



**Humedix**

Investor Relations

1Q 2020



# Humedix

## Disclaimer

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All information in this book including business performance and financial report is written by Korean-International Financial Reporting Standards(K-IFRS) .

This book includes a “forecast” about future. It is not about the past, but the future business plan including expected management status and financial performance, and sometimes there can be word such as ‘anticipation’, ‘forecast’, ‘plan’, ‘expectation’, and ‘(E)’.

A “forecast” can mean uncertain factors which can affect the company either positively or vice versa, and those can include:

- Domestic or international financial market trends including fluctuation of foreign exchange rate or interest rate.
- Company’s very important strategic decision such as M&A
- Unexpected business environment change in the main industry
- Other internal and external change that can affect the company’s management and finance.

Because of those uncertain risks, company’s actual business performance can be different from the “forecast” in this booklet. Also the information we provide is written as of the day we deliver the presentation, so it can be changed due to unexpected external status of industry or internal company’s revision of strategies without any prior notice in the future.

# Key Highlights

## Performance & Finance

✓ 1Q 2020 Revenue 19.2(YoY +14%), OP 2.7(YoY +1%)  
(Unit; Billion KRW)

## Aesthetic

Total Aesthetic Solution : Filler(Elravie) + Medical Device(Derma Shine) + Botulinum toxin(LIZTOX)  
Domestic sales network Expansion

## NEW Business

Skinbooster 'CellExosome'  
Derma Shine Balance  
Derma Elravie Cosmetic

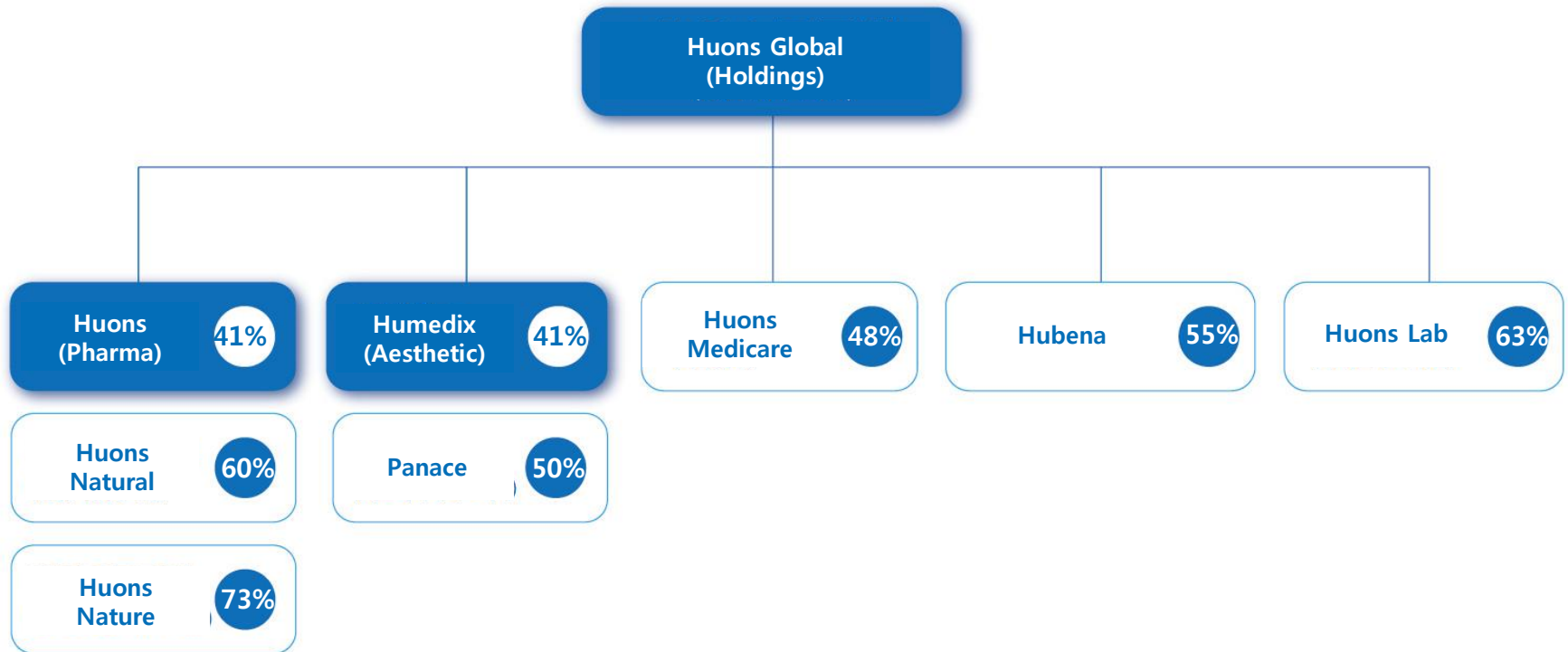
## Main Business

Elravie Deep Line-L , Revolline Grande filler  
CMO Business : New Factory(Heparin Sodium, Eye-drop)

# Contents

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- 02 Vision
- 03 Business performance
- 04 Business field
- 05 R&D & Business Strategy
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“Total Healthcare Group include Pharma, Medical devices, Cosmetics, Health functional food”



**Huons Group  
1,511 people**

**KOSDAQ Listed**

※ Biotope merged into Huons Nature by extra-ordinary shareholders’ meeting in 27<sup>th</sup> Sep 2019 (Reference date: 29<sup>th</sup> Oct 2019)

**Kim, Jin Hwan**

**Vice-President  
CEO**

**Head of Sales  
Marketing Division**

**Huons**

**BA Education  
At Chung-Ang Univ.**

**Yoon, Sung Tae**

**Vice-chairman  
Executive  
Director**

**CEO of Huons Global**

**IBM KOREA**

**MS Project Mgt.  
at Hanyang Univ**

**Leem, Mun Jeong**

**Executive Director**

**Head of R&D Division**

**Dongwha Pharma**

**Ph.D in pharmacy  
At Sungkyunkwan Univ**

**Choi, Sun Gwon**

**Director  
Outside Director**

**Susung asset  
management**

**MS Business  
Administration  
at Chonnam Univ.**

# Total Aesthetic Solution

## The Past (~2019)

Filler Business Market Expanding



## Future (2020~)

Aesthetic Portfolio Strengthening

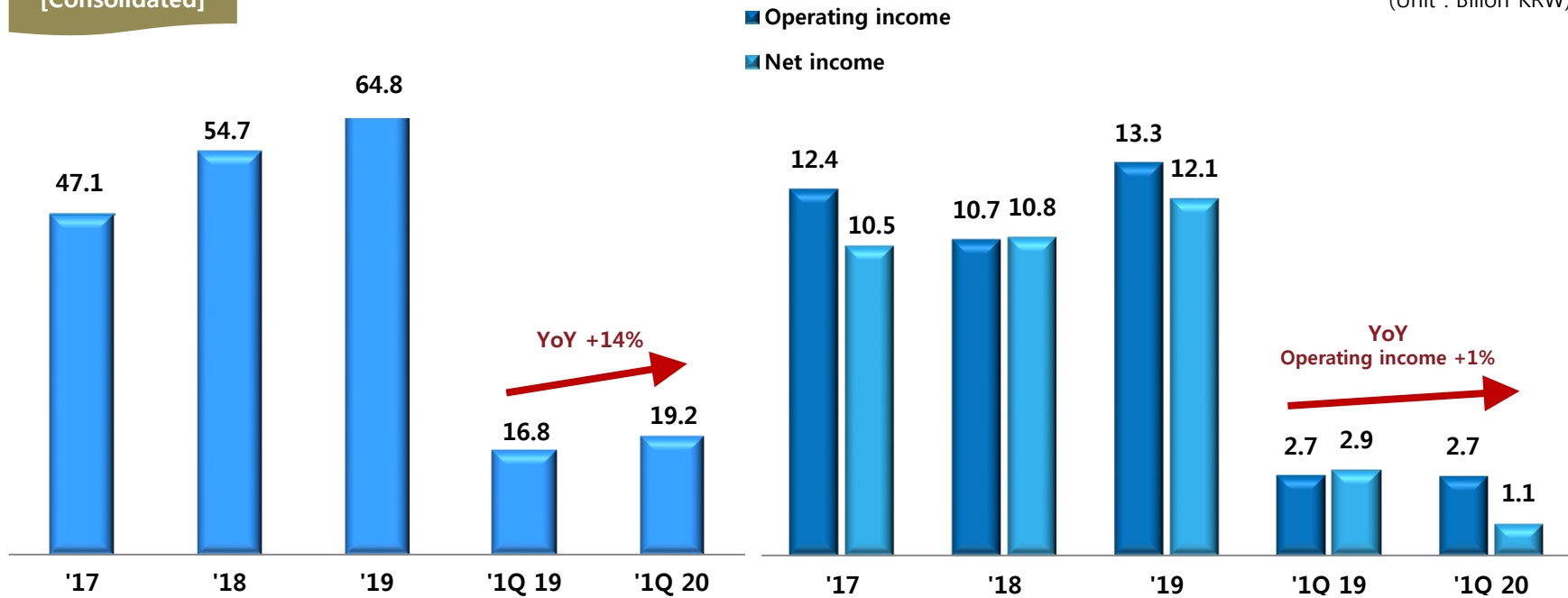


※ Increase sales by maintaining dependence on major businesses and strengthening sales for non-major businesses

## “Sales growth & Profit improvement”

[Consolidated]

(Unit : Billion KRW)



[Separate]

	2017	2018	2019	1Q 2019	1Q 2020
Revenue	50.3	57.6	69.0	14.2	17.3
Operating income	11.2	7.5	9.4	1.3	2.4
Net income	10.1	7.7	8.8	1.8	0.8



## [ Business Structure ]

<b>Filler</b>	<ul style="list-style-type: none"> <li>Using wrinkle-enhancing beauty molding health care</li> <li>Using high purity hyaluronic acid raw material</li> <li>HI Technology</li> <li>'Elravie Deep Line-L' NMPA registration (Dec. 2019)</li> <li>Contract with Sesderma of Spain to transfer filler technology</li> </ul>
<b>Anti-osteoarthritis</b>	<ul style="list-style-type: none"> <li>Licensed the single shot type technology to HAIBIN company(China)</li> <li>'Hihyalonce' launched(Jul. 2019)</li> <li>Joint synovial injection (Hyaluronic acid component) improved athletic performance / reduced pain</li> </ul>
<b>Cosmetic</b>	<ul style="list-style-type: none"> <li>Developed and retained brands: 'Derma Elraive'</li> <li>NMPA registration(Base, Ampoule, Maskpack)(Nov. 2019)</li> <li>Launched exclusive functional cosmetics of HA Specialized(Wrinkle improvement, whitening, etc.)</li> <li>Expanding product lines and diversifying sales channels Continuously</li> </ul>
<b>Others</b>	<ul style="list-style-type: none"> <li>Approved Revitalax (PDRN) from KFDA and launched the new items in the regenerative medicine market</li> <li>Medicine : Establish a portfolio focusing on Prescription drug; Anemia, Endocrine disease, etc.</li> <li>Derma Shine : Supplements in ophthalmic operation(Panace)</li> </ul>

## [Business Area]



## Filler

**Product : Elravie Premier Filler**

**Elravie Filler + Medical Device + LIZTOX**

**Various product lines based on high purity HA**

**Domestic sales network Expansion**

- Application of advanced HI method (High molecular Ideal Reticulated Matrix)→ High viscosity, elasticity, safety
- Good volume sense compared to competing products, also excellent durability and resistance to enzymes
- ‘Elravie Deep Line-L’ NMPA registration (Dec. 2019)
- Four kinds of Elravie obtained European CE Certification(Dec. 2015)
- Contract with Sesderma of Spain to transfer filler technology (Nov. 2018)
- Revolline Grande filler(2020.04)

### Main product line



<Light-L>



<Deep Line-L>



<Ultra Volume-L>



<Ultra Volume-2mL>

## Osteoarthritis treatment

**Product : Hihyalonce, High Hyal Plus, High Hyal**

**Improved usability; single-injection**

**Technology export and strategic alliance (HAIBIN, China)**

**Enlarge entry into developed markets such as EU and North America**

- ‘Hihyalonce’ launched(Jul. 2019)
- Licensed and contracted with Huons & Shinpoong Pharmaceutical(2019.01)
- Patient synovia with increased inflammation factors is reverted to the normal joint synovia conditions
- The high viscosity and resulting lubricating activities of the joint improve joint movements and reduce pain.
- Excellent cost(from raw material to product) & absolute advantage of the quality(sterile material)
- The CMO sales has increased and Domestic market share has expanding

### Main product line



< one-injection cycle : Hihyalonce >



< three-injection cycle : High Hyal Plus >



< five-injection cycle : High Hyal >

## Cosmetics

**Product : Derma Elravie**

Enhancing 'Kimparis-Elravie' brand

Developed high-functional cosmetics raw materials; HA , PDRN

Enhancing 'Derma Elravie' brand

- NMPA registration(Base, Ampoule, Maskpack) (Nov. 2019)
- Honey bush : Specified individual approved raw materials, Wrinkle-improving raw material
- Duty Free Shop, Home Shopping, Road Shop, Visit Sales, H&B Store
- China, United States, East O2O Biz

### Main product line



< Kimparis-Elravie mask >

<Base>

<PDRN Ample>

< Ample >

## CMO

**Product : Vial , Ampules , Pre-filled Injection**

Fully equipped with the latest pre-filled syringe filling facility

New growth momentum secured through operation of the second plant

Capacity : 4 times, 200 billion won production CAPA

- The latest pre-filled syringe production facilities and sufficient production capacity
- Domestic HA refining business revitalized due to Japanese production suspension
- Relieving inventory burden in PV production with minimum batch size
- Shortening consignment production period by specializing in hyaluronic acid
- Using auxiliary materials such as syringes optimized by various evaluations

### Main product line



<Revitalax prefilled>

<Lincomycin>

<Tramadol>

# Biopolymer Technology & Application Leader



**HA**  
(Hyaluornic Acid)

**PDRN**  
(Polydeoxyribonucleotide sodium)

Biodegradability

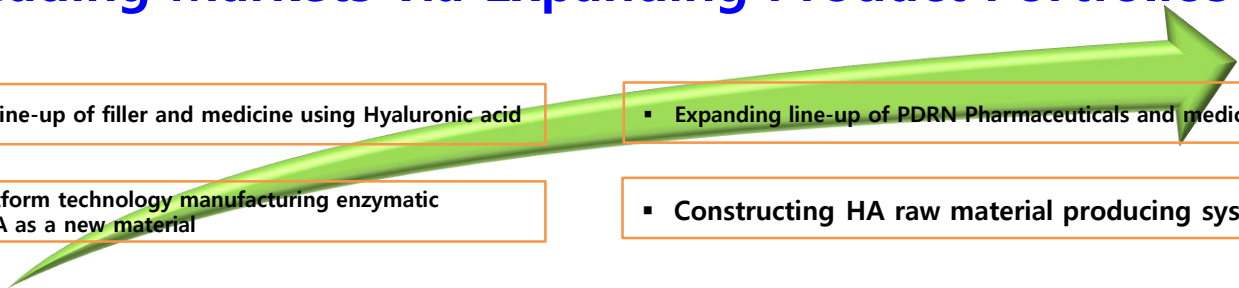
Biocompatibility

Non-toxicity

Viscoelasticity

Viscosupplementary injection, Filler, Eye drops, Cosmetics, Anti-adhesive agent

## “Leading Markets via Expanding Product Portfolios”

- 
- Strengthening line-up of filler and medicine using Hyaluronic acid
  - Expanding line-up of PDRN Pharmaceuticals and medical devices
  - Developing Platform technology manufacturing enzymatic deacetylated HA as a new material
  - Constructing HA raw material producing system

Research name	Explanation	Discovery	Preclinical	Phase			Remarks
				I	II	III	
Urology Filler(HMM1-024)	- HA based - Improving safety than PLA body filler	→					KFDA approval (1Q '20)
Biphasic Filler(HMM1-025)	- Line-up of Biphasic filler	→					Clinical study completed (1Q '20)
New monophasic Filler(HMM1-026)	- Line-up of monophasic filler	→					Clinical study (1Q '20)
PN Joint injection(HMM1-021)	- PN Polymer Application - Tissue regeneration	→					Clinical study (3Q' 20)
Anti-adhesive agent(HMM1-033)	- Temperature sensitive - Utilization of biocompatible materials	→					Preclinical study
Enzymatic cross-linking method for HA (HMS1-007)	- Enzymatic deacetylation replacing chemical reaction - API Congugate uses	→					Discovery
DDS development applying biopolymer(HMC3-012)	- Leuproreline depot	→					Discovery

- By establishing a package sales strategy for botulinum toxin products “LIZTOX” of Huons and “Elravie series” of Humedix
- Maximize Revenue and Profit from Expanding the Esthetic Product Line

## Product package strategy



## Specifications

- Product Name: LIZTOX
- Efficacy: Glabella wrinkle improvement
- Strain history : ATCC3502
- sales : dermatology/plastic surgery
- Advantage : High purity (>99%)
- API: Botulinum toxin type A
- Launch in June 2019

## Increase CMO sales by expanding new lines

### Heparin Sodium Line

- Heparin Sodium raw material line investment for domestic production of animal-derived raw material drugs for the first time in Korea(2Q 2020)
- Entered the bio natural raw material pharmaceutical industry
- Development of Heparin Sodium raw material drug purification process(2020)



1 Factory

### Eye-drop Line

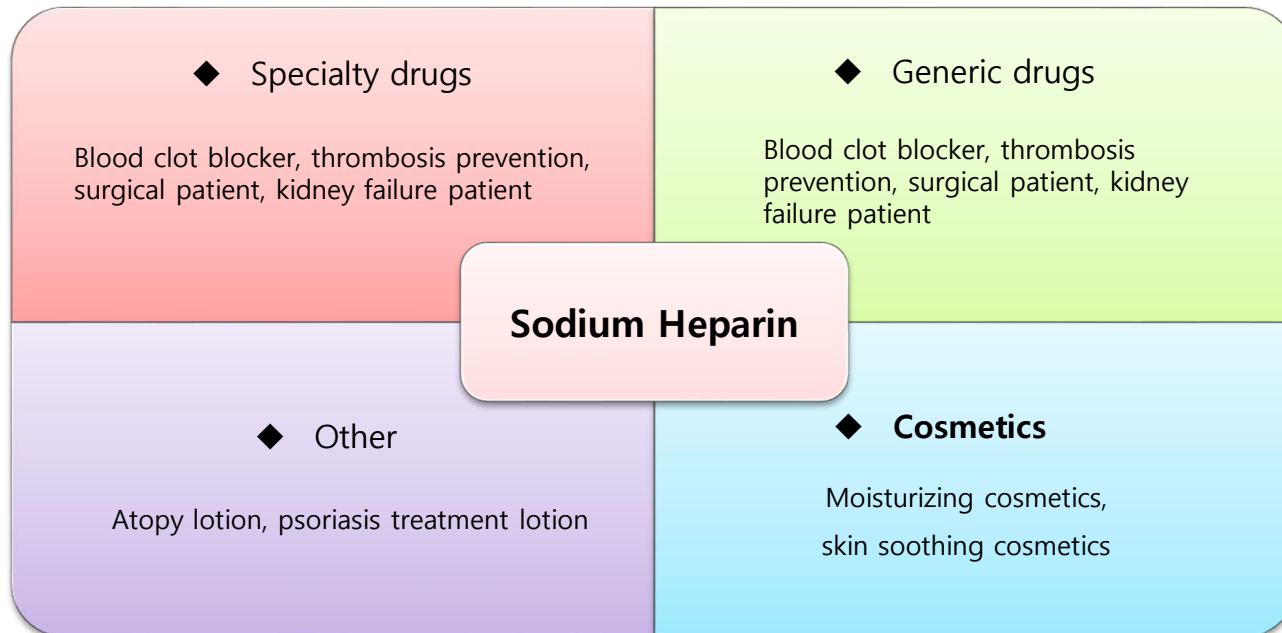
- Eye-drop annual production capacity of 150 million tubes
- New disposable eye-drop facility constructed(2Q 2020)
- Enter into the HA disposable eye-drop market by expanding the CMO business of other pharmaceutical companies



2 Factory

- Signed business cooperation with WooriB&B for the localization of Heparin sodium(Nov. 2019)
- Heparin sodium raw material drug approved by the Ministry of Food and Drug Safety(2021)
- Increased demand by expanding Heparin application field(Ointments, cosmetics, patches, etc.)

**Heparin sodium applications**





## Aesthetic portfolio expansion

### CellExosome

- Prosthematics skin booster 'CellExosome' introduction contract(Feb. 2020)
- Strengthening Aesthetic portfolio with Filler / Toxin / Aesthetic medical equipment
- Skin regeneration and elasticity effects using MTS rollers, etc.

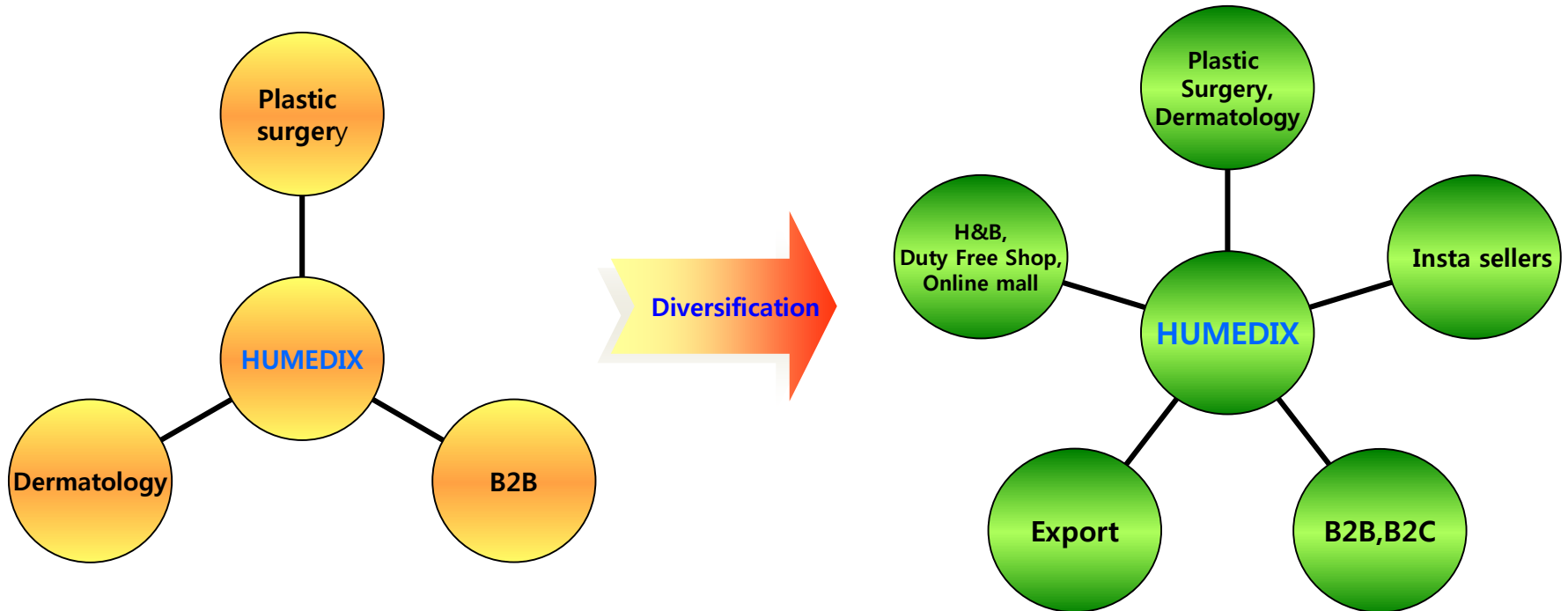


### Varrerderm MD cream

- Introduced Varrerderm MD cream of Regencare, a specialized burn scar care company
- Contains high purity beta-glucan extracted from skirt mushrooms to moisturize / protect skin
- Expected to increase new sales with medical devices added to existing aesthetic products



## Cosmetics Business Diversification of Sales Network



✂ Secure diverse customer base and sales channels by expanding online / offline and overseas sales network

## HA Diversification

## PDRN (PolyDeoxyRiboNucleotide)

### Volumizing Filler

### Penis Enlargement Filler

### PN Joint injection, PN Eye drops

- Hyaluronic Acid (HA) based/naturally derived polymers
- Leading the filler field through the diversification of physical properties and materials
- clinical study phase III completed (3Q 2018)
- Launched (1Q 2019)

#### Expectation effectiveness

- Safety improvement
  - Reduced HA and crosslinker content
- Volumizing effect of the facial area
  - Improvement of high viscosity / high elasticity / persistence

- Higher safety compared to existing products
  - Compared to existing products (PLA, crosslink dextran)
- Proven safety / efficacy through clinical trials
  - Clinical trials approved by the Ministry of Food and Drug Safety
  - clinical study phase III completed (4Q 2018)
  - Launched (1Q 2020)

#### Expectation effectiveness

- Expansion of HA filler new market with a new indication with safety / efficacy secured by clinical trials

- Application of high purity purified nucleic acid derived from natural materials
- Extraction of high-purity nucleic acid from salmon testis self-developed
- PDRN raw materials : KFDA (2Q 2018)
- PN Joint injection : Preparing clinical trial (1Q 2020)

#### Expectation effectiveness

- Shortening wound healing time
- Collagen generation Promotion of cell differentiation
- Vascular endothelial cells Induction of proliferation factor

- Company specializing in medical equipment production and sales  
( Derma Shine Series, Multi Needle, DermaAkne )

- Diversify business area from skin beauty medical device to household beauty device

## Company Overview

**CEO** Byung moo Park

**Date of establishment** MAY, 2013

**Key Product** Beauty medical device

**Ratio(%)** 50%(Humedix)

**Finance (2019)** Revenue 12.3(YoY +31%),  
OP 4.0(YoY +22%)

## Entering a new business

- ✓ Introduced a new business through the acquisition of Euroente Co., Ltd., a manufacturer specializing in in vitro impact crusher(Mar. 2020)
- ✓ Equipment that breaks stones in the kidney or urinary tract through shock wave energy
- ✓ Exported to 7 overseas countries including Korea, Indonesia, Vietnam, Uzbekistan



(URO-EMX)



(MT2000)

### Derma Shine Balance

- Digital Injection System and Multi Needle  
→ Maximizing synergies with dermal filler  
'Elravie' series
- CFDA/CE/TGA Certification



### DermaAkne

- Intense pulsed light + Radio frequency for acne treatment device



- ◆ Acquired CE certification(Apr. 2020)

## PICO/NANO Laser

- Use laser energy for short time skin
- Laser devices that treat pigment diseases (stains, dullness, freckles, etc.)
- Picosecond(ps) : Pulse Duration
- develop period : 2019.03~ 2021.03(24 months)



Wavelength	1064 nm, 532 nm
Pulse Energy (Power)	800 mJ (1.7GW)
Pulse Duration	450 ps
Pulse Rate	1~10 Hz
Applications	Melasma, Acne scar, Pigmentation, Tattoo Removal, etc


## Nd-YAG Laser

- Customized skin beauty laser device considering individual skin type and pigment range
- effect for pigment diseases(black spot, freckles, etc)
- Nano second(ns) : Pulse Duration
- develop period : 2018.07~ 2019.10(16 months)
- Launched(1Q 2019)



Wavelength (nm)	1064/532/SLP
Pulse duration	350 ps/300 us
Output Energy	0.5J (1.7GW)
Spot size (mm)	2 ~ 10
Rep Rate (Hz)	Single shot ~ 10 Hz

### New Product Release

Product name				
	DermaShine Pure Mask	DermaShine LED Light	Derma Sonic Care	Derma Duolif
Performance	LED : 408/3 kinds of composite light	LED : 27/4 kinds of single light	Face : ~1.0 J, Body : ~1.5 J	Depth : 3mm, frequency : 7 MHz
Characteristic	<ul style="list-style-type: none"> <li>- Optical design</li> <li>- Application of light diffusion and superposition lens</li> <li>- Concave optical design : Dead Zone solution</li> </ul>	<ul style="list-style-type: none"> <li>- Skin contact sensor</li> <li>- Intensive care function</li> <li>- Charge Cradle Additional Features</li> </ul>	<ul style="list-style-type: none"> <li>- Multi Layer function</li> <li>- Function switching by cartridge replacement</li> <li>- Red LED Combination of functions</li> <li>- Operation and charge separation color display</li> </ul>	<ul style="list-style-type: none"> <li>- Complex function skin regeneration effect,</li> <li>- Wireless charging function (portability, convenience, safety),</li> <li>- Hidden LED Design</li> </ul>
Coming soon	May 2019	Preparing to release	Preparing to release	Developed in May 2019 Preparing to release

## Consolidated Financial Information

(KRW mil)

Classification	1Q 2020	2019
<b>Assets</b>		
Current assets	55,239	55,834
Non-current assets	82,885	82,588
<b>Total assets</b>	<b>138,124</b>	<b>138,421</b>
<b>Liabilities</b>		
Current liabilities	19,772	16,499
Non-current liabilities	586	551
<b>Total liabilities</b>	<b>20,357</b>	<b>17,049</b>
<b>Equity</b>		
Equity attributable to owners of parent	108,338	112,103
Issued capital	4,986	4,986
Capital surplus	88,463	88,463
Retained earnings	43,335	47,111
Non-controlling interests	9,429	9,269
<b>Total equity</b>	<b>117,767</b>	<b>121,371</b>
<b>Total equity and liabilities</b>	<b>138,124</b>	<b>138,421</b>

Classification	1Q 2020	2019
<b>Revenue(Sales)</b>	<b>19,174</b>	<b>78,619</b>
Cost of sales	11,466	45,781
Gross profit	7,709	32,838
<b>Operating income</b>	<b>2,694</b>	<b>13,276</b>
Profit before tax	2,201	13,149
Income tax expense	1,060	1,019
<b>Net income</b>	<b>1,141</b>	<b>12,130</b>

## Separate Financial Information

(KRW mil)

Classification	1Q 2020	2019
<b>Assets</b>		
Current assets	45,802	46,274
Non-current assets	82,147	82,419
<b>Total assets</b>	<b>127,949</b>	<b>128,693</b>
<b>Liabilities</b>		
Current liabilities	19,043	15,821
Non-current liabilities	471	445
<b>Total liabilities</b>	<b>19,514</b>	<b>16,267</b>
<b>Equity</b>		
Issued capital	4,986	4,986
Capital surplus	88,463	88,463
Retained earnings	37,680	41,671
<b>Total equity</b>	<b>108,435</b>	<b>112,427</b>
<b>Total equity and liabilities</b>	<b>127,949</b>	<b>128,693</b>

Classification	1Q 2020	2019
<b>Revenue(Sales)</b>	<b>17,332</b>	<b>69,035</b>
Cost of sales	10,486	42,069
Gross profit	6,846	26,966
<b>Operating income</b>	<b>2,381</b>	<b>9,377</b>
Profit before tax	1,724	8,934
Income tax expense	954	165
<b>Net income</b>	<b>771</b>	<b>8,769</b>



Thank you