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KT promotes future growth DX business cooperation with Shinhan Financial Group/Shinhan Bank

- Joint projects to be promoted in areas such as AI, meta-verse, NFT, robot, big data, etc.
- By acquiring Shinhan Financial Group shares worth KRW 437.5 billion, KT secures execution power and continuity of the joint projects

KT has decided to acquire a stake in Shinhan Financial Group worth 437.5 billion won (2.08%) to promote digital platform technology based future growth DX business cooperation with Shinhan Financial Group and Shinhan Bank, the nation's top financial group.

KT and Shinhan Financial Group had signed a business cooperation MOU last September, agreeing on the need to strengthen competitiveness and expand businesses through Digital Transformation (DX) as the representing operators of domestic telecommunications/platforms and finance. Since then, KT has been working on actualizing the cooperation agenda with Shinhan Bank, and has signed additional partnership today for future growth DX business cooperation.

The acquisition of shares has been decided to ensure that such business cooperation has execution and driving power. In consideration of Shinhan Bank being an unlisted company, KT acquired a stake in Shinhan Financial Group. The acquisition of Shinhan Financial Group's stake will proceed throughout the year through a special money trust.

Based on the strategic partnership, KT's digital platform capabilities and Shinhan bank's financial knowhow will be integrated to launch 23 joint projects in the field of future financial DX and new platform businesses such as AI, meta-verse, NFT, big-data, and robots.

In the future financial DX sector, following are some of the examples of the planned joint projects: AICC(AI Contact Center) specialized in finance, development of alternative credit evaluation model connected to KT's location data for small business owners, Shinhan Bank's futuristic store 'Digilog' combining KT's AI and robot solution, etc.

In the field of new platform business, KT plans to jointly provide a meta-verse service with Shinhan's financial infrastructure, construct an NFT-based digital asset issuance/transaction platform, co-promote a KT block-chain based electronic document business, and so on.

In addition, KT plans to build its global business competitiveness by setting up a joint SI fund (strategic investment fund) to invest on domestic/global skilled start-ups, and by providing consulting services.

For a successful business cooperation, the two companies plan to form a joint R&D TF of KT's professional engineers and Shinhan Bank's finance infra professionals to carry out joint projects such as AICC engine, voice-authentication financial infrastructure development, and so on.

Strategic collaboration and synergy between KT and Shinhan Financial Group/Shinhan Bank will lead to expansion of various financial DX models and customer-centered digital convergence services. We will do our best to build a win-win business structure by integrating fin-tech and innovative technology and increase corporate value.

Disclaimer

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