

### Investment Highlights

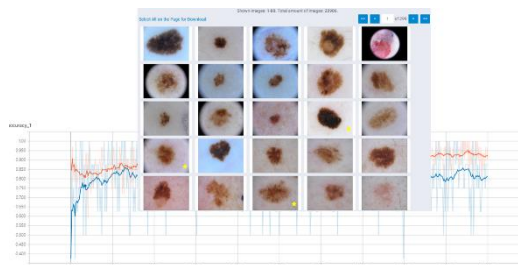
- **Current status of AI-based medical service industry:** Artificial intelligence-based medical diagnosis services are being developed wherein AI can help doctors predict the number of cases and increase the accuracy of care, which can decrease possible misdiagnosis rates. The global AI market in health care had grown at an average annual rate of 42% since 2015, when its value reached about USD 800 million. In Korea, its size is projected to increase to KRW 25.64 billion in 2020 from KRW 1.79 billion in 2015. Furthermore, AI systems to be developed in the future will be covered by medical insurance when approved as medical devices.
- **Increasing skin disease:** Recently, environmental and genetic factors have contributed to the increase of various skin cancers and skin conditions, but the current skin diagnosis systems have very limited functions. Particularly, skin cancers, when discovered, often have a poor prognosis, so they require a rapid and accurate diagnosis. In this context, there is an urgent need to improve skin imaging systems designed to accurately analyze and quantitatively manage different skin conditions.

### Products and Services

#### Product and Technology



DICOM standard-applied skin imaging system



AI-based skin diagnosis-assistant solution

- **Major features of key technology:** Our technology utilizes a high-resolution camera with high-speed UV/IR variable wavelengths featuring different skin penetration rates by wavelength band. This camera allows the “MEDISCOPE” to generate high-resolution skin images, which are used to diagnose skin conditions using AI (deep learning). In particular, while a test on melanoma is conducted, our self-developed deep learning engine called DermAI realizes at least 90% of sensitivity and specificity (video source: ISIC).
- **Competitiveness of key technology:** At present, the skin is visually diagnosed simply with a magnifier, but our DermAI helps improve diagnostic accuracy by analyzing images based on artificial intelligence. Even though its application is currently limited to melanoma, it can assist in the diagnosis of diverse skin cancers and conditions. The current medical community utilizes only a picture archiving and communication system (PACS) as well as a medical imaging technology for diagnosis and management, while the standard Digital Imaging and Communications in Medicine (DICOM) is necessary to linkage to PACS. Our DermAI can be linked to PACS by applying the DICOM standard to skin images acquired through the MEDISCOPE and help manage skin imaging information.

#### Major History

- December 2015: Founded
- November 2016: Received an award at the CNU-WSU Start-Up Competition
- November 2017: Cited for Youth Entrepreneurship by the Minister of SMEs and Startups; selected in the Tech Incubator Program for Startup and attracted investment (as the first investment from Sejong-si)
- January 2018: Selected as one of K-Global 300
- December 2018: Launched a Hong Kong branch
- January 2019: Obtained a marketing approval for a medical device
- July 2019: Selected in Cloud Innovation League Program (CILP; KOTRA & Amazon Web Service)

## Company Profile

<b>Date of foundation</b>	• December 2015
<b>Investment performance</b>	• 2017: KRW 100 million
<b>Listed or unlisted</b>	• Unlisted
<b>Patents and certificates</b>	• Registration (support for) of 23 patents including a patent for a telemedicine system using augmented reality-based medication map and three-dimensional image of the skin

## Financial Figures

(Unit: USD million)

Division	2016 (Unaudited)	2017 (Unaudited)	2018 (Unaudited)
Sales	1.48	0.60	0.32
Operating Income	-	0.03	0.02
EBITDA	-	0.04	0.02

## Business Plans

(Unit: USD million)

Division	2019 (Forecast)	2020 (Forecast)	2021 (Forecast)
Sales	0.07	1.05	2.79
Capex	-	0.17	0.35
R&D	0.26	0.26	0.43
Working Capital	-	0.17	0.26

- **Sales plan:** Our company aims to achieve sales of USD 0.07 million in 2019 by selling skin imaging equipment. Beginning to sell the skin diagnosis-assistant solution in 2020, it also aims to achieve the total sales of USD 3.91 million by 2021.
- **Investments required:** To achieve the target sales, our company is planning to invest USD 0.52 million, USD 0.95 million, and USD 0.43 million for three years in capital expenditures, R&D, and working capital, respectively.

## Investment Requirements

<b>Investment Structure</b>	• Minority (Financial Investment), Joint Venture
<b>Amount</b>	• USD 3 million
<b>Region</b>	• Oceania, North America, Europe, Hong Kong