

Press Release

KT and WeDo Technologies collaborate on using Artificial Intelligence to detect fraud

- ▶ **KT (Korea Telecom) corporation and WeDo Technologies, a Mobileum company, signed a Cooperation Agreement for AI-FMS development and sales.**
- ▶ **KT's Deep Learning (DL) based AI has been implemented and tested on WeDo's RAID FMS, the market leading fraud detection and prevention system.**
- ▶ **This AI module, trained with KT Big Data, has proved to be highly efficient and effective for a number of fraud use cases**
- ▶ **KT and WeDo plan to supply the AI-IRSF with the RAID to CSPs by the end of the year**

Lisbon, Portugal (September 23, 2019) – KT Corporation (KRX: 030200; NYSE: KT) and Portugal-based WeDo Technologies signed a Cooperation Agreement for AI-FMS (Artificial Intelligence based Fraud Management System) development and sales.

KT's DL (Deep Learning) based AI module has been implemented and tested on WeDo's RAID FMS system. This AI module, trained with KT Big Data, has showed strong results for fraud detection and prevention, and proved to be highly efficient and effective for a number of fraud use cases, with very high accuracy. KT and WeDo plan to supply the AI-IRSF (AI based International Revenue Share Fraud) module with the RAID platform to CSPs (Communication Service Providers) by the end of the year.

AI-IRSF is an AI system that prevents a fraud that involves hacking of IP-PBX (IP telephony exchange) to generate illegal calls to international numbers.

With this Cooperation Agreement, KT will develop and supply more AI based FMS modules to integrate with WeDo's Fraud and Risk Management system. Additional AI based modules will also run on the WeDo's system, and the modular capability of RAID will allow CSPs to choose from different fraud detection models for their market similar to how one chooses applications from a smartphone app store. The open architecture of RAID will also allow other CSPs to develop their own models as well.

WeDo Technologies is part of the Mobileum group, a leading enterprise software and analytics company in roaming, security, fraud and risk management serving more than 700 telecommunication providers in more than 180 countries.

According to IDC, the global AI application market will rapidly expand from US \$15 billion (2017) to US \$56 billion in 2020 with CAGR of 55%.

KT plans to apply this AI technology with KT group's financial subsidiary BC Card for the safe financial operation and Korea's No.1 caller info app "KT WhoWho" for the spam-free mobile communication.

KT AI, that has been trained with KT group's extensive Big Data, will secure safety and efficiency of telecommunication FMS. Furthermore, KT will extend its AI ability to global financial FDP (Fraud Detection and Prevention) market.

Global AI-FDP which had the market size of US \$1.4 billion (about 9% share of the total market) in 2017, is expected to grow to US \$5 billion in 2020.

Young Woo Kim (KT's Senior Vice President, Head of Global Business Development Unit) said "Within the Cooperation Agreement with WeDo, KT's AI and Big Data technologies combined with WeDo's Global FMS Market ability will become the very successful first step toward global AI market advancement."

Rui Paiva (WeDo Technologies CEO and Mobileum Chief of Revenue Assurance & Fraud Management Business Unit & CMSO) said "This Cooperation Agreement with KT, is a landmark development for the fraud management market, in a path to provide deep AI fraud prevention capabilities, successfully tested with real life data, to the wider community".

About WeDo Technologies – a Mobileum company

WeDo Technologies, founded in 2001, is part of the Mobileum group, a leading enterprise software and analytics company in roaming, security, fraud and risk management serving more than 700 telecommunication providers in more than 180 countries.

Mobileum delivers analytics solutions that generate and protect revenue, reduce direct and indirect costs, and accelerate digital transformation for Communication Service Providers (CSP). Mobileum focus on key CSP domains, including roaming and interconnect, counter fraud and security, revenue assurance, data monetization and digital transformation. Mobileum's success is built upon its unique Active Intelligence platform, which logically combines analytics, engagement, and action technology, with deep network insights and easy CSP system integration to deliver seamless end-to-end solutions. In a recent independent third-party survey of global mobile operators, Mobileum was voted as #1 in Innovation for a group of 183 suppliers.

WeDo Technologies innovative risk management solutions analyze large quantities of data, enabling monitoring and control of enterprise wide processes to ensure revenue protection and risk mitigation. In addition, its data insights empower business management solutions that accelerate automation and optimization across the digital enterprise, and enable efficient business processes such as incentive compensation, collections, and wholesale roaming management

Know more at www.wedotechnologies.com and www.mobileum.com, and follow @MobileumInc on Twitter

Mobileum is based in California's Silicon Valley, with offices in Argentina, Brazil, Egypt, Hong Kong, India, Jordan, Portugal, Malaysia, Mexico, Singapore, United Arab Emirates, United Kingdom and Uruguay.

About KT Corporation (KRX: 030200; NYSE: KT)

KT Corporation, Korea's largest telecommunications service provider, reestablished in 1981 under the Telecommunications Business Act, is leading the era of innovations in the world's most connected country. The company is leading the 4th industrial revolution with high speed wire/wireless network and new ICT technology. KT launched the world's first nationwide commercial 5G network on April 3, 2019, after successfully showcasing the world's first trial 5G services at the PyeongChang Winter Olympic Games in February 2018. This is another

milestone in KT's continuous efforts to deliver essential products and services as it aspires to be the number one ICT Company and People's Company.

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Useful Contacts:

Public Relations and Corporate Communications

Sara Machado
sara.machado@wedotechnologies.com

Analyst Relations and Product Marketing

Carlos Marques
carlos.marques@wedotechnologies.com

Global Business Development

Harrison (Chang-Han) Kim
changhan.kim@kt.com