

# Annual Report 2023



Conquer Cancer  
through AI

# Conquer Cancer Through AI

**Cancer is complex.  
Every cancer is unique in its own way,  
containing vast information that needs to be processed.**

**Complex is what AI does best.  
With its analysis that extends human capacity,  
AI can unlock cancer information that leads us to new  
revelations that can serve as a key strategy in fighting  
cancer.**

**Armed with accurate and appropriate information,  
we can take a step ahead in the war on cancer.  
Through AI, we can conquer cancer.**

## **Interactive user guide**

This annual report has been published in interacted PDF, including links to the relevant pages and websites.

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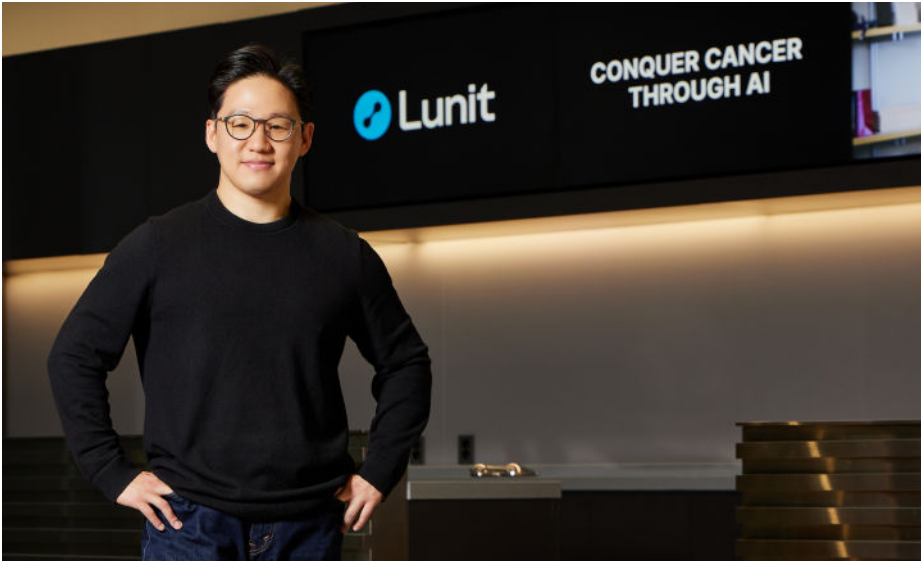
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# CEO message



To our valued shareholders,

First of all, thank you for your continuous support for Lunit's journey towards innovation. The ongoing support and trust of investors is a very important driver for Lunit's endless aspiration towards development progress.

2023 was very special year for Lunit, with significant progress achieved alongside its 10<sup>th</sup> anniversary. Lunit recorded ₩25.1 billion in sales, with a 5-year CAGR of 235%. Lunit was also able to record an 80.9% increase in sales and a 16.7% decrease in operating loss, compared to the previous year. This remarkable achievement came to fruition by leading the industry in commercializing AI as a new standard of care.

Our high revenue growth comes from global sales including rapid growth in reimbursement of Lunit INSIGHT CXR in Japan, market expansion in B2B and B2G markets for Lunit INSIGHT, and also research revenue generated from Lunit SCOPE.

In celebration of our 10<sup>th</sup> anniversary, we announced our mid to long-term roadmap 'Vision 2030', envisioning our 10-year future. Now we are planning to become a platform company, growing beyond our focus as an AI application developer for the diagnosis and treatment of cancer. For another quantum jump for Lunit, we successfully raised ₩200 billion capital to execute on the 'Vision 2030'. The raised capital will be mainly used in research and development, such as new products for wider modalities and cancer types, collection of multi-omic data, and AI technology-based medical data analysis and development platforms.

Moreover, as a first step towards becoming a platform company, Lunit announced the acquisition of Volpara Health last December. This acquisition is expected to empower Lunit to become a global AI company through the synergy generated with Volpara Health.

The world of AI is moving. Even several years ago, there were people who thought AI is hype, but such sentiment of doubt is there no more. I strongly believe a future when AI will be the new standard of care, including in cancer care, will come, and much sooner than expected. Lunit has made significant achievements in this space and is well-known to be best-in-class. We will continue to lead the way to revolutionize cancer care through AI.

The journey of conquering cancer through AI cannot be completed without the continued support of investors. We ask for your trust and support and hope to share our journey of conquering cancer through AI.

CEO Brandon Beomseok Suh

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# Company history

## 2013~2017

2013. 08

▪ Foundation of the company (as CLDI)
2014. 05

▪ Seed investment by Kakao Ventures (\$0.1M)
2015. 10

▪ Pivots to medical imaging—Changes name to Lunit

▪ Series A investment led by Softbank Ventures Asia (\$2M)
2016. 09

▪ Series A1 investment led by Softbank Ventures Asia (\$3.3M)
- 10

▪ Ranked 1st place in MICCAI Tumor Proliferation Assessment Challenge 2016
2017. 01

▪ Top 100 AI startup, by CB Insights
- 08

▪ Ranked 1<sup>st</sup> place in CAMELYON Grand Challenge 2017

## 2020

2020. 05

▪ CE marked Lunit INSIGHT MMG in Europe
- 06

▪ Selected as a Technology Pioneer 2020 by World Economic Forum (Davos Forum)

▪ Partnership agreement with GE Healthcare
- 08

▪ Digital Health 150 by CB Insights

## 2022

2022. 04

▪ CE marked Lunit SCOPE PD-L1 TPS in Europe
- 06

▪ Partnership agreement with Hologic
- 07

▪ Initial Public Offering (KOSDAQ)
- 10

▪ Joined as Unicorn community by World Economic Forum (Davos forum)
- 11

▪ Selected as the preferred AI technology for Australian National Breast Screen New South Wales (BSNSW)

## 2018~2019

2018. 06

▪ Series B investment led by Intervest (\$15M)
- 08

▪ Ministry of Korea Food and Drug Safety clearance Lunit INSIGHT CXR-Nodule

▪ Established Lunit US subsidiary, Lunit USA
2019. 07

▪ Ministry of Korea Food and Drug Safety clearance Lunit INSIGHT MMG
- 08

▪ Partnership agreement with Fujifilm

▪ Series B1 investment led by Fujifilm (\$5M)
- 10

▪ Ministry of Korea Food and Drug Safety clearance Lunit INSIGHT CXR-MCA

▪ Digital Health 150 by CB Insights

▪ Ranked 1<sup>st</sup> place in Visual Domain Adaptation Challenge
- 12

▪ Series C-Tranche A investment led by Sinhan Investment (\$27M)

## 2021

2021. 01

▪ Partnership agreement with Agfa
- 03

▪ Partnership agreement with Philips
- 06

▪ Partnership agreement with Guardant Health

▪ Series C-Tranche B investment by Guardant Health (\$26M)
- 11

▪ FDA clearance Lunit INSIGHT CXR Triage, Lunit INSIGHT MMG

▪ Certified as World Class Product of Korea by Korea Mistry of Trade, Industry, and Energy Lunit INSIGHT

▪ The 1st Government award for Innovative Medical Devices

▪ Commendation of the Minister of Health and Welfare

▪ Pre-IPO round investment led by HealthQuest and Naver (\$61M)
- 12

▪ Digital Health 150 by CB Insights

## 2023

2023. 03

▪ Launched Lunit INSIGHT DBT in Europe

▪ Established Lunit subsidiary, Lunit Europe Holdings in Europe
- 04

▪ 2023 Science and Information and Communication Day Science and Technology Promotion Division Presidential Commendation
- 06

▪ CXR-AID officially included as an eligible solution for health insurance reimbursement in Japan
- 11

▪ FDA clearance Lunit INSIGHT DBT

▪ Lunit INSIGHT CXR Authorized as Innovative Medical Technology

▪ Joined as Associate Partner by World Economic Forum (Davos forum)

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# Executive chairman’s message



**To our esteemed shareholders,**

As the co-founder and current chairman of the board, I have dedicated myself to establishing robust corporate governance for the sustainable growth of Lunit. I firmly believe that this is the cornerstone for maximizing corporate value through customer satisfaction, ensuring fair treatment and protection of shareholder rights, and fostering trust with our shareholders as we embark on Lunit’s journey towards ‘conquering cancer through AI.’

Since 2018, Lunit has independently appointed a new CEO, with the aim of accelerating the company’s growth. Additionally, we have separated the roles of CEO and chairman to enhance transparency and independence in the board of directors’ operations. As of 2023, the board consists of four members, including an outside director and a non-executive director. By assembling a board of competent individuals with professionals with diverse backgrounds and global expertise, Lunit is actively pursuing productive decision-making to increase shareholder value.

Last year, we successfully convened six board meetings and made critical business decisions, such as the acquisition of Volpara Health. Concurrently, we are committed to ensuring the board’s independence. A compensation committee has been established to impartially deliberate on the fair and objective remuneration limits for board members, comprised solely of outside directors and non-executive directors.

Furthermore, we recently organized an audit committee during the 11th general meeting of shareholders to strengthen corporate management’s oversight functions. The independence of this committee is assured, as its members consist of outside directors and non-executive directors. We pledge to continue striving for the maximization of corporate value through optimal management decision-making.

Lunit remains dedicated to sustainable growth, proactively responding to global market demands and changes to generate higher corporate value as a first-generation medical AI company.

We deeply appreciate your continued support and interest.

Thank you.

Co-founder and the Executive Chairman **Anthony Paek**

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# Board of directors



## Compensation committee

Chairman  
**Garheng Kong**

Commissioner  
**Nami Chung**



### Nami Chung | Independent Director

- 2019. 09~Present: Independent Director, Lunit
- 2016. 11~Present: Executive Director, Asan Nanum Foundation
- 2013. 01~2016. 10: Planning Manager, Asan Nanum Foundation
- 2010. 08~2012. 12: Consultant, Bain & Company Korea
- 2010. 05: MBA, Massachusetts Institute of Technology
- 2007. 05: B.S., Music, University of Southern California



### Garheng Kong | Non-Executive Director

- 2022. 03~Present: Non-executive Director, Lunit
- 2012. 07~Present: Founder/Managing Partner, HealthQuest Capital
- 2010. 08~2013. 12: Managing General Partner, Sofinnova Capital
- 2000. 05~2010. 09: General Partner, Intersouth Partners
- M.D., Duke University School of Medicine
- PhD, Biomedical Engineering, Duke University
- MBA, Duke University
- B.S., Biological Sciences, Chemical Engineering, Stanford University

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# Lunit in numbers

Conquer Cancer through AI  
We develop AI that detects early-stage cancer and optimizes cancer treatment.

263



Number of Employees

14



Full-time Physicians at Lunit

200+



Number of Research Papers

3,000+



Number of paying sites worldwide

40+



Number of countries

40+



Number of approvals

Annual Sales (Unit: KRW in billion)

0.2

2019

1.4

2020

6.6

2021

13.9

2022

25.1

2023

235%

5-year CAGR

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# At a glance 2023




## Road Map 2030

### Unveiled 'Vision 2030' roadmap for mid-to-long-term growth, celebrating its 10<sup>th</sup> anniversary

During its 10th-anniversary celebration in August, Lunit unveiled 'Vision 2030,' its forward-looking business strategy aimed at securing long-term growth. This comprehensive blueprint kicks off with a move into the platform business domain, setting the stage for an ambitious expansion. Centered with this, Lunit has announced the cancer screening technology roadmap which is structured around three pivotal advancements: (1) autonomous AI products designed to revolutionize cancer detection, (2) AI-powered tools for assessing cancer risk with unprecedented precision, and (3) innovative AI-driven solutions for wholebody MRI scans, enhancing the accuracy and efficiency of diagnostics. In the realm of oncology, Lunit is setting its sights on broadening the scope of its immunotherapy solutions to cover all anticancer mechanisms, including Antibody-Drug Conjugates (ADCs). The strategy also encompasses the development of multi-omics biomarkers, which aims to amalgamate various layers of biological data, including genomics and proteomics. This integration is expected to drive significant advancements in personalized medicine. Furthermore, Lunit is poised to make significant strides in drug discovery by leveraging its proprietary Lunit SCOPE platform to identify groundbreaking new drug candidates, solidifying its position as a formidable force in the oncology sector.



Lunit is devoted to developing advanced software for medical data analysis and interpretation via cutting-edge deep learning technology. Lunit's core products are artificial intelligence (AI) solutions for cancer screening, diagnostics and therapeutics, elevating precision in the physician's decision-making process through AI. The solutions help physicians make accurate, consistent and efficient clinical decisions that can greatly impact patient outcomes. Lunit, as a first-generation medical AI company, is leading the growing industry with more than 1,000 medical sites as customers around the world. The company works in partnership with leaders in healthcare, such as GE Healthcare, Fujifilm, Philips and Guardant Health.



Headquarters  
Republic of Korea



### Stepping into the US market and advancing as a platform company: Lunit acquires Volpara Health

In a bold move towards transforming into a platform company, as unveiled during its 10th-anniversary conference, Lunit has acquired Volpara Health Technologies Ltd, headquartered in New Zealand. Recognized globally for its pioneering solutions in breast cancer screening, Volpara has introduced a range of leading products powered by its breast density assessment technology. Remarkably, 42% of breast examination centers in the US currently utilize one or more of Volpara's products and services. By integrating Volpara's platform, Lunit aims to accelerate its evolution into a platform company while enhancing the precision of its algorithms. This acquisition positions Lunit to significantly expand its footprint in the US market, benefiting from various new sales channels obtained through the acquisition. Eager to deliver comprehensive solutions, Lunit aims to leverage the synergy between its own innovations and Volpara Health's offerings to provide 'Full-package solutions' to the market.

### Becomes 'Associate Partner' of the World Economic Forum

Lunit has distinguished itself as one of the first medical AI companies to be selected as an 'Associate Partner' of the World Economic Forum (WEF). This milestone follows its recognition as the sole Korean company to be included in the WEF's 'Technology Pioneer' in 2020 and its subsequent induction into the forum's 'Unicorn Community' in 2022. By leveraging its membership and the global network it offers, Lunit is reinforcing its presence as a leader in the medical AI industry, playing a critical role in the global healthcare sector with the company's advanced AI technology.

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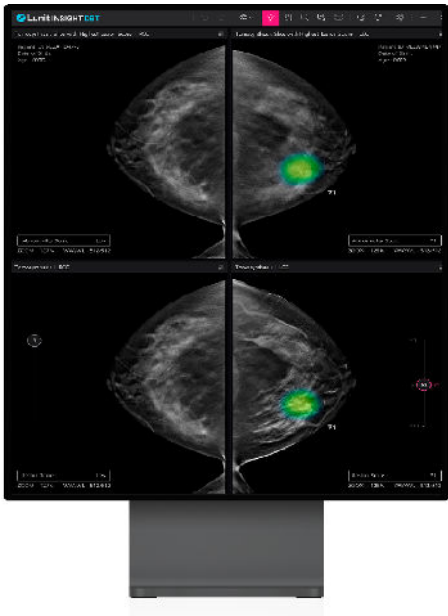


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## Global expansion of Lunit INSIGHT DBT

Lunit INSIGHT DBT, a 3D breast tomosynthesis (DBT) AI solution, has achieved compliance with the CE marking under Europe's Medical Device Regulation (MDR). The MDR CE represents a set of requirements that are more rigorous than the previous Medical Device Directive (MDD), aiming for enhanced performance and quality standards. By meeting the MDR CE requirements, Lunit has demonstrated the competitive edge of its Lunit INSIGHT DBT technology. Additionally, Lunit became the first Korean DBT AI company to receive 510(k) clearance from the FDA in November, paving the way for entry into the US market. With these achievements, Lunit is poised for rapid growth in advanced medical markets with high demand for DBT, particularly in Europe and the US. The company is planning to bolster its sales and marketing efforts targeting local medical institutions in these regions.

## Gaining trust from governments worldwide

Lunit is consolidating its global market share for Lunit INSIGHT products, starting with being chosen as the preferred AI technology for the Australian National Breast Screen New South Wales (BSNSW), as well as conducting projects in Singapore, the ASEAN region, and the US, in collaboration with governments. In Australia, Lunit successfully completed Phase 1 of the BSNSW project and has officially commenced Phase 2. In the initial phase, Lunit INSIGHT MMG showcased its high level of accuracy and reliability. Before actual deployment in Phase 2, the company will conduct six months of solution optimization and validation using approximately 200,000 examination datasets. In Saudi Arabia, Lunit has agreed to sign an MOU with the Saudi Arabian government to provide AI solutions to 150 virtual hospitals across Saudi Arabia, including the 'SEHA' virtual hospital. By officially joining the "Healthcare Sandbox," a digital healthcare innovation initiative under Vision 2030, Lunit has opened significant opportunities for generating sales revenue in Saudi Arabia. Lunit is also anticipating expansion across the ASEAN region, beginning with its selection as the project operator for AimSG (AI Medical Imaging Platform for Singapore), established by the Singaporean National HealthTech agency. Beyond the ASEAN area, Lunit has engaged in the CancerX project, a joint public-private endeavor supporting the US government's 'Cancer Moonshot' initiative to combat cancer. Lunit's participation is expected to make a significant contribution to the early detection of cancer and help alleviate the problem of financial toxicity.



### Digital Imaging Platform to Guide Expedited Diagnosis & Treatment



About Lunit INSIGHT

Utilizes AI and deep learning technologies to aid in imaging diagnostics. This system integrates seamlessly with existing radiology workflows to transform providers' image reading experience.

See [example Key Performance Indicators](#) your system can use to define and measure successful implementation of this type of solution.

**THE PROBLEM** | Consequences of delayed diagnosis for lung and breast cancer include: increased health system and patient financial expenditures, as well as poorer health outcomes and lower survival rates.

**THE SOLUTION** | Lunit INSIGHT provides AI-enabled solutions for improving chest x-ray (CXR) and mammogram (MMG) screening diagnostics, that enables timely treatment.

**THE IMPACT** | *Lunit INSIGHT* improves patient access to care options and reduces overall costs. This is made possible by:

- **96-99% accuracy rates.**
- **20% increase in the detection rate** for early diagnoses.
- Reading time **reduced by 40%.**
- **30% decrease in recall rates.**

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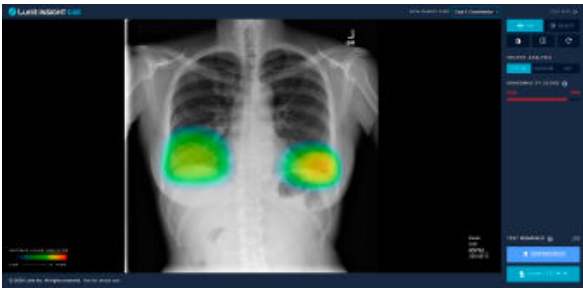
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## Rapid commercial growth through insurance reimbursement

CXR-AID, Fujifilm’s AI solution for chest X-ray analysis, powered by Lunit INSIGHT CXR, has been officially recognized for health insurance reimbursement in Japan under the ‘Imaging Diagnosis Reimbursement Class 3’ category by the Japan Ministry of Health, Labor, and Welfare (MHLW) as of June. The Japanese health insurance system offers additional reimbursement credits for AI imaging diagnosis software used in hospitals that meet specific facility standards and conduct appropriate safety management. Hospitals utilizing AI solutions from the reimbursement list will receive an extra 40 points, in addition to the original 300 points for existing X-ray cases, totaling 340 government reimbursement points. CXR-AID’s inclusion among the 17 newly recommended options has significantly increased its market penetration in Japan, demonstrating the product’s technological competitiveness. Furthermore, Lunit INSIGHT CXR has been nominated as an innovative medical technology during the Evaluation of Integrated Innovative Medical Devices by the Korean Ministry of Health and Welfare in November. This recognition has facilitated Lunit INSIGHT CXR’s entry into the Korean reimbursement space. Consequently, it is expected that a wide range of new medical institutions will adopt Lunit INSIGHT CXR, significantly enhancing its impact and utility.



## Enhancing reimbursement prospects through multiple prospective studies

Lunit has showcased the competitiveness and effectiveness of its AI by publishing the results of various prospective studies in renowned international journals. These include two significant large-scale prospective studies conducted using the Lunit INSIGHT product line. The first study, conducted at Seoul National University Hospital with Lunit INSIGHT CXR, demonstrated a substantial increase in the detection rates of lung nodules. This finding was published in Radiology, a leading journal in the radiology field. The second study, conducted by the Karolinska Institute in Sweden, showed that Lunit INSIGHT MMG could replace one human reader in breast cancer screening, with these results featured in Lancet Digital Health. Additionally, Lunit collaborated with the University of Nottingham in the UK to conduct research, further underscoring the exceptional performance of INSIGHT MMG as a valuable tool in breast cancer screening. Lunit anticipates that the support of such prospective studies will significantly increase the likelihood of receiving reimbursement.

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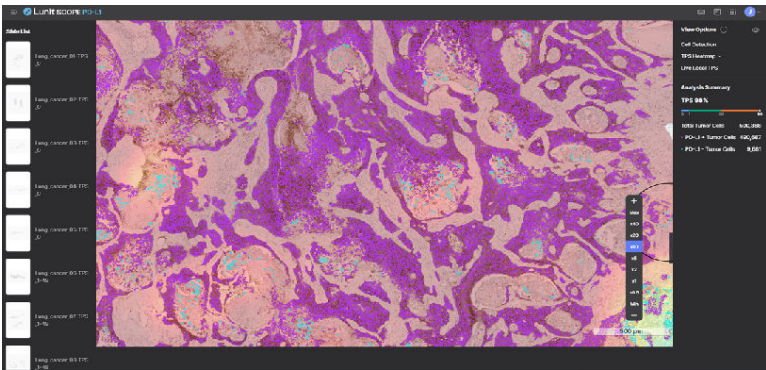
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### Received milestone payment from Guardant Health for 'CLIA validation'

Lunit secured a \$1 million milestone payment from Guardant Health in line with their contract, following CLIA validation using Lunit SCOPE PD-L1 TPS as part of a lab-developed test (LDT). In Guardant's workflow, Lunit SCOPE PD-L1 quantifies PD-L1 expression, scoring both the Tumor Proportion Score (TPS) and the Combined Positive Score (CPS) in relevant samples, for review and confirmation by pathologists in Guardant's lab. Lunit SCOPE PDL1 now has a proven LDT validation pathway through CLIA-certified institutions. Lunit is optimistic about the commercialization and profitability prospects of this innovation.

After establishing a strategic partnership with Guardant Health in the US, the company launched its first collaborative product. It is the first portfolio of Guardant Health's comprehensive cancer screening project, "Guardant Galaxy," and is based on Lunit SCOPE PD-L1 TPS and CPS. Lunit is confident that introducing this joint product and maintaining the partnership will significantly broaden its sales and customer base.



### Introduced a new product 'Guardant360 TissueNext' with Guardant Health

After establishing a strategic partnership with Guardant Health in the US, the company launched its first collaborative product. It is the first portfolio of Guardant Health's comprehensive cancer screening project, "Guardant Galaxy," and is based on Lunit SCOPE PD-L1 TPS. Lunit is confident that introducing this joint product and maintaining the partnership will significantly broaden its sales and customer base.

### AACR: Presented 5 abstract presentations on Lunit SCOPE

At AACR 2023, Lunit presented five abstracts detailing the application of Lunit SCOPE across various cancer types. Highlights from the research include: (1) The development of an AI model by the company that from an H&E whole-slide image alone accurately predicts KRAS G12C mutations, the most prevalent mutations in nonsmall cell lung cancer, surpassing the accuracy of prior studies. (2) The demonstration Lunit SCOPE universal-IHC (uIHC) technology can measure the expression of novel target proteins in pathology images beyond those it was trained on, paving the way for the expansion of the product's scope to include emerging Tumor-Associated Antigens (TAA). (3) The finding that patients with biliary tract cancer, classified by Lunit SCOPE IO as "Inflamed," experienced a better response rate to immunotherapy than those who were not, suggesting that Lunit SCOPE IO enhances the prediction of immunotherapy outcomes in biliary tract cancer patients.



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### ASCO: 16 abstracts were presented, the highest among global medical AI companies

At ASCO 2023, Lunit showcased 16 abstracts pertaining to its Lunit SCOPE technology, achieving its highest number of abstracts accepted at the conference to date. This milestone underscores the company's dedication to substantiating its AI solutions through sustained academic engagement. A particular highlight was the presentation of a study employing Lunit SCOPE uIHC, which drew considerable interest. This study explored the expression of various target proteins across different cancers using Lunit SCOPE uIHC. It analyzed the expression of 6 specific Tumor-Associated Antigens (TAAs) in 16 distinct cancers, uncovering cancer-specific expression rates of protein antigens previously largely unknown. These findings indicate the potential of Lunit SCOPE uIHC in facilitating the discovery of new antibody-based anticancer drugs.

### Publication of clinical phase III research in the Journal of Clinical Oncology (IF=50.7)

The results of an exploratory biomarker study utilizing Lunit SCOPE IO in a clinical phase III trial on immunotherapy-chemotherapy combination for non-small cell lung cancer (NSCLC) patients with EGFR and ALK mutations have been published in the prestigious international journal, the Journal of Clinical Oncology (JCO), boasting an impact factor of 50.739. This year, Lunit published AI biomarker-related research in JCO for the second consecutive year. While EGFR and ALK mutations in lung cancer were known to limit the efficacy of immunotherapy, the demand for immunotherapy persists due to issues of resistance and recurrence with targeted therapies that exhibit relatively high drug response rates. This study, a clinical phase III trial validating the clinical efficacy of immunotherapy-chemotherapy combination in NSCLC patients with EGFR and ALK mutations, is highly significant for addressing the unmet demand that large pharmaceutical companies have faced in the past. The research team randomly assigned 228 patients, including 215 patients with EGFR mutation and 13 patients with ALK mutation, from 16 Korean medical institutions in a 2:1 ratio. Subsequently, the first group received a combination of atezolizumab, bevacizumab, paclitaxel, and carboplatin, while the second group received a combination of pemetrexed, carboplatin, and cisplatin. The first group demonstrated significantly longer median progression-free survival (PFS) and objective response rates (ORR) compared to the second group. Further evaluation of the patients' immune phenotypes based on the distribution of tumor-infiltrating lymphocytes (TILs) using Lunit SCOPE IO revealed that the group with a TIL expression rate of 20% or higher exhibited more significant differences in median PFS and ORR between the first and second groups. These results indicate that Lunit SCOPE accurately assesses the level of immune activity based on the distribution of TILs, providing valuable information for selecting patients who may significantly benefit from immunotherapy in conjunction with conventional anticancer treatments.

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# 1. Company overview

## A. Objectives of the Company

- 01 Technical development and service business by utilization of visual data (Image/Video)
- 02 Development, manufacturing, distribution, consulting, maintenance business, and service provision of product searching solutions based on image data
- 03 Development, manufacturing, distribution, consulting, and maintenance business of the software product
- 04 Data processing and database business
- 05 Manufacturing, sales, importation, lease, and alteration of medical devices
- 06 Science and technical services business, etc.
- 07 Research and development business of medical science and pharmaceuticals
- 08 Info-service business (Processing and provision of data)
- 09 Mobile business
- 10 Content development business
- 11 Sales business of hardware and peripherals
- 12 Technical service business
- 13 Other businesses related to insurance and pensions
- 14 Services and distribution business on E-commerce activities
- 15 Development, supply, and rent business on real estate.
- 16 The food and beverage business and café business.
- 17 E-commerce and online marketing business about each objective
- 18 Wholesale, retail, exportation and importation, exportation, and importation agent-related business about each objective
- 19 All subsidiary businesses about each objective

## B. Details for Major Business

The company has pioneered the development and commercialization of AI-powered cancer care solutions that augment human visual perception and overcome pattern recognition limitations, marking a groundbreaking advancement in the cancer patient journey.

The company's flagship products include Lunit INSIGHT, an AI solution for cancer screening, and Lunit SCOPE, an AI biomarker solution for cancer treatment. These products are categorized based on specific purposes. For cancer screening, Lunit INSIGHT specializes in: (1) assisting doctors in early cancer detection by analyzing medical imaging data, and (2) detecting and predicting cancer risks by identifying new biomarkers in medical imaging data. For cancer treatment, Lunit SCOPE products focus on: (1) characterizing and quantifying biomarker expression to aid doctors in histopathology slide analysis, and (2) enabling new predictive and prognostic biomarker formation by AI-driven analysis of post-diagnosis medical imaging.

The company is expanding its business presence globally by establishing sales and R&D networks in major hubs worldwide. In 2023, it achieved consolidated sales of ₩25,080 million, with domestic and global sales ratios of 15% and 85% respectively. Lunit INSIGHT is rapidly expanding its global sales network through strategic partnerships with leading medical device manufacturers and distributors such as GE Healthcare, Fujifilm, and Hologic. On the other hand, Lunit SCOPE is gaining momentum through research sales collaborations with pharmaceutical companies, contract research organizations, and diagnostic laboratories such as Guardant Health. Lunit also aims to further penetrate the markets for products for clinical use by securing regulatory approvals.

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Website. www.lunit.io

# 1. Company overview

## C. The headquarters and the subsidiaries

Division	Name of the company	Business content
The headquarters	Lunit Inc.	The development and distribution of the AI-based medical software
American Subsidiary	Lunit USA, Inc.	
Chinese Subsidiary	Lunit China Co., Ltd	
European Subsidiary	Lunit Europe Holdings B.V.	
European Subsidiary	Lunit Europe GmbH1)	
European Branch Office	Lunit Europe	
Norwegian Branch Office	Lunit Norway	

1) Lunit Europe GmbH is the 100% subsidiary of Lunit Europe Holdings B.V.

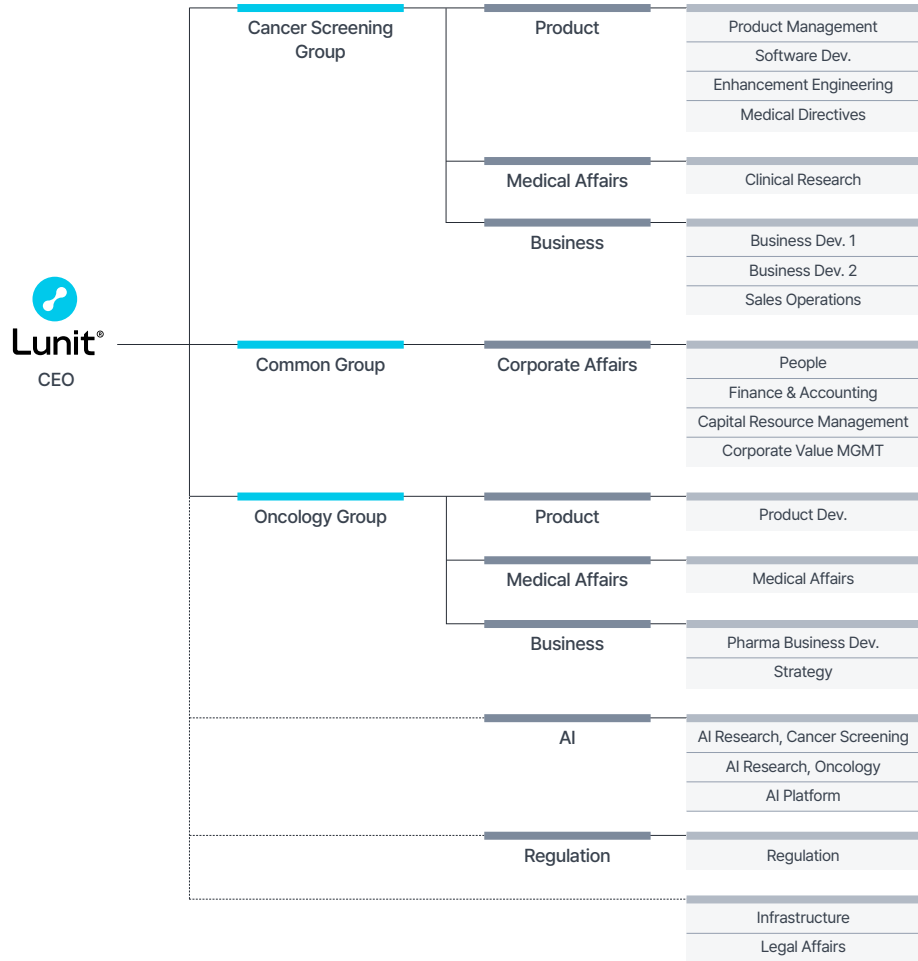
## D. Employees

Unit : number of employees

Classification	Research and Development	Sales	Others	Total
Male	108	10	26	144
Female	50	22	48	120
Total	158	32	74	264

\*This is the number excluding the non-affiliated employees (male:15 employees, Female:4 employees)

## E. The organization of the company



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# 1. Company overview

## F. Stocks

### (1) Types and numbers of shares issues

Units : share, KRW in thousand, %

Classes of shares	Number of shares	Amount	Ratio	Remark
Common stock	28,702,277	14,351,139	100.00	-
Total	28,702,277	14,351,139	100.00	-

### (2) Changes of capital stocks

Units : share,KRW in thousand

Dates	Classes of shares	Number of shares	Amount of capital increase (reduction)	Amount of capital increase (reduction)	Contents of capital after capital increase (reduction)
2019. 02. 19.	Common stock	4,620	2,310	652,384	Stock option
2019. 04. 01.	Common stock	2,835	1,418	653,801	Stock option
2019. 06. 18.	Common stock	1,871	936	654,737	Stock option
2019. 08. 12.	Common stock	10,000	5,000	659,737	Stock option
2019. 08. 31.	Class stock	53,630	26,815	686,552	Right issue <sup>2)</sup>
2019. 09. 18.	Class stock	6,786	3,393	689,945	Right issue <sup>2)</sup>
2019. 09. 20.	Common stock	10,726	5,363	695,308	Right issue
2019. 12. 31.	Class stock	214,281	107,141	802,448	Right issue <sup>2)</sup>
2020. 04. 01.	Common stock	6,903	3,452	805,900	Stock option
2020. 08. 03.	Common stock	16,177	8,089	813,988	Stock option
2020. 09. 02.	Common stock	30,000	15,000	828,988	Stock option
2020. 09. 23.	Common stock	21,428	10,714	839,702	Right issue
2020. 11. 02.	Common stock	195	98	839,800	Stock option
2021. 02. 08.	Common stock	1,328	664	840,464	Stock option
2021. 03. 25.	Common stock	10,066	5,033	845,497	Stock option
2021. 04. 10.	Common stock	6,763,972	3,381,986	4,227,483	Bonus issue <sup>2)</sup>
	Class stock				(4 shares per share)
2021. 07. 08.	Class stock	775,000	387,500	4,614,983	Right issue <sup>2)</sup>
2021. 07. 21.	Common stock	32,835	16,418	4,631,400	Stock option
2021. 11. 23.	Common stock	7,940	3,970	5,413,862	Stock option
	Class stock	1,556,983	778,492		Right issue
2021.11.24.	Class stock	80,743	40,372	5,454,233	Right issue <sup>2)</sup>

(continue)

Dates	Classes of shares	Number of shares	Amount of capital increase (reduction)	Amount of capital increase (reduction)	Contents of capital after capital increase (reduction)
2022. 07. 16.	Common stock	1,215,800	607,900	6,078,800	Right issue (Public offering, IPO)
	Common stock	33,333	16,667		Right issue (Allotment to the third party, Underwriter)
2022. 08. 16.	Common stock	65,879	32,940	6,111,739	Stock option
2022. 10. 17.	Common stock	4,150	2,075	6,113,814	Stock option
2023. 01. 13.	Common stock	27,557	13,779	6,127,593	Stock option
2023. 04. 14.	Common stock	85,469	42,735	6,170,327	Stock option
2023. 07. 14.	Common stock	40,350	20,175	6,190,502	Stock option
2023. 11. 10.	Common stock	1,857,150	928,575	7,119,077	Right issue
2023. 11. 10.	Common stock	14,238,154	7,119,077	14,238,154	Bonus issue (1 share per share)
2023. 12. 21.	Common stock	225,969	112,985	14,351,139	Stock option

- 1) Changes in capital for the last 5 years.  
2) Converted into common shares according to the convertible rights.

### (3) Stock affairs

Closing date	12.31
Settlement date	Last day of the settlement period
Regular stockholder's general meeting	Within 3 months after the end of the business year
Method of public notice	The company website (  www.lunit.io) or Korea Economic Daily
Types of stock certificates	-
Transfer agent	Korea Securities Depository (T. 82-2-3774-3637)

\* Types of stock certificates were not written down since the electronic registration of the types of stock certificates and subscription right certificates is mandatory, according to the Act on electronic registration of stocks, bonds, etc. (2022.01.04)

### (4) Matters concerning bonds

- None

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## 2. Business progress and performance

### A. Business Progress

#### 01 Cancer Screening (Diagnostic imaging assistance)

The company's major products for Cancer Screening (cancer diagnosis) include Lunit INSIGHT CXR and Lunit INSIGHT MMG. Lunit INSIGHT CXR received the regulatory clearance from the Korean Ministry of Food and Drug Safety in August 2018, and Lunit INSIGHT CXR triage, the auto-classification system of normal and abnormal findings of emergency diseases such as pneumothorax and pleural effusion, has been cleared by the FDA in November 2021. Also, Lunit INSIGHT MMG received the regulatory clearance from the Korean Ministry of Food and Drug Safety in July 2019 and was cleared by the FDA in November 2021. Furthermore, by meeting the CE requirements under Europe's latest Medical Device Regulation (MDR), the company has proactively reacted to the future sales regulation changes in the European market. The company has unveiled Lunit INSIGHT DBT, the AI solution for 3D Breast Tomosynthesis (DBT) for analyzing 3D mammography images to enable fast and accurate diagnosis of breast cancer, that has secured a steppingstone towards the American market by receiving clearance from the FDA in November 2023.

The business model of Lunit INSIGHT consists of 1) Linkage of the AI solution with the PACS system (Platform model), and 2) Linkage or Installment of the AI solution to the medical imaging equipment (Modality model). The platform model charges a fixed rate as a monthly or quarterly subscription fee per image, in proportion to the amount of medical image analyses. The modality model charges a fixed rate proportionate to the amount of sales of medical imaging devices, including the annual service and maintenance fee.

The company is cooperating with global manufacturers with the capacity to organize product packages and sales strategies in the technical device product categories such as X-rays, Mammographic image devices, and PACS. The company has signed partnerships on global distribution and sales with Fujifilm, GE Healthcare, AGFA, and Philips, and the momentum for market preoccupation and expansion is anticipated to be accelerated, thanks to the business partners in each market, dominating more than 50% of the market share. The company has proudly announced that the number of medical institutions using Lunit INSIGHT has exceeded 3000+ globally, as of November 2023.

#### 02 Oncology (Prediction on Anti-cancer therapy effectiveness)

The flagship product in the Oncology segment, Lunit SCOPE, is being utilized as a biomarker for cancer therapy via medical image analysis - for example, by quantifying the expression rate of IHC stains such as PD-L1, or features such as tumor-infiltrating lymphocytes. These products have been developed for analyzing cancers including Lung and over 15 other different types of cancer, and for analyzing different kinds of pathologically images. The first commercial research sales were generated from the 3rd quarter of 2023. Based on current progress, the company is expecting sales expansion and signing additional research sales contracts with global pharmaceutical companies.

Lunit SCOPE has also been acknowledged for its cutting-edge technology by conducting joint research with numerous leading hospitals and laboratories in Korea, as well as the United States, and publishing multiple pieces of clinical research literature. Signing a partnership with Guardant Health, a world-leading cancer diagnostics company, in June 2021 enabled the company to secure an important deployment site where Lunit AI is utilized in a real-world clinical environment, and further biomarkers could potentially be developed.

The company has generated milestone sales from research and development in 2023 and has also successfully developed and launched joint products thanks to the collaboration with Guardant Health. Furthermore, the company is proceeding with various research projects and collaborations for use of its AI in a growing variety of cancer therapeutic settings, including for targeted therapies, antibody-drug conjugates, cell therapies, and more.

### B. Sales Performance

Unit : KRW in million

Category	Types	2023		2022		2021	
		Amount	Proportion	Amount	Proportion	Amount	Proportion
Cancer Screening	Software	18,019	71.85	9,828	70.88	3,751	56.49
	Others	296	1.18	2	0.01	12	0.18
Oncology	Service	6,115	24.38	3,979	28.70	2,283	34.38
	Others	583	2.32	-	-	-	-
Products		33	0.13	57	0.41	594	8.95
Others		34	0.14	-	-	-	-
Total		25,080	100.00	13,866	100.00	6,640	100.00

Unit : KRW in thousand

Category	2023	2022
Domestic sales	3,788,366	2,863,949
Overseas sales	21,291,873	11,001,784
Total	25,080,239	13,865,733

Unit : KRW in thousand

Category	2023	2022
Company A	10,956,870	5,549,940
Company B	4,864,712	3,938,500
Company C	1,560,786	1,903,699
Total	17,382,368	11,392,139

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### 3. Status of Parent Company and Subsidiaries

#### A. Status of parent company

- None

#### B. Status of subsidiaries

##### (1) Lunit USA, Inc.

Capital	Major businesses
USD 33,600	Development and distribution of medical AI software

Unit : shares, %

Relationship with the company		
Number of shares	Share portion	Business relationship
336,000	100.00	-

##### (2) Lunit China Co., Ltd

Capital	Major businesses
CNY 1,499,916.48	Development and distribution of medical AI software

Unit : shares, %

Relationship with the company		
Number of shares	Equity rights	Business relationship
Limited company	100.00	-

##### (3) Lunit Europe Holdings B.V.

Capital	Major businesses
EUR 1,000,000	Development and distribution of medical AI software

Unit : shares, %

Relationship with the company		
Number of shares	Equity rights	Business relationship
1,000,000	100.00	-

##### (4) Lunit Europe GmbH

Capital	Major businesses
EUR 700,000	Development and distribution of medical AI software

Unit : shares, %

Relationship with the company		
Number of shares	Share portion	Business relationship
700,000	100.00	-

\* Lunit Europe GmbH는 Lunit Europe Holdings B.V.의 100% 자회사입니다

#### C. Status of concurrent positions of executives between the parent company and subsidiaries.

Concurrent executive		Concurrent company	
Name	Title	Name of company	Title
Beomseok Suh	CEO (Registered executive officer)	Lunit USA, Inc.	CEO (Registered executive officer)
Beomseok Suh	CEO (Registered executive officer)	Lunit China Co., Ltd	CEO (Registered executive officer)
Beomseok Suh	CEO (Registered executive officer)	Lunit Europe Holdings B.V.	CEO (Registered executive officer)
Anthony Paek	Inside director (Registered executive officer)	Lunit USA, Inc.	Director (Registered executive officer)

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## 4. Sales performance and financial status for past 3 years

### A. Consolidated financial statements: 2021~2023

- The consolidated financial statements for 2023, 2022, and 2021 are statements written according to K-IFRS and have been audited by a third party.

Unit : KRW

Subject	2023	2022	2021
1. current assets	230,417,590,193	68,050,191,900	89,619,308,286
2. non-current assets	37,503,109,970	29,102,882,807	4,229,724,410
Total assets	267,920,700,163	97,153,074,707	93,849,032,696
1. current liabilities	12,793,897,901	9,446,098,952	87,626,009,486
2. non-current liabilities	20,017,295,478	18,797,318,141	4,185,408,878
Total liabilities	32,811,193,379	28,243,417,093	91,811,418,364
1. issued capital	14,351,138,500	6,113,814,000	4,635,370,000
2. additional paid-in capital	515,517,787,871	320,856,587,569	216,650,160,655
3. elements of other stockholder's equity	181,438,987	141,659,456	5,246,406
4. retained earnings	(294,940,858,574)	(258,202,403,411)	(219,253,162,729)
5. non-controlling interests	-	-	-
Total equity	235,109,506,784	68,909,657,614	2,037,614,332

### B. Separate financial statements: 2021~2023

- The separate financial statements for 2023, 2022, and 2021 are statements written according to K-IFRS and have been audited by a third party.

Unit : KRW

Subject	2023	2022년	2021년
1. current assets	225,384,854,943	67,742,241,379	89,456,332,942
2. non-current assets	46,477,621,257	31,125,400,183	4,435,547,704
Total assets	271,862,476,200	98,867,641,562	93,891,880,646
1. current liabilities	13,571,617,748	9,432,746,645	87,624,121,229
2. non-current liabilities	20,017,295,478	18,797,318,141	4,185,408,878
Total liabilities	33,588,913,226	28,230,064,786	91,809,530,107
1. issued capital	14,351,138,500	6,113,814,000	4,635,370,000
2. additional paid-in capital	515,517,787,871	320,856,587,569	216,650,160,655
3. retained earnings	(291,595,363,397)	(256,332,824,793)	(219,203,180,116)
Total equity	238,273,562,974	70,637,576,776	2,082,350,539

### C. Consolidated income statement: 2021~2023

- The consolidated income statements for 2023, 2022, and 2021 are statements written according to K-IFRS and have been audited by a third party

Unit : KRW

Subjects	2023	2022	2021
Revenue	25,080,238,712	13,865,732,451	6,638,998,941
Operating income(loss)	(42,216,718,386)	(50,650,984,769)	(45,700,074,484)
Profit(loss)	(36,798,251,578)	(39,117,907,070)	(73,675,766,445)
Other comprehensive income (loss)	99,575,946	305,079,438	(364,741,902)
Comprehensive income(loss)	(36,698,675,632)	(38,812,827,632)	(74,040,508,347)
Basic earnings (loss) per share	(1,431)	(1,821)	(11,944)
Diluted earnings (loss) per share	(1,431)	(1,821)	(11,944)

### D. Separate income statement: 2021~2023

- The separate income statements for 2023, 2022, and 2021 are statements written according to K-IFRS and have been audited by a third party.

Unit : KRW

Subjects	2023	2022	2021
Revenue	25,080,238,712	13,865,732,451	6,638,998,941
Operating income(loss)	(40,794,581,924)	(48,611,906,144)	(45,661,473,509)
Profit(loss)	(35,322,335,019)	(37,298,311,065)	(73,637,185,126)
Other comprehensive income (loss)	59,796,415	168,666,388	(371,775,905)
Comprehensive income(loss)	(35,262,538,604)	(37,129,644,677)	(74,008,961,031)
Basic earnings (loss) per share	(1,374)	(1,736)	(11,938)
Diluted earnings (loss) per share	(1,374)	(1,736)	(11,938)

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# 5. Corporate task

## A. Management of cash flow

The company's consolidated operating income is approximately ₩25.1 billion, but it has an approximate business loss of ₩40.8 billion.

The company's operating expenses are primarily provided through fund raising, as its cash flow from operations alone cannot cover the expenses. The company has secured operating funds and capital for acquiring other corporations through a shareholder allocation rights issue, but maintaining consistent cash flow management is crucial.

Given the current macroeconomic uncertainty, which seems to be maintaining the status quo, the importance of keen management of cash expenses and balance has been magnified. Consequently, the company is carefully managing operating expenses to continue business expansions until its future sales stabilize. In 2023, through the implementation of proactive business strategies and cost reductions, the company was able to reduce its sales loss compared to the previous year for the first time since its foundation.

## B. Diversification of business models

Lunit's AI-powered solutions represent a paradigm shift, introducing a completely novel suite of products previously unavailable. Consequently, this opens up avenues for exploring various innovative business models, with the strategic development of appropriate models being paramount for sustained mid-to-long-term growth.

Currently, the company is constructing PACS Integration (Platform-driven business model) and Device Integration (Modality-driven business model) as core business frameworks for Lunit INSIGHT. Simultaneously, it actively pursues diversification by exploring additional sales avenues such as B2C ventures, collaborations with insurance companies, and patient-facing AI reports. Furthermore, the expansion of the Modality model into breast cancer diagnosis is underway, marked by the successful completion of Lunit INSIGHT DBT—a pioneering AI-assisted image analysis solution tailored for 3D breast tomosynthesis. The achievement of FDA clearance in November 2023 positions the company to penetrate the US market effectively.

In the case of Lunit SCOPE, the company is forging its business model through strategic alliances with leading global pharmaceutical manufacturers, participation in clinical trials, and collaborations with insurance providers. Anticipating mid-to-long-term prospects, the company aims to leverage these partnerships to deploy its model effectively in clinical settings, pending requisite regulatory approvals.

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6. Executives and auditors

Classification	Name	Title	Role	Relationship with the company
Full-time/ registered	Beomseok Suh	CEO (Inside director)	Chief Executive Officer	-
Full-time/ registered	Anthony Paek	Inside director	Executive chairman	largest shareholder
Part-time/ Registered	Nami Chung	Outside director	Advisor	-
Part-time/ Registered	Garheng Kong	Non-executive director	Advisor	-
Part-time/ Registered	Wonbok Lee	Auditor	Auditor	-
Full-time/ unregistered	Jungin Lee	Director	VP of Infrastructure	-
Full-time/ unregistered	Donggeun Yoo	Director	COR (Chief of Research)	-
Full-time/ unregistered	Sunggyun Park	Director	CPO (Chief Product, and Regulation Division Officer)	-
Full-time/ unregistered	Kyunghyun Paeng	Director	CPO (Chief Product Officer, Oncology Group)	-
Full-time/ unregistered	Kihwan Kim	Director	CMO (Chief Medical Officer, Group Head of Cancer Screening Group)	-
Full-time/ unregistered	Chan-Young Ock	Director	CMO (Chief Medical Officer, Oncology Group)	-
Full-time/ unregistered	Hyeonseong Park	Director	CFO (Chief Financial Officer)	-
Full-time/ unregistered	Minhong Jang	Director	CBO (Chief Business Office)	-

7. Major shareholders

Unit : share, %				
Name	Number of shares	Stake	Relationship with the company	remark
Anthony Paek	1,970,408	6.86	Major shareholder	-

8. Investment status of the company and subsidiaries or other companies of subsidiaries

Name of company	Investing company	Company shares invested in other companies		Shares of other companies invested in the company	
		Shares	Stake	Shares	Stake
Lunit USA, Inc.	Lunit.Inc	336,000	100.00	-	-
Lunit China Co., Ltd	Lunit.Inc	-	100.00	-	-
Lunit Europe Holdings B.V.	Lunit.Inc	1,000,000	100.00	-	-

9. Major creditors

- None

10. Important matters after the settlement period

- Please refer to the annotations on the audit report

11. Other matters deemed important related to sales activity

01 Decision on acquisition of stocks and investment securities of another corporation

The company has decided to acquire stocks of other corporation on the 14th of November 2023 and is going through the procedure for stock acquisition. The name of the acquiree is Volpara Health Technologies Limited based in New Zealand, and the company's ratio of the shares will be 100%, after the acquisition. The details of the acquisition are subject to change according to the agreement between related organizations or companies in the acquisition process, and the related clauses and details can be found on 「Decision on Acquisition of Stocks or Capital Contribution Certificates of Other Corporations」, published on 14th of December, 2023.

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# Consolidated statement of financial position

\*The consolidated and separated financial statements were audited by Nexia Samduk and expressed an unqualified opinion.

Unit : KRW

Subjects	2023-12-31	2022-12-31
Assets (abstract)		
Current	230,417,590,193	68,050,191,900
Cash and cash equivalents	31,654,786,154	14,497,595,479
Trade receivables	5,381,356,692	3,316,122,072
Other current financial assets	191,794,636,179	49,042,050,947
Other current assets	1,193,104,299	973,580,482
Inventories	118,285,383	98,528,110
Current tax assets	275,421,486	122,314,810
Non-current assets	37,503,109,970	29,102,882,807
Long-term trade receivables	1,914,286,623	1,012,642,221
Property, plant and equipment	4,114,879,769	3,831,297,650
Right-of-use assets	18,948,539,096	20,851,014,379
Intangible assets	1,669,671,891	1,577,861,971
Financial assets at fair value through profit or loss	8,141,093,825	
Other non-current financial assets	1,394,917,677	1,212,691,654
Other non-current assets	701,337,012	512,358,301
Net defined benefit asset	618,384,077	105,016,631
Total assets	267,920,700,163	97,153,074,707

Unit : KRW

Subjects	2023-12-31	2022-12-31
Liabilities (abstract)		
Current Liabilities	12,793,897,901	9,446,098,952
Trade payables	165,585,000	14,905,000
Current financial liabilities at fair value through profit or loss		
3. Other current financial liabilities	7,736,723,062	5,866,991,760
4. Other current liabilities	4,874,265,461	3,564,202,192
5. Current provisions		
6. Current tax liabilities	17,324,378	
II. Non-current liabilities	20,017,295,478	18,797,318,141
Post-employment benefit obligations		
Non-current provisions for employee benefits	484,197,387	414,637,266
Non-current financial liabilities at fair value through profit or loss	1,870,160,177	
Other non-current financial liabilities	17,110,832,668	17,837,978,380
Other non-current liabilities	15,559,926	23,312,903
Non-current provisions	536,545,320	521,389,592
Total liabilities	32,811,193,379	28,243,417,093
Equity (abstract)		
Equity attributable to owners of parent	235,109,506,784	68,909,657,614
Issued capital	14,351,138,500	6,113,814,000
Additional paid-in capital	515,517,787,871	320,856,587,569
Elements of other stockholder's equity	181,438,987	141,659,456
Retained earnings	(294,940,858,574)	(258,202,403,411)
Non-controlling interests		
Total equity	235,109,506,784	68,909,657,614
Total equity and liabilities	267,920,700,163	97,153,074,707

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# Consolidated statement of comprehensive income

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Unit : KRW

Subjects	2023. 01. 01. ~ 2023. 12. 31.	2022. 01. 01. ~ 2022. 12. 31.
Revenue	25,080,238,712	13,865,732,451
Operating expense	67,296,957,098	64,516,717,220
Operating income(loss)	(42,216,718,386)	(50,650,984,769)
Financial income	10,256,527,390	13,641,822,382
Financial expense	4,764,164,719	2,060,272,418
Other gains	79,586,669	43,392,698
Other losses	118,893,847	91,864,963
Profit (loss) before tax	(36,763,662,893)	(39,117,907,070)
Tax expense (income)	34,588,685	-
Profit (loss)	(36,798,251,578)	(39,117,907,070)
Other comprehensive income (loss)	99,575,946	305,079,438
Other comprehensive income that will be reclassified to profit or loss, net of tax	39,779,531	136,413,050
Foreign currency translation differences for foreign operations translation	39,779,531	136,413,050
Other comprehensive income that will not be reclassified to profit or loss, net of tax	59,796,415	168,666,388
Remeasurements of defined benefit plans	59,796,415	168,666,388
Comprehensive income	(36,698,675,632)	(38,812,827,632)
Profit (loss), attributable to [abstract]		
Profit (loss), attributable to owners of parent	(36,798,251,578)	(39,117,907,070)
Profit (loss), attributable to non-controlling interests	-	-
Comprehensive income attributable to [abstract]		
Comprehensive income, attributable to owners of parent	(36,698,675,632)	(38,812,827,632)
Comprehensive income, attributable to non-controlling interests	-	-
Basic earnings (loss) per share	(1,431)	(1,821)
Diluted earnings (loss) per share	(1,431)	(1,821)

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# Separate statement of financial position

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Unit : KRW

Subject	2023-12-31	2022-12-31
Assets [abstract]		
Current assets	225,384,854,943	67,742,241,379
Cash and cash equivalents	26,627,399,641	14,205,554,726
Trade receivables	5,381,356,692	3,316,122,072
Other current financial assets	191,789,287,442	49,029,225,659
Other current assets	1,193,104,299	970,496,002
Inventories	118,285,383	98,528,110
Current tax assets	275,421,486	122,314,810
Non-current assets	46,477,621,257	31,125,400,183
Long-term trade receivables	1,914,286,623	1,012,642,221
Investments in subsidiaries	7,171,655,877	2,024,745,877
Property, plant and equipment	4,114,879,769	3,829,331,932
Right-of-use assets	18,948,539,096	20,851,014,379
Intangible assets	1,669,671,891	1,577,861,971
Financial assets at fair value through profit or loss	8,141,093,825	
Other non-current financial assets	1,394,655,413	1,212,428,871
Other non-current assets	2,504,454,686	512,358,301
Net defined benefit asset	618,384,077	105,016,631
Total assets	271,862,476,200	98,867,641,562

Unit : KRW

Subject	2023-12-31	2022-12-31
Liabilities [abstract]		
Current liabilities	13,571,617,748	9,432,746,645
Trade payables	165,585,000	14,905,000
Current financial liabilities at fair value through profit or loss		
Other current financial liabilities	8,531,767,287	5,853,639,453
Other current liabilities	4,874,265,461	3,564,202,192
Current provisions		
Non-current liabilities	20,017,295,478	18,797,318,141
Post-employment benefit obligations		
Non-current provisions for employee benefits	484,197,387	414,637,266
Non-current financial liabilities at fair value through profit or loss	1,870,160,177	
Other non-current financial liabilities	17,110,832,668	17,837,978,380
Other non-current liabilities	15,559,926	23,312,903
Non-current provisions	536,545,320	521,389,592
Total liabilities	33,588,913,226	28,230,064,786
Equity [abstract]		
Issued capital	14,351,138,500	6,113,814,000
Additional paid-in capital	515,517,787,871	320,856,587,569
Retained earnings	(291,595,363,397)	(256,332,824,793)
Total equity	238,273,562,974	70,637,576,776
Total equity and liabilities	271,862,476,200	98,867,641,562

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# Separate statement of comprehensive income

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Unit : KRW

Subject	2023. 01. 01. ~ 2023. 12. 31.	2022. 01. 01. ~ 2022. 12. 31.
Revenue	25,080,238,712	13,865,732,451
Operating expense	65,874,820,636	62,477,638,595
Operating income(loss)	(40,794,581,924)	(48,611,906,144)
Financial income	10,256,372,398	13,641,588,429
Financial expense	4,764,164,717	2,060,272,418
Other gains	78,911,010	43,392,698
Other losses	81,822,590	311,113,630
Profit (loss) before tax	(35,305,285,823)	(37,298,311,065)
Tax expense (income)	17,049,196	
Profit (loss)	(35,322,335,019)	(37,298,311,065)
Other comprehensive income (loss)	59,796,415	168,666,388
Other comprehensive income that will not be reclassified to profit or loss, net of tax	59,796,415	168,666,388
Remeasurements of defined benefit plans	59,796,415	168,666,388
Comprehensive income	(35,262,538,604)	(37,129,644,677)
Basic earnings (loss) per share	(1,374)	(1,736)
Diluted earnings (loss) per share	(1,374)	(1,736)

# Separate statement of budget deficit reconciliation income

Unit : KRW in thousand

Subject	Current year		Prior year	
	(Expected date of processing: 3.29.2024)		(Processing confirmation date: 3.30.2023)	
Unappropriated deficit		291,595,364		256,332,825
Unappropriated retained earnings carried over from prior year	256,332,825		219,203,180	
Actuarial gains and losses	(59,796)		(168,666)	
Net loss	35,322,335		37,298,311	
Deficit amount		-		-
Undisposed accumulated deficit to be carried forward to subsequent year		291,595,364		256,332,825

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