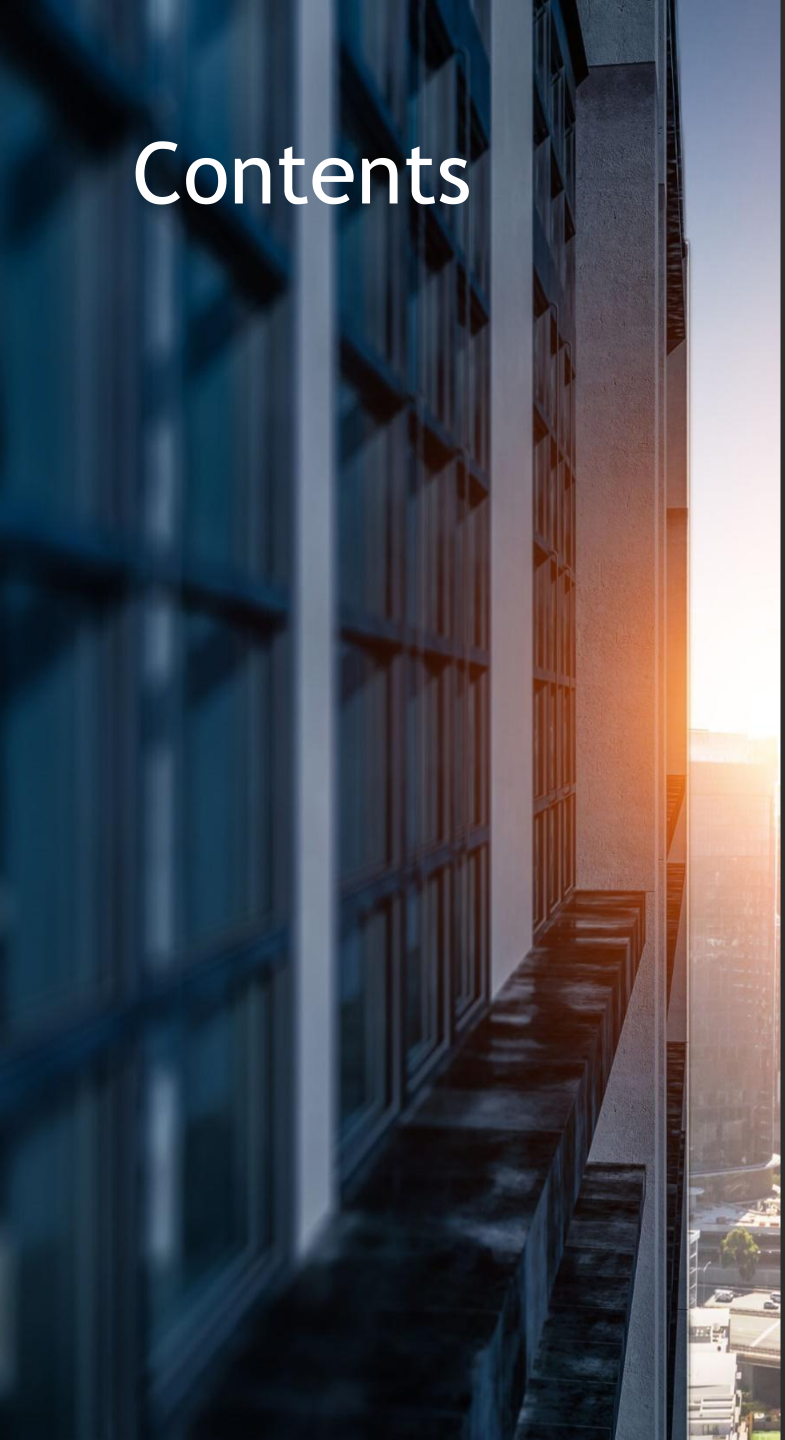
CLASSYS Story

THE INVESTOR RELATIONS OF CLASSYS 2023

KOSDAQ 214150

CLASSYS

May. 10. 2023



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I Company Overview

1. Key Figures

Gross Revenue Growth
(5Y CAGR, 32%
(2022' 141.8 bn KRW)

Consumables Revenue Growth
5Y CAGR, 37%
(2022' 55.6 bn KRW)

EBITDA Growth
5Y CAGR 41%
(2022' EBITDA 72.2 KRW bn,
EBITDA Margin 51%)

CLASSYS

Global Market Presence
60%
(Global Expansion in 60 countries
Licensed in 27 countries)

Ultraformer Cumulative Sales / Annual Procedures(estimation)
12,000Units /
3.3mn times
(Global)

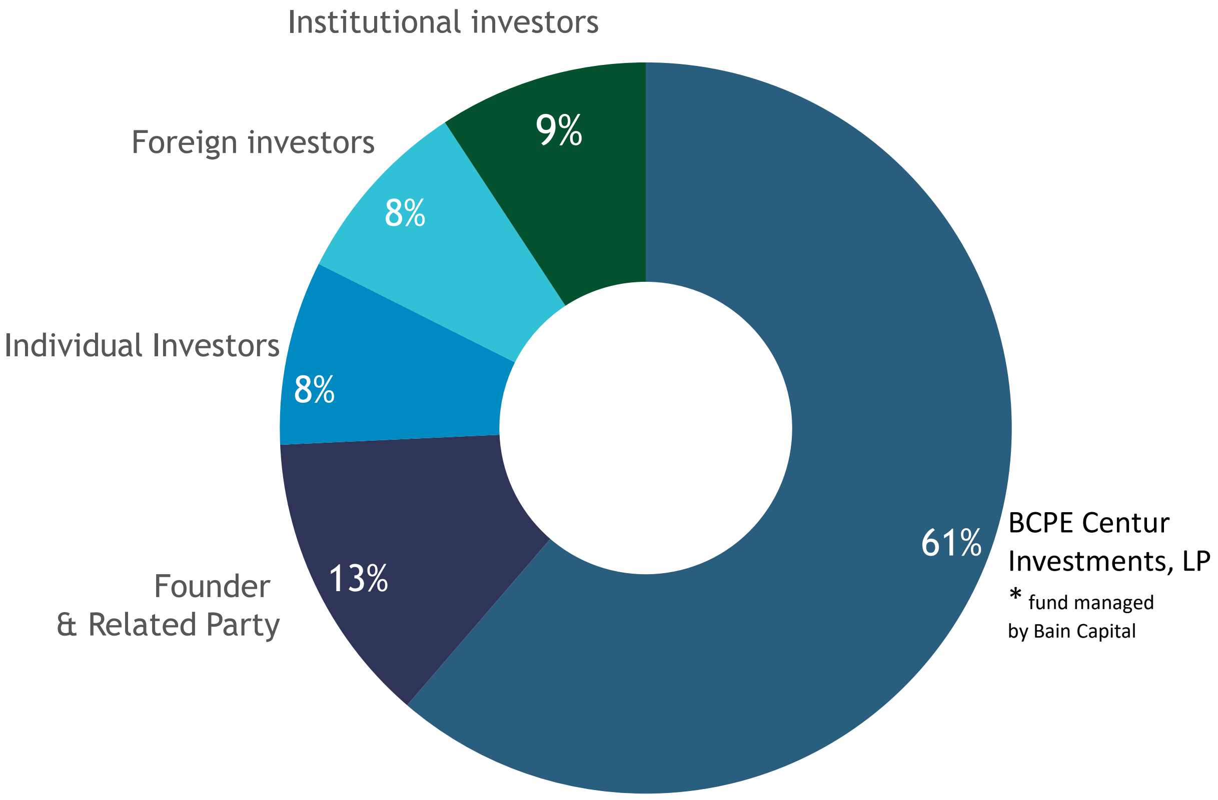
Financial Market Assessment
Market Cap KRW 1.5tn
KOSDAQ Blue-chip
ESG Rating B+(by KCGS)

2. Company Overview

Company overview

Company name	CLASSYS Inc.
CEO	Seung Han Baek
Founded	Jan 10, 2007
Listed KOSDAQ	Dec 28, 2017
Capital	KRW 6,477mn (as of 2022)
Employees	353 (as of Dec 31, 2022)
Business areas	Medical aesthetics device manufacturing
Brands	CLASSYS Cluederm SKEDERM
Headquarters	208 Teheran-ro, Gangnam-gu, Seoul, Korea
Website/ Contact	http://www.classys.co.kr / 1544-3481

Shareholder composition



* Based on 31, Mar 2023

3. Company History

Product foundation

2007~2014

Jan 2007 Foundation of CLASSYS

May 2011 Launch of Cryolipo

Feb 2012 Ultraformer approved by MFDS

Aug 2014 Launch of UF3(Ultraformer 3, known as Shurink in Korea)

Product/regional diversification

2015~2016년

Mar 2015 UF3 obtained Europe CE approval

Jun 2015 CLATUU obtained Europe CE approval

Nov 2015 Won USD 5mn Export Tower Award

Apr 2016 Scizer approved by MFDS

Infrastructure expansion

2017~2021년

Dec 2017
- Listed to KOSDAQ / opened CLASSYS Tower

Sep 2018 Acquired Moonjeong-dong plant 1

Sep 2019 Completed Misa plant 2

Oct 2021
- Started sales of UF MPT(Ultraformer MPT, known as Shurink Universe in Korea)

Dec 2021
- UF3 exceeded 3,500 units installed
- Won USD 50mn Export Tower Award

Quantum leap forward

2022년~

Jan 2022 Ultraformer MPT sales launching in Korea

Jan 2022 HQ relocation (208 Teheran-ro, CLASSYS)

Mar 2022 BCPE(fund managed by Bain Capital) became majority shareholder

Apr 2022 SH Baek appointed as CEO

Aug 2022 Volnewmer approved by MFDS

Nov 2022 Incorporated into the KOSDAQ blue chip company 'KOSDAQ Global Segment'

Dec 2022 UF MPT exceeded 1,100 units installed in korea

Mar 2023 Volnewmer & UF MPT Marketing by utilizing celebrities

Ultraformer 3

2014

CLATUU

2015

Scizer

2016

Plant 1

2018

Plant 2

2019

Ultraformer MPT

2021

Volnewmer

2022

4. Growth History

Revenue

2017~2022

4.1 times Growth

CAGR **32.4%**

Operating profit

6.4 times Growth

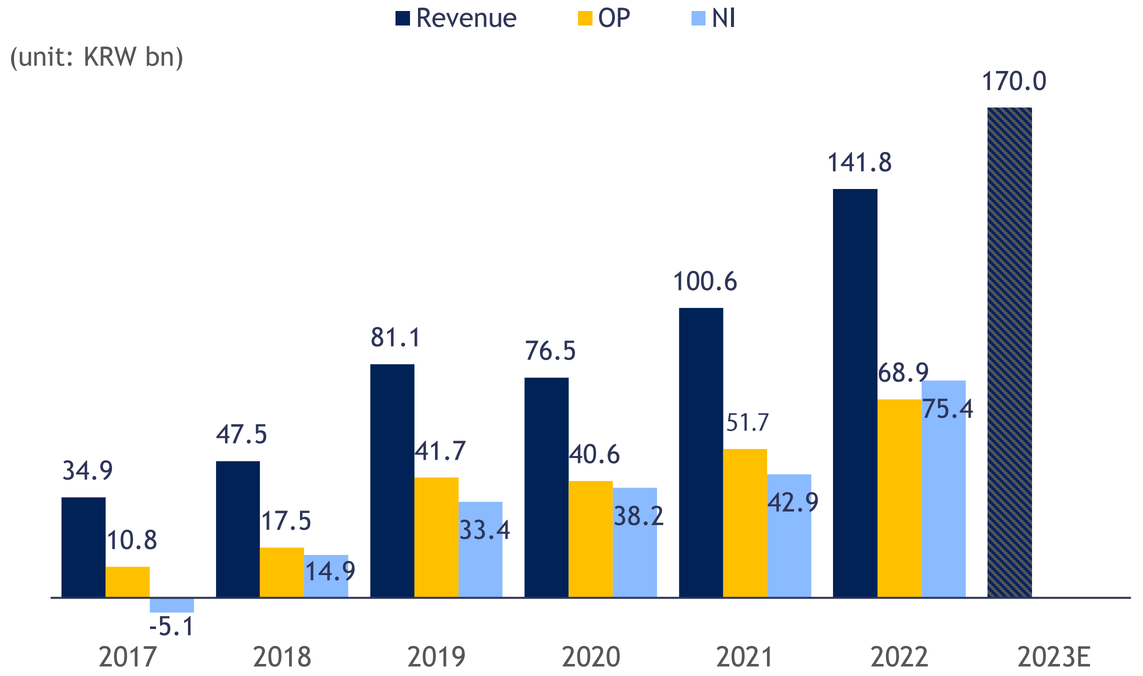
CAGR **44.9%**

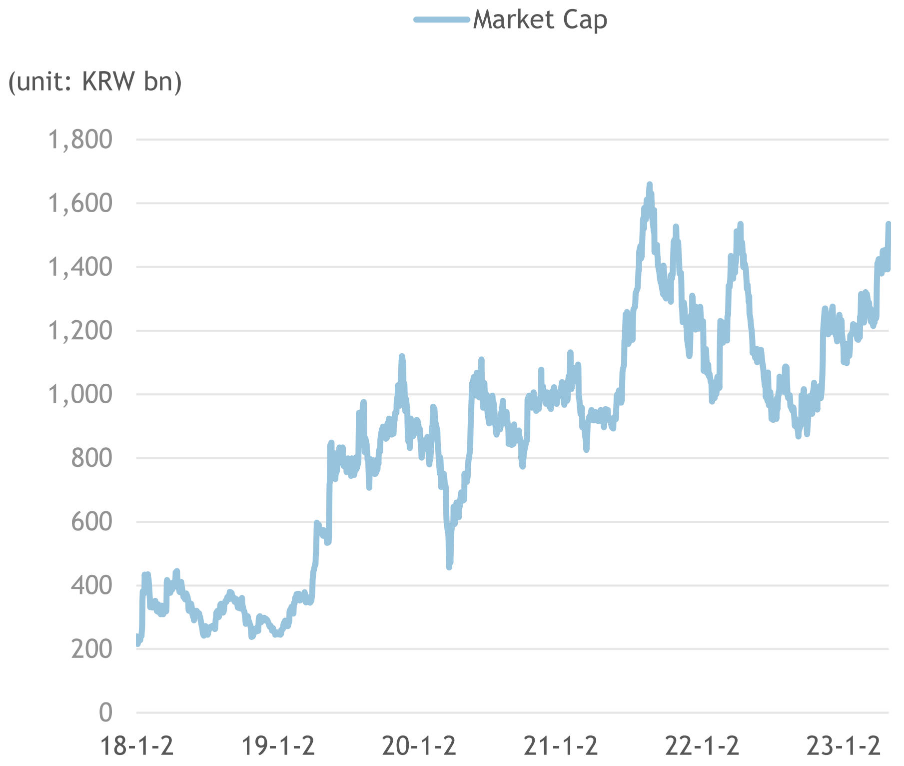
Market Cap

6.4 times increase since listing

[2017.12.30 (Listing Date) → 2023.04.28]

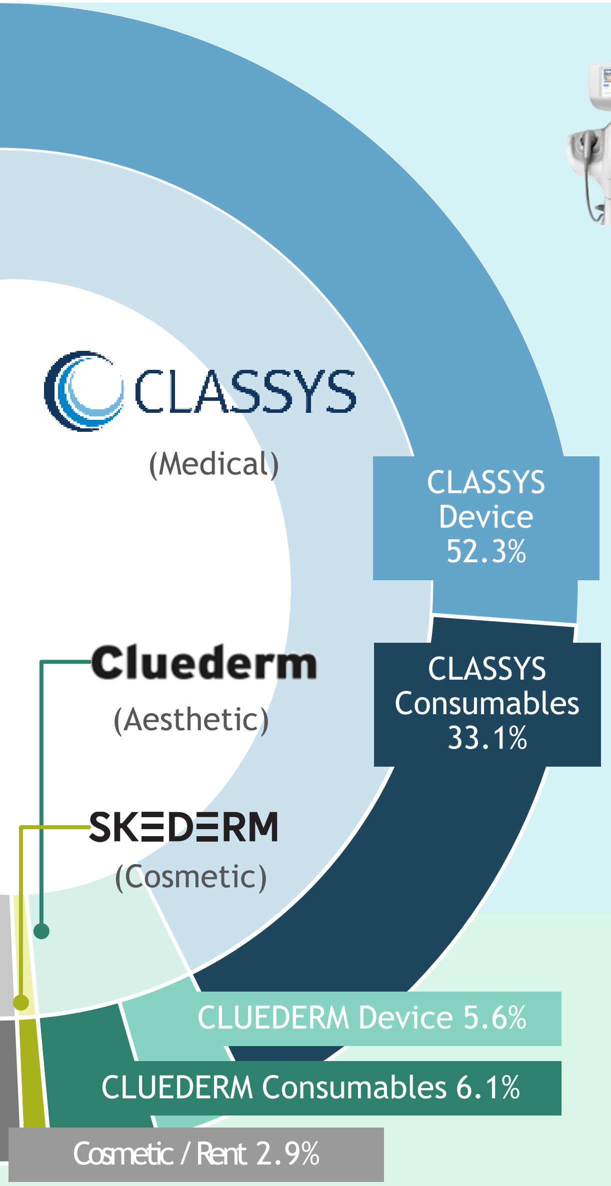
KOSDAQ Medical Device Industry **No. 2**





Note1) Consolidated
Note2) '17 NI loss is due to Merge with KTB SPAC2. It's only a one-time accounting record and there is no cash expenditure.
Note3) '20 NI includes temporary tax refund for S/O exercise
Note4) '22 NI includes temporary non-operating profit generated on selling previous HQ building
(trading profit of about 30 billion won)

5. Product Portfolio



* Based on 2022

Ultraformer 3 (Shurink)

HIFU for Facial Lifting & Tightening
Body Tightening & Contouring

+

Scizer

HIFU for abdominal fat reduction

Alpha (Clatuu Alpha)

Reduction & cooling of subcutaneous fat

Ultraformer MPT (Shurink Universe)

Next-generation of UF3
- Multi select MMFU X 4 (Normal, Micro Pulse, Circular, Micro circular)

+

Volnewmer

Monopolar RF (Radio Frequency) for wrinkle treatment & skin tightening

+

Ulfit

HIFU for body fat reduction & lifting

Refit

RF for pain relief

Aquapure

Vacuum

Cool4D

Cooling

+ Consu-mable

1. HIFU(High Intensity Focused Ultrasound): Eyebrow lifting, facial/abdominal/thigh lifting, abdominal circumference reduction;
2. RF(Radio Frequency): Induces tightening of dermis & production of collagen;

SHURINK
UNIVERSE

Ultraformer MPT(Shurink Universe)

Multi select MMFU X 4 (Micro and Macro Focused Ultrasound)
- Normal, Micro Pulse, Circular, Micro circular

Ultra Booster Handpiece
- Transducer with optimal minimization

Infinite Expendables
- Infinite Expendables with 3 handpieces & 10 interchangeable cartridges

Reduced Treatment Time
- More than 2.5x faster transducers Eliminating transducer return time

Ultraforemer (Shurink) | HIFU

The ULTRAFORMER is a completely non-invasive, face lifting and tightening, body tightening and contouring device that provides a customized treatment procedure for the entire face, neck, and body.

Technology

1) Micro-Pulsed Technology
   - Delivery of superimposed energy to the treatment area with 25 times finer TCP
2) Multi select MMFU X4
   - 10 transducer by the target treatment area Each transducer supports 2 modes (normal & Micro pulsed)
   - Enable to change mode with one touch of GUI

Cartridge

1) 4 Cartridges for ULTRA F Handpiece

DERMA Shruink 1.5 | I Shurink 2.0 | CELUP Shurink 3.0 | LINUP Shurink 4.5

Normal Mode

MPMode

2) 3 Cartridges for ULTRA BOOSTER Handpiece

* Transducer with optimal minimization

DERMA Booster 1.5 | CELUP Booster 3.0 | LINUP Booster 4.5

Normal Mode

MPMode

> "Shurink was developed by dermatologist with careful consideration for the convenience of doctors, it causes significantly lower wrist pain for doctors… Shurink is an essential device for clinics that perform procedures all day long
> - Dermatologist A

> "Younger customers tend to do extensive research before visiting the clinic and they want to the MP mode that relieves pain… shurink seems to suit taste of the younger generation
> - Dermatologist B

※ This material is published to help investors understand, and for details, please refer to its approval of the Ministry of Food and Drug Safety of Korea and the product description.

VOLNEWMER®

Volnewmer

6.78Mhz Higher but safer radiofrequency range

4 type of tips that make the treatment more effective for each purpose and target area

Real-time impedance detecting system & Curved Surface and Hidden Edge Design

Vibration & Cooling control for painless treatment

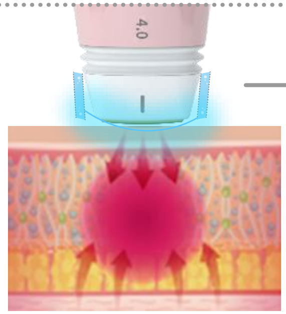
Volnewmer | RF

An effective medical aesthetic device for tightening and lifting that helps collagen regeneration in the dermis through radiofrequency thermal energy

Advanced Technology

Collagen Re-Structure and Re-Generation

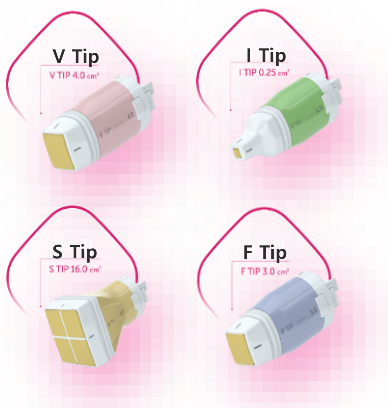
Volnewmer's RF thermal energy formation in the dermal layer
- Collagen strands re-tighten again
- accelerated extracellular matrix-enhanced collagen regeneration



Continuous Water Cooling System

Maintains temperature in the epidermal layers during RF thermal energy emitting

Tips

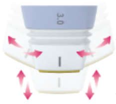


Curved Surface

Hidden Edge

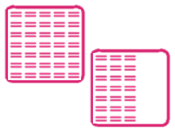
Reduces side effect and pain caused by charge density on the edges of tip surface

The flexible hand-piece head automatically adjusts for perfect skin contact



Tilted

Cushion



Automatic Impedance Detecting

volnewmer detects the change in impedance value through the position of the tip and can control the operation of the equipment

“ The technology and durability of CLASSYS devices are well known··· The reason I applied to a demo as soon as I heard the news of the launch of Volnewmer was my trust to its technology

- Dermatologist A

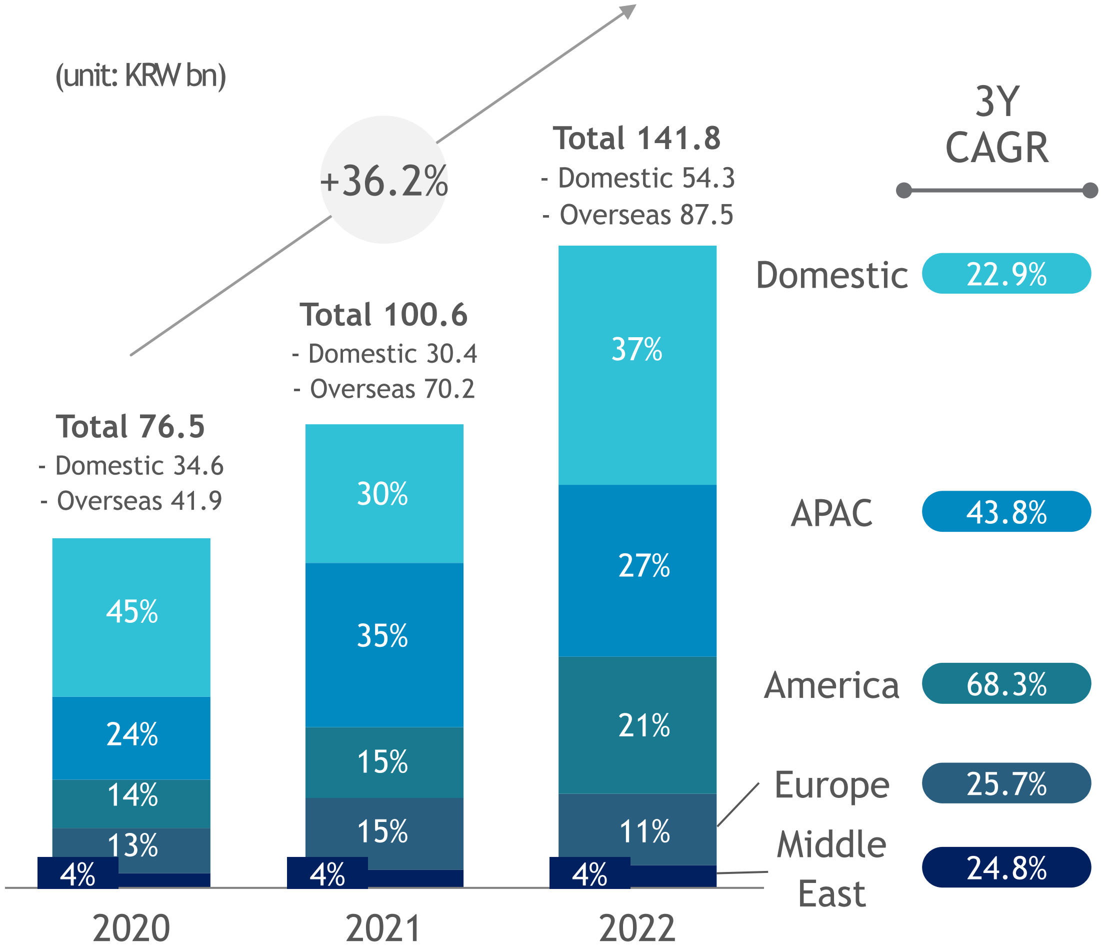
“ The existing monopolar RF treatment has the risk of receiving complaints about burns···

- Dermatologist B

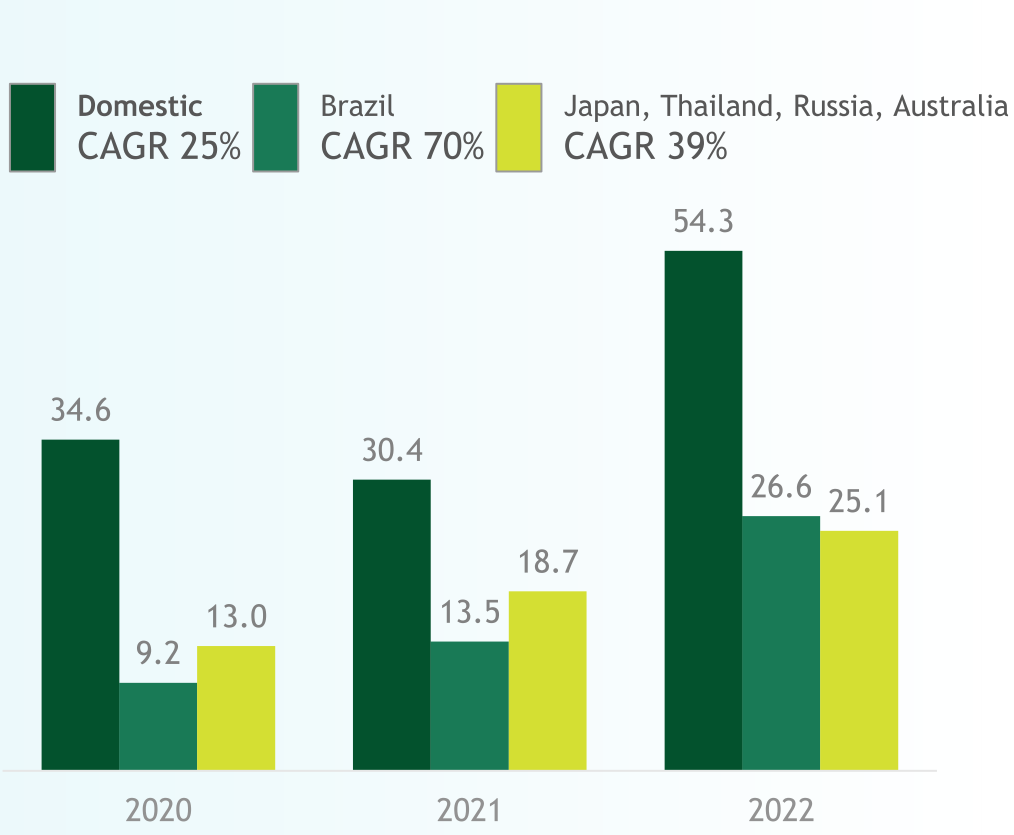
※ This material is published to help investors understand, and for details, please refer to its approval of the Ministry of Food and Drug Safety of Korea and the product description.

6. Regional Portfolio

Revenue breakdown by continent



Revenue breakdown by major region



Contents

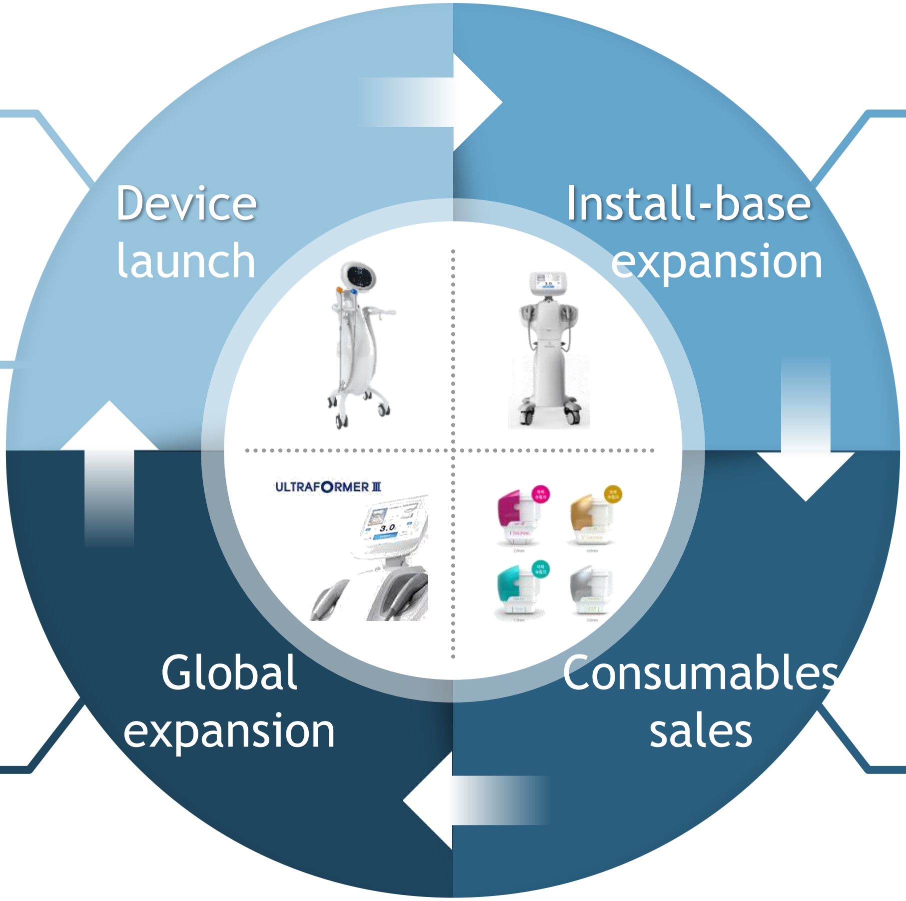
1. Success formula of CLASSYS in the EBD market

Following the popularization of "Shurink" in the domestic market, acceleration in growth through expansion into the global market

1-1 Launch innovative products focusing on customer needs

- Develop devices with the most advanced technology to address customers' unmet needs

1-2 Continuously create a virtuous cycle by launching upgraded versions of existing products



2 Expand install base via aggressive marketing

- Engage in marketing leveraging voluntarily created fandom
- Develop devices catering to B2B, B2C customers' mutual needs
- Acquire top 3 in M/S within the first year

3 Maximize profitability by selling consumables

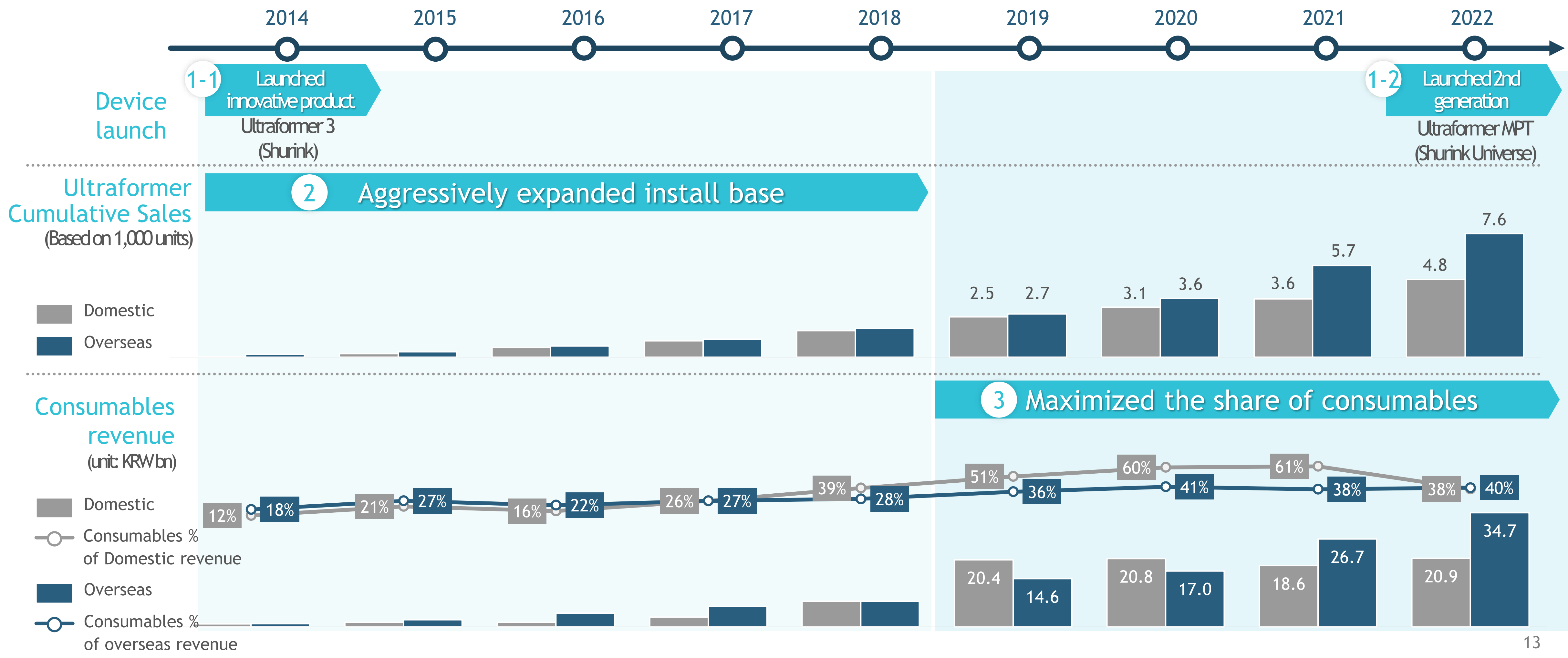
- Diversify of consumables
- Expand use cases

4 Globally apply the install base/consumables expansion mechanism

- Significantly increase global revenue by applying the mechanism to multiple countries

1. Success formula of CLASSYS in the EBD market

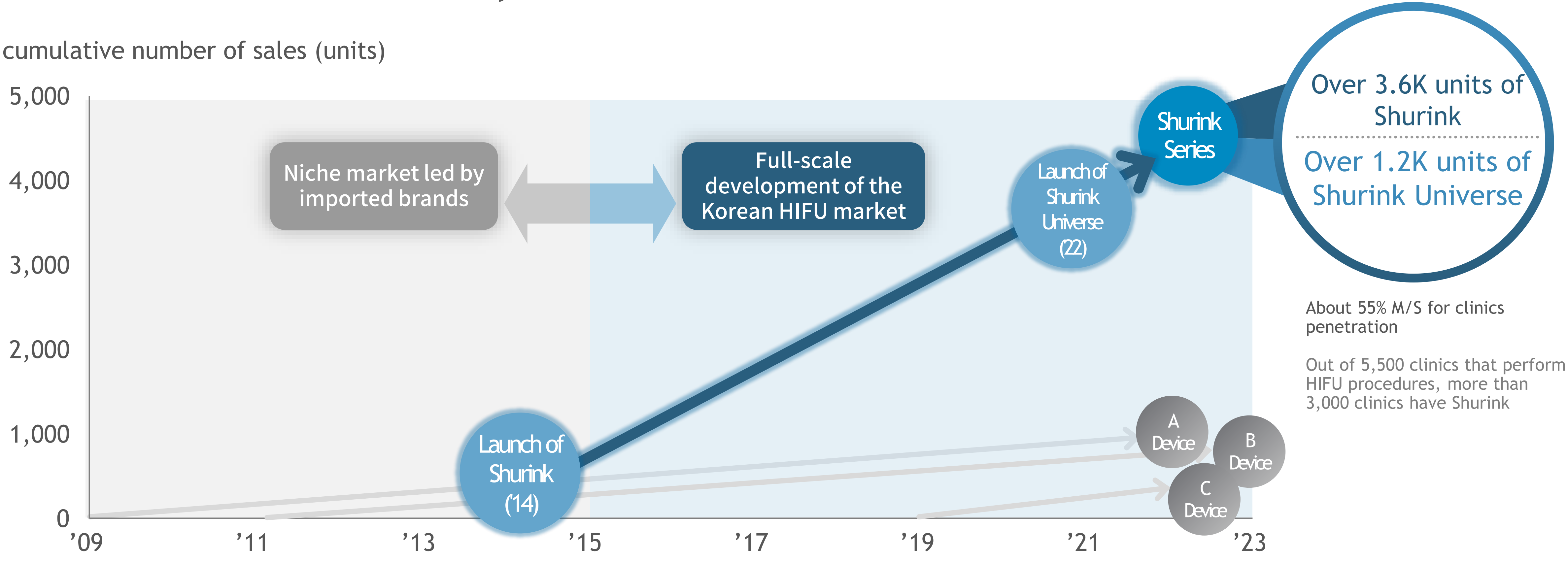
Ultraformer has become a global blockbuster brand after a phased growth



2. Dominant No.1 player in Korea

with over 4,800 devices sold in the Shurink series, Maintaining the M/S 1st in the HIFU market in Korea

cumulative number of sales by HIFU device in the Korean market



About 55% M/S for clinics penetration

Out of 5,500 clinics that perform HIFU procedures, more than 3,000 clinics have Shurink

2. Dominant No.1 player in Korea

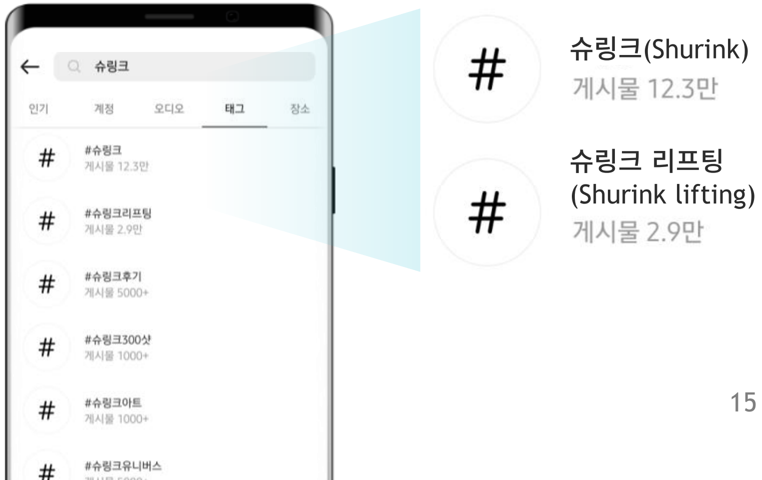
Shurink has the largest customer pool in Korea that voluntarily created a fandom

○ **B2B customer** **~3,000** hospitals/clinics in Korea have Shurink

- **~90%** of large network hospitals are using Shurink
- Doctors **voluntarily create marketing content** to promote procedures (e.g. Doctors' YouTube channels, blogs)
- **Most preferred device** by clinics newly starting to offer medical aesthetics procedures
- **Must-have device** when opening a dermatology/plastic surgery/aesthetics clinic

○ **B2C customer** **1.1M** patients receive Shurink treatment a year
* 3.3M when including global patients(estimation)

- Overwhelmingly large no. of patients' **voluntary procedure reviews**
- EBD brand **most mentioned in digital channel** (incl. SNS, blogs, beauty apps)
  - Overwhelmingly large no. of virals vs. competitors
  (#Shurink 123k vs. #A Device 79k, # B Device 12k, # C Device 6k)



3. Strong global presence

Entered 60 countries and Applying UF's success formula for global market expansion

LATAM
- **Brazil**
- Mexico
- Chile
- Dominican
- Colombia
- Argentina
- Paraguay
- Peru
- Bolivia
- Ecuador

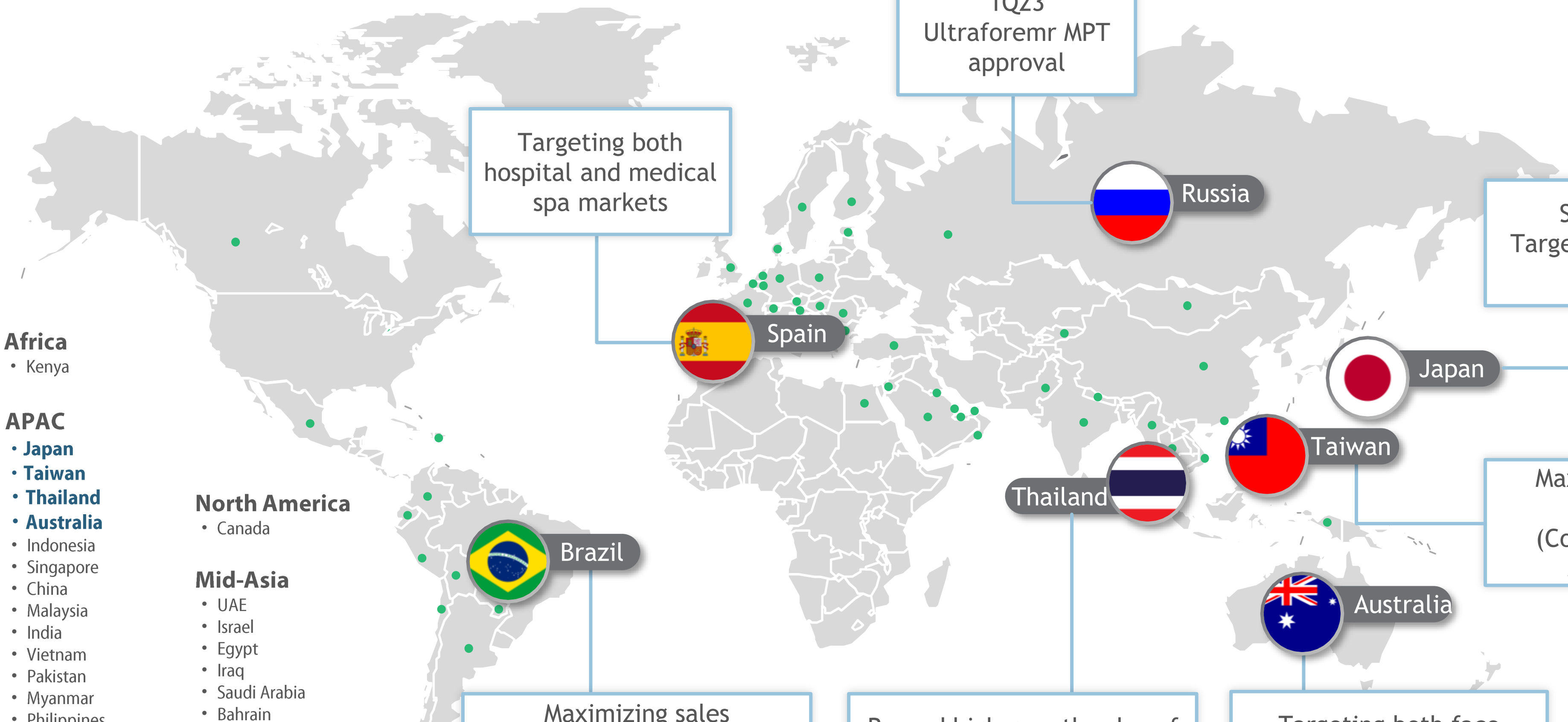
Europe
- **Spain**
- **Russia**
- Poland
- Germany
- United Kingdom
- France
- Italy
- Netherland
- Turkey
- Switzerland
- Romania
- Greece
- Denmark
- Sweden
- Slovenia
- Czech Republic
- Bulgaria
- Finland
- Austria
- Hungary
- Estonia
- Belgium

Africa
- Kenya

APAC
- **Japan**
- **Taiwan**
- **Thailand**
- **Australia**
- Indonesia
- Singapore
- China
- Malaysia
- India
- Vietnam
- Pakistan
- Myanmar
- Philippines
- Mongolia
- Nepal
- Kyrgyzstan

North America
- Canada

Mid-Asia
- UAE
- Israel
- Egypt
- Iraq
- Saudi Arabia
- Bahrain
- Kuwait
- Oman
- Qatar



1Q23
Ultraforemr MPT
approval

Targeting both
hospital and medical
spa markets

Simultaneously
Targeting both HIFU and
RF market

Maximizing sales of
consumables
(Consumables sales
3Y CAGR 66%)

Maximizing sales
of UF3 & UF MPT
both Device & Consumables
(3Y CAGR 70%)

Record high growth sales of
22'(YoY +280%)
Top 3rd Major Country

Targeting both face
and body Applications
in HIFU market

III

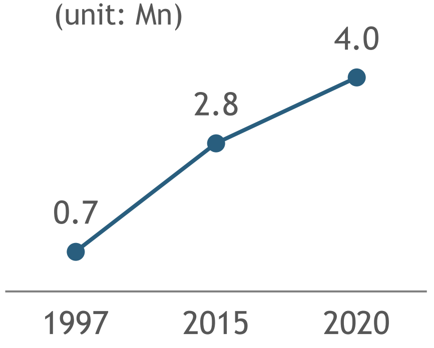
Why CLASSYS

1	Market growth	Fast growing global market
2	Global expansion	Exponential growth potential in market
3	Product expansion	Progress in 2nd blockbuster brand development
4	Innovative Technology	Customer-oriented innovation engine enabling discovery and development of blockbuster brands
5	Quality/production capability	Quality and production management capability on global standards
6	Excellent Business Model	Optimizing Sales Leverage with Efficient Product Lineup and Cost Structure
7	Governance	Establishment of a professional management system with world-class industry expertise

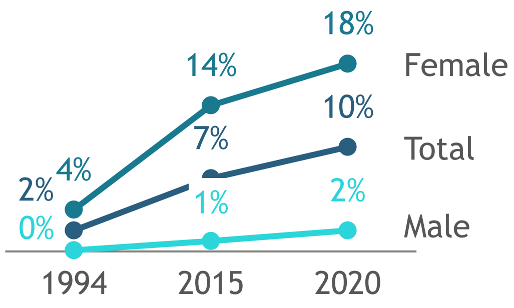
1. Fast growing global market

Medical aesthetics market is expected to grow fast led by EBD (energy-based device) as cosmetic procedures become more common and wide-spread

No. of non-invasive cosmetic procedures per year in the US



Penetration to cosmetic surgeries/ procedures in Korea



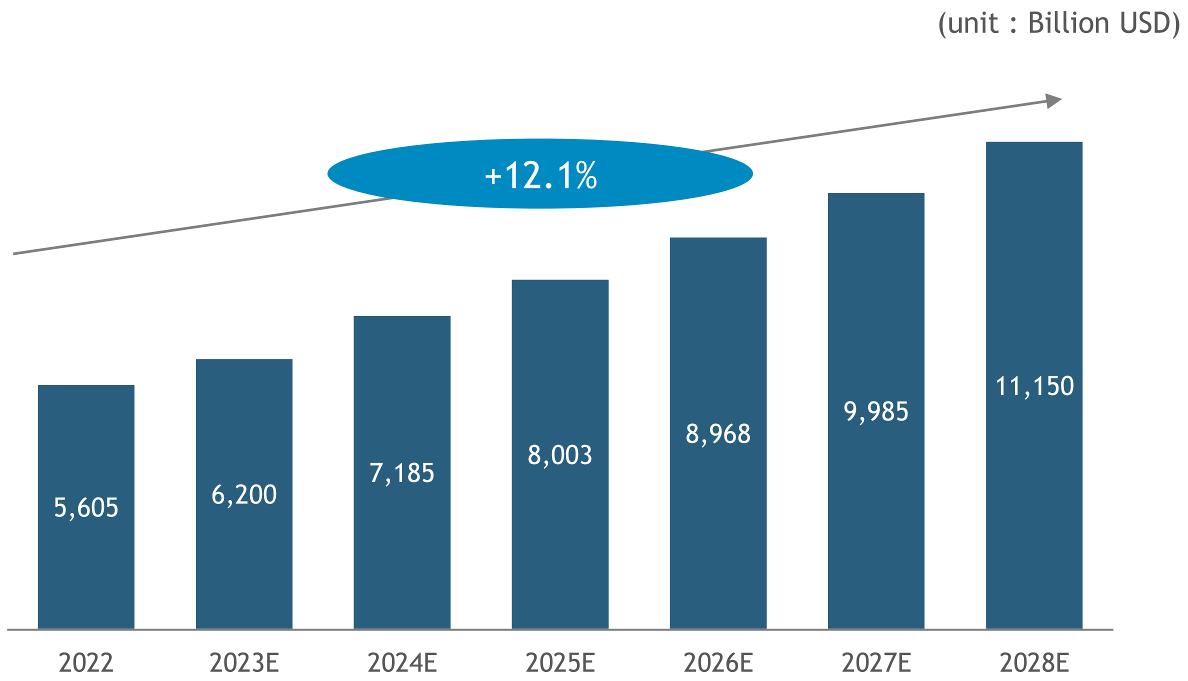
Common

- Cosmetic procedures are used commonly before job interview, wedding, etc.
- People prefer to non-invasive procedures leaving no scar and no recovery period (e.g. EBD)

Wide-spread

- High retreatment rate of consumers who experience the effect of treatment
- Cosmetic procedures are wide-spread self-care method not a luxury
- People prefer to cosmetic procedures vs. surgeries due to cost-effectiveness and accessibility

Global EBD Market size forecast



1)EBD (energy-based device): Devices inducing skin regeneration, firming via non-invasive energy stimulations without surgery

Source: ASAPS, Gallup Korea, Markets and markets, Mordor Intelligence

2. Exponential growth potential in market

launching new product UF MPT/Volnewmer in additional and Visualizing the expansion of large markets incl. Europe/US/China

Roadmap for global market entry

Ultraformer 3 (Shurink)

Surpass 10K units
Global device sales

* Global Network in 60 countries / Licensed in 27 countries

TOP 8 countris

- Brazil
- Japan
- Thailand
- Russia
- Australia
- Taiwan
- Spain
- Indonesia

2022 (As-is) → 2023 → 2024 → 2025 → 2026

Ultraformer MPT (Shurink universe)

2022 (As-is)		2023		2024–2025
Entered in priority K-beauty culture-influenced countries		Gradually expanding overseas expansion		Entering emerging countries
Launch in 8 countries		Expand in others country		Discovering new channel partners
Brazil	Indonesia	Russia	Australia	Europe & Mid-Asia
Japan	Vietnam	Taiwan	Chile	
Thailand	Singapore	Iraq	Dominican	+a
Hongkong	Malaysia	Mexico	Colombia	

Volnewmer

Trial launch in Japan		Leading the Domestic Combined Treatment Trend	Gradually expanding overseas expansion		Entering emerging countries
Gained positive customer reaction		Targeting RF Market in Korea	Focus on K-beauty-influenced cultures		Discovering new channel partners
		Indonesia	Brazil	Singapore	Europe & Mid-Asia
Japan	Korea	Thailand	Taiwan	Vietnam	
		Hongkong	Australia	Malaysia	+a
			Russia	Spain	

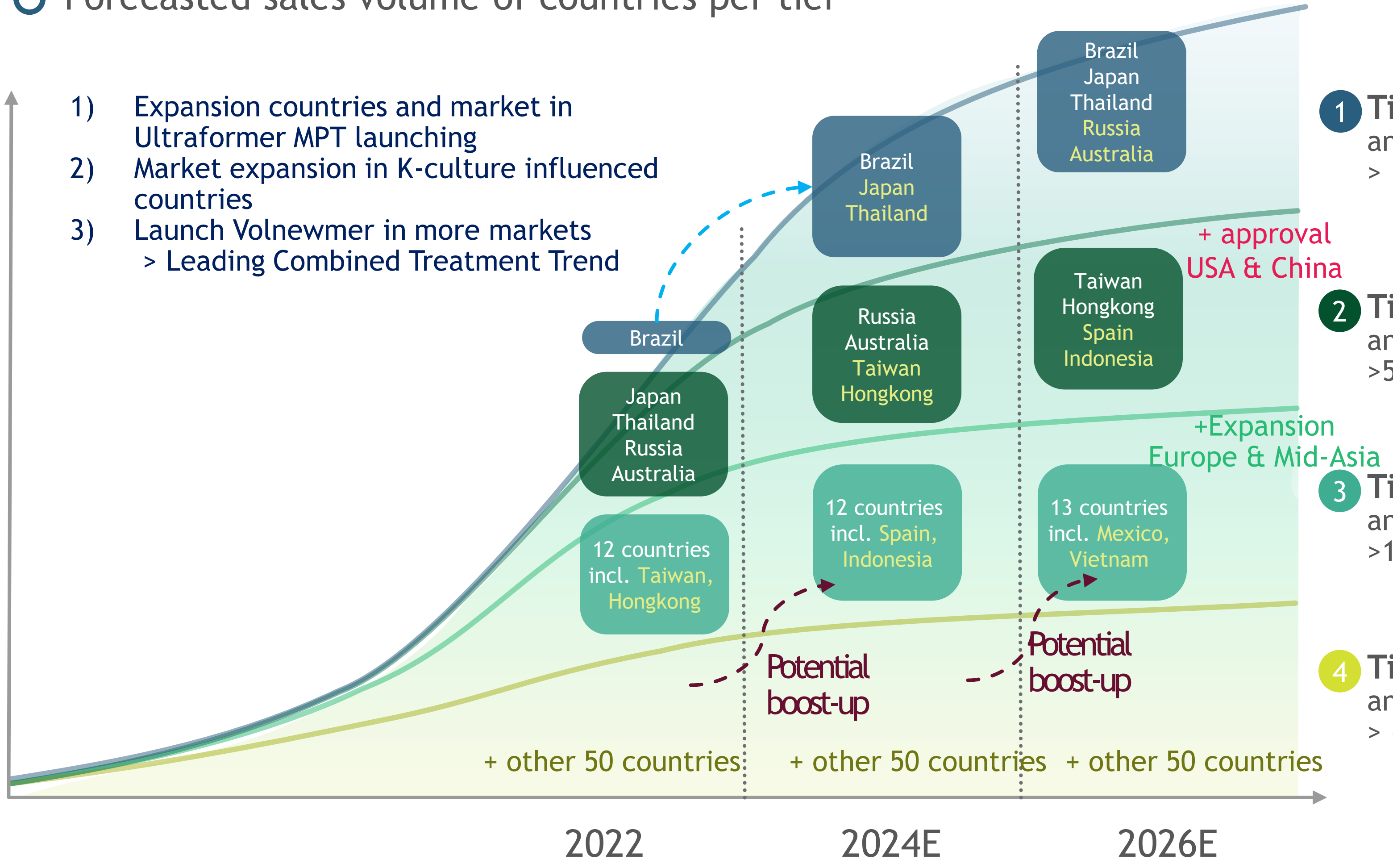
2026: Enter US/China

Simultaneously preparing for approval stage HIFU and RF

2. Exponential growth potential in market

The share of high-revenue-generating countries is expected to increase via tier-up strategy specific to country type

Forecasted sales volume of countries per tier



1 **Tier 1**
annual sales
> 10.0 bn KRW

2 **Tier 2**
annual sales
>5.0~10.0 bn KRW

3 **Tier 3**
annual sales
>1.0~5.0 bn KRW

4 **Tier 4**
annual sales
> ~1.0 bn KRW

Key tier-up initiatives

- Maximize revenue via localized B2B marketing
- Obtain to approval of Ultraformer MPT early

- Launch Volnewner in priority markets incl. K-culture spread countries
- Obtain approval in large markets

- Launch UF MPT in additional markets and expand to Europe/ME
- e.g. Target premium segment, organize local conferences

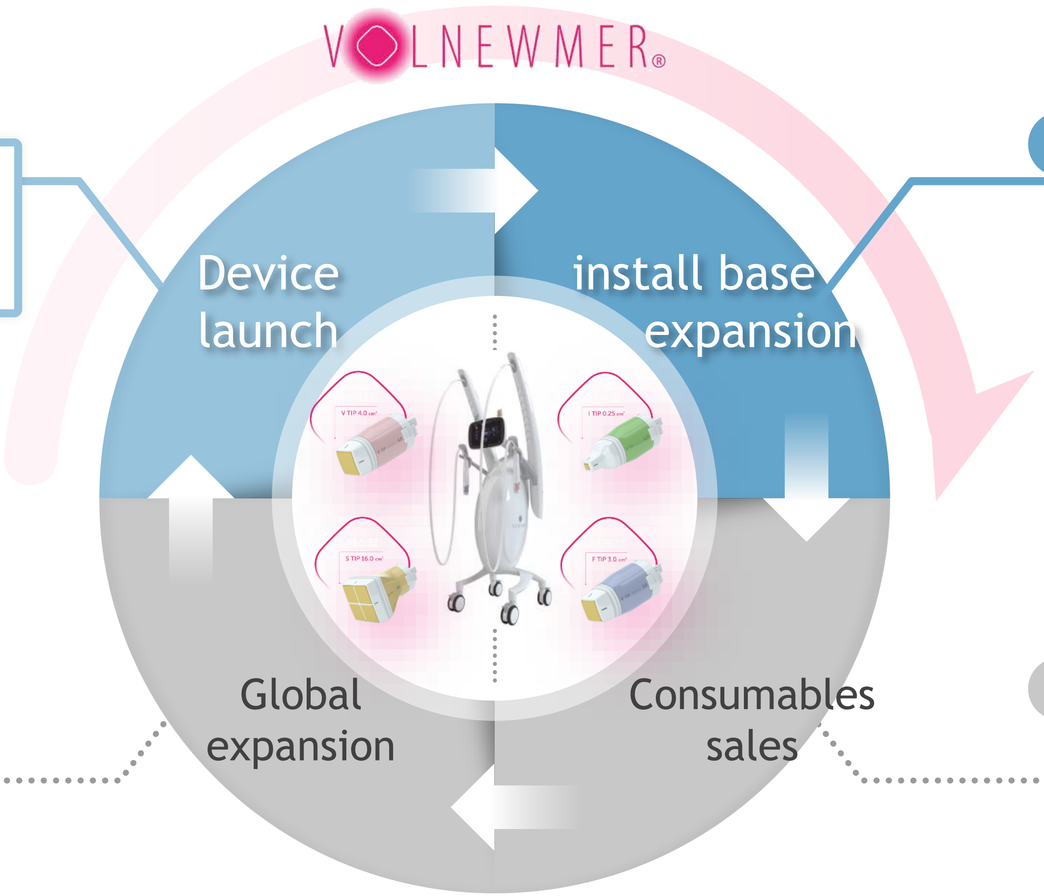
- Boost-up in high potential countries
- e.g. Sales agency incentive and replacement

3. Progress in 2nd blockbuster brand development

Volnewmer, a new RF device is expanding to install base following the UF's success formula

1-1 Developed an innovative monopolar RF device addressing customers' unmet needs

1-2 Preparing to develop Volnewmer ver 2 and new RF device



2 selling over cumulative 150 units for 5 month after launch
> Currently on sale in Japan and Korea

3 Gained positive customer feedback developing additional consumables with launch start

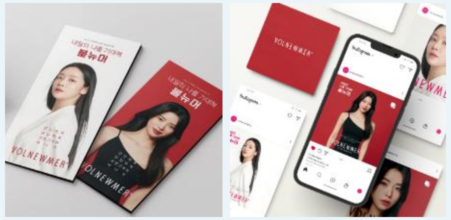
4 Preparing launching in major market incl. Brazil, Thailand, Australia

3. Progress in 2nd blockbuster brand development

Aggressive B2B, B2C marketing is carried out to accelerate Volnewmer's install base growth

B2C Marketing — Maximizing brand exposure by utilizing multiple celebrities

Powerful celebrities for endorsement



Jiyeon Im & Jooyoung Cha for Volnewmer

Minsi Go for UF MPT

taking a 360-degree campaign approach (OOH, TVC, DA, SNS etc.)

B2B Marketing — Diversifying face-to-face touchpoints worldwide

CLASSYS ambassadors

~30 CLASSYS ambassadors (key doctors) worldwide

CLASSYS academy

~20 CLASSYS academy sessions in 10+ countries

User meetings

~10 small group regional meetings around the world

Domestic and international conferences/seminars

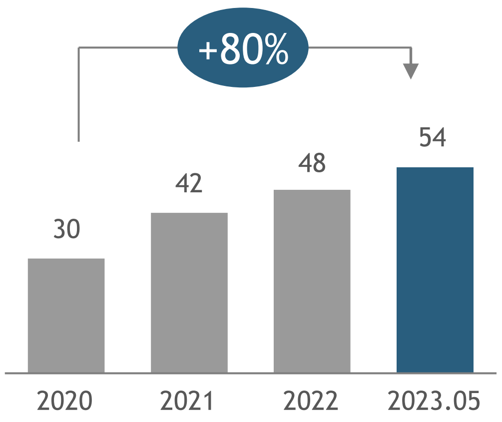
대미레 · IMCAS · KCD · DAOR · AMWC ···

~20 participations and key doctors' presentations

4. Customer-oriented innovation engine enabling discovery and development of blockbuster brands

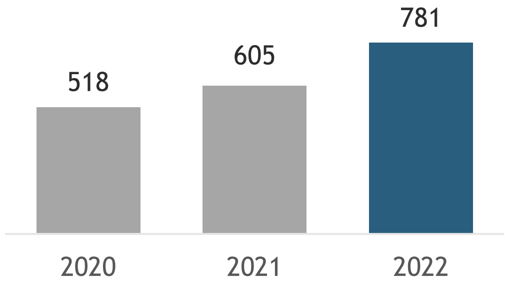
CLASSYS has developed R&D roadmap per domain based on R&D organization's differentiated capabilities

R&D Experts



33% of R&D Division personnel in management positions, as of May 2023

IP / Patent



Segmented R&D roadmap covering entire EBD technology under the goal of developing innovative products meeting customer needs

'23 1H → '23 2H → '24 → '25 → '26

HIFU/RF Next Generation

- Customization → Next HIFU
- Improving doctor convenience → Next RF
- Strengthen effectiveness & relieve pain

Consumable Upgrade

- Expanding the use-case
- ✓ Expansion of indications: Face → Body / Surface → Internal Sexual Aesthetic.
- ✓ Expansion of applications: Dermatology, Plastic surgery, Obstetrics and Gynecology, and more

New Product Launch

- Intrasure (Cluederm): Aesthetics & Healthcare Multi-Platform Solution; there are "physical therapeutic effects" such as muscle tension relief, pain management and also "aesthetic effects" such as body contouring, an increase skin elasticity
- Forshape (Cluederm): An RF treatment system for increasing metabolism, blood circulation, temperature, and tissue recovery designed to stimulate and remodel collagen and address common signs of ageing
- Launching Home-care Devices → Expanding Home Care Products
- Securing other EBD technologies besides HIFU and RF → Launch other EBD product

5. Quality and production management capability meeting global standards

CLASSYS has global top-tier orgs and capabilities to accelerate regional and product expansion

Recruited AP Lean Production Director of a global leading player

"We will build smart factory to ***achieve manufacturing excellence at the level of global leading players***

- TS Yoon (Production Director)
Former AP Lean Director,
Parker Hannifin Korea

Key initiatives for building a smart factory

Production plan

Production based on demand forecasting through monthly S&OP meetings with the Sales department

- Timely response to market demand through optimized production volume
- efficiency in the purchasing/inventory processes

Production management

Improved productivity through stabilization of the SIOP[1] system and visualized goal management (Digital Ops)

- Manage production target achievement rate, purchasing/inventory status with daily dashboard

Improve labor-intensive processes by introducing Robotics

- Introduce robots to the HIFU cartridge assembly process on a trial basis
- 1 robot for 3 workers
- Improved participation in employee improvement activities and increased sense of ownership through HPT (High-Performance Team) operation

Quality control

Quality stabilization through QMS strengthening and LEAN production system

- Reduced quality risks in whole process through the introduction of P-FMEA[2]
- Reduce defect rate by establishing an integrated management system from parts to finished products

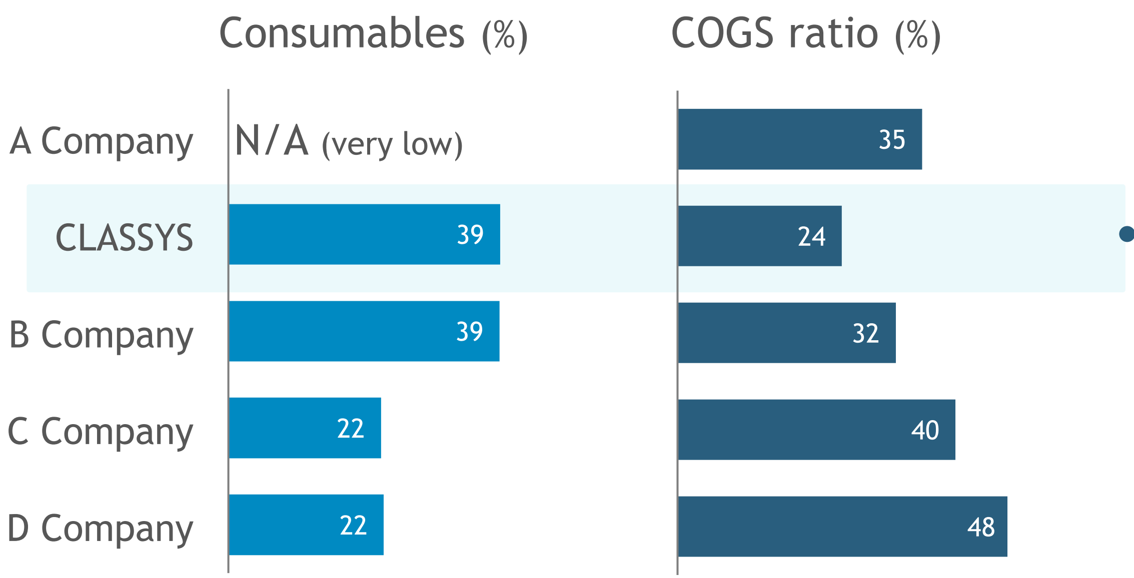
1. SIOP (Sales Inventory Operation Planning): Planning for sales, inventory, and production.
2. P-FMEA (Process-Failure Mode Effect Analysis): Analysis of potential failure modes and their effects

6. Optimizing Sales Leverage with Efficient Product Lineup and Cost Structure

Sales leverage effect will maximize when scale increases as CLASSYS' COGS ratio is low due to the high portion of consumables in its product portfolio

COGS ratio is low due to high portion of consumables

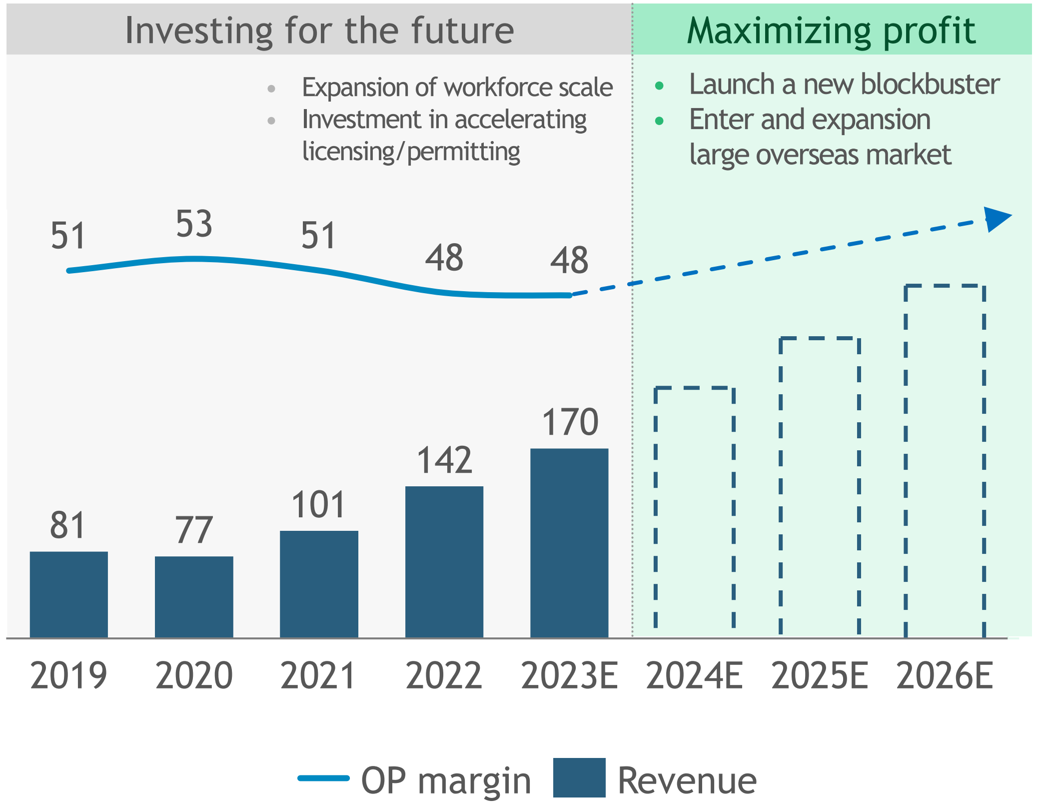
(domestic Top 5 players in terms of annual sales as of '2022)



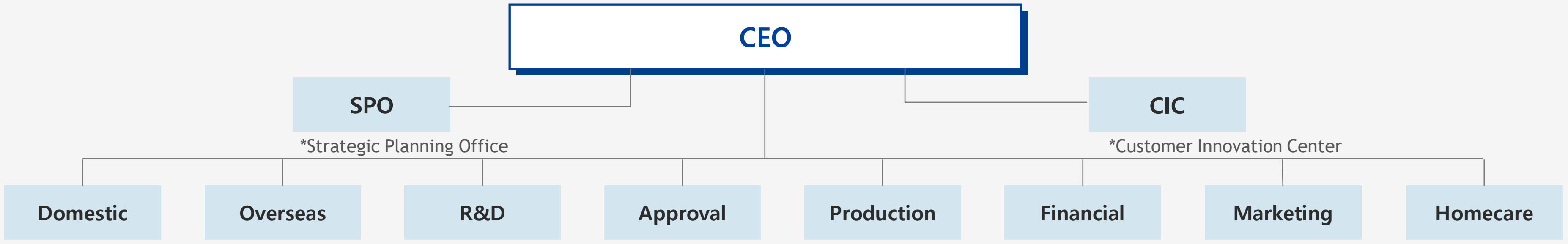
- holding a product portfolio with a high proportion of consumables
- Maintaining low-cost rates through global-level manufacturing excellence

Sales leverage will lead to maximized profits

(unit: %, KRW bn)



7. Establishment of a professional management system with world-class industry expertise

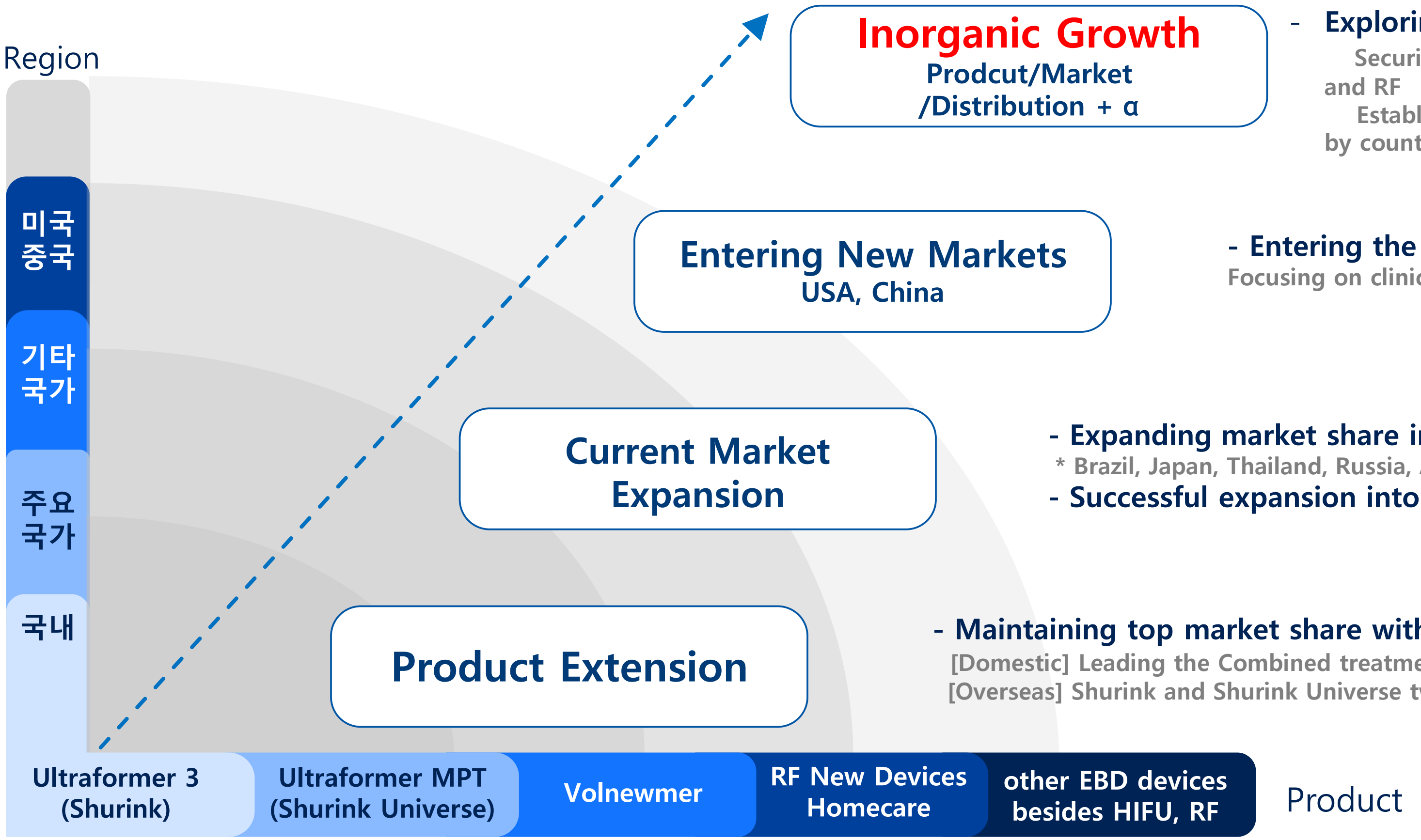


Role	/Name	Key experience/competencies	Career history (Pre-CLASSYS)
CEO	SH Baek	• Over 25 years of experience in management and global business development in various healthcare companies in Korea and abroad.	• Abbott Korea / Beckman Coulter Korea, CEO / Danaher Korea, BoD Member / • Chairman of In Vitro Diagnostic Products Committee of Korea Medical Devices Industry Association
R&D	SM Park	• A highly respected expert in ultrasound medical device technology development with over 35 years of industry experience.	• Samsung GE • Ultrasound Division CTO, Siemens Healthineers
Production	TS Yoon	• A global leader in motion/control with 300 factories worldwide and expertise in APAC Lean, specializing in factory improvement and innovation.	• P&G/Bosch/Brady Corporation • AP Lean Director, Parker Hannifin Korea
Financial	YS Choi	• Experience CFO in multiple consumer goods companies with expertise in business planning, M&A, accounting, and other management areas.	• GONGCHA KOREA, CFO • Eco Solutions Group, CFO
Approval	GH Kang	• An expert in medical device quality approvals, with approval experience in US, China, and Europe.	• Samsung (Medical Device Division) / recensmedical • QRA(Quality, Regulatory Affairs) Director Siemens Healthineers
Overseas	YJ Park	• Specializes in APAC and SEA regions, with capabilities in building new sales channels and advancing sales networks.	• SEA Director, Bio-Rad Laboratories
Domestic	SW Han	• Over 15 years of experience in advanced sales systems at leading domestic and international medical aesthetics device companies.	• J&J Medtech Korea/GE Healthcare Korea/Phillips Korea • Hironic/Viol/Huons Medical
Marketing	MJ Shin	• Oversaw marketing in medical aesthetics and luxury cosmetics industry for a global leader.	• Luxury Business Marketing Director, L'Oréal /Coty Korea • Solta Medical Marketing Director, Bausch Health Korea
CIC	HJ Kim	• An EBD market specialist with years of experience managing skin beauty medical devices and KOLs.	• CLASSYS since 2014
SPO	KY Bom	• A business development/strategic planning expert with experience in developing various business strategies at a global consulting firm.	• McKinsey & Company Engagement Manager • LG Electronics H&A Division oversaw business development

CLASSYS Expansion Plan

“A global aesthetics business leader”

delivering customer oriented and innovative products and solutions



- **Exploring various options such as investment and acquisition**
  Securing new technologies and launching other EBD devices besides HIFU and RF
  Establishing distribution channels by considering customer trends and needs by country

- **Entering the white market through clinical trials and approvals**
  Focusing on clinical and approval capabilities

- **Expanding market share in domestic and top 8* countries**
  * Brazil, Japan, Thailand, Russia, Australia, Taiwan, Spain, Indonesia
- **Successful expansion into the K-beauty culture zone, Europe, the Middle East, etc.**

- **Maintaining top market share with newly launched products**
  [Domestic] Leading the Combined treatment trend using HIFU and RF
  [Overseas] Shurink and Shurink Universe two-track strategy

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Summary I/S– 1Q23

[Unit : KRW Billion]

	1Q23	4Q22	QoQ	1Q22	YoY
Sales	39.0	40.5	-4%	35.4	10%
Cost of Sales	8.8	9.2	-5%	8.8	-0.4%
GP	30.2	31.2	-3%	26.6	14%
GPM	77.5%	77.2%	0.3%p	75.1%	2.4%p
SG&A	10.3	11.8	-13%	9.9	4%
OP	19.9	19.4	2%	16.7	19%
OPM	51.0%	48.0%	3.0%p	47.2%	3.8%p
NI	18.8	30.0	-37%	12.8	46%
NIM	48.2%	74.2%	-26.1%p	36.2%	12.0%p

Note1) Consolidated.

- 1Q23

➢ **Sales KRW 39.0 bn (+10% YoY, -4% QoQ)**
: Despite a high base effect due to the launch of ULTRAFORMER MPT(Shurink universe) in the domestic market in 1Q22, sales increase 10% YoY , driven by the expansion of domestic consumables sales for Shurink Universe and growth in overseas device and consumables sales.

➢ **OP KRW 19.9 bn, OPM 51% (+19% YoY, +2% QoQ)**
: Improved cost structure due to the increase of consumables sales portion
(Portion : Devices 50%, Consumables 48%)
: the easing of fixed cost burden as sales growth.

➢ **NI KRW 18.8 bn, NIM 48%**
: Favorable FX effects compared to YoY
: One-time issue resolved
(sale of previous building in 4Q22)

Revenue Breakdown– 1Q23

[Unit : KRW Billion]

	1Q23	4Q22	QoQ	1Q22	YoY
CLASSYS	18.4	21.0	-13%	20.5	-10%
Export	12.5	14.7	-15%	8.7	43%
Domestic	5.9	6.3	-7%	11.8	-50%
Cluederm	1.2	2.0	-43%	2.0	-42%
Export	1.0	2.0	-47%	1.9	-45%
Domestic	0.1	0.1	70%	0.1	26%
Consumables	18.7	16.6	13%	11.8	58%
Export	10.5	9.1	15%	8.3	26%
Domestic	8.2	7.5	9%	3.5	135%
Cosmetics	0.3	0.3	8%	0.6	-52%
Export	0.1	0.1	-28%	0.4	-83%
Domestic	0.2	0.2	28%	0.2	1%
Rent	0.5	0.5	-4%	0.5	-4%
Total	39.0	40.5	-4%	35.4	10%
Export	24.0	25.9	-7%	19.3	25%
Domestic	14.9	14.6	2%	16.1	-7%

Note1) Consolidated.

- 1Q23

➢ **CLASSYS KRW 18.4 bn / 47% in revenue**
: Export
- Stable demand of Ultraformer 3 & Strong demand of Ultraformer MPT
- High growth in Brazil, Thailand, and Russia.
: Domestic
- Stable demand of Ultraformer 3
- volnewmer sales on track

➢ **Cluederm KRW 1.2 bn / 3% in revenue**

➢ **Consumables KRW 18.7 bn / 48 % in revenue**
: Export
- Cartridge sales are driven by increasing install base in Brazil and major markets
: Domestic
- high demands of Shurink Universe procedure and Increase billable cartridge

➢ **Skederm KRW 0.3 bn / 1% in revenue**
Rent KRW 0.5 bn / 1% in revenue

Specified SG&A– 1Q23

[Unit : KRW Billion]

	1Q23	4Q22	QoQ	1Q22	YoY
Salaries	2.2	2.1	5%	2.6	-14%
R&D	2.1	1.3	61%	1.1	94%
Commissions	1.8	3.6	-51%	0.9	86%
Advertising	1.3	1.2	11%	1.6	-18%
Sales commissions	0.6	0.6	-11%	1.7	-66%
Depreciation	0.4	0.4	9%	0.4	18%
Sample	0.4	0.4	-4%	0.1	184%
Travel	0.3	0.2	64%	0.0	1,001%
Fringe benefits	0.2	0.5	-56%	0.5	-49%
Retirement benefits	0.2	0.2	-37%	0.2	-28%
Others	0.8	1.2	-31%	0.8	8%
Total	10.3	11.8	-13%	9.9	4%

Note1) Consolidated.

- **1Q23**

➢ **Salaries KRW 2.2 bn / 5.6% in revenue**

➢ **R&D KRW 2.1 bn / 5.4% in revenue**
- starting R&D stage for HIFU/RF next generation and and expanding the use-case, actively pursuing early approvals

➢ **Commissions KRW 1.8 bn / 4.5% in revenue**

➢ **Advertising KRW 1.3 bn / 3.4% in revenue**
- Marketing new campaign from March to May

➢ **Sales commissions KRW 0.6 bn / 1.5% in revenue**
- Related to domestic device sales by distributors for Shurink Universe and Volnewmer

Summary B/S– 1Q23

[Unit : KRW Billion]

		2020	2021	2022	1Q23
Assets					
CA		83.0	73.1	147.8	168.6
	Cash etc.	67.6	47.9	111.6	129.1
	Inventories	9.9	16.5	23.4	22.4
	AR	3.5	2.1	8.0	11.2
NCA		54.5	143.2	183.6	183.8
	P.P.E	50.1	80.7	104.2	121.2
	Inv. properties	1.8	58.4	74.7	57.7
Total Assets		137.5	216.3	331.4	352.4
Liabilities					
CL		13.4	16.8	36.2	46.3
NCL		0.3	35.8	65.6	65.1
Total Liabilities		13.7	52.6	101.8	111.5
Equity					
Shareholder's Equity		123.8	163.7	229.6	240.9
Total liabilities and shareholders' equity		137.5	216.3	331.4	352.4

- 1Q23

➢ **Current Asset KRW 168.6 bm**
- Cash KRW 168.6 bn : Operating Cash flow
- Inventory KRW 22.4 bn : Finished Goods KRW 4.6 bn, Raw Materials KRW 17.8 bn
- AR KRW 11.2 bn : Most of AR, about 90% arose within 3 months

➢ **Non-current Asset KRW 183.8 bn**
- Buildings 121.2b KRW – HQ, Factories
- Buildings for rent 57.7b KRW in HQ

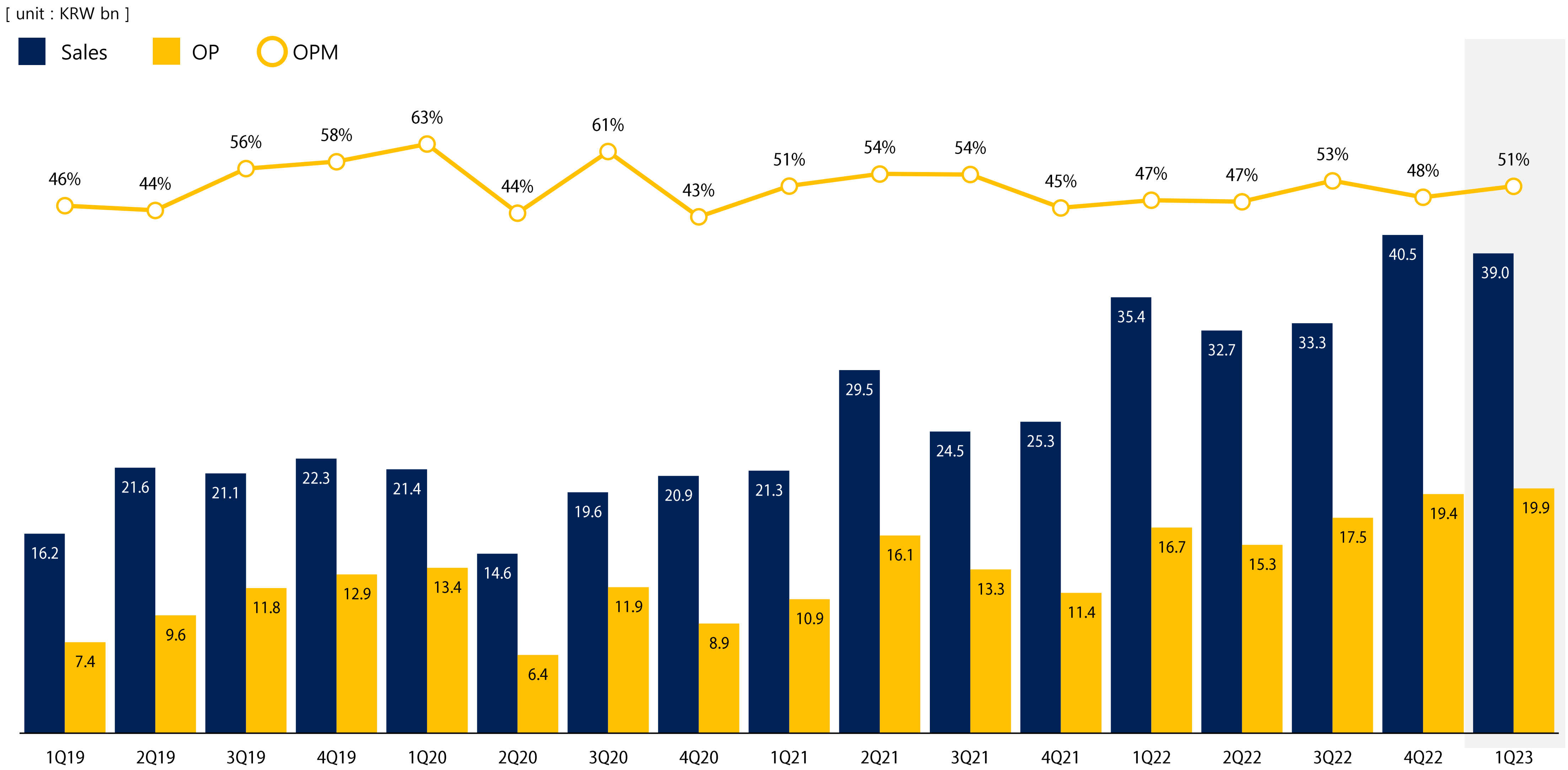
➢ **Current Liability KRW 46.3 bn**
- Current tax liabilities KRW 22.4 bn, Accounts payable KRW 7.5 bn(Other financial liabilities), Coupons KRW 4.5 bn etc.

➢ **Non-current Liability KRW 65.1 bn**
- Debt for Headquarter building 66.2b KRW

➢ **Equity KRW 240.9 bn**

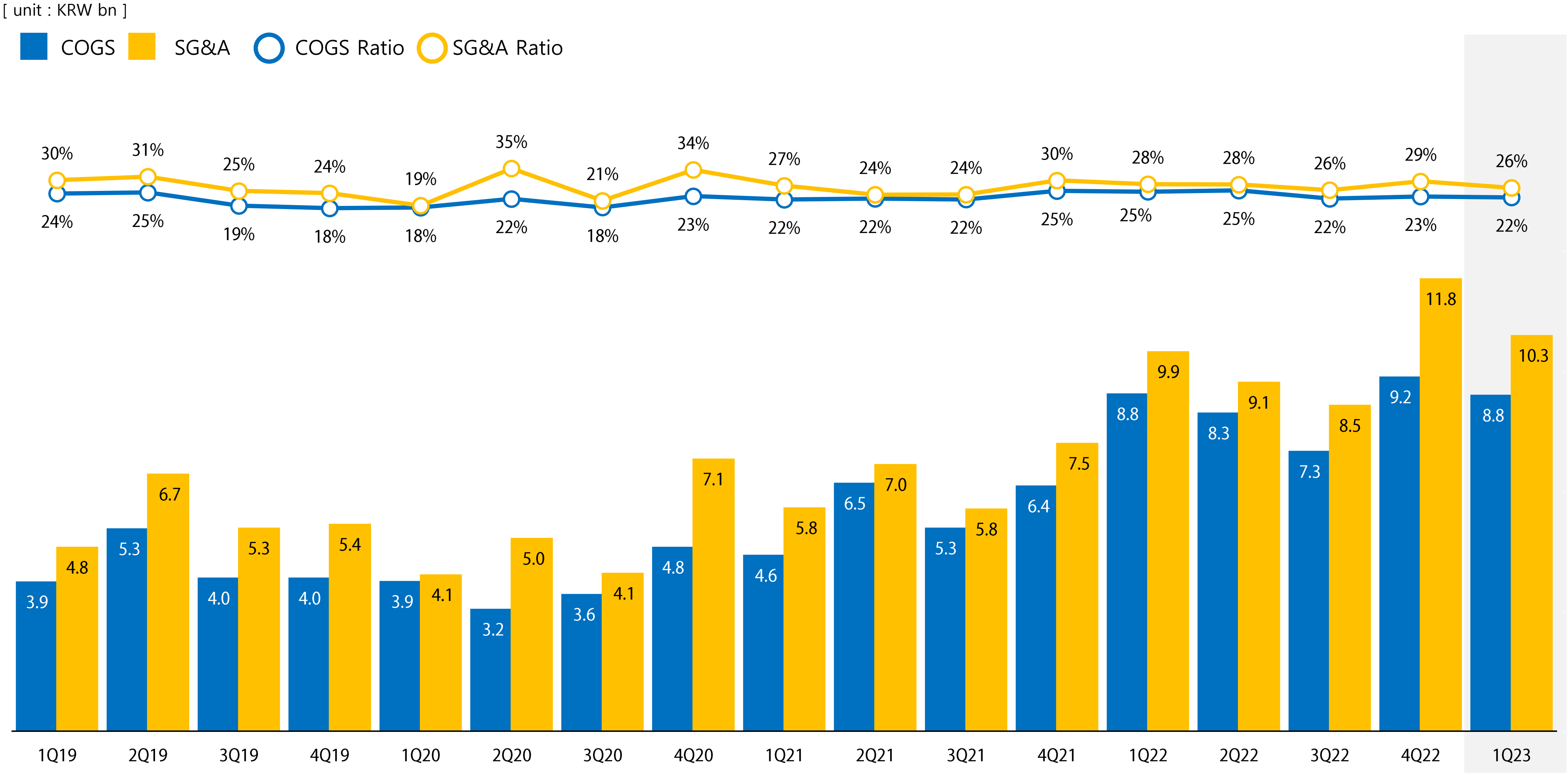
Note1) Consolidated.

Earning (QoQ)



Note1) Consolidated.

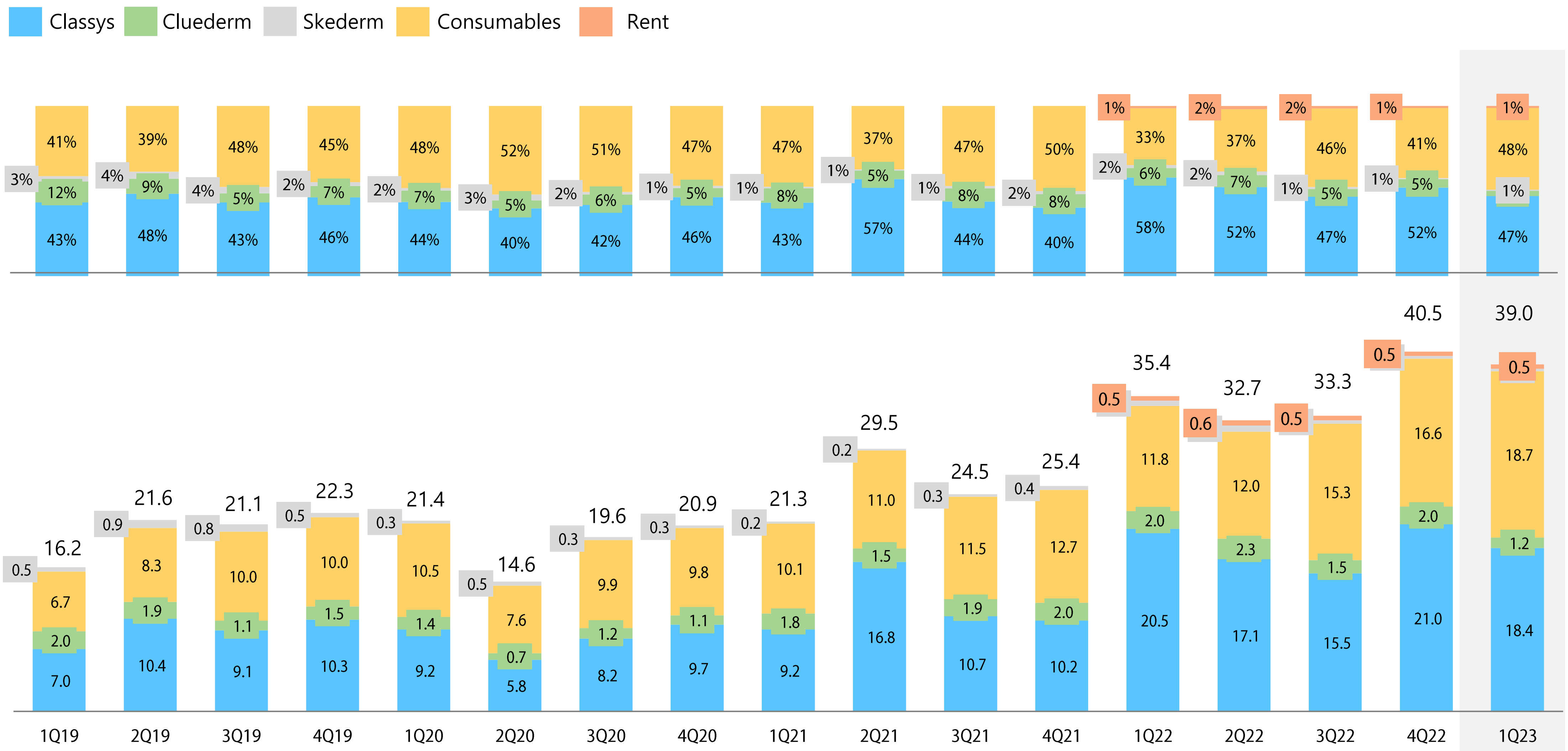
Cost (QoQ)



Note1) Consolidated.

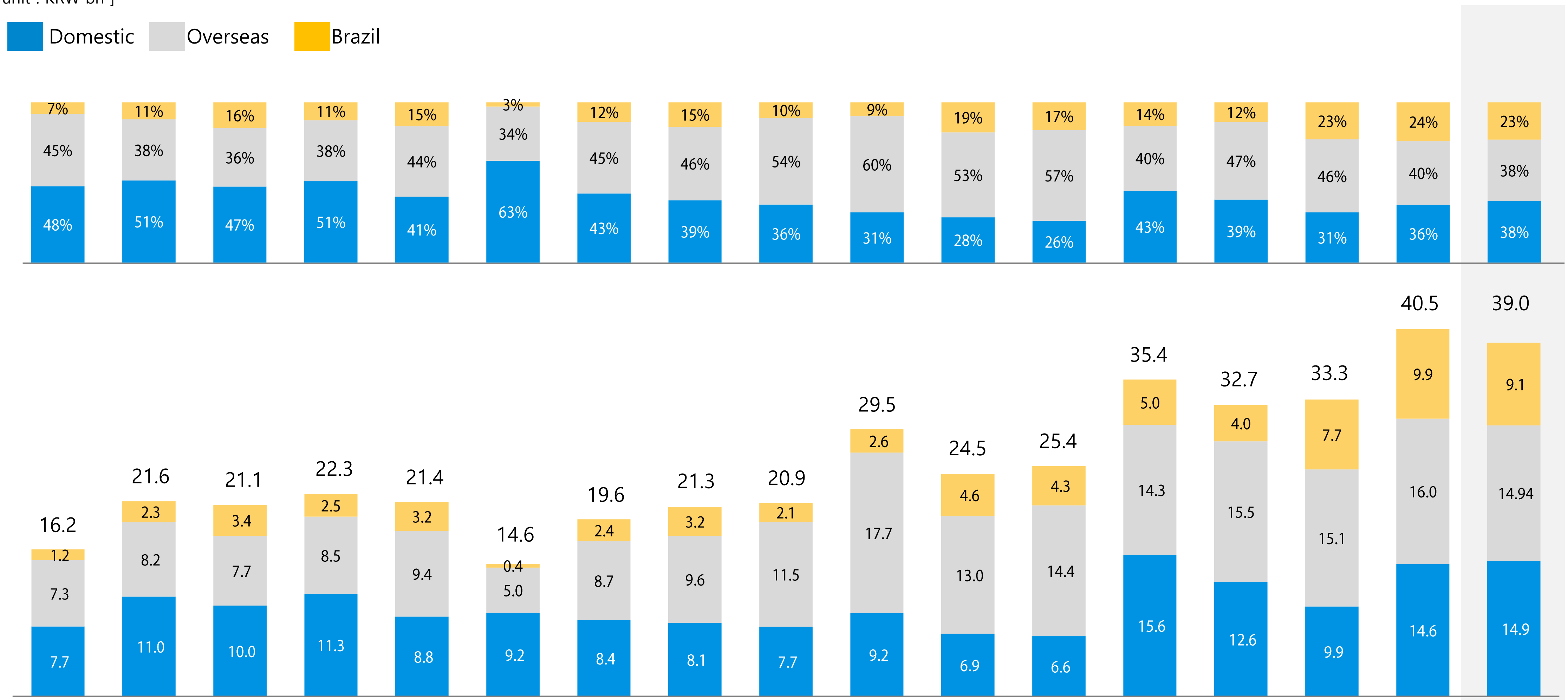
Sales Breakdown by Brand (QoQ)

[unit : KRW bn]



Note1) Consolidated.

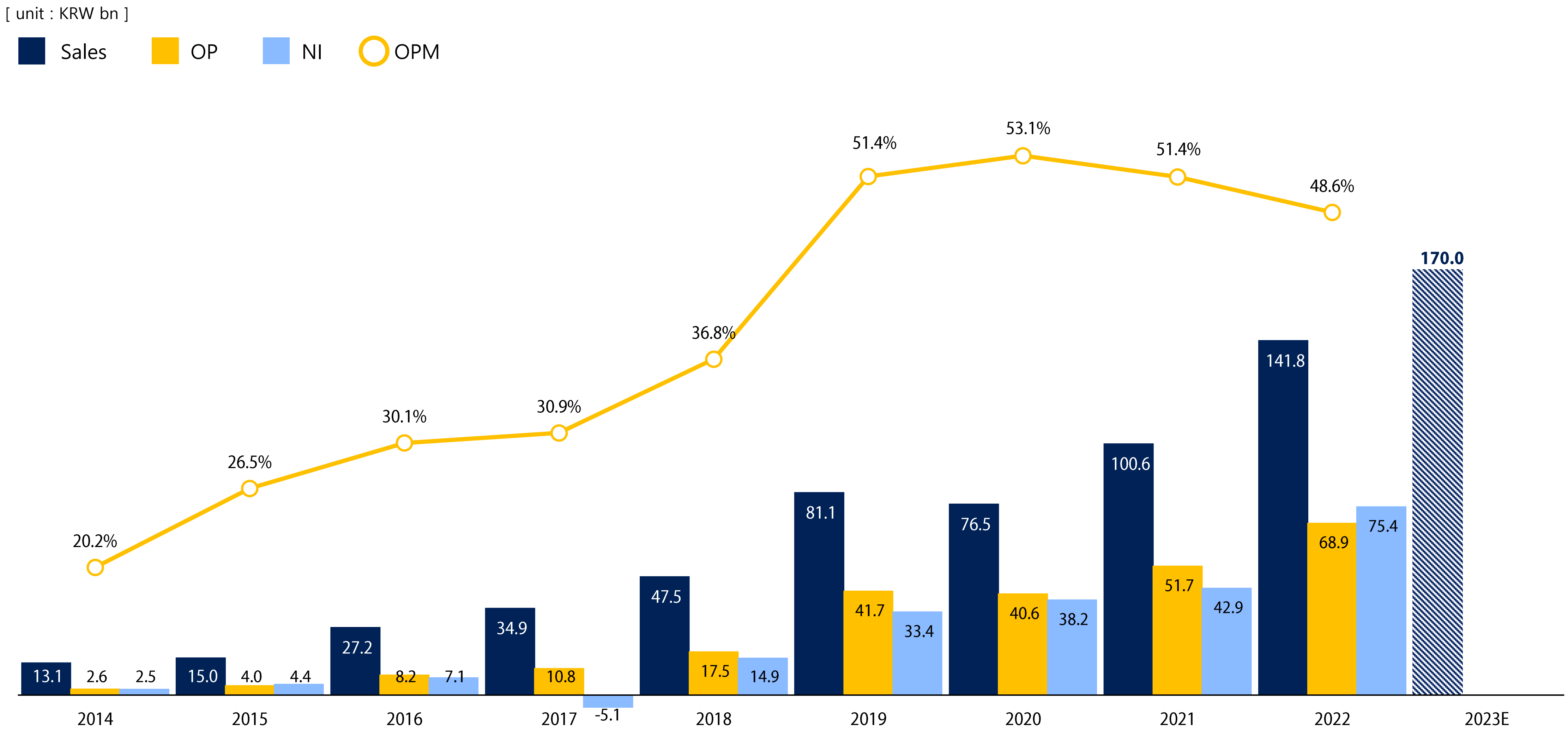
Sales Breakdown by Export (QoQ)



	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23
₩/$	1,126	1,167	1,194	1,176	1,195	1,220	1,188	1,116	1,115	1,121	1,157	1,183	1,205	1,260	1,338	1,359	1,276

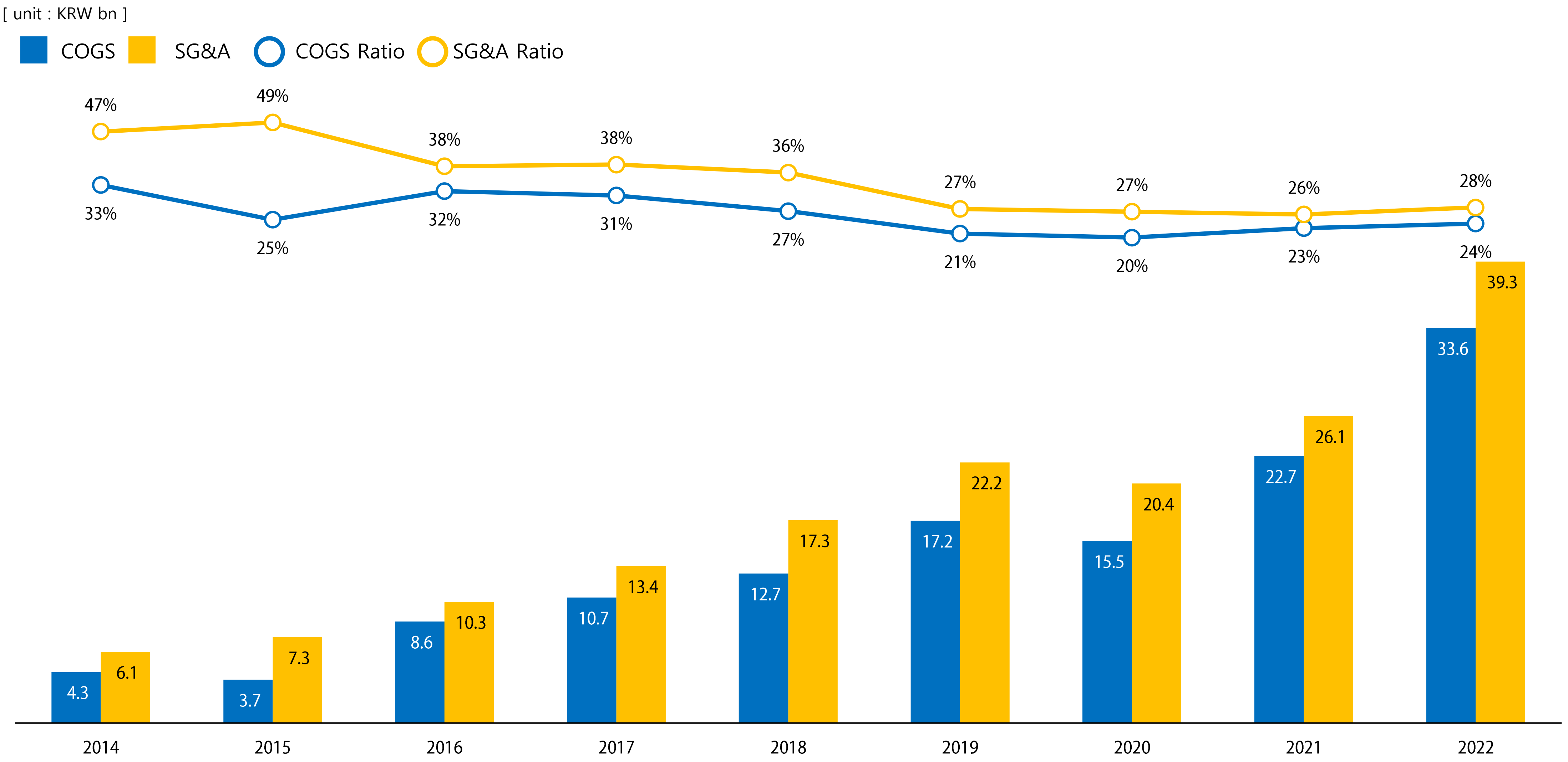
Note 1) Connection standard
Note 2) period average dollar

Earning(YoY)



Note1) Consolidated
Note2) '17 NI loss is due to Merge with KTB SPAC2. It's only a one-time accounting record and there is no cash expenditure.
Note3) '20 NI includes temporary tax refund for S/O exercise
Note4) '22 NI includes temporary non-operating profit generated on selling previous HQ building (trading profit of about 30 billion won)

Cost (YoY)



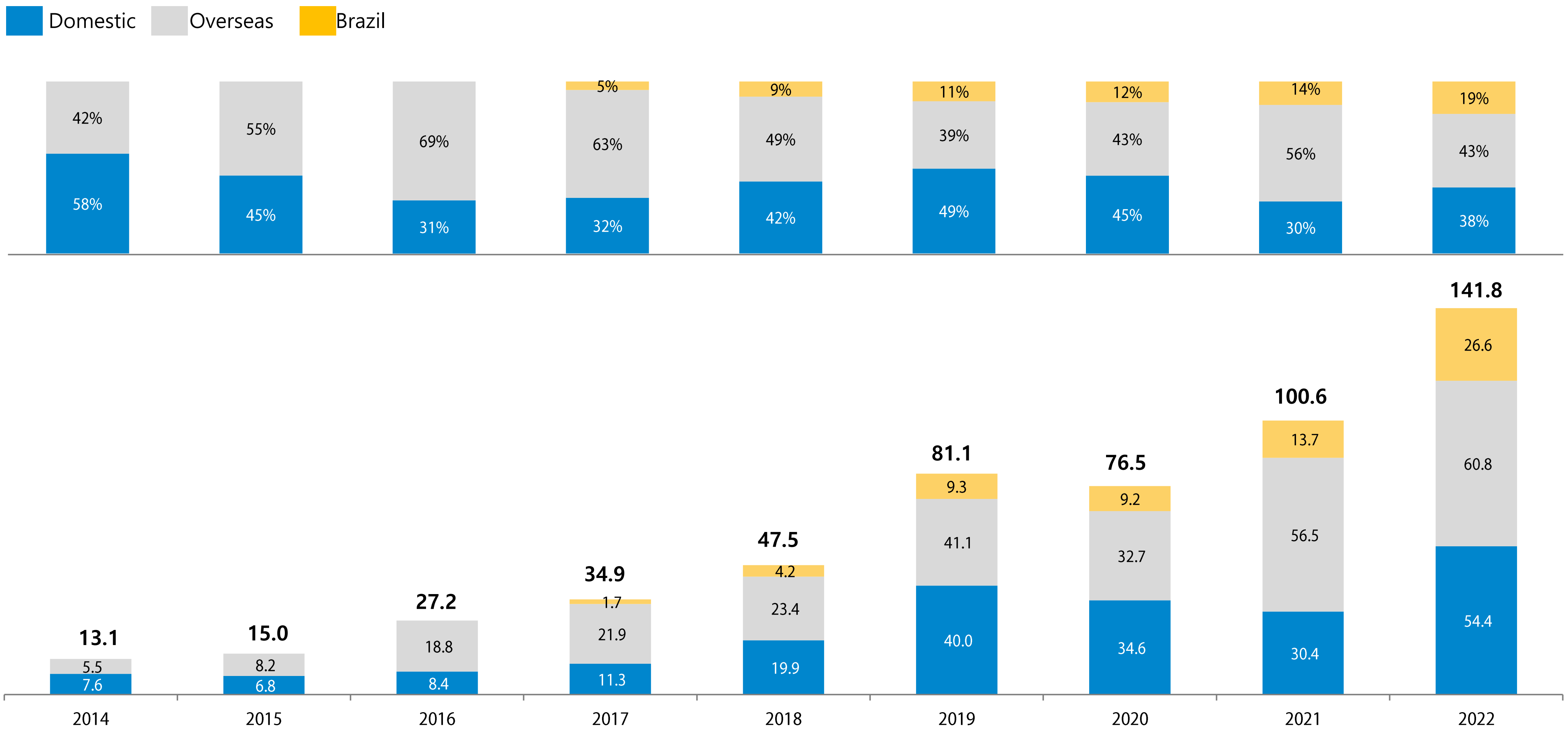
Note1) Consolidated.

Sales Breakdown by Brand (YoY)

Note1) Consolidated.

Sales Breakdown by Export (YoY)

[unit : KRW bn]



₩/$	1,053	1,132	1,160	1,130	1,101	1,166	1,180	1,144	1,292

Note 1) Connection standard
Note 2) period average dollar