

# CLASSYS

## ANNUAL REPORT

### 2024

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## OUR MISSION

To help people **around the globe** discover their **best, most natural** selves through relentless **customer-centric innovation**.

## VISION 2030

To be the **world's #1** provider of medical aesthetic **platform**.

(Revenue >\$1B, OPM >50%)



# CLASSYS AT A GLANCE

2022-2024 CAGR

31%

Revenue Growth





38,000

Global #1 Installed Base  
around 80 countries

2022-2024 CAGR

43%

Consumables Sales Growth  
Consumables sales share 46%







5M


Ultraformer Treatments / year  
300 shots / treatment

2022-2024 CAGR

33%

EBITDA Growth  
EBITDA >50% since 2019





#1

Brand Power  
2024 google trends(HIFU treatments)

# CEO Message

Dear Shareholders and Stakeholders,

Looking back on 2024, Classsys once again achieved a year of strong growth and bold innovation. Thanks to the unwavering dedication of our employees and the trust of our global partners, we not only surpassed our revenue targets but also further solidified our leadership in the global medical aesthetics market.

Sustained Growth and Strengthened Market Leadership

In 2024, we delivered a record-high revenue of KRW 242.9 billion, marking a 34% year-on-year growth. Our flagship HIFU platform, Ultraformer MPT (marketed domestically as Shurink Universe), continued to lead global treatment trends, driving a 20% increase in platform sales and over 50% growth in consumables sales.

Volnewmer, our monopolar RF platform, rapidly gained market traction following its successful launch in key markets that included Brazil, Thailand, the CIS, Taiwan, and Australia, surpassing 1,200 units sold within the year.

Our U.S. market entry was particularly significant. Volnewmer received FDA clearance eight months ahead of schedule and was launched as Everesse through a strategic partnership with Cartessa Aesthetics, a leading U.S. distributor of medical aesthetic devices. The product has already garnered significant attention from key opinion leaders (KOLs).

Domestically, cumulative installations surpassed 2,000 units for Ultraformer MPT and 700 for Volnewmer, reinforcing our No. 1 market position and expanding our installed base.

Innovative Technologies Backed by Scientific Validation

At Classsys, our competitive edge stems from innovative technology that addresses unmet clinical needs. These innovations are backed by robust clinical validation in collaboration with our Global Advisory Board of internationally renowned experts.

To date, 27 clinical papers have been published on our proprietary HIFU technology and 18 on our monopolar RF platform, many of which are cited in prestigious journals and indexes, including the Science Citation Index Expanded (SCIE). These studies underpin the efficacy and safety of our technologies.

We are also advancing a strategic R&D roadmap focused on next-generation product. This includes upgrading key technologies along with R&D investments



in consumables to expand the treatment indications of our products, and introducing at-home beauty devices as part of our Between Care initiative.

Following our successful merger with Ilooda, we broadened our technology portfolio to include microneedling RF (Secret series) and laser-based platforms (Reepot), enabling us to address every major segment of the energy-based device (EBD) market.

Commitment to ESG and Sustainable Value Creation

Beyond financial results, we are committed to responsible management. In recognition of our ESG performance in 2024, we received an A rating from MSCI and an A+ rating from the Korea Institute of Corporate Governance and Sustainability (KCGS), placing us in the top 2% among domestic peers. We were further honored with the Excellence in Governance Award from the KCGS, and named a Best Job-Creation Company by the Ministry of Employment and Labor. Looking ahead, we remain committed to strengthening our ESG initiatives and generating long-term value for all stakeholders.

Poised for a Quantum Leap in 2025

We view 2025 as a defining year—a pivotal moment of transformation for Classsys. In the U.S., we will focus on firmly establishing Everesse in the MRF

market. At the same time, we plan on simultaneously launching Ultraformer MPT and Volnewmer across Europe and the Middle East, while building a direct sales structure in Japan to further consolidate our leadership in that market.

In addition, we will accelerate the rollout of Secret Max, our next-generation microneedling RF platform, boost consumables sales by driving up the brand recognition of Volnewmer, and improve operating margins through enhanced product quality and cost competitiveness.

In conclusion, Classsys will continue to drive innovation, unlock greater value, and pursue sustainable growth. We are confident in our future and deeply appreciate your continued interest and support of us.

Thank you.

Seung-Han Baek  
Chief Executive Officer, Classsys Inc.



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Company Overview

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# Corporate Profile

Founded in 2007, Classys went public on the KOSDAQ market in 2017. The company is at the forefront of developing and manufacturing medical aesthetic and at-home beauty devices, which it does entirely in-house, as well as selling these devices that are tailored for both clinical and aesthetic use.

The largest shareholder of Classys is BCPE Centur Investments, LP, an investment vehicle under Bain Capital, which holds a 60.2% stake in the company. The founder, his affiliates, and the former founder of Ilooda collectively hold a 13.7% stake and remain supportive shareholders.

Company Name	Classys Inc.
CEO	Seung Han Baek
Date of Incorporation	January 10, 2007
Date of Listing	December 28, 2017
Equity Capital	KRW 6,628 million
Headcount	527 employees
Business Areas	Medical aesthetic platform / At-home skincare solution
Headquarters	Classys Inc., 208 Teheran-ro, Gangnam-gu, Seoul, Korea
Subsidiaries	Classys Japan Skederm Inc. (USA) Skederm Shanghai Co.,Ltd. (China) NSON Co.,Ltd. (Korea)
Website	http://www.classys.com
Contact	+82-1544-3481

## ESG Ratings

A	A+	AA
MSCI	KCGS	SUSTINVEST



### Yeoksam Headquarters

Business Units: Sales, marketing, R&D, business administration

Address: Classys Inc., 208 Teheran-ro, Gangnam-gu, Seoul, Korea



### Munjeong Plant 1

Production: High-intensity focused ultrasound (HIFU) and monopolar RF devices

Address: B3F/8F/15F, Building B, and 7F, Building A, H Business Park, Munjeong-dong, Songpa-gu, Seoul, Korea



### Anyang Plant 2

Production: Microneedling RF and laser devices

Address: 9F, Building A, Anyang IS Biz Tower Central, 25, Deokcheon-ro 152 beon-gil, Manan-gu, Anyang-si, Gyeonggi-do, Korea

## Shareholder Structure

6.1%

Retail investors

5.5%

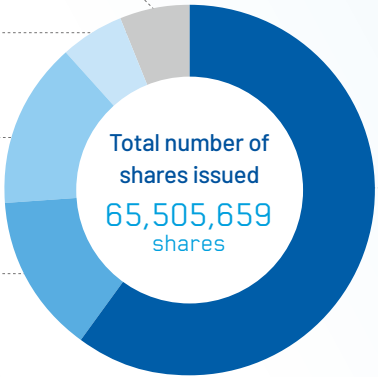
Institutional investors

14.5%

Foreign investors

13.7%

Founders of Classys and Ilooda and affiliated persons



60.2%

BCPE Centur Investments, LP
   
 \* An investment vehicle under Bain Capital

# Management Team

Classys is advancing its strategic initiatives under the leadership of CEO Seung Han Baek, who brings over 25 years of experience in managing and developing global business operations at leading healthcare companies. Together with a team of seasoned executives, the company is driving forward with strategies centered on: innovation based on customer needs; strengthening global licensing capabilities; expanding domestic and international sales and marketing; enhancing quality and production management while ensuring cost competitiveness; and establishing globally advanced systems.

Department	Name	Position	Key Expertise	Career Highlights
CEO	Seung-han Baek	CEO	• Over 25 years of leadership and global business development experience across multiple domestic and international healthcare companies	• CEO, Abbott Korea/CEO, Beckman Coulter Korea/Board Director, Danaher Korea • Chairman, In Vitro Diagnostics Committee, Korea Medical Devices Industry Association
R&D Division	Soo-man Park	Senior Executive Director	• Expert in ultrasound medical device development with over 35 years of industry experience	• Samsung GE • CTO, Ultrasound Division, Siemens Healthineers
Production Division	Tae-soo Yoon	Senior Executive Director	• Expert in factory innovation; formerly led APAC Lean operations at a global motion/control technology company with over 300 plants	• P&G/Bosch/Brady Corporation • Director, Lean APAC Group, Parker Hannifin Korea
Business Management Division	Yoon-seok Choi	Senior Executive Director	• Finance executive with significant expertise in corporate planning, accounting, funding, and M&A across multiple companies	• CFO, Management Planning, Gong Cha Korea • CFO, Strategy Planning, Ecobit
Marketing Division	Lae-hee Kim	Senior Executive Director	• Over 25 years of experience across marketing, sales, and strategic planning, with a proven record of global business development and expansion	• APAC Operations Head Global BD, Candela Medical • CMO, GE Healthcare Korea
Quality & Regulatory Division	Ki-ho Kang	Executive Director	• Expert in medical device quality and regulatory affairs, with experience in U.S. FDA approval processes	• Samsung Electronics (Medical Device Division)/ RecensMedical • Head of QRA, Siemens Healthineers (Quality Risk Assessment)
International Business Division	Young-jin Park	Executive Director	• Specialist in APAC and Southeast Asia markets, with a track record of building new sales channels and upgrading distribution networks	• Head of SEA, Bio-Rad Laboratories
Domestic Business Division	Seung-woo Han	Executive Director	• Core sales executive with over 15 years of experience in advanced sales systems at leading domestic and global medical aesthetic device companies	• Korea Johnson & Johnson Medical / GE Healthcare Korea / Philips Korea • Hironic / Viol / Huons Medical
Customer Innovation Center	Hye-jin Kim	Director	• EBD market expert with over eight years of experience in the medical aesthetic device industry	• Classys (2014–present)
Strategic Center	Kyung-yoon Bom	Executive Director	• A highly experienced strategy expert with a proven track record in corporate strategy, business development, and inorganic growth at a top-tier global consulting firm	• Engagement Manager, McKinsey & Company • Head of Business Development, LG Electronics H&A Division
Head of Japan Subsidiary	Tadashi Yoshikawa 吉川 忠志	CEO, Japan	• Over 30 years of local expertise in distribution, marketing, and sales; served as CEO of Japanese affiliates of leading U.S. medical aesthetic device companies	• Country Manager, Cynosure Japan • Country Director, The Hydrafacial Company Japan



# History

Classys continues to achieve remarkable growth and foster bold innovation each year. In April 2024, the company secured U.S. FDA approval for Volnewmer—eight months ahead of schedule. One month later, in May, Classys established a local subsidiary in Japan to implement a direct sales system in order to optimize our global sales network.

Furthermore, as a result of our ongoing commitment to sustainable management and corporate social responsibility, Classys was awarded an A rating by MSCI and an A+ rating in ESG evaluation by the Korea Institute of Corporate Governance and Sustainability (KCGS).

## Foundation and Production Launches 2007 – 2014



- Jan. 2007 • Classys established
- May 2011 • Launched Cryolipo
- Feb. 2012 • Ultraformer approved by Korea's MFDS and kGMP
- Aug. 2014 • Launched Ultraformer III

## Product & Regional Diversification 2015 – 2017



- Mar. 2015 • Ultraformer III obtained CE certification in Europe
- June 2015 • Clatuu obtained CE certification in Europe
- Nov. • Awarded the ROK \$5 Million Export Tower
- Apr. 2016 • Scizer approved by Korea's MFDS and kGMP
- Mar. 2017 • Launch of CLUEDERM and SKEDERM
- Dec. • Listed on KOSDAQ/Relocated to Classys Tower

## Infrastructure Expansion 2018 – 2022



- Sep. 2018 • Acquisition of Munjeong-dong Plant 1
- Sep. 2019 • Completion of Misa Plant 2
- Oct. 2021 • Ultraformer MPT (Shurink Universe) approved by Korea's MFDS and kGMP
- Dec. • Awarded the ROK \$50 Million Export Tower
- Jan. 2022 • Relocated HQ to 208 Teheran-ro, Seoul
- Mar. • Largest shareholder changed to BCPE Centur Investments, LP (a Bain Capital fund)
- Apr. • Inauguration of the new CEO, Seung-Han Baek
- Aug. • Volnewmer approved by Korea's MFDS

## Global Expansion 2023 ~



- Oct. 2023 • Grand Prize, Korea IR Awards (KOSDAQ Division)
- Apr. 2024 • Volnewmer approved by the U.S. FDA
- May • Established Classys Japan
- Aug. • Received ESG rating of A from MSCI
- Sep. • Selected as a 2024 Best Job-Creation Company in Korea
- Oct. • Launched the merged entity of Classys and Ilooda
- Received A+ ESG rating from KCGS
- Dec. • Named Excellent Governance Company by KCGS
- Awarded the ROK \$100 Million Export Tower on Trade Day, CEO Seung-Han Baek honored with the Silver Tower Order of Industrial Service Merit
- Received the Prime Minister's Award at the 16<sup>th</sup> Korea KOSDAQ Company Awards



2014  
Shurink



2015  
Clatuu



2016  
Scizer



2018  
Plant 1



2021  
Ultraformer MPT  
(Shurink Universe)



2022  
Volnewmer

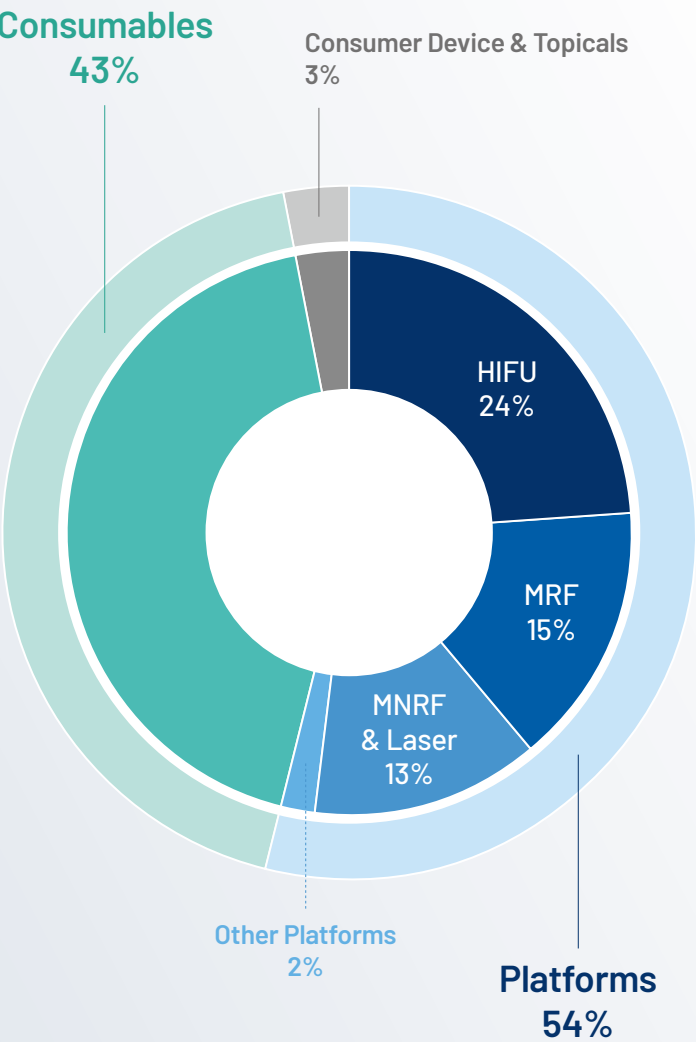


2024  
Secret RF



2024  
Reepot

# Product Portfolio



Classys possesses all core technologies that define the energy-based device (EBD) market. Our flagship product, Shurink Universe (marketed globally as Ultraformer MPT), has established an unrivaled presence in the high-intensity focused ultrasound (HIFU) space, while Volnewmer has emerged as a game-changer in the monopolar RF (MRF) space, setting new trends in the industry.

Further reinforcing our competitive edge, we successfully completed our merger with Ilooda, thereby securing a broader range of technologies and expanding our portfolio, from industry-leading microneedling RF (MNRF) solutions such as the Secret series to advanced laser-based products like Reepot and Curas Hybrid, strengthening our position across the full spectrum of EBD modalities.

## HIFU



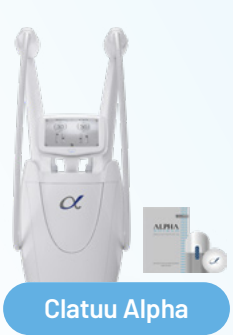
## MNRF & Laser



## MRF



## Other Platforms



Note 1) The sales breakdown is based on the simple aggregation of projected 2024 annual revenue for Classys and the now-defunct Ilooda.

# Research & Development

Classys' R&D efforts begin by identifying unmet needs in the medical aesthetic device market. As global demand shifts towards non-invasive and minimally invasive procedures with reduced discomfort and natural-looking results, we are committed to developing products that deliver both clinical efficacy and user satisfaction. To stay ahead of these trends, we are advancing next-generation HIFU and MRF technologies that significantly improve upon current standards. We are also conducting application research for consumables aimed at expanding indications and treatment areas.

At the same time, we are accelerating development in emerging categories such as microneedling RF (MNRF), at-home beauty devices, and other next-generation technologies. Our energy-based platform technologies are refined through a rigorous and structured R&D process, ensuring enhanced safety, efficacy, and usability. These technologies are then applied across a diverse product lineup. Our innovations are safeguarded through a robust intellectual property strategy: out of 1,713 patent applications filed to date, 1,129 have been successfully registered.

As of the end of 2024, our R&D headcount stood at 101, reflecting the integration of Illooda's development team post-merger. Looking ahead, we plan to further strengthen our research capabilities and continue investing in next-gen technologies that will drive sustained long-term growth.

## R&D Expenditures

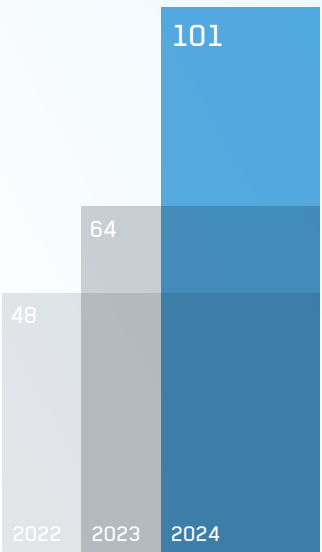
(Unit: KRW billion)			
Account	2022	2023	2024
Sales Revenue	141.8	180.1	242.9
R&D Expenditures *	6.3	10.3	17.3
R&D to Sales Ratio	4.4%	5.7%	7.1%

(\*) Includes licensing expenses



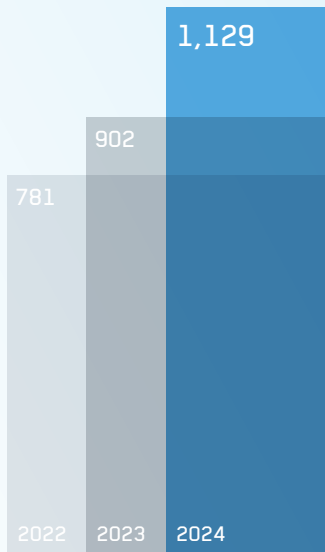
## R&D Personnel

(Unit: persons)



## Registered IP Rights

(Unit: cases)





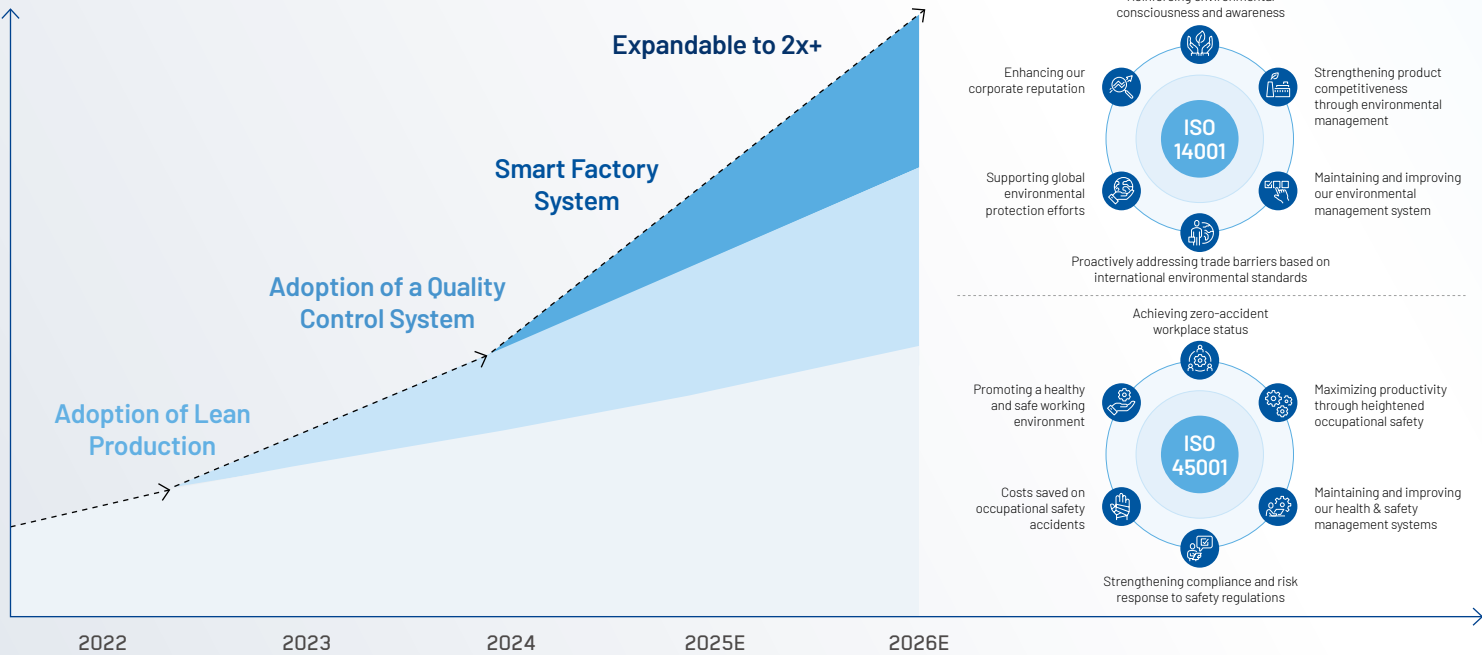
# Production

Classys manufactures all of its products in-house at its Munjeong-dong plant, supported by a state-of-the-art production system that meets global standards. In 2024, we acquired both ISO 14001 and ISO 45001 certifications and achieved Smart Factory Level 3 status, reflecting continued enhancements in manufacturing innovation.

These advancements have led to improvements in product quality, reduced defect rates, and greater efficiency in both delivery timelines and productivity. As a result, overall production efficiency has increased, contributing to cost reduction and enhanced competitiveness in both manufacturing and quality. Inventory levels have continued to decline as well, with inventory-to-sales ratios trending downward and one-off costs related to raw material management also decreasing. Despite a minimal increase of just one production headcount year on year, total production output rose by 35%, driven both by automation and higher productivity per employee.

Once Classys’ advanced production management system is fully integrated with Ilooda’s manufacturing processes, a more stable and streamlined purchasing-production-inventory system is expected to be firmly established. Furthermore, as procurement operations are consolidated, greater specialization and efficiency will further enhance our financial structure.

## Production Capacity

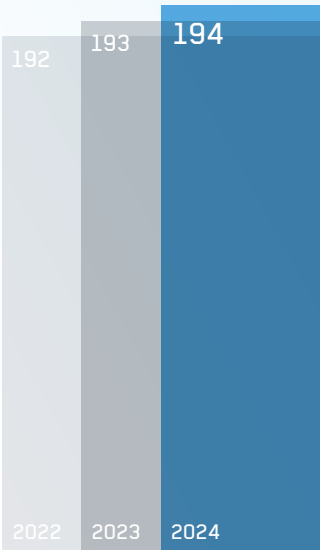


## Key Production Indicators

(Unit: KRW billion)			
Account	2022	2023	2024
Sales Revenue	141.8	180.1	242.9
Cost of Goods Sold (CoGS)	33.6	39.7	51.8
CoGS Ratio	23.7%	22.0%	21.3%
Inventory-Classys	23.4	19.4	15.9
Inventory-Ilooda	-	-	14.1

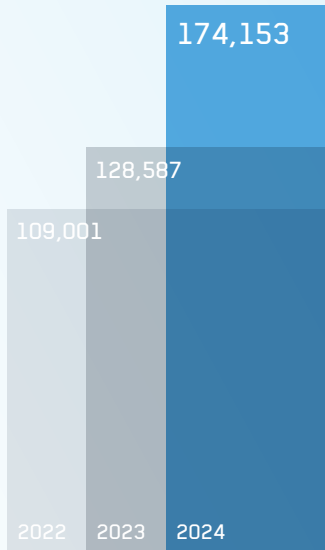
## Production Workforce

(Unit: persons)



## Production Output

(Unit: EA)

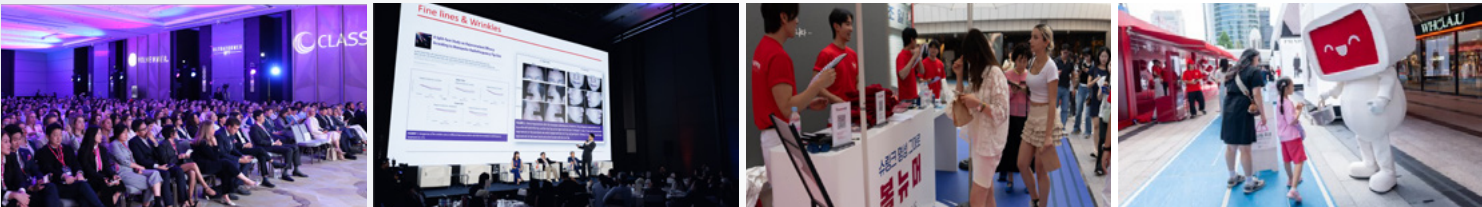


Note 1) Total production volume represents the combined quantity of installations and consumables produced.

# Marketing Strategies

As brand awareness of Shurink Universe continues to rise in Korea, the usage of consumables per platform has steadily increased. Overseas, key markets have sustained strong growth and been driven by the successful launch of Ultraformer MPT and expanding consumables sales. To date, cumulative global sales of the Shurink series have surpassed 18,000 units, while annual global procedures for Shurink series now exceed 5 million cases. Today, more than 50 scientific papers on Classys' technologies and equipment have been published through international high-impact clinical publications, and Classys' brand—along with key products like Ultraformer and Volnewmer—is gaining increased recognition through aggregate digital marketing campaigns.

Classys is focused on enhancing trust in its brand and products among both medical professionals and end-users through strategic marketing support. With a dedicated product management team, we conduct in-depth competitive analysis and maximize brand value through participation in global exhibitions and academic conferences while also collaborating with global key opinion leaders (KOLs). We leverage clinical case-based content marketing to promote the efficacy and safety of our products and procedures as well. In addition, we are expanding consumer engagement through personalized marketing strategies on digital platforms and social media, providing practical, user-centric support tailored to local market needs. Through these efforts, Classys continues to strengthen its global brand awareness and solidify its position in the global medical aesthetic device market.



## B2B Marketing

50+ Clinical papers published to date

5,000 Attendees take part in Classys user meetings per year

200+ Key opinion leaders worldwide

1,000 Training certificates awarded in 2024

&

## B2C Marketing

Strong NPI rollout  
GTM expertise for each NPI

Patient journey optimization  
Further strengthening AIDA<sup>3)</sup>

Effective ATL<sup>1)</sup> & BTL<sup>2)</sup> marketing  
Large scale ads & targeted user meetings

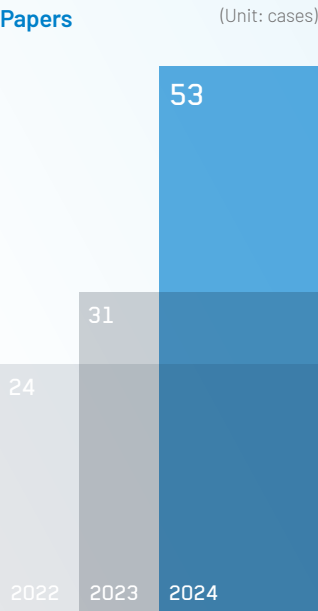
Strong content & digital channel  
Maximizing viral marketing

1) ATL Marketing: Above The Line Marketing, 2) BTL Marketing: Below The Line Marketing, 3) AIDA : Attention, Interest, Desire, Action

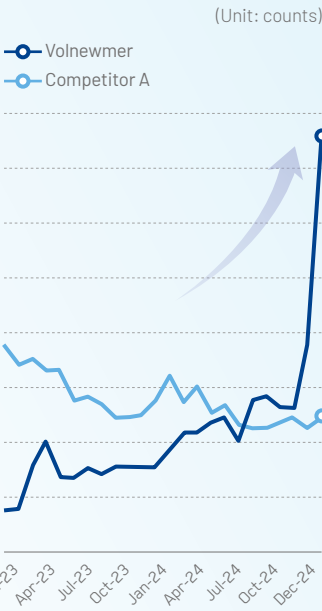
## Marketing Expenditures

(Unit: KRW billion)			
Account	2022	2023	2024
Sales Revenue	141.8	180.1	242.9
Marketing Expenditures	5.9	9.0	12.8
As % of Sales	4.2%	5.0%	5.3%

## No. of Clinical Papers



## Search Traffic



# Distribution Network

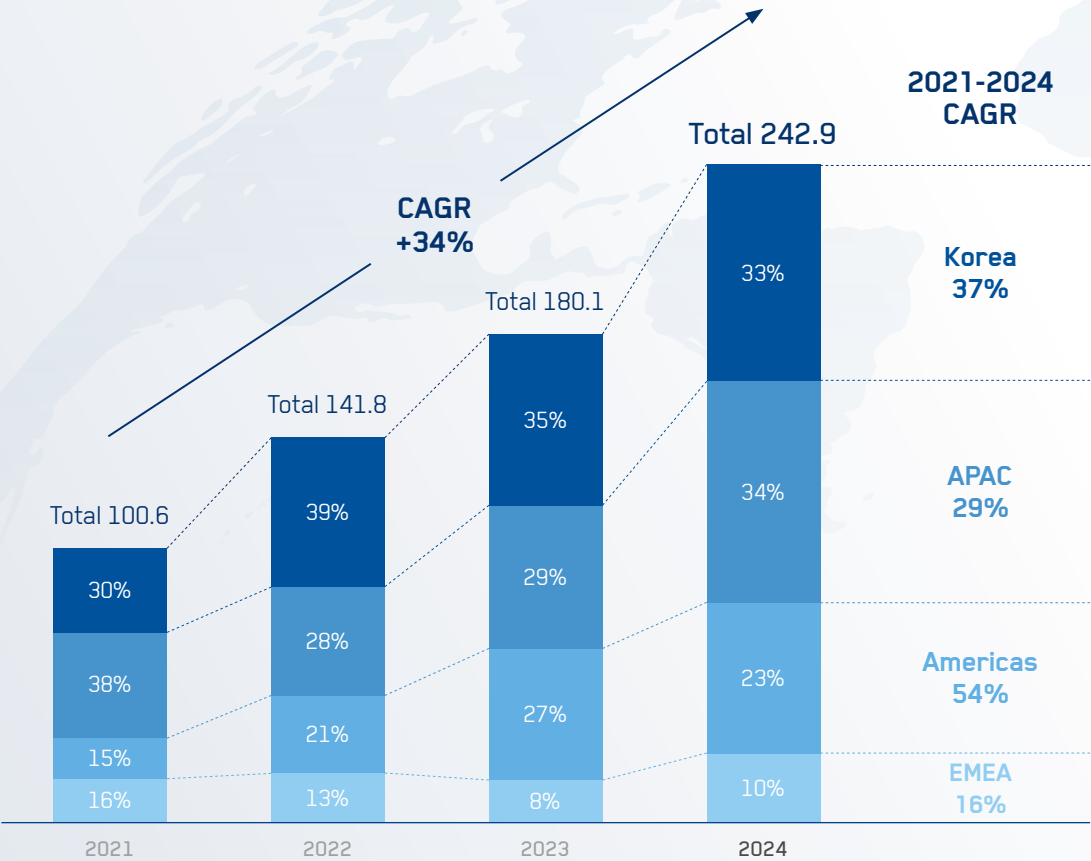
## (Domestic & Global)

Classys supplies reliable, high-quality products to over 80 countries worldwide. We are rapidly expanding in key markets such as Korea, Brazil, Thailand, and Japan, and are actively preparing to enter major markets including the United States, Europe, and China.

In 2024, Classys established a local subsidiary in Japan, launching a direct sales model. By providing localized marketing and communications support to leading network clinics aligned with local treatment trends, we aim to solidify our position as the No. 1 brand across each core technology segment in the medical aesthetic devices market. Going forward, the Japan subsidiary is expected to serve as a model for sustainable direct operations.

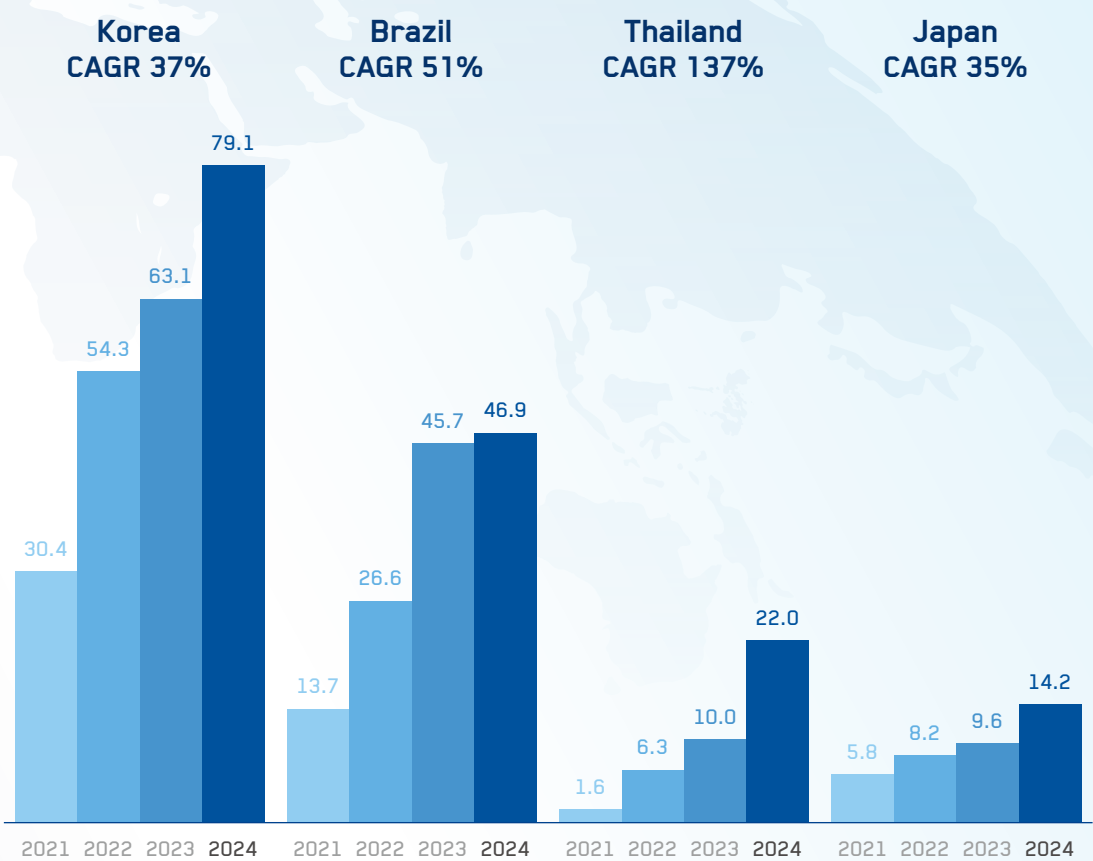
Sales Breakdown by Region

(Unit: KRW billion)



Top 4 Countries by Revenue

(Unit: KRW billion)





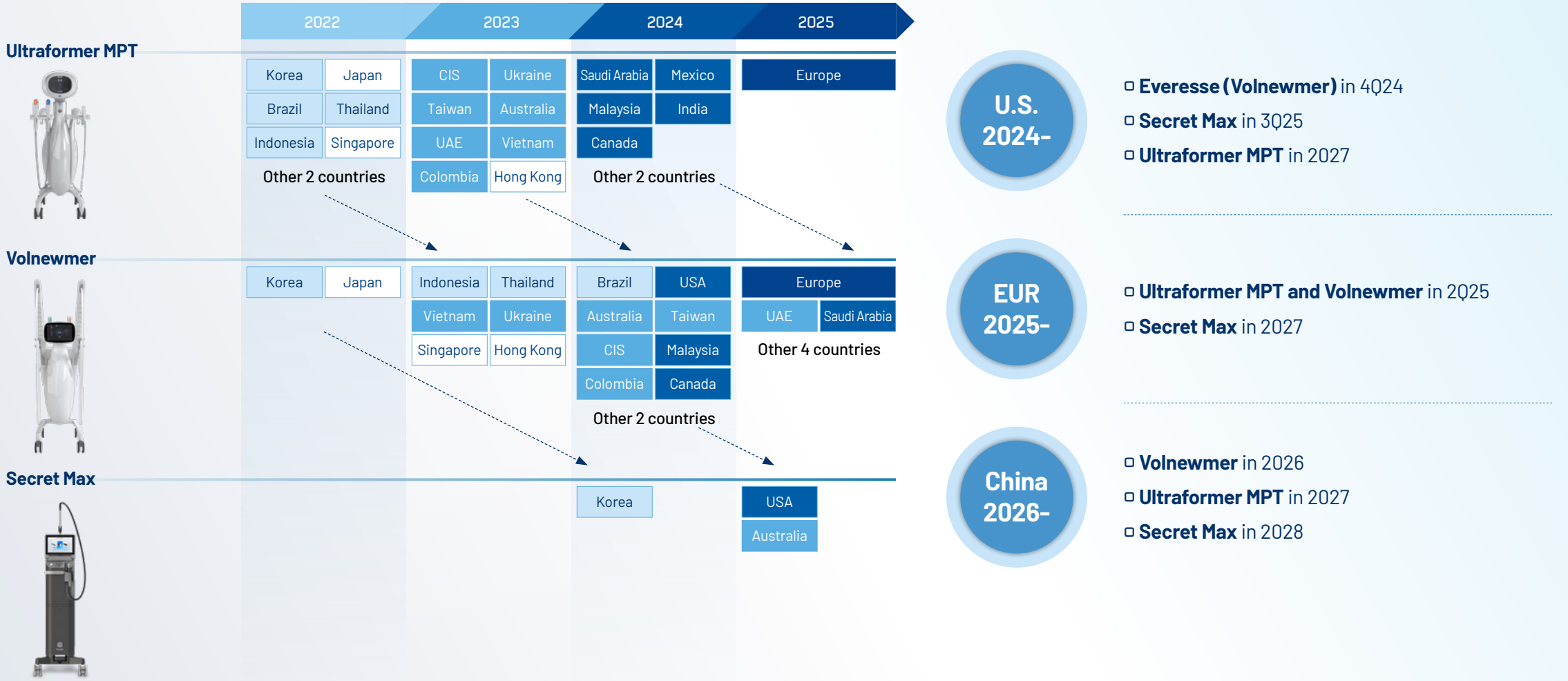
# Global Expansion



# Regulatory Approval Strategies

Marketed globally as Ultraformer MPT continues to lead the global trend in HIFU procedures, having proactively entered eight major markets in 2022, including Brazil, Japan, and Thailand. In 2023, Classys further expanded its footprint internationally by securing additional regulatory approvals and hosting launch symposiums in high-growth potential regions such as the CIS, Taiwan, and Australia. Volnewmer, Classys' first monopolar RF Platform, was initially launched in Korea, Japan, and Hong Kong. In 2024, its rollout expanded to include key markets such as Brazil, Thailand, the CIS, and Taiwan. Notably, Volnewmer received U.S. FDA approval in April 2024—eight months ahead of the original timeline.

Secret Max, our next-generation microneedling RF platform, is also gaining regulatory traction across strategic and core markets, including Korea and the U.S. These approvals will enable us to strengthen bundled marketing initiatives and drive the adoption of combination treatment protocols.



# Scientific Evidence

Technology	Paper Title	Author(s)	Year of Publication
HIFU	<b>Three-dimensional Analysis of Lifting Effects after High-intensity Focused Ultrasound (Ultraformer-MPT) across Seven Facial Aesthetic Units Considering SonoAnatomy</b>	Jong Seo Kim, MD	2024
HIFU	Unlock new possibilities with Ultraformer MPT	Craig Layt, MD	2024
HIFU	<b>High-Intensity Focused Ultrasound Enhances Drug Penetration into the Human Skin in the Franz Diffusion Cell</b>	Bonchel Leo Goo, et al	2024
HIFU	HIFU for enhanced trans-epidermal delivery	Bonchel Leo Goo, MD	2024
HIFU	<b>Noninvasive high-intensity focused ultrasound for skin brightening efficacy using a topical agent containing glutathione and hyaluronic acid</b>	Kyu-Ho Yi, MD	2024
HIFU	Micropulse microfocused ultrasound for facial slimming	Bianca Costa Cabra	2024
HIFU	Facial slimming with micropulsed microfocused ultrasound	Erika Henriksson	2024
HIFU	Microfocused ultrasound MPT for face lift: case series	Larissa Mendonça de Oliveira	2024
HIFU	Reducing chin fat with microfocused ultrasound	Nathalia Maria Santiago Montenegro Tavares	2024
HIFU	Non-invasive facial slimming with microfocused ultrasound	Denise Martins De Menezes	2024
HIFU	Vulvar Transformation with Ultraformer III Micro- and Macrofocused Ultrasound	Giovanna Ignacio, MD	2023
HIFU	<b>Safety and efficacy of high-intensity focused ultrasound for treatment of periorbital, perioral, and neck wrinkles: Prospective open single-center single-arm confirmatory clinical trial</b>	Hye Sung Han, et al.	2022
HIFU	Vulvar Rejuvenation Using High-Intensity Focused Ultrasound (HIFU): Fundamentals and Technique	F.S. Borges, et al.	2022
HIFU	<b>Quantified Facial Rejuvenation Utilizing High Intense Focus Ultrasound with Multiple Penetrative Depths</b>	Man-Lok Lio, et al.	2022
HIFU	The Efficacy of High-Intensity Focused Ultrasound Treatment for Sagging Upper and Lower Eyelids	Yousun Hwang, et al.	2022
HIFU	<b>Tightening and Reduction of Unwanted Submental Fat Using Triple-Layer High-Intensity Focused Ultrasound Clinical and 3-Dimensional Imaging Analysis</b>	Hyuck Hoon Kwon, et al.	2021
HIFU	<b>A new treatment protocol of microfocused ultrasound for lower eyelid fat bulging</b>	Hye Chan Jeon, et al.	2021
HIFU	<b>The efficacy of macro-focused ultrasound in the treatment of upper facial laxity: A pilot study</b>	Rungsima Wanitphakdeedecha, et al.	2020
HIFU	Simultaneous Combination Treatment Using High-Intensity Focused Ultrasound and Fractional Carbon Dioxide Laser Resurfacing for Facial Rejuvenation	Hee Young Kang, et al.	2019
HIFU	High-Intensity Focused Ultrasound: A Satisfactory, Non-invasive Procedure for Crow's Feet Wrinkles	Gyu Sik Jung, et al.	2019
HIFU	<b>A study of efficacy and safety of high-intensity focused ultrasound for the treatment of melasma in Asians: A single-blinded, randomized, split-face, pilot study</b>	Vasanop Vachiramon, et al.	2019
HIFU	<b>Effect of High-Intensity Focused Ultrasound on Eyebrow Lifting in Asians</b>	Won jong Oh, et al.	2019
HIFU	Non-Invasive Arm Fat Reduction	Logan William Thomas, et al.	2018
HIFU	<b>Efficacy and Safety of Non-invasive Body Tightening with High Intensity Ficused Ultrasound (HIFU)</b>	E.J.Ko, et al.	2017
HIFU	<b>High Speed Low-pain Micro Focused Ultrasound Tightening of the Lower Face and Neck</b>	Adrian Lim, MD	2017
HIFU	<b>Tightening Effects of High Intensity Focused Ultrasound on Body Skin and Subdermal Tissue: A Pilot Study</b>	S.Y.Choi, et al.	2016
HIFU	Evaluation of Micro Focused Ultrasound for Lifting and Tightening the Face	In Ho Lee, et al.	2015

\* Text in bold indicates papers indexed in the Science Citation Index Expanded (SCIE).



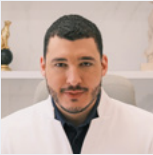













# Scientific Evidence

Technology	Paper Title	Author(s)	Year of Publication
RF	Introducing Volnewmer Monopolar RF reinvented	Davin Lim, MD	2024
RF	The Right Mix of Single Pulse and Water Cooling	Jung-soo Kim, MD	2024
RF	<b>Comparative Three-dimensional Analysis of Facial Lifting Effects across Five Aesthetic Units following Continuous Radiation 115-Watt 6.78-MHz Monopolar Radiofrequency Therapy</b>	<b>Jong Seo Kim, MD</b>	<b>2024</b>
RF	An innovative approach using a single RF pulse combined with cooling system to maximize collagen regeneration	Moo Hyun Son, MD	2024
RF	The VOLNEWMER and SHURINK lifting strategy to increase patients' satisfaction	Rhoda Kim, MD	2024
RF	Next Generation Monopolar RF Device Achieves FDA Clearance	Yousun Hwang, MD	2024
RF	The New Standard of Monopolar RF	Hyung Wook Park, MD	2024
RF	Japanese Market Beauty Trends	Kenta Fujio, MD	2024
RF	<b>Efficacy and Safety of a Novel Monopolar Radiofrequency Device with a Continuous Water-Cooling System in Patients with Age-Related Facial Volume Loss</b>	<b>Bon cheol Goo, et al.</b>	<b>2024</b>
RF	A Split-Face Study On Rejuvenation Efficacy According To Monopolar Radiofrequency Tip Size	Yun Seok Yang, et al.	2024
RF	<b>Subjective evaluation of monopolar radiofrequency treatment by patients in aesthetic rejuvenation</b>	<b>Yousun Hwang, et al.</b>	<b>2024</b>
RF	<b>Evaluating the Efficacy of Continuous Water-Cooling 115-Watt 6.78-MHz Monopolar RF Therapy for Fine Wrinkle Reduction</b>	<b>Jong Seo Kim, MD</b>	<b>2024</b>
RF	VOLNEWMER: Advanced Monopolar RF with Water Cooling System	Ji Won Gye, MD	2023
RF	The present and the future of aesthetics in Japan Story behind the interest in Korean RF devices	Hara Kaya, MD	2023
RF	The present and the future of aesthetics in Japan Continuously growing RF markets and devices to watch	Hara Kaya, MD	2023
RF	Objective Review of Monopolar Radio Frequency Device: Continuous Water Cooling and Single Radio Frequency Pulse I	Sang Hyeok Park, MD	2023
RF	Objective Review of Monopolar Radio Frequency Device: Continuous Water Cooling and Single Radio Frequency Pulse II	Sang Hyeok Park, MD	2023
RF	Objective Review of Monopolar Radio Frequency Device: Continuous Water Cooling and Single Radio Frequency Pulse III	Sang Hyeok Park, MD	2023
Cooling	<b>Efficacy and Safety of Cold-Induced Noninvasive Targeted Fat Reduction in Pseudogynecomastia</b>	<b>Ji Yeon Hong, et al.</b>	<b>2022</b>
Cooling	<b>Cryolipolysis for abdominal subcutaneous fat reduction: A prospective, multicenter, single arm, clinical study</b>	<b>Sun Young Choi, et al.</b>	<b>2022</b>
Cooling	<b>Three-dimensional Cryolipolysis for Submental and Lateral Neck Fat Reduction</b>	<b>Stavroula Rodopoulou, et al.</b>	<b>2020</b>
Cooling	Specific Indications for Clatuu: Combinations of HIFU and Cryolipolysis for the Body	Gerd Gauglitz, MD	2019
Cooling	Body Contouring: Improved Body Contour by Combination Treatment	Gerd Gauglitz, MD	2017
Cooling	<b>High-Intensity Focused Ultrasound Treatment after Cryolipolysis may be Used to Reduce Pain: Two case report</b>	<b>Eun Jung Ko, et al.</b>	<b>2017</b>
Cooling	<b>Non-Invasive Tumescant Cryolipolysis Using a New 4D Handpiece: a comparative Study with a Porcine Model</b>	<b>S.Y. Jeong, et al.</b>	<b>2016</b>
Cooling	<b>Improved Methods for Selective Cryolipolysis Results in Subcutaneous Fat Layer Reduction in a Porcine Model</b>	<b>T-R. Kwon, et al.</b>	<b>2014</b>

\* Text in bold indicates papers indexed in the Science Citation Index Expanded (SCIE).

# Testimonials by Medical Professionals

	Rosalyn George, MD <b>U.S.</b>	Everesse represents an exciting development in the non-invasive monopolar RF world. Treatments are much more comfortable for my patients, there's no numbing required, and patients see an immediate result that boosts their satisfaction. Everesse is the pinnacle of monopolar RF technology. The continuous water cooling and curved and tilted tips are game changers. I'm seeing great results so far and so are my patients
	Mark Halsey, MD, FAAD <b>U.S.</b>	Patients have been loving the immediate results they're getting, the comfort of the treatment, and the pleasant, spa-like experience to enhance their dermis. This device has everything going for it, and we're so excited Cartessa has brought it to the US.
	MATHEUS RODRIGUES DESOUZA <b>BRAZIL</b>	Ultraformer MPT treatment combined with DSB allows the physicians to customize the treatment options for the patient with wide ranges of skin concerns
	GESSICA BARROS <b>BRAZIL</b>	Volnewmer mode: Generates volumetric heat to promote comprehensive skin rejuvenation, improving elasticity and texture. Also, the treatment is available for everyone in over 20's
	NIWAT POLNIKORN <b>THAILAND</b>	Ultraformer MPT is the new triple platforms microfocus ultrasound and have many advantages above the well-known first generation MFUS
	Kenta Fujio <b>JAPAN</b>	The effect of Volnewmer is most noticeable after one month and due to the satisfactory treatment result in Volnewmer, more than 70% patient revisited continuously.
	MASHIKINA ANASTASIA <b>Russia</b>	Ultraformer special protocol using BOOSTER cartridge, Snow White protocol expand indication to the younger customer by improving the skin tone after the treatment

	Sang Eun Yoo <b>Korea</b>	Patients tend to prefer Shurink Universe and undergo the procedure frequently.
	Chul Woo Lee <b>Korea</b>	Shurink Universe is highly regarded for its superior UI and ergonomic handpieces, offering both user convenience and outstanding product quality.
	Jung Ah Ko <b>Korea</b>	The key advantage of Volnewmer lies in its safe and stable energy output, combined with a water-based cooling system.
	Min Kee Lee <b>Korea</b>	Among the various RF modalities, Volnewmer employs a monopolar RF type with continuous cooling, enabling deep dermal thermal delivery without damaging the skin surface.
	Hyung Wook Park <b>Korea</b>	Volnewmer excels in dynamic treatment techniques thanks to its continuous energy and cooling, allowing the practitioner to perform procedures along desired vector directions with precision.
	Yun Seok Yang <b>Korea</b>	Volnewmer's sustained cooling system enhances heat diffusion within the papillary dermis. (1064nm ND:YAG genesis effect)
	Moo Hyun Son <b>Korea</b>	Volnewmer also provides excellent user convenience with generous, time-unlocked tips, four different tip options, and dual handpieces to support diverse treatment needs.

2

Core Business Strategy

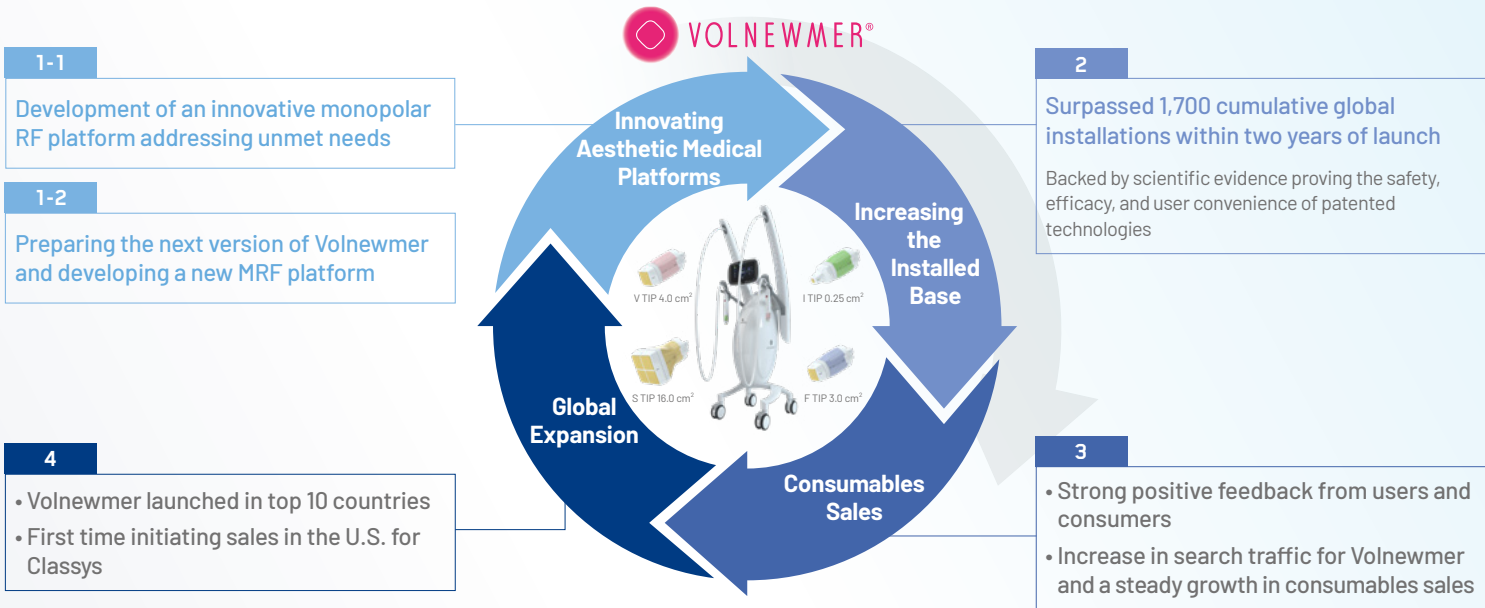
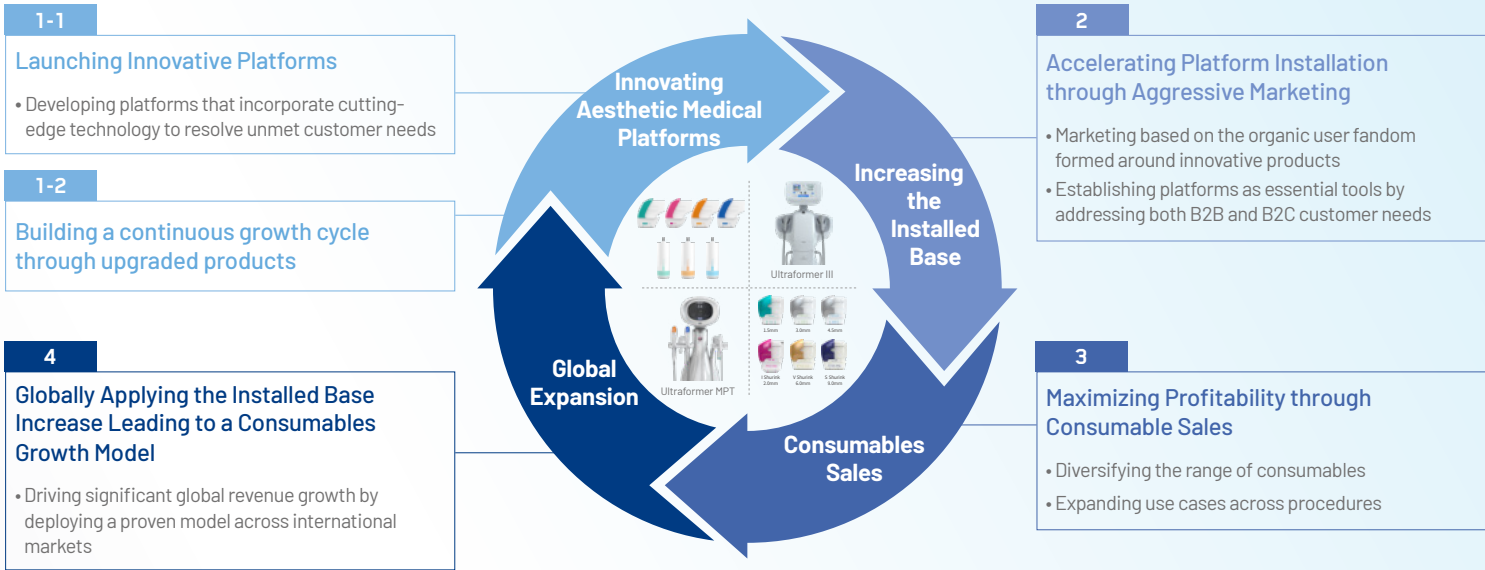
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# Classys' Success Formula

Classys is driving the popularization of energy-based aesthetic procedures by launching products rooted in customer-centric innovation that address unmet needs in the medical aesthetics market.

By applying differentiated technologies tailored to the needs of both users and consumers, we are continually building trust in our platforms and technologies through key opinion leaders (KOLs). In addition, we are expanding consumer outreach through a wide range of marketing channels, enabling targeted B2B and B2C strategies to boost both platform installation and procedure demand.

This virtuous cycle is sustained by continuously releasing upgraded platforms with enhanced technologies.



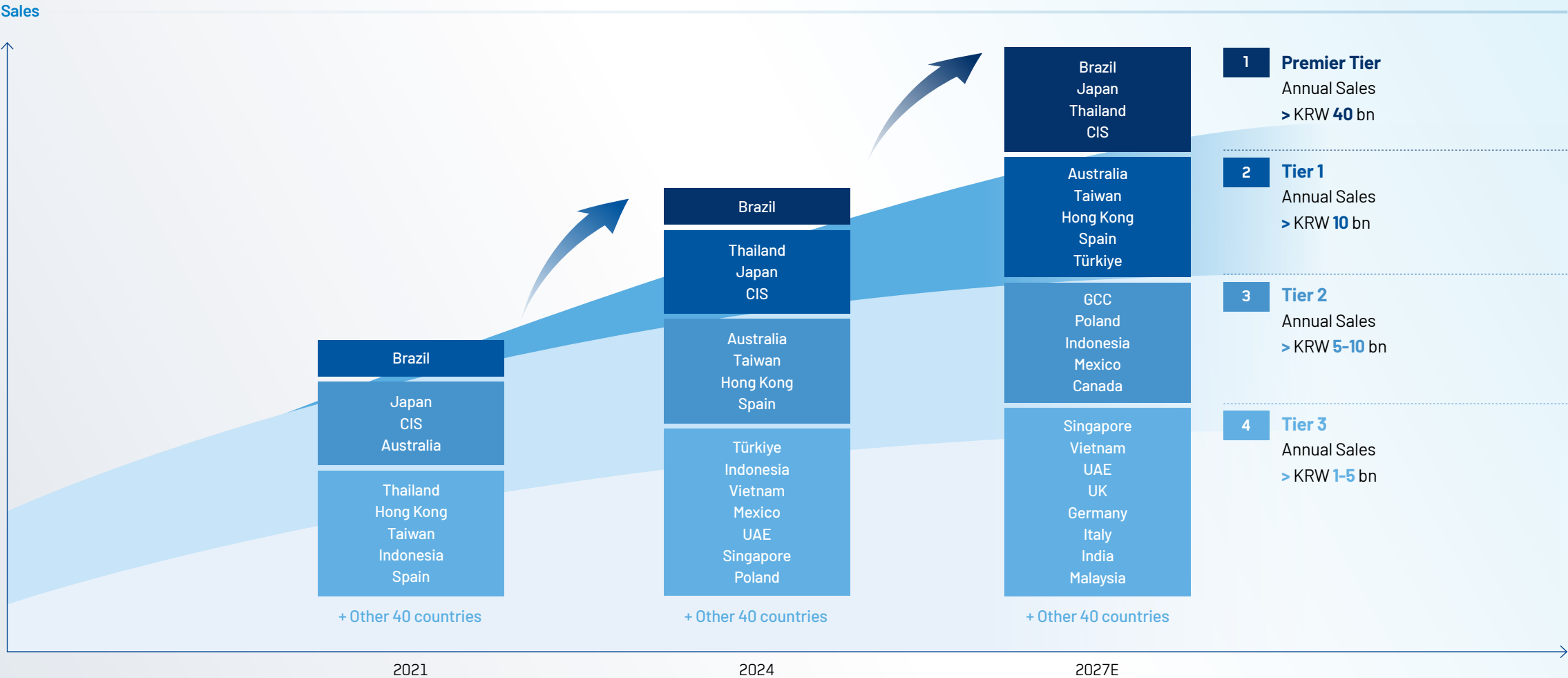


# Tier-Up Strategy

Classys is transitioning from a domestic market leader to a global blockbuster brand. Based on strategic prioritization, we have designated core markets as our top focus, successfully launching not only Shurink Universe but also Volnewmer across these regions to further expand our share in the MRF segment.

In Tier 2 countries, we are actively cultivating the aesthetic procedure market by benchmarking the success of Tier 1 markets, thereby driving steady revenue growth. Brazil is advancing from a Tier 1 to a Premier Tier country, while Thailand, Japan, and the CIS have been elevated to Tier 1 status, reinforcing their strategic importance.

With the global aesthetic energy-based device (EBD) market growing at a CAGR of 20%, Classys is accelerating its market share expansion at a pace that outstrips competitors by capitalizing on first-mover brand advantage.



# Customer-Centric Innovation

Classys operates a global key doctor network of over 200 renowned medical professionals, enabling the continuous accumulation of scientific data that validates the safety and efficacy of our cutting-edge technologies.

Through this network, we both secure expert clinical insights from physicians and gather direct feedback from patients, shaping a forward-looking vision for the future of medical aesthetics.

These insights then fuel in-depth research into the core features, performance, and efficacy required of next-generation platforms, allowing us to develop increasingly sophisticated solutions.

Our specialized R&D and marketing teams work in close coordination to analyze this vast body of data, selectively advancing high-potential innovations with strong commercial viability that directly address real market needs.

Of particular note, Classys has built a structured feedback loop that goes beyond simple data collection. This system integrates the real-world experiences of both medical professionals and patients throughout the entire product development process. As a result, we consistently deliver platforms that not only achieve clinical efficacy but also optimize ease of use and patient satisfaction, thus reinforcing our leadership position in the global medical aesthetic device market.



A structured feedback loop that precisely captures and reflects market needs

3

Key Achievements in 2024

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**2024 Snapshot** | Robust Growth of Shurink Universe in the Korean Market | Accelerated Global Expansion of Ultraformer MPT | Everesse Makes its U.S. Debut to Enthusiastic Reception | Expanding the Volnewmer Market in Korea and Abroad | Classys + Ilooda Merger: A New Chapter of Growth | Direct Sales Network Established in Japan | Upgraded ESG Ratings Recognizing Sustainability Commitments | Korea KOSDAQ Grand Prize Winner | Successful Launch of At-home Beauty Device Volium | Clinical Trials Progressing Smoothly in the U.S. and China

# 2024 Snapshot

1

**Robust Growth of Shurink Universe in the Korean Market**



2

**Accelerated Global Expansion of Ultraformer MPT**



3

**Everesse Makes its U.S. Debut to Enthusiastic Reception**



4

**Expanding the Volnewmer Market in Korea and Abroad**

- Volnewmer search traffic: Target outperformed by over 6%
- Content generation traffic: Target outperformed by over 48%
- Achieved the No. 1 position among Korean manufacturers as of July 2024



5

**Classys + Ilooda Merger: A New Chapter of Growth**



6

**Direct Sales Network Established in Japan**



7

**Upgraded ESG Ratings Recognizing Sustainability Commitments**

- Earned KCGS's Excellent Governance Company Award
- One of the 2024 Best Job-Creation Companies in Korea

A+

KCGS Rating

A

MSCI

8

**Korea KOSDAQ Grand Prize Winner**



9

**Successful Launch of At-home Beauty Device Volium**



10

**Clinical Trials Progressing Smoothly in the U.S. and China**





# 1 Robust Growth of Shurink Universe in the Korean Market

Shurink Universe, an upgraded version of the highly acclaimed Shurink, has rapidly gained popularity among medical professionals who were satisfied with the original Shurink platform's clinical efficacy. Its adoption has quickly expanded from large-scale hospital networks to smaller private clinics, solidifying its presence in Korea's HIFU market. Increasingly, dermatology and plastic surgery clinics now consider Shurink platforms essential equipment when opening a new practice, while some have replaced competitor devices with Shurink—an indication of its growing dominance.

Shurink Universe delivers procedures at 2.5 times the speed of the original model and transmits powerful HIFU energy with minimal discomfort. Its innovative ultra-booster pen-type handpiece uniquely enables precise treatment—even on contoured areas—by emitting energy in a circular pattern, allowing for seamless skin contact and delicate application. These advantages have rapidly increased recognition and demand for Shurink Universe procedures, pushing annual consumables sales to over KRW 45.3 billion in 2024.

Domestic Installed Bases and Consumables Sales Share



# 2 Accelerated Global Expansion of Ultraformer MPT

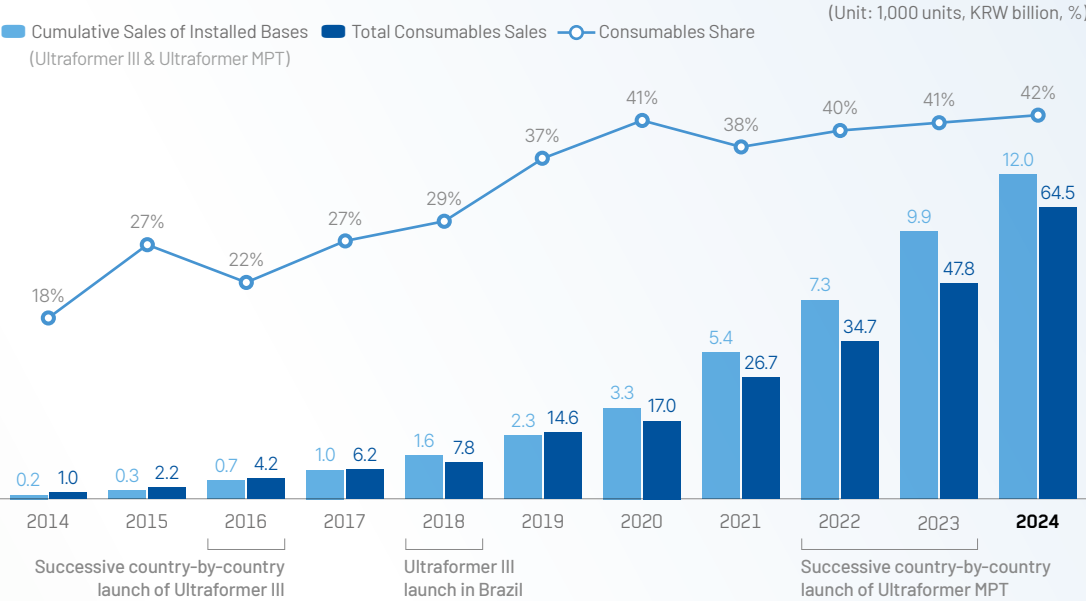
Since launching Ultraformer III in 2016, Classys has been spearheading the global expansion of the HIFU market. Beginning in late 2022, we introduced the upgraded Ultraformer MPT in select markets, obtaining sequential regulatory approvals and leading the international aesthetic treatment trends.

Brazil remains Classys' top overseas revenue contributor. The transformation from Ultraformer III to Ultraformer MPT has expanded opportunities for Ultraformer MPT, with strong demand for HIFU procedures fueling rapid growth in consumables sales.

Thailand has emerged as another key market, recording more than double the revenue year on year in 2024. Both Ultraformer III and Ultraformer MPT have shown robust sales growth, supported by a corresponding rise in consumables revenue.

Beyond these leading markets, HIFU adoption is steadily growing in second-tier strategic regions such as Japan, the CIS, Taiwan, and Australia. As satisfaction and brand loyalty increase, these regions represent promising growth opportunities for Classys' expanding HIFU portfolio.

Overseas Installed Bases and Consumables Sales Share



# 3

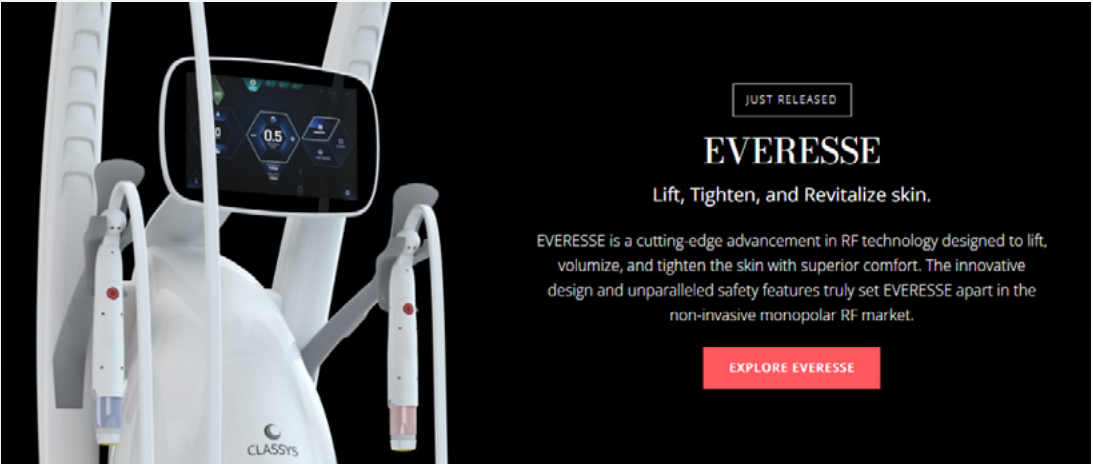
## Everesse Makes its U.S. Debut to Enthusiastic Reception

Classys has obtained U.S. FDA clearance for its monopolar RF (MRF) platform Volnewmer, launching it in the market under the overseas brand name *Everesse*. Designed to deliver refined, natural-looking outcomes, Everesse marks Classys’ official entry into the U.S. aesthetic device market.

To establish a strong local presence, Classys entered into an exclusive distribution agreement with Cartessa Aesthetics, a leading distributor of aesthetic medical devices across the United States and Canada. Cartessa specializes in a wide range of premium devices—including microneedling RF (MNRF), lasers, and body contouring technologies—and maintains a broad customer base spanning everything from dermatology clinics driving aesthetic procedure

trends to mainstream med spa operators. Cartessa’s broad client base and its strong consumables-focused marketing team are expected to drive rapid adoption and sales growth throughout North America for Everesse.

Going forward, Classys plans to expand its U.S. product lineup by adding Ultraformer MPT and other flagship platforms, fostering synergies that will drive parallel growth in platform and consumables sales.



\*Sources: Cartessa Aesthetics office websites

# 4

## Expanding the Volnewmer Market in Korea and Abroad

As of the end of 2024, Volnewmer had surpassed 1,700 cumulative unit sales worldwide—an impressive milestone just two years after its official launch in Korea in November 2022. Internationally, the platform has greatly impressed physicians and patients alike in key markets such as Brazil, Thailand, Japan, Hong Kong, and Taiwan.

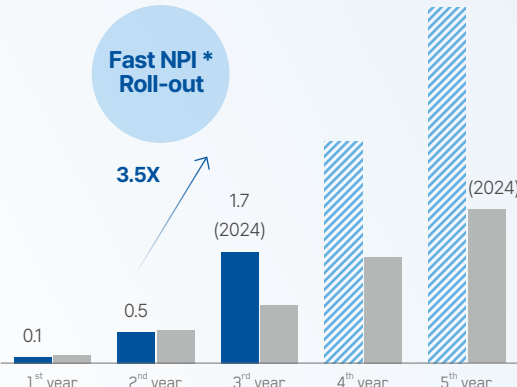
Domestically, cumulative sales have already surpassed 700 units, with growth being driven by targeted marketing initiatives and increasing consumables usage. The September 2024 launch of the “New Me” consumer campaign further boosted awareness and demand, contributing to a rise in procedures performed. At the same time, Volnewmer-related search volume exceeded initial targets by 6%, and content generation surpassed expectations by 48%.



On the global front, annual overseas sales exceeded 1,200 units, led by successful rollouts in Brazil and Thailand. In both key markets, early adopters reported high satisfaction, resulting in faster-than-expected market penetration and performance that exceeded the initial sales plan.

Classys intends to draw on the strong brand equity of Ultraformer to broaden its Volnewmer key opinion leader (KOL) network and strengthen its presence among trend-setting clinics. Coupled with a growing body of academic publications, clinical presentations, and real-world validations of Volnewmer’s safety and efficacy, Classys is poised to deepen its engagement with medical professionals and open new frontiers in the global MRF aesthetic market.

Global MRF installed base



\* NPI: New Product Introduction

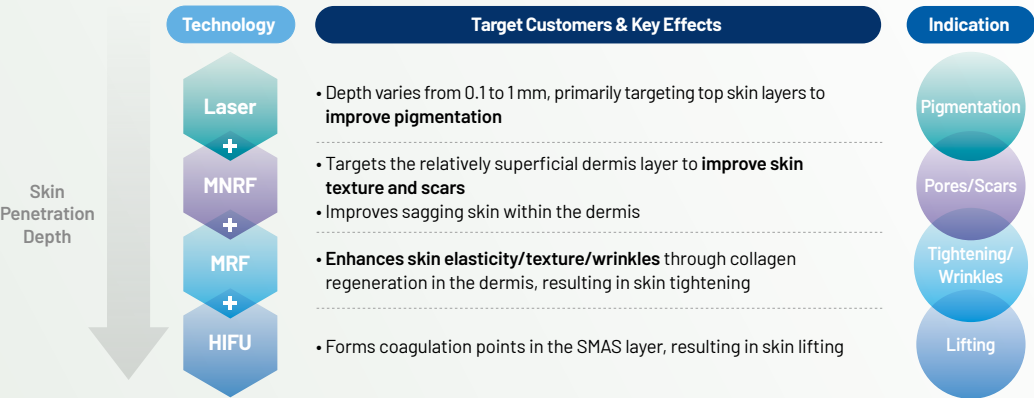
# 5 Classys + Ilooda Merger: A New Chapter of Growth

On October 2, 2024, Classys successfully completed its merger with the now-defunct Ilooda, marking the beginning of a new phase as an integrated entity. This strategic unification has enabled Classys to solidify its position across all core categories of energy-based devices (EBD), securing a comprehensive product portfolio and technological capabilities spanning high-intensity focused ultrasound (HIFU), monopolar RF (MRF), and microneedling RF (MNRF) procedures, as well as laser technologies.

Classys currently holds the No. 1 market share in the HIFU market across key countries and is now expanding into the MRF segment with Volnewmer. While continuing its robust growth in over 80 countries worldwide, the company is also actively entering major new markets such as the U.S. and China, accelerating global market penetration. Ilooda, known for its excellence in microneedling RF and laser technologies, has achieved cumulative sales of over 6,000 units for its flagship Secret series and is expanding its portfolio with new offerings such as Reepot.

With both companies bringing complementary strengths to the table, the integration between Classys and Ilooda is expected to yield maximum synergies. By combining their differentiated technologies across skin layers, the new entity is well-positioned to develop multi-layered combination treatment protocols, setting new trends in aesthetic procedures. Furthermore, synergy product bundling strategies will enhance market dominance. Classys has historically focused on Latin America and Asia, while the former Ilooda has built a strong presence in North America and Europe. The newly formed entity will actively leverage this complementary regional portfolio to unify global sales and marketing capabilities, thereby maximizing overseas penetration of each company's flagship devices.

Looking ahead to 2025, the launch of a next-generation microneedling RF platform (tentatively named Secret Max) will mark a major advancement in the Secret lineup. With substantial improvements having been made to this platform, the release is projected to significantly accelerate revenue growth.



# 6 Direct Sales Network Established in Japan

Classys has established a local subsidiary, Classys Japan, to strengthen its direct operations in Japan.

Japan ranks among the top five overseas markets for Classys, recording a CAGR of 35% in sales over the past three years. In 2024, Classys achieved annual sales exceeding KRW 10 billion in Japan for the first time, with double-digit growth expected to continue.

Tadashi Yoshikawa, newly appointed head of the Japanese subsidiary, is a seasoned industry veteran with over 30 years of global leadership experience, including CEO roles at HydraFacial and Cynosure

Japan. Expressing his ambition, he stated, "Our goal is to establish Classys as the No. 1 brand across each of our core technology segments."

Interest in Volformer, a combination treatment utilizing Volnewmer and Ultraformer (Shurink in Korea), is rapidly increasing in Japan. As demand for non-invasive treatments continues to grow, Classys is well positioned to lead the market with solutions that offer minimal pain and no downtime, which aligns precisely with local aesthetic preferences.





# 7 Upgraded EGS Ratings Recognizing Sustainability Commitments

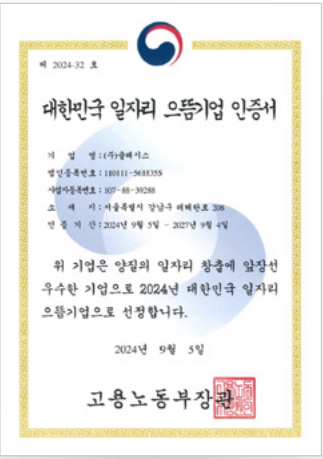
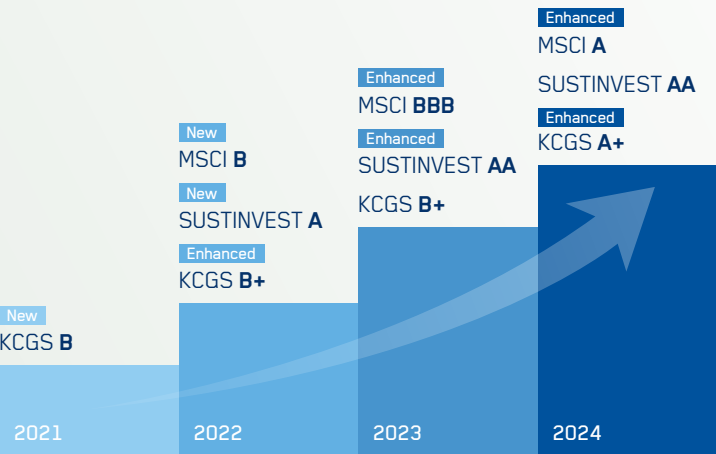
With Classys continuing to gain recognition for its ESG performance in global capital markets and actively recruiting top-tier talent, the company was named a Best Job-Creation Company by the Korean Ministry of Employment and Labor in 2024.

According to KCGS, Classys achieved an upgraded ESG rating of A+ in 2024—scoring A+ in governance, A+ in social, and A in environmental—up from B+, A, and B, respectively, in 2023. Morgan Stanley Capital International (MSCI) also upgraded Classys’ ESG rating to an A in 2024, improving from BBB in 2023 and B in 2022.

These improvements reflect enhanced practices in quality management, talent development, corporate governance, and business ethics. Notably, quality and governance performance outpaced the industry average.

To date, Classys has maintained a zero-recall record with regulatory agencies, including the Korean Ministry of Food and Drug Safety and CE authorities, thanks to rigorous quality control and a robust global governance system. To attract and retain top-tier talent, we offer diverse career development programs and work-life balance initiatives. We have also strengthened our ethics and compliance framework, advancing our Fair Trade Compliance Program (CP).

Furthermore, we foster inclusive employment by expanding industry-academia programs, operating full-time internship-to-hire programs, offering post-retirement positions, and creating jobs for people with disabilities. Through ongoing labor-management collaboration and progressive welfare policies, we are building a foundation for sustainable growth.



# 8 Korea KOSDAQ Grand Prize Winner

For three consecutive years (2022-2024), Classys has been honored with a Korea KOSDAQ Award in recognition of its achievements in R&D, business results, transparent governance, Fourth Industrial Revolution innovation, job creation, and ESG management. Since the KOSDAQ Awards were elevated to the level of government recognition in 2022, Classys has received the Financial Supervisory Service Governor’s Award, in 2023, and the Prime Minister’s Award—the highest distinction—in 2024.

Driven by customer-centric innovation, Classys has spearheaded the global popularization of aesthetic procedures, recording a five-year revenue CAGR exceeding 30%. Our rapid expansion into over 80 countries has been powered by innovative products that address unmet clinical needs and patient pain points. These achievements have been underpinned by scientific evidence and trusted by both medical professionals and consumers.

At Korea’s 61<sup>st</sup> Trade Day ceremony, Classys was honored with the USD 100 Million Expert Tower, while CEO Seung-Han Baek was awarded the Silver Tower Order of Industrial Service Merit. These accolades reflect the significant increase in Classys’ platform and consumables exports, which have been led by the global expansion of Ultraformer MPT (Shurink Universe) and rising utilization across key markets. In 2024, our export revenue surged 40% year on year to KRW 163.8 billion.

Looking ahead, Classys is accelerating market entry and regulatory approvals across strategic regions, with the long-term vision of reaching USD 1 billion in annual sales revenue and achieving an operating margin of over 50% by 2030. Through blockbuster platforms and global execution excellence, we are committed to becoming the world’s leading medical aesthetics company.





# 9

## Successful Launch of At-home Beauty Device Volium

Building on our industry-leading expertise in aesthetic device development, Classys launched its first at-home beauty device, Volium, in 2024 under its B2C brands Skederm and Shurink RX.

Featuring patented 4 DEEP radiofrequency (RF) technology with triple frequencies that range from 1 to 3MHz, Volium delivers thermal energy to multiple layers of the skin, effectively stimulating collagen production and addressing skin laxity at its root. Since its debut, Volium has garnered a highly favorable consumer response, steadily gaining traction in the market and driving a consistent upward sales trend.

Designed to meet diverse skin concerns, Volium offers three treatment modes. The Lifting Mode targets broader areas such as the cheeks and forehead for overall skin tightening. The Spot Care Mode provides focused treatment for delicate areas like the glabella,

under-eye region, and philtrum. The Slim Care Mode, enhanced with electrical muscle stimulation (EMS), delivers lifting effects around the jawline, where signs of aging tend to be more prominent. All modes incorporate sonic vibration and LED light therapy, delivering a comprehensive treatment that combines RF, EMS, and phototherapy for improved skin health and rejuvenation.

Through its B2C offerings, Classys aims to deliver clinical-level results to consumers at home, helping to prolong the efficacy of professional treatments for an extended duration. We also plan to broaden our portfolio by rolling out new at-home beauty devices and aesthetic spa equipment, further strengthening our multi-channel product strategy and market presence.



# 10

## Clinical Trials Progressing Smoothly in the U.S. and China

Based on a systematic and strategic approach to the process, Classys is moving forward smoothly through regulatory approvals for Ultraformer and Volnewmer in China and the U.S.

Ultraformer cleared its type testing in the U.S. in 2024 and is finalizing its clinical trial protocols as this report is being printed. Upon approval of the clinical plan in 2025, full-scale clinical trials will commence. In China, type testing was successfully completed in the first half of 2024, with patient enrollment underway following regulatory clearance. A total of 180 patients are expected to participate, with trials targeted for completion by November 2025.

Volnewmer, having already secured FDA approval in the U.S., is now officially available in the market. In China, type testing has also been completed, with all of clinical trial participants having already been

enrolled. The trial is on track to conclude by September 2025, after which the regulatory review process will commence.

Classys continues to strengthen its global regulatory capabilities, consistently achieving early approvals for key products in new markets. This has accelerated our overseas market expansion strategy and reinforced our competitive edge in core regions through well-executed, on-track approval processes.

In particular, we are enhancing our quality management system (QMS) to the highest global standards to ensure the timely market entry of next-generation platforms, including newly developed microneedling RF systems from the entity we merged with, Ilooda.



4

Business Results

Condensed Financial Position

Condensed Income Statement

Revenue Breakdown by Brand

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34

# Condensed Financial Position

(Unit: KRW billion)

On a Consolidated Basis	2024	2023	2022
Assets			
Current Assets	234.2	185.7	147.8
Cash and Cash Equivalents <sup>1)</sup>	158.0	136.9	111.6
Inventories	30.0	19.4	23.4
Accounts Receivable	38.7	17.7	8.0
Non-Current Assets	374.2	189.7	183.6
Property, Plant, and Equipment	193.2	139.0	104.2
Investment Property	29.4	41.1	74.7
Intangible Assets	140.9	2.8	1.5
Total Assets	608.4	375.4	331.4
Liabilities			
Current Liabilities	128.9	29.2	36.2
Non-Current Liabilities	26.8	62.7	65.6
Total Liabilities	155.7	91.9	101.9
Equity			
Capital Stock	6.6	6.5	6.5
Capital Surplus	106.3	24.2	24.2
Retained Earnings	336.1	271.0	204.2
Total Equity	452.6	283.5	229.6
Total Liabilities and Equity	608.4	375.4	331.4

Note 1) Includes cash and cash equivalents, short-term financial instruments, and financial assets at fair value through profit or loss.

As of the end of FY 2024, total consolidated assets stood at KRW 608.4 billion, up KRW 232.9 billion (62.0%) year on year.

Current assets increased primarily due to robust business performance, resulting in higher cash equivalents, which include short-term financial instruments and fair value financial assets. Additionally, inventories and accounts receivable rose following the successful merger with the now-defunct Ilooda.

Non-current assets also increased following the acquisition of Ilooda’s headquarters property and related intangible assets. Total liabilities amounted to KRW 155.7 billion, up KRW 63.8 billion (69.4%) from the previous year. This significant increase is attributable to the reclassification of the long-term loan for Classys’ headquarters, which was temporarily booked as a current liability and converted back to non-current liabilities as of January 2025. Another main contributing factor was the post-merger addition of Ilooda’s existing borrowings.

Total equity reached KRW 452.6 billion, up KRW 169.1 billion (59.7%) year on year, driven by a KRW 65.1 billion (24.0%) increase in retained earnings from solid operating performance results and a KRW 82.1 billion increase in capital surplus from new share issuances following the merger.

From a financial ratio standpoint, the equity ratio stood at 74.4%, down 1.1%p from the previous year, while the debt-to-equity ratio rose 2.0%p to 34.4%, as it continues to reflect a sound financial structure.

# Condensed Income Statement

(Unit: KRW billion)

On a Consolidated Basis	2024	2023	2022
Revenue	242.9	180.1	141.8
CoGS	(51.8)	(39.7)	(33.6)
(%)	21.3%	22.0%	23.7%
Gross Profit	191.1	140.4	108.2
(%)	78.7%	78.0%	76.3%
SG&A	(68.7)	(50.8)	(39.3)
(%)	28.3%	28.2%	27.7%
Operating Profit	122.4	89.6	68.9
(%)	50.4%	49.8%	48.6%
Financial Income	24.2	8.7	2.6
Financial Expenses	(3.1)	(3.6)	(4.7)
Equity Method Gains/Losses	(1.0)	-	-
Other Income	0.03	0.05	30.4
Other Expenses	(14.5)	(0.9)	(0.4)
Net Income Before Tax	127.9	93.8	96.8
Income Tax Expense	(30.4)	(19.6)	(21.4)
Net Income	97.5	74.2	75.4
(%)	40.2%	41.2%	53.2%
EBITDA	129.7	93.9	72.8
(%)	53.4%	52.1%	51.3%

Note 1) Negative amounts are shown in parentheses.

In FY2024, Classys posted consolidated revenue of KRW 242.9 billion, up KRW 62.8 billion (34.9%) year on year. Operating profit rose to KRW 122.4 billion, marking a KRW 32.8 billion (36.6%) increase from the previous year. Net income before tax was KRW 127.9 billion, up KRW 34.1 billion (36.3%) year on year, while net income stood at KRW 97.5 billion, a KRW 23.3 billion (31.4%) increase from the prior year.

This growth was fueled by strong demand for our two flagship products, Ultraformer MPT and Volnewmer, leading to increased sales of both platform and consumables. Favorable exchange rates, a higher contribution from consumables, and improved production efficiency led to a lower cost ratio and improved gross margin. Although far-sighted investments were made in R&D and in expanding B2B and B2C marketing efforts globally, these expenses were effectively managed as a stable percentage of revenue.

Operating profit rose 36.6% year on year, with the operating margin increasing 0.6%p to 50.4%. As a result, net income before tax and net income also grew by 36.3% and 31.4%, respectively.

Looking ahead, Classys plans to implement its global standard production system across the former Ilooda product portfolio, aiming to enhance production efficiency, improve cost structure, and generate additional synergies through system optimization.



# Revenue Breakdown by Brand

(Unit: KRW billion)

On a Consolidated Basis	2024	2023	2022
Revenue	242.9	180.1	141.8
Exports	163.8	117.1	87.4
Domestic	79.1	63.1	54.4
CLASSYS (Medical Platforms)	111.0	90.0	74.1
Exports	84.7	63.2	44.3
Domestic	26.3	26.8	29.9
Cluiderm (Aesthetic Platforms)	4.9	5.1	7.8
Exports	4.5	4.8	7.4
Domestic	0.4	0.3	0.5
Consumables	109.8	81.0	55.7
Exports	64.5	47.8	34.7
Domestic	45.3	33.3	20.9
Shurink RX/SKEDERM	4.5	2.4	2.0
Exports	1.7	1.4	1.1
Domestic	2.8	1.0	0.9
Former Ilooda Portfolio	11.7		
Exports	8.4		
Domestic	3.3		
Rental Income (Domestic)	1.0	1.6	2.2

## CLASSYS

Revenue from the CLASSYS brand, including Shurink (globally branded as Ultraformer III), Shurink Universe (Ultraformer MPT), and Volnewmer, increased by KRW 21.0 billion (23.3%) year on year, driven by growing global brand recognition and continued expansion into new international markets. Equipment sales are expected to maintain a steady upward trajectory, supported by further regulatory approvals and new product launches across multiple regions worldwide.

## Consumables

Consumables revenue increased by KRW 28.8 billion (35.6%) year on year, supported by a virtuous cycle tied to the cumulative installed base, rising number of procedures and patients, and greater per-treatment usage. Going forward, the stable high growth trend is expected to continue, fueled by entry into new markets, upcoming product launches, and strengthened brand awareness.

## Shurink RX/SKEDERM

Revenue from Shurink RX and Skederm—Classys’ cosmetic and at-home beauty device brands—reached KRW 4.5 billion, up KRW 2.1 billion (85.5%) from the previous year. This growth was largely due to the successful launch of Volium and continued demand for flagship products such as Classys’ lifting patches. Moving forward, we aim to achieve both qualitative and quantitative growth by focusing our marketing efforts on key offerings, including at-home beauty devices and lifting patches.

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Financial Statements

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# Financial Position

(Unit: KRW)

	2024	2023	2022
Assets			
I. Current Assets	234,201,823,223	185,737,483,070	147,788,690,727
Cash and Cash Equivalents	22,745,070,820	18,336,205,417	26,004,485,440
Short-Term Financial Instruments	135,296,360,776	90,365,422,000	65,377,445,900
Financial Assets at Fair Value Through Profit or Loss	-	28,155,177,631	20,198,635,245
Accounts Receivable and Other Receivables	38,651,087,958	17,710,839,993	8,003,983,210
Inventories	29,999,806,868	19,434,327,936	23,397,666,986
Other Financial Assets	1,872,185,376	1,432,729,934	2,076,639,142
Other Current Assets	5,608,578,621	10,277,253,770	2,705,307,480
Current Income Tax Assets	28,732,804	25,526,389	24,527,324
II. Non-Current Assets	374,176,985,608	189,705,538,684	183,622,417,572
Long-Term Financial Instruments	107,422,000	107,422,000	331,655,306
Financial Assets at Fair Value Through Profit or Loss	9,124,306,661	2,999,958,567	-
Property, Plant, and Equipment	193,172,861,473	138,988,714,882	104,241,594,590
Intangible Assets	140,947,984,483	2,822,296,858	1,478,369,574
Investment Property	29,444,614,819	41,087,737,052	74,654,142,444
Other Non-Current Financial Assets	606,686,397	1,100,274,880	1,038,003,840
Right-of-Use Assets	773,109,775	1,217,303,762	1,090,644,081
Deferred Income Tax Assets	-	1,381,830,683	788,007,737
Total Assets	608,378,808,831	375,443,021,754	331,411,108,299

	2024	2023	2022
Liabilities			
I. Current Liabilities	128,903,651,305	29,246,386,638	36,225,225,302
Accounts Payable and Other Liabilities	17,245,621,451	2,374,590,309	2,124,969,047
Current Loans Received	76,716,824,623	2,400,000,000	2,400,000,000
Current Income Tax Liabilities	17,398,947,957	10,482,475,131	18,158,545,452
Other Financial Liabilities	7,598,300,868	6,794,965,310	5,465,274,676
Other Current Liabilities	5,307,068,671	5,072,165,961	6,293,182,762
Current Convertible Bonds	2,096,529,158	-	-
Current Provision	1,994,707,960	1,382,820,538	1,225,950,125
Lease Liabilities	538,591,176	739,369,389	557,303,240
Current Derivative Liabilities	7,059,441	-	-
II. Non-Current Liabilities	26,831,242,768	62,696,135,453	65,632,025,837
Long-Term Borrowings	11,512,116,800	62,000,000,000	64,400,000,000
Other Non-Current Financial Liabilities	125,000,000	207,422,000	690,712,000
Non-Current Derivative Liabilities	1,169,098,918	-	-
Non-Current Lease Liabilities	247,871,496	488,713,453	541,313,837
Deferred Income Tax Liabilities	13,777,155,554	-	-
Total Liabilities	155,734,894,073	91,942,522,091	101,857,251,139
Equity			
I. Equity Attributable to Owners of the Parent Company	453,964,808,472	283,500,499,663	229,553,857,160
Issued Capital	6,628,284,200	6,477,670,200	6,477,670,200
Capital Surplus	106,314,385,029	24,229,755,029	24,229,755,029
Capital Adjustments	4,814,664,225	-18,253,885,541	-5,421,976,100
Accumulated Other Comprehensive Income	148,007,377	62,881,941	38,081,537
Retained Earnings	336,059,467,641	270,984,078,034	204,230,326,494
II. Non-Controlling Interests	(1,320,893,714)	-	-
Total Equity	452,643,914,758	283,500,499,663	229,553,857,160
Total Liabilities and Equity	608,378,808,831	375,443,021,754	331,411,108,299

# Statement of Changes in Equity

(Unit: KRW)

	Issued Capital	Capital Surplus	Capital Adjustments	Accumulated OCI	Retained Earnings	Equity Attributable to Owners of Parent Company	Non-Controlling Interests	Total
Beginning Balance (as of Jan. 1, 2022)	6,471,686,400	24,122,104,354	4,789,153	22,859,175	133,122,992,270	163,744,431,352	-	163,744,431,352
Net Income	-	-	-	-	75,378,647,248	75,378,647,248	-	75,378,647,248
Stock Options	5,983,800	107,650,675	(4,789,153)	-	-	108,845,322	-	108,845,322
Acquisition of Treasury Stocks	-	-	(5,421,976,100)	-	-	(5,421,976,100)	-	(5,421,976,100)
Dividend Payments	-	-	-	-	(4,271,313,024)	(4,271,313,024)	-	(4,271,313,024)
Other Comprehensive Income	-	-	-	15,222,362	-	15,222,362	-	15,222,362
Ending Balance (as of Dec. 31, 2022)	6,477,670,200	24,229,755,029	(5,421,976,100)	38,081,537	204,230,326,494	229,553,857,160	-	229,553,857,160
Beginning Balance (as of Jan. 1, 2023)	6,477,670,200	24,229,755,029	(5,421,976,100)	38,081,537	204,230,326,494	229,553,857,160	-	229,553,857,160
Net Income	-	-	-	-	74,225,203,196	74,225,203,196	-	74,225,203,196
Stock Options	-	-	1,746,099,409	-	-	1,746,099,409	-	1,746,099,409
Acquisition of Treasury Stocks	-	-	(14,578,008,850)	-	-	(14,578,008,850)	-	(14,578,008,850)
Dividend Payments	-	-	-	-	(7,471,451,656)	(7,471,451,656)	-	(7,471,451,656)
Other Comprehensive Income	-	-	-	24,800,404	-	24,800,404	-	24,800,404
Ending Balance (as of Dec. 31, 2023)	6,477,670,200	24,229,755,029	(18,253,885,541)	62,881,941	270,984,078,034	283,500,499,663	-	283,500,499,663
Beginning Balance (as of Jan. 1, 2024)	6,477,670,200	24,229,755,029	(18,253,885,541)	62,881,941	270,984,078,034	283,500,499,663	-	283,500,499,663
Net Income	-	-	-	-	97,875,278,357	97,875,278,357	(331,524,556)	97,543,753,801
Increase from Merger and Acquisition	150,614,000	82,084,630,000	(210,227,543)	-	-	82,025,016,457	(976,441,813)	81,048,574,644
Stock Options	-	-	3,308,693,659	-	-	3,308,693,659	(12,927,345)	3,295,766,314
Acquisition of Treasury Stocks	-	-	(29,901,300)	-	-	(29,901,300)	-	(29,901,300)
Retirement of Treasury Stocks	-	-	19,999,984,950	-	(19,999,984,950)	-	-	-
Dividend Payments	-	-	-	-	(12,799,903,800)	(12,799,903,800)	-	(12,799,903,800)
Other Comprehensive Income	-	-	-	85,125,436	-	85,125,436	-	85,125,436
Ending Balance (Dec. 31, 2024)	6,628,284,200	106,314,385,029	4,814,664,225	148,007,377	336,059,467,641	453,964,808,472	(1,320,893,714)	452,643,914,758



# Changes in Capital Stock

(Unit: KRW, Shares)

Type	Category	10 <sup>th</sup> Term (as of the end of 2024)	9 <sup>th</sup> Term (as of the end of 2023)	8 <sup>th</sup> Term (as of the end of 2022)	7 <sup>th</sup> Term (as of the end of 2021)	6 <sup>th</sup> Term (as of the end of 2020)
Common Stock	Total Number of Shares Issued	65,505,659	64,776,702	64,776,702	64,716,864	64,709,168
	Par Value	100	100	100	100	100
	Capital Stock	6,628,284,200	6,477,670,200	6,477,670,200	6,471,686,400	6,470,916,800
Preferred Stock	Total Number of Shares Issued	-	-	-	-	-
	Par Value	-	-	-	-	-
	Capital Stock	-	-	-	-	-
Others	Total Number of Shares Issued	-	-	-	-	-
	Par Value	-	-	-	-	-
	Capital Stock	-	-	-	-	-
Total	Capital Stock	6,628,284,200	6,477,670,200	6,477,670,200	6,471,686,400	6,470,916,800

# Income Statement

(Unit: KRW)

	2024	2023	2022
I. Revenue	242,938,965,374	180,122,798,016	141,803,242,402
II. CoGS	51,811,435,885	39,673,733,669	33,636,218,547
III. Gross Profit	191,127,529,489	140,449,064,347	108,167,023,855
SG&A Expenses	68,684,935,188	50,826,682,284	39,290,816,397
IV. Operating Profit	122,442,594,301	89,622,382,063	68,876,207,458
Financial Income	24,212,613,421	8,660,313,809	2,584,120,029
Financial Expenses	4,683,624,664	3,594,757,133	4,675,705,739
Equity Method Gains/Losses	1,066,445,418	-	-
Other Income	28,089,658	49,689,454	30,374,149,233
Other Expenses	13,002,233,999	895,783,805	400,334,309
V. Net Income Before Income Tax	127,930,993,299	93,841,844,388	96,758,436,672
Income Tax Expense	30,387,239,498	19,616,641,192	21,379,789,424
VI. Net Income	97,543,753,801	74,225,203,196	75,378,647,248
VII. Other Comprehensive Income	85,125,436	24,800,404	15,222,362
Items that may be reclassified to profit or loss	85,125,436	24,800,404	15,222,362
Foreign Currency Translation Gain (Loss)	85,125,436	24,800,404	15,222,362
VIII. Total Comprehensive Income	97,628,879,237	74,250,003,600	75,393,869,610
IX. Net income Attributable to			
Owners of the Parent Company	97,875,278,357	74,225,203,196	75,378,647,248
Non-controlling Interests	(331,524,556)	-	-
X. Total Comprehensive Income Attributable to			
Owners of the Parent Company	97,960,403,793	74,250,003,600	75,393,869,610
Non-Controlling Interests	(331,524,556)	-	-
XI. Earnings Per Share			
Basic Earnings Per Share	1,517	1,155	1,165
Diluted Earnings Per Share	1,509	1,152	1,165

# Selling, General and Administrative Expenses

(Unit: KRW 1,000)

	2024	2023	2022
Salaries	12,486,144	9,671,091	10,022,964
Miscellaneous Wages	600	1,760	2,297
Retirement Benefits Expenses	921,494	747,379	787,518
Share-Based Compensation	1,958,110	1,528,719	-
Employee Welfare	2,094,032	1,434,360	1,591,431
Travel and Transportation Expenses	1,231,723	1,011,602	312,864
Entertainment Expenses	236,859	180,056	58,869
Communication Expenses	58,692	55,616	36,580
Utilities	182,362	150,208	134,355
Taxes and Dues	535,617	418,021	375,009
Depreciation	2,574,850	1,972,473	1,430,150
Rent Expenses	33,687	12,551	5,747
Repairs and Maintenance Expenses	90,288	52,887	69,528
Insurance Expenses	73,373	67,521	90,979
Vehicle Maintenance Expenses	256,116	205,481	194,300
R&D Expenses	12,617,668	9,200,643	4,429,777
Freight and Delivery Expenses	407,018	407,391	398,530
Education and Training Expenses	41,975	15,806	4,675
Publications and Printing	432,929	229,604	270,254
Office Supplies Expenses	18,643	19,399	22,552
Supplies Expenses	195,062	137,945	144,543
Commissions	10,395,457	7,499,339	6,676,410
Advertising	12,820,742	9,029,738	5,914,187
Sales Promotion Expenses	22,246	190,666	173,929
Bad Debt Expenses	36,432	449,689	19,725
Building Management Expenses	264,399	-	-
Amortization of Intangible Assets	2,166,477	251,924	162,963
Export Expenses	193,474	208,872	229,470
Sales Commission	3,423,766	3,195,529	3,826,259
Sample Expenses	1,970,176	1,402,828	745,198
Warranty Expenses	883,614	1,046,046	1,159,753
Meeting Expenses	60,910	31,538	-
Total	68,684,935	50,826,682	39,290,816

# Statement of Cash Flows

	2024	2023	2022
I. Cash Flows from Operating Activities	102,800,406,889	64,631,971,915	54,754,505,368
Net Profit (Loss)	97,543,753,801	74,225,203,196	75,378,647,248
Adjustments to Reconcile Net Profit	37,831,204,165	23,719,615,358	(1,673,811,565)
Income Tax Expenses	30,387,239,498	19,616,641,192	21,379,789,424
Interest Income	(4,801,444,718)	(4,627,866,332)	(772,115,051)
Interest Expenses	2,040,647,069	1,958,683,675	2,609,847,800
Foreign Exchange Gains	(12,823,140,047)	(2,161,345,249)	(879,061,670)
Foreign Exchange Losses	20,333,386	1,018,509,615	1,241,385,965
Gain on Valuation at Financial Assets at FVTPL	(3,088,935,569)	(1,126,072,386)	(198,635,245)
Loss on Valuation of Financial Asset FVTPL	28,527,179	-	48,786,354
Loss on Disposal of Property, Plant and Equipment	77,530,790	6,658,310	51,327,317
Gain on Disposal of Property, Plant and Equipment	(12,135,952)	(16,278,209)	(30,338,624,339)
Loss on Disposal of Accounts Receivable	999,574,800	733,307,200	-
Loss on Disposal of Investment in Associates	11,688,943,962	-	-
Loss on Valuation of Derivatives	1,648,323,005	-	-
Gain on Disposal of Right-of-Use Assets	-	(323,799)	-
Loss on Disposal of Intangible Assets	25,381,250	42,458,897	-
Loss on Disposal of Right-of-Use Assets	7,448,551	-	-
Bad Debt Expenses	36,432,447	449,688,781	19,725,005
Warranty Expenses	868,314,231	1,046,046,415	1,159,752,673
Depreciation	4,833,929,498	3,703,489,589	3,213,442,385
Depreciation of Investment Property	199,563,277	322,225,301	523,289,433
Amortization of Intangible Assets	2,184,619,813	251,924,168	162,963,417

	2024	2023	2022
Reversal of Share-Based Compensation	1,948,695,036	1,528,718,575	-
Inventory Valuation Loss	414,615,769	973,149,615	104,314,967
Equity Method Loss	1,066,445,418	-	-
R&D Expenses in SG&A	80,654,500	-	-
Miscellaneous Income	(359,028)	-	-
Changes in Operating Assets and Liabilities	(14,923,835,512)	(8,502,882,871)	(6,422,117,947)
Decrease (Increase) in Accounts Receivable	(12,999,660,375)	(11,892,353,465)	(4,927,046,178)
Decrease (Increase) in Other Current Receivables	(260,647,231)	647,406,301	(709,172,357)
Decrease (Increase) in Other Current Assets	142,968,588	596,269,398	3,011,181,648
Decrease (Increase) in Inventories	2,852,624,651	2,103,726,365	(7,786,432,986)
Decrease (Increase) in Accounts Payable	919,902,003	144,356,267	(557,451,995)
Decrease (Increase) in Other Payables	(3,946,250,029)	105,527,443	880,399,037
Decrease (Increase) in Other Current Liabilities	(133,759,026)	(207,815,180)	3,666,404,884
Decrease (Increase) in Provisions	(1,489,014,093)	-	-
Decrease (Increase) in Deposits	(10,000,000)	-	-
Income Taxes Paid	(20,602,981,981)	(27,648,572,141)	(10,340,797,227)
Interest Received	4,868,446,287	4,609,835,540	386,339,364
Interest Paid	(1,916,179,871)	(1,771,227,167)	(2,573,754,505)

(to be continued)

# Statement of Cash Flows

	2024	2023	2022
II. Net Cash Flows from Investing Activities	(82,247,360,752)	(48,157,757,772)	(91,994,852,657)
Decrease in Financial Assets at FVTPL	29,085,757,553	-	5,076,295,107
Decrease in Long-Term Loans	-	-	-
Decrease in Short-Term Loans	-	-	5,421,976,100
Decrease in Short-Term Financial Instruments	313,847,822,000	14,578,023,900	-
Proceeds from Disposal of Property, Plant and Equipment	67,477,009	120,775,455	60,027,636,362
Decrease in Lease Deposits	230,000,000	770,000,000	158,000,000
Decrease in Other Deposits	28,222,120	13,348,001	1,500,000
Decrease in Long-Term Financial Instruments	-	224,233,306	105,970,452
Cash Inflows from Merger and Acquisition	5,088,372,091	-	-
Increase in Financial Assets at FVTPL	(14,664)	(9,999,958,567)	(20,000,000,000)
Increase in Short-Term Financial Instruments	(348,241,600,000)	(39,566,000,000)	(70,906,844,000)
Increase in Short-Term Loans	(39,000,000,000)	-	(32,996,200)
Increase in Investment in Associates	(30,853,098,000)	-	-
Increase in Derivative Assets	(1,637,000,000)	-	-
Acquisition of Property, Plant and Equipment	(4,074,794,425)	(4,474,211,858)	(27,481,361,335)
Acquisition of Intangible Assets	(6,708,745,044)	(1,638,310,349)	(517,334,887)
Increase in Advance Payments	-	(8,000,000,000)	-
Acquisition of Investment Property	-	-	(43,759,576,256)
Increase in Lease Deposits	(79,759,392)	(126,060,000)	(80,000,000)
Increase in Other Deposits	-	(59,597,660)	(8,118,000)

(Unit: KRW)

	2024	2023	2022
III. Net Cash Flows from Financing Activities	(16,738,605,421)	(25,643,961,606)	21,055,238,698
Increase in Long-Term Borrowings	-	-	69,000,000,000
Exercise of Stock Purchase Options	-	-	108,845,322
Increase in Lease Deposits	80,000,000	117,000,000	85,000,000
Dividends Paid	(12,799,903,800)	(7,471,451,656)	(4,271,313,024)
Acquisition of Treasury Stocks	(29,901,300)	(14,578,008,850)	(5,421,976,100)
Repayment of Short-Term Borrowings	(2,861,538,459)	(2,400,000,000)	(37,200,000,000)
Repayment of Lease Liabilities	(831,279,862)	(876,501,100)	(618,723,000)
Decrease in Lease Deposits	(295,982,000)	(435,000,000)	(626,594,500)
IV. Net Increase (Decrease) in Cash and Cash Equivalents	3,814,440,716	(9,169,747,463)	(16,185,108,591)
V. Beginning Cash and Cash Equivalents	18,469,630,089	26,004,485,440	42,788,254,096
VI. Effects of Exchange Rate Changes on Cash and Cash Equivalents	461,000,015	1,501,467,440	598,660,065
VII. Ending Cash and Cash Equivalents	22,745,070,820	18,336,205,417	26,004,485,440





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