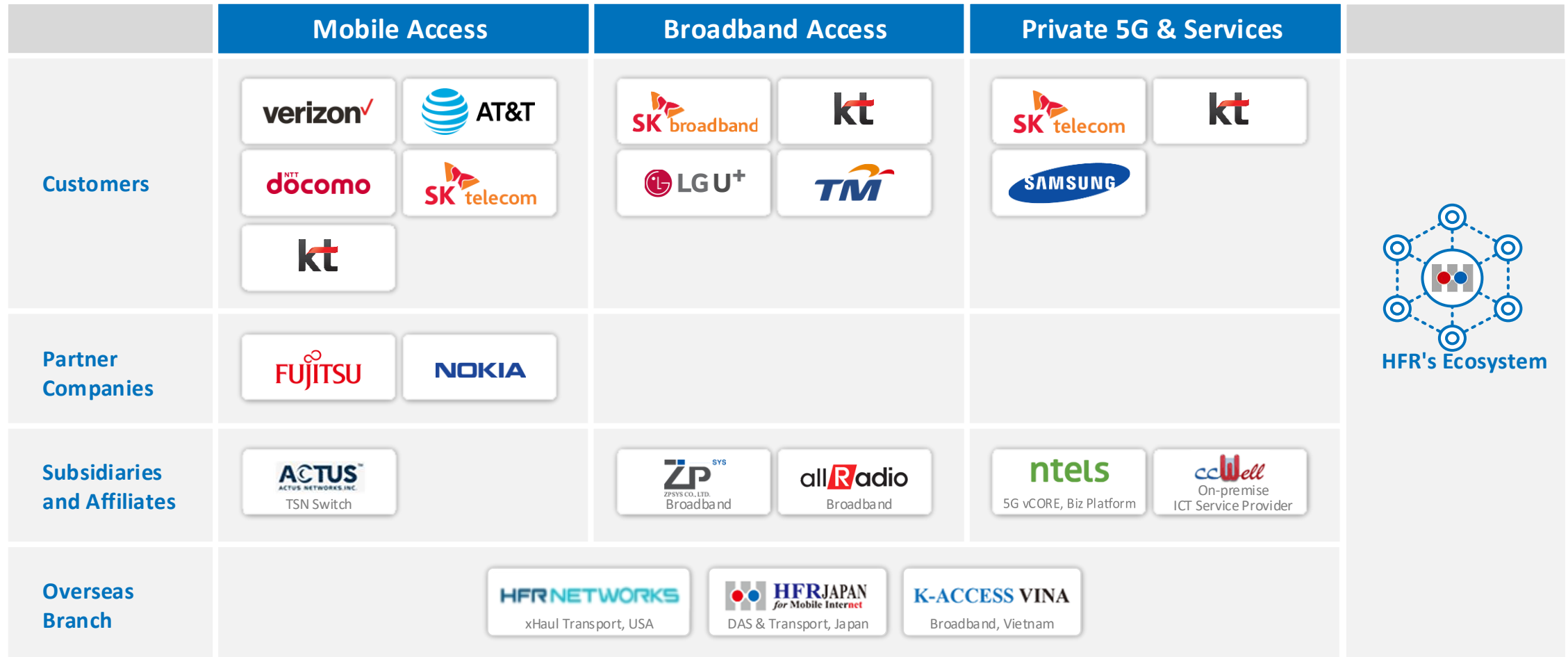
Private 5G Market (USD \$M)



Source: SNS Telecom & IT

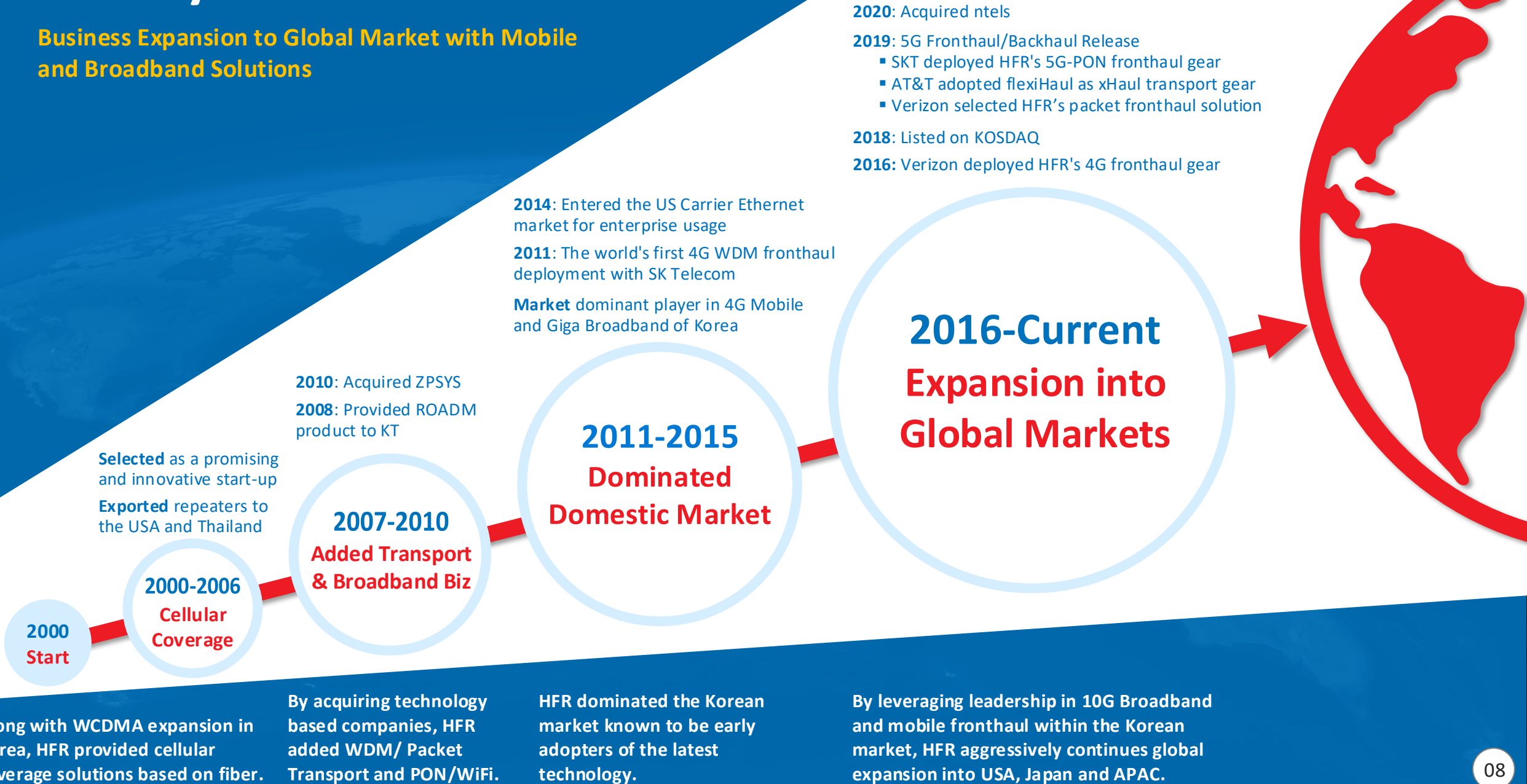
HFR's Ecosystem

HFR and its ecosystem are vital links in an innovation value chain, creating a family of companies empowered to achieve vital advancements through their combined technical synergies.



History

Business Expansion to Global Market with Mobile and Broadband Solutions



Accomplishments & Future Leaps

Leveraging our current leadership within the 5G mobile access and 10G broadband access markets, HFR's future growth is focused on achieving leadership within the "Private 5G" market by delivering integrated managed services on an IoT platform.

Private 5G & Services

Future Digital Infrastructure Builder

- Managed Service Provider
(On-Site Private 5G Network & Services)
- Development of Private 5G Total Solution

5G SA vCore 5G vRAN, RU Biz Plaform

Broadband Access

- 10G Gigabit Internet Commercialization in Korea
- Dominant Player in Korea's Wired Access G-PON Market
- The World's 1st 2-Pair Giga Ethernet Switch Commercialization

G-PON 2-Pair Ethernet 10G-EPON XGS-PON

Mobile Access

- Packet Fronthaul (RoE, TSN) Development
- The 1st Korean Company to Enter the US Fronthaul Market
- The World's 1st C-RAN Fronthaul Commercialization

In-Building Cellular 4G WDM Fronthaul 4G/5G WDM xHaul 4G/5G Packet xHaul

Recent Highlights in 2020

Mobile Access

Selected as a Verizon 5G fronthaul provider

Acquired supply rights to Verizon, followed by 4G and 5G fronthauls (next-generation packet fronthaul supporting eCPRI)

Supplied 5G fronthaul & IBW to SK Telecom

WDM-based 5G fronthaul solution (5G-PON)

Selected as an AT&T CRAN HUB provider

Acquired supply right of AT&T CRAN HUB (Picocell fronthaul) enabled by Semi-active technology and Smart tunable optics

Selected as a DAS Provider to Japan

Multi-carrier/multi-frequency DAS that responds to all carriers in Japan as a common operator equipment
Equipment capable of responding to ORAN in the future

Broadband Access

Developed 5G FWA (5G Router)

5G Fixed Wireless Access (FWA) gateway with Wi-Fi and UTP ports

Supplied 10G broadband service equipment for SK Broadband

XGS-PON OLT/ONU/ONT, Wi-Fi AP

Wi-Fi 6 Supplier to SK Group & KT

Wi-Fi 6 Home AP and Zone AP
SKT Wi-Fi 6 WBA Industry Award
(Best Consumer-Centric Wireless Service Innovation)

Private 5G & Services

Supplied Local 5G Solution to Japan

Local 5G SA End-to-End Solution including vRAN (vCU/DU/RU), vCore, Biz Platform

Acquired nTels listed in KOSDAQ

Expand business area by acquiring Ntels, a business platform company. Expected to create synergy to enter the private 5G service market in the future.

Established subsidiary company, ccWell

Established a company to provide corporate telecom services using Private 5G solutions

QoS Monitoring & SLA Management Services, FYDENA

Developing reliable and efficient E2E QoS monitoring and SLA management services based on blockchain technologies.

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HFR's Business Areas

Mobile Access

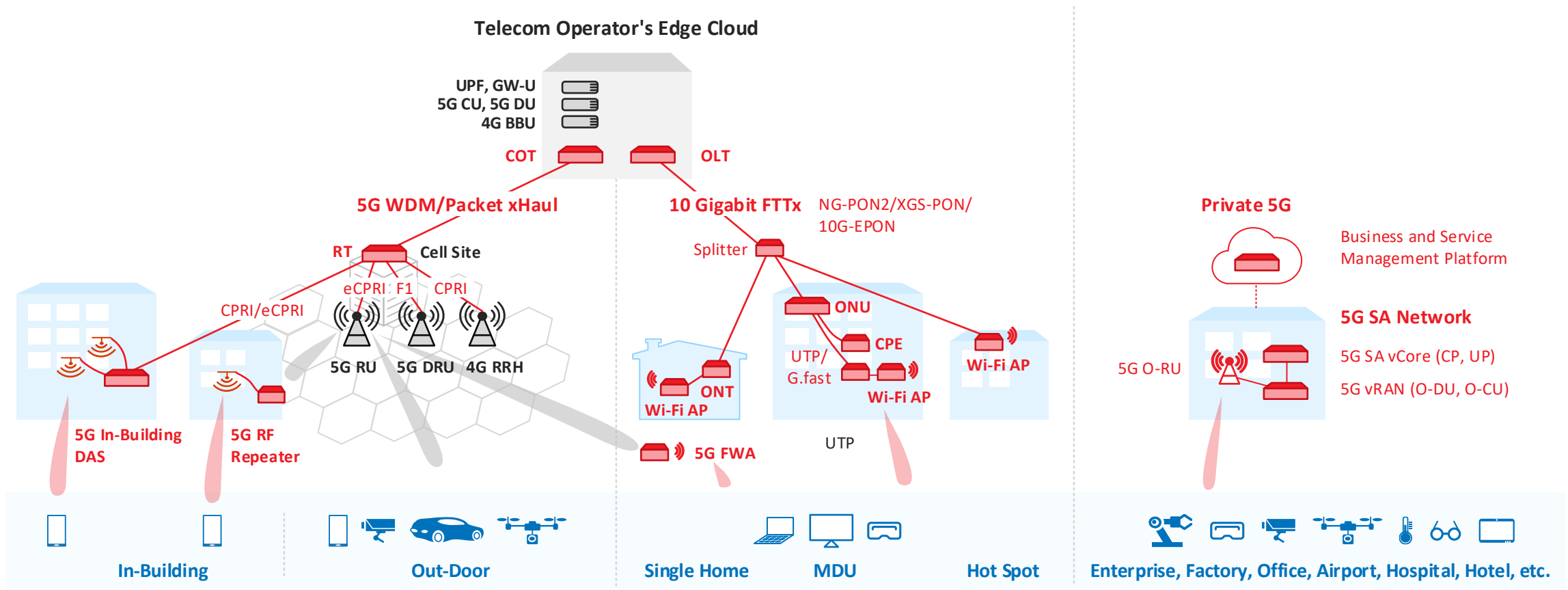
- 4G/5G xHaul (WDM & Packet RAN Transport)
- Indoor & Outdoor Cellular Radio Units

Broadband Access

- 10G Gigabit Internet (FTTx)
- Wi-Fi Access Point & Controller

Private 5G & Services

- 5G SA Network (5G vCore, vRAN, RU)
- 5G Business Platform



HFR's Innovative Solutions

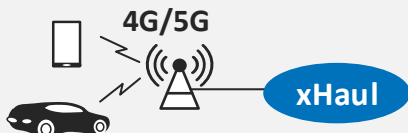
HFR offers innovative solutions in Mobile Access, Broadband Access and Private 5G.



1 Mobile Access **flexiHaul Solution**

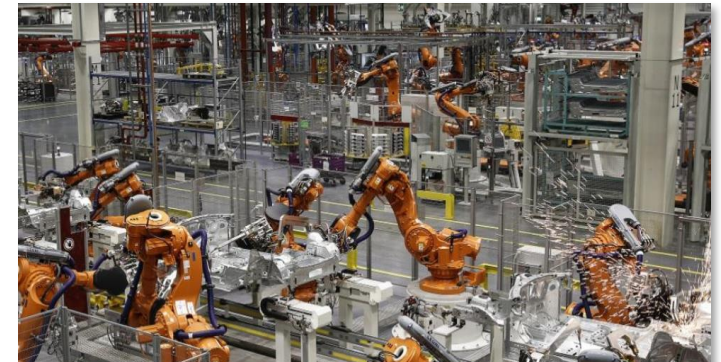
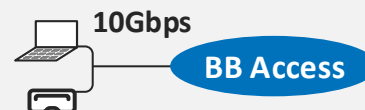
HFR provides mobile RAN transport and indoor & outdoor cellular to help operators save CAPEX/OPEX investments.

HFR delivers both WDM solution and a packet-based solution for mobile fronthaul and backhaul services with U.S., Korean and Japanese markets.



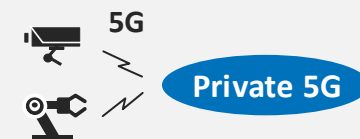
2 Broadband Access **Broadband Access Solution**

HFR provides home broadband access solutions for 1G/2.5G/5G/10G to the home. HFR is currently providing all three broadband solutions - FTTH , FTTB + LAN, and FTTB + G.fast, allowing telecom operators to deliver ultra-high speed Internet for any residential environment.



3 Private 5G & Services **my5G Solution**

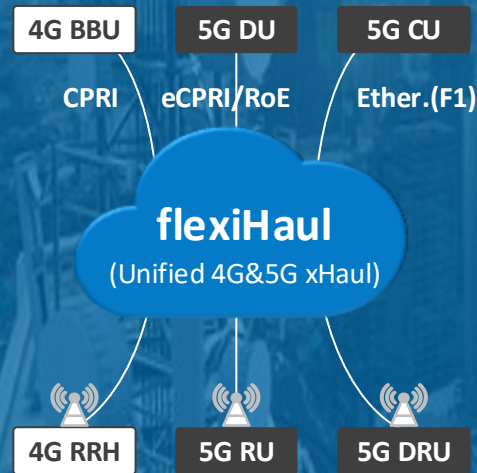
HFR is developing private network solutions for public institutes and enterprise customers for the 5G era. Our fully virtualized 5G SA end-to-end solution, includes 5G vRAN, 5G vCore and Business Platform.



flexiHaul Solution

Converged Transport of All Mobile Traffic to save Operator's CAPEX/OPEX for 4G & 5G Services

- Provides fronthaul/midhaul for 4G (CPRI) and 5G (F1, eCPRI) traffic
- Available as a WDM or packet-based solution
- RAN vendor-neutral



WDM Fronthaul Solution

- Optimize services over limited fiber assets for better economics and improved time to market
- Cost-effective, highly flexible family of scalable transport units that delivers a broad range of xHaul (fronthaul, midhaul and backhaul) services.
- Configurable as point-to-point, linear chain, point-to-multipoint, or ring network topologies and also Active to Active, Active to Passive configuration.
- WDM xHaul platform has an integrated transponder, controller and WDM filter. It offers a variety of performance, quality measurement and monitoring.

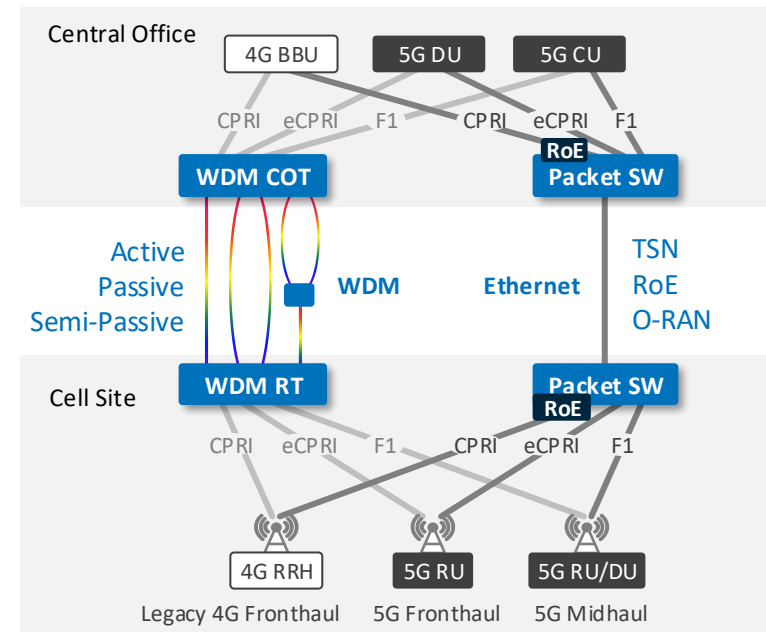
WDM Solution
CPRI + eCPRI + Ethernet
over WDM

HSN8000NA
5G-PON



Packet Fronthaul Solution

- TSN switch optimized for xHaul supports CPRI, eCPRI and Ethernet
- The network migrating into Packet Radio Access Network for the future Function Split and software centric Radio Access Network.
- HFR's packet-based fronthaul platform supports 4G / 5G centralized and cloud-based RAN architectures by leveraging next-generation Packet RAN access technology.
- Time-Sensitive Networking (TSN) aggregation and transport switch supports interfaces for CPRI, eCPRI and Ethernet services.



Packet Solution
CPRI(RoE) + eCPRI + Ethernet
over TSN Ethernet

M6424

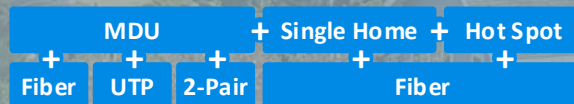


With HFR's solution, 5G overlay is not needed on existing 4G transport networks, helping to reduce total costs and speed time to market of lucrative new 5G services

HFR is currently providing all three broadband solutions- FTTH, FTTB + LAN and FTTB + G.fast, allowing telecom operators to deliver ultra-high speed internet (1/2.5/5/10Gbps) to users for any residential environment.

HFR's Broadband Access Solution

Any Residential Environment

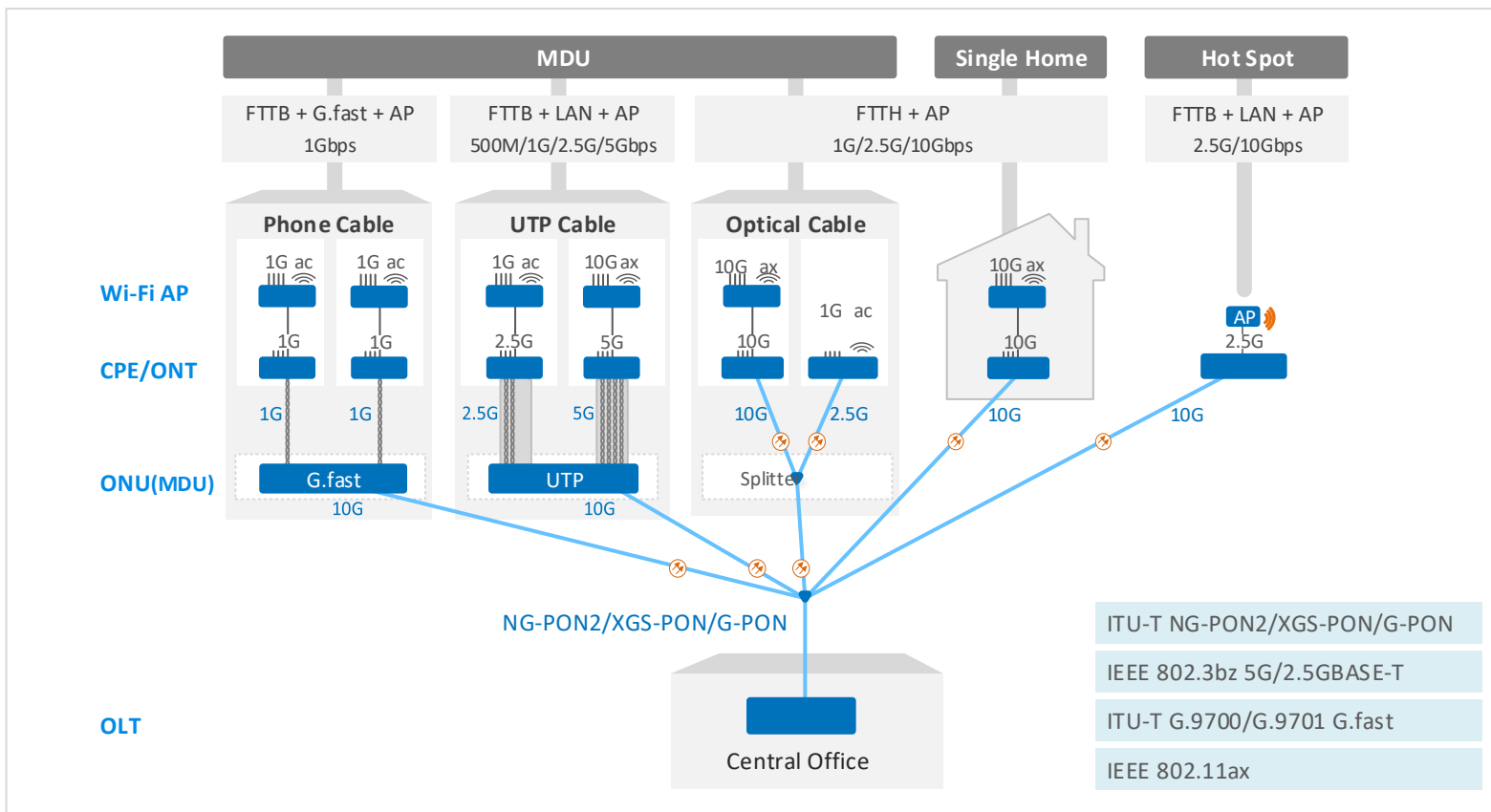


True Turnkey Solution



- XGS-PON lead fiber access technology for delivering residential, business, and mobile backhaul services.
- HFR to provide 10 Gigabit Internet service (2.5G/5G/10G to the home) for any residential environment
- Wired terminals up to 10G service and wireless terminals for 4.8G services
- End-to-end 10 Gigabit Internet solutions from OLT to ONU, ONT, CPE, and Wi-Fi access points.
- Multi-Gigabit Ethernet and G.fast provide the optimal solution for MDU/MTU services.

- HFR is shipping an estimated 1M Wi-Fi access points to Korean operators every year.
- All of latest Wi-Fi 6 have been shipped from 2019 together with the access point controller.



my5G Solution

Our End-to-End Private 5G Solution, my5G includes 5G SA vCore, O-RAN based 5G vRAN and Business Platform.

HFR is transforming into a Private 5G solution provider delivering BSS/OSS, vCore, vRAN and vertical applications for digital transformation in enterprise and industry.

my5G Solution

HFR Biz & Service Mgt Platform

HFR NaaS Platform (Fydena)

HFR Cloud Native 5G SA vCore

HFR Open vRAN (O-CU, O-DU)

HFR Radio Unit (O-RU)

Radio Unit

- Support O-RAN function split 7-2 / eCPRI
- Auto Configuration and Self-Diagnostic Function
- Flexible Configuration for Multi-vendors, Multi-frequency Environment
- CBRS Alliance certified radio units have been commercially available and under large scale field testing.
- Strand mount, outdoor attach, indoor type radio units are ready

Fydena

- Is a business platform for Network as a Service (NaaS) using Blockchain technology
- Ensures trustworthy and cost-efficient business transactions among NaaS providers, buyers, and platform providers
- Enables SLA(service level agreement)-based offerings to meet the needs and requirements of NaaS buyers.
- Enlarges and secures business opportunities for NaaS providers with reduced costs.

5G SA vRAN

- Compact and fully virtualized CU, DU solution
- Various RU portfolios commercially proven supporting CPRI, eCPRI, low power, high power, Sub-6Ghz and mmWave
- Flexibility, adaptability and modular design deliver economical solution whether deployed with existing infrastructure or in a greenfield location
- Enterprise-class architecture with carrier-class performance and security features
- Capable of deploying in the cloud or on premises
- Supports multiple MNO networks

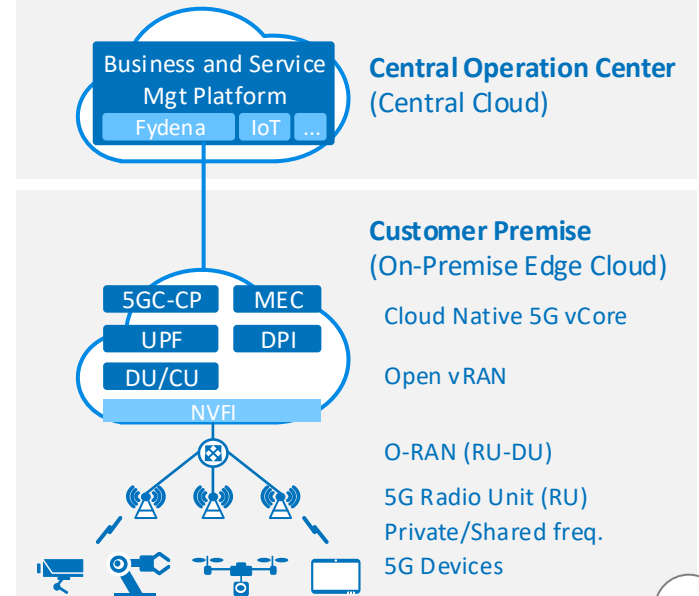
Biz & Service Mgt Platform

- Customer Portal
- Partner Portal
- Integrated BSS
- Fydena
- OSS/Orchestration
- Analytics
- IoT Platform
- Enterprise ICT Application Services

5G SA vCORE

- Compact and fully virtualized 5G vCore is standards-based solution
- Integrated 3GPP core elements: AMF, SMF, UPF, NRF, NSSF, PCF, CHF, etc.
- Supports small cells and macro cells
- Scalable from embedded single channel devices to several thousands of simultaneous media sessions.
- Supports network slicing features

HFR's E2E Private 5G Solution



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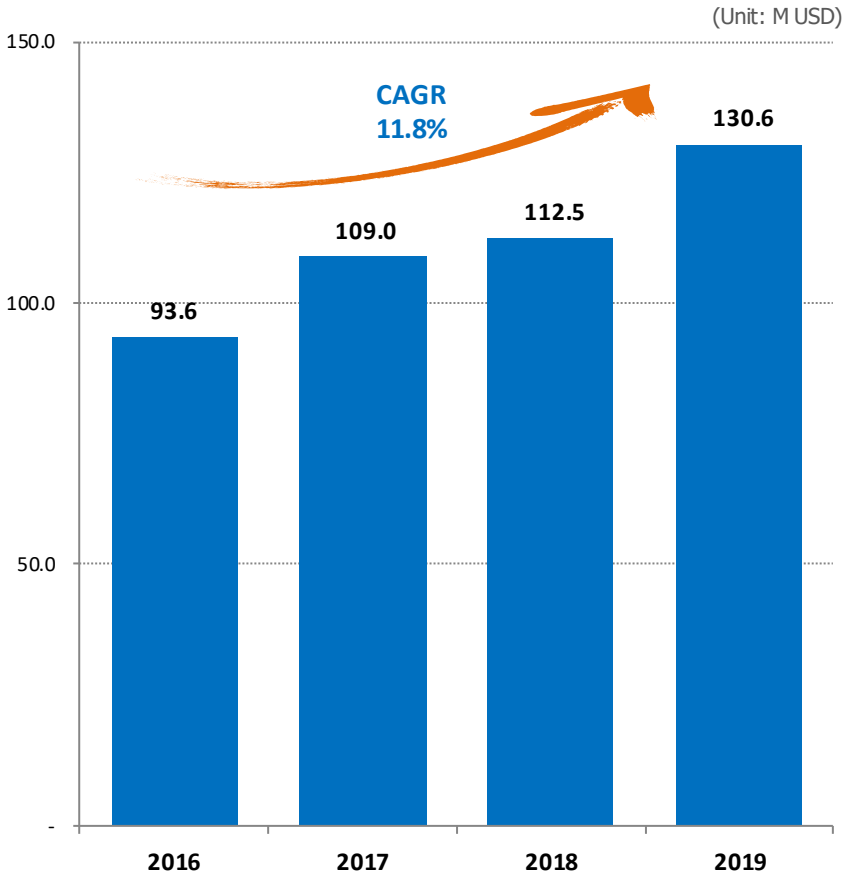
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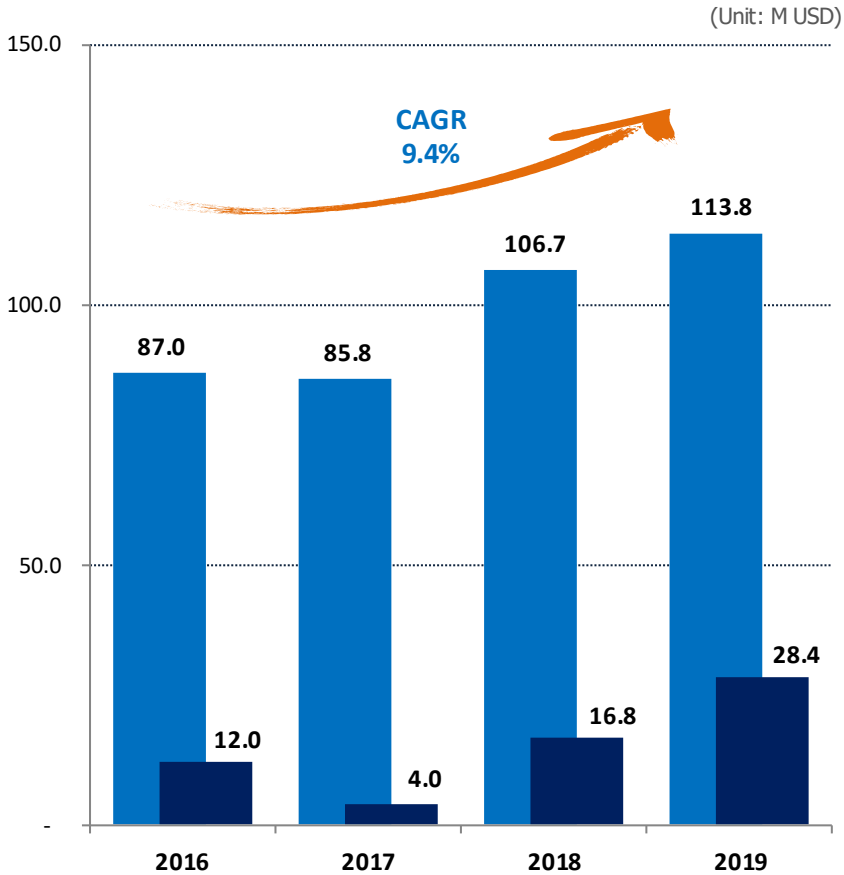
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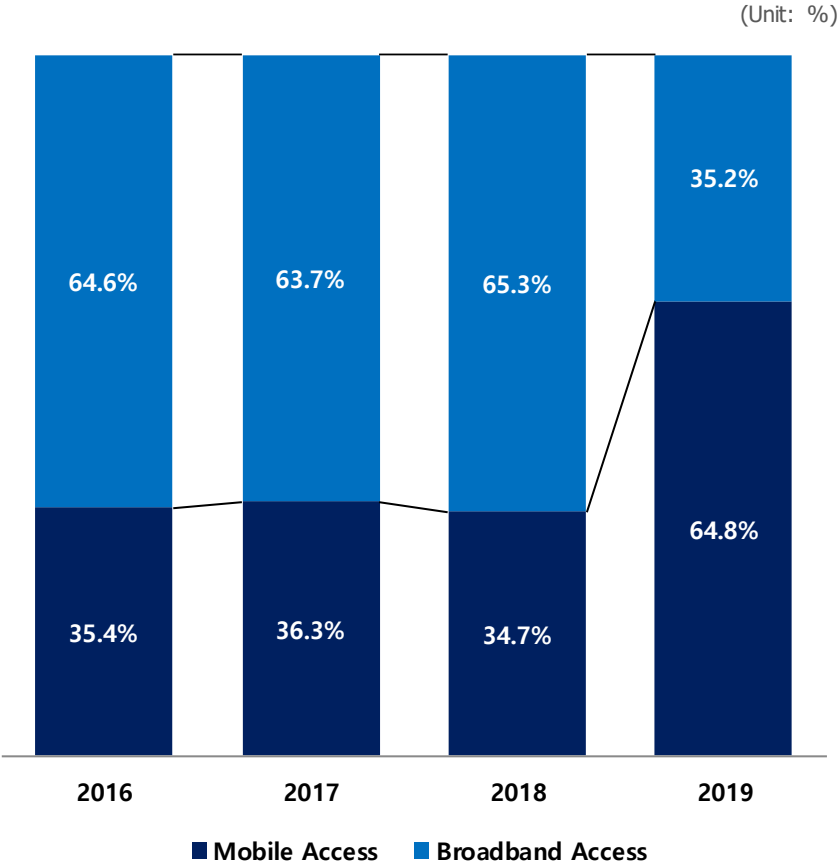
Sales



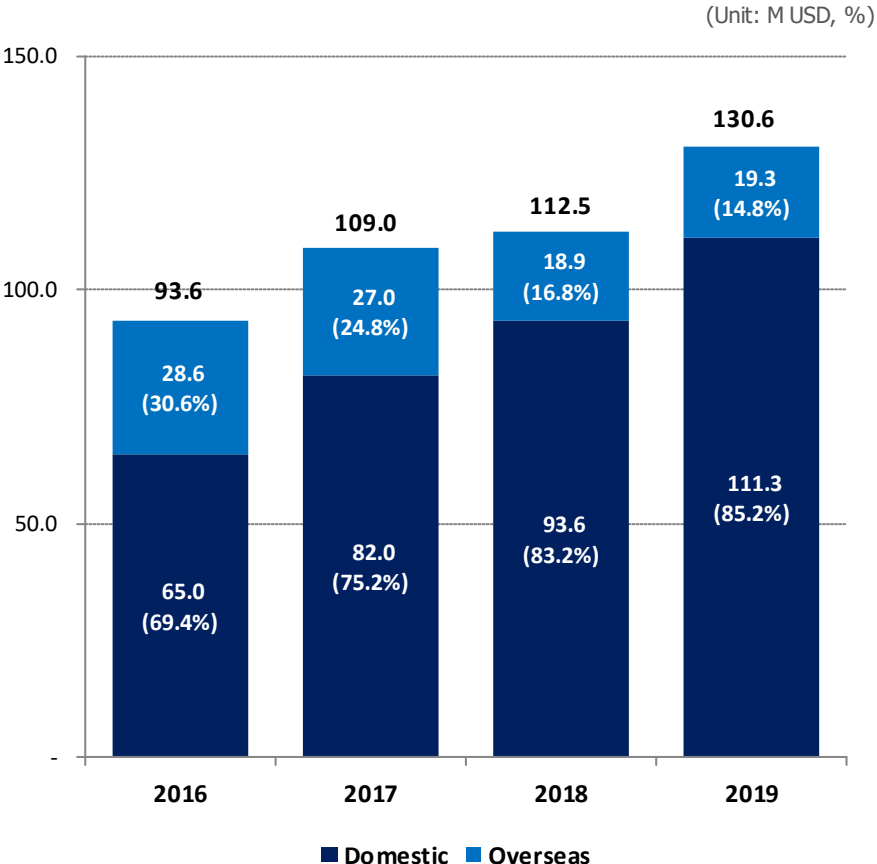
Asset / Cash



Mobile Access / Broadband Access



Domestic / Overseas



Analyst's Report on HFR

2020

Date	Securities Firm	Title	Rating	Target Price [KRW]
05/18	Hanwha Investment & Securities	COVID-19 Impact inevitable, growth potential valid	BUY	41,000
04/06	Hanwha Investment & Securities	David of Korea against Goliath	BUY	45,000
03/14	KTB Investment & Securities	The biggest beneficiary of global 5G	BUY	43,000
02/27	Hana Financial Investment	4Q earnings are unfortunate, but the direction remains unchanged	BUY	57,700
02/26	Hanwha Investment & Securities	Pay attention to potential as a global first mover	BUY	45,000
02/13	Hana Financial Investment	You must buy the next leading stock in the 5G market	BUY	57,700
01/30	Hanwha Investment & Securities	Now it is a 5G total solution company	BUY	36,500
01/13	Hana Financial Investment	Acquisition of Entels, a great opportunity to buy	BUY	35,000

2019

Date	Securities Firm	Title	Rating	Target Price [KRW]
11/20	Hana Financial Investment	Q4 peak season has entered, and overseas momentum has already begun	BUY	35,000
11/04	Hanwha Investment & Securities	In 2020, HFR will be leading stock	BUY	36,500
10/07	Hana Financial Investment	Enter peak season + various momentum + valuation attractiveness!	BUY	35,000
09/18	Hanwha Investment & Securities	Accelerated 5G deployment competition in Japan: Expect to expand Upside in 2020	BUY	36,500
09/03	Hanwha Investment & Securities	A reasonable upward trend	BUY	36,500
08/29	Hana Financial Investment	Falling stock prices are an opportunity to buy more. The repeater market is just beginning	BUY	35,000
08/26	Hanwha Investment & Securities	Why you shouldn't hesitate to buy more	BUY	36,500
08/16	Hana Financial Investment	Directionality is good. Expectation as the next leading stock!	BUY	35,000
07/15	Hanwha Investment & Securities	The spring day of the fronthaul + optical repeater is coming	BUY	31,000
05/31	Hanwha Investment & Securities	Let's look forward to the Big-Cycle that we have not experienced	BUY	31,000
05/27	Hanwha Investment & Securities	Get on the clear path	BUY	31,000
04/03	Hanwha Investment & Securities	Now it's time to buy, not to sell	BUY	(4,000)

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K Factory

- Location: Anyang
- Space: 1,431 m²
- Assembly, Packaging, Reliability Test, RMA
- Integrated MES for In-house and Outsourced Production
- Upgrade for the Future: Advanced assembly line and packaging, and full automation test



Verification & Certification Center

Overseas Certifications



International
Electrotechnical
Commission



Validation Test

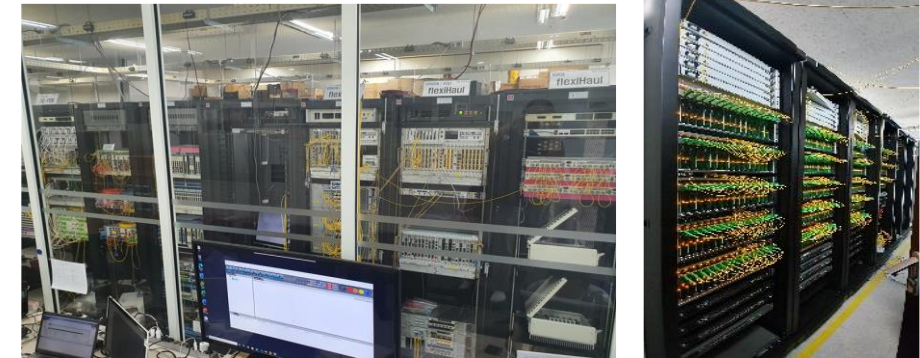
- System & Functional Test
- Regression Test
- Acceptance Test
- Performance & Stress Test
- Customer Benchmark Test
- Official Release

Validation Test

- Approximately 1,600 test equipment are available.
- Having four Temperature & Humidity Chambers.
- Use of various measuring equipment (about 400)
 - IP, CPRI, Optic, RF etc.
- Using Self-Developing Test Automation System

Certification & Reliability Test

- EMI (KC, CE, VCCI, FCC ...)
- IEC61000-4-2,3,4,5,6,8,11
- Inrush current
- IEC60950-1 (UL)
- Environmental Tests (Temperature)
- Earthquake_R10
- (Un)packing& Transportation vibration
- Free Drop Test
- Attitude Test
- Acoustic Noise
- Salt Fog Test (Outdoor Type)



HFR's Verification & Certification Center

System Management and Process

- Adopted HFR System Management in 2007
- Run “Innovation/Improvement proposal” program every month
- Regularly updated every year



Quality Certifications

- TL 9000 / ISO 9001
- ISO 140001
- NEBS Level 3
- EcoVadis for sustainable growth



Assessment by Customers

- Supplier process audited and proved by global vendors and telecom customers



Patents List

Year	Domestic		Overseas		Total	
	Application	Registration	Application	Registration	Application	Registration
2018 - Present	8	1	3	-	11	1
2017	8	6	1	-	9	6
2016	7	1	5	1	12	2
2015	5	3	-	-	5	3
2014	2	1	2	-	4	1
2013	5	5	-	-	5	5
2012	7	3	1	-	8	3
2011	2	2	-	-	2	2
2000 - 2010	36	24	1	-	37	24
Patent Right	80	46	13	1	93	47
Trademark Right	9	9	2	1	11	10
Copyright	2	-	-	-	2	-

No.	Registration date	Name of an Invention	Application No.	Registration No.
1	04/21/2020	Apparatus and Method for Detecting Transmission and Reception Timing Synchronous Signal in TDD Wireless Communication System	1020180076830	1021049120000
2	11/20/2019	Method and Apparatus for Operating In-building Relay based on mmWave	1020170155674	1020487510000
3	11/20/2019	Method and Optical Network System for Obtaining Line Information at Passive RN	1020170081430	1020487450000
4	09/04/2019	Method and Apparatus for Detecting a Disconnected Optic Fiber Line and a Location of Disconnection in Ring Optical Network System	1020170100309	1020205780000
5	08/29/2019	System and Method for Providing Interoperability devices	1020170098495	1020182440000
6	05/28/2019	Method and Optical Network System for Monitoring Passive RT in WDM System	1020160151844	1019852300000
7	05/10/2019	In-Building Distributed Network System for PIM Avoidance	1020170177909	1019792590000
8	08/22/2018	Method for Frequency Band Switching In Wireless Local Access Network	1020170081436	1018925380000
9	08/25/2017	Access Point and Antenna Device Capable of Adjusting Radiation Pattern	1020150178631	1017735720000
10	07/17/2017	Optical and Electrical Hybrid Connector and Adapter	1020150060065	1017602900000
11	12/22/2014	Method for Sharing Optical Fiber for Cloud Based Network, System And Apparatus Therefor	1020120081043	1014771690000
12	06/08/2007	System, Set-Top Box and Method for Providing QualityInformation of TV Service for Use in Internet ProtocolNetworks	1020050055258	1007286220000

Strongly tied with Global Standard Bodies

HFR is a tech-centric company with innovative DNA, HFR employs many experts who actively participate in global standard bodies such as CBRS, ORAN, IEEE and SCTE ISBE.

Global Standard Bodies

CBRS Alliance



Support the common interests of members, implementers and operators for the development, commercialization, and adoption of LTE solutions for the US 3.5 GHz Citizens Broadband Radio Service.

O-RAN Alliance



Leading the industry towards open, interoperable interfaces and RAN virtualization.

IEEE 1914.3



IEEE Standard for Radio over Ethernet Encapsulations and Mappings

SCTE ISBE



SCTE•ISBE is the applied science leader for cable telecommunications.

TIP



An engineering-focused, collaborative methodology for building and deploying global telecom network infrastructure

Contact HFR



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