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IR Letter

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· Jeisys Medical announces first quarter 2023 results on May 12, 2023

· Quartely sales of KRW 29.1bn (YoY 15%), operating profit at KRW 7.6bn (YoY -11%)

Seoul, May 12, 2022 _ Jeisys Medical inc. reported financial results for the first quarter on May 12, 2023.

The global medical aesthetics market showed continous growth in the first quarter, Jeisys Medical also achieved structural growth by high demand in number of aesthetic procedures in the global market.

Jeisys Medical acquired approval for domestic use of Density, non-invasive RF device by MFDS last April.

It is planning to launch in Domestic and Japanese market for the second quarter.

We will commit to achieve higher growth in the global market through new growth of device, entry to the new market, including the China Market

1Q 2023 Summary

1. Sales : Jeisys Medical posted KRW 29.1bn in consolidated sales, a 15% rise from the previous year, as steady demand in the global market and increased sales from Domestic, Japan and emerging countries and continuous sales growth of consumables as increasing in number of aesthetic procedures.

2. Gross Margin: It posted KRW 19.5bn, a 10.5% rise from the previous year, as an increase in sales. The COGS ratio was 67%, a 3%p decline from the previous year, as increased manufacturing costs.

3. Operating Profit : It posted KRW 7.6bn in operating profit, a 10.9% decline from the previous year and its ratio was 26% for the first quarter. It was executed investment for the development of the new device and its expansion into overseas market as R&D expenses, labor costs and commissions.

4. Net Profit : With incurred corporate tax of KRW 1.8bn, its net profit posted KRW 6.7bn, a 2.6% rise from the previous year its net profit ratio was 23%.

I. Sales

It posted KRW 29.1bn in consolidated sales, a 15% rise from the previous year.

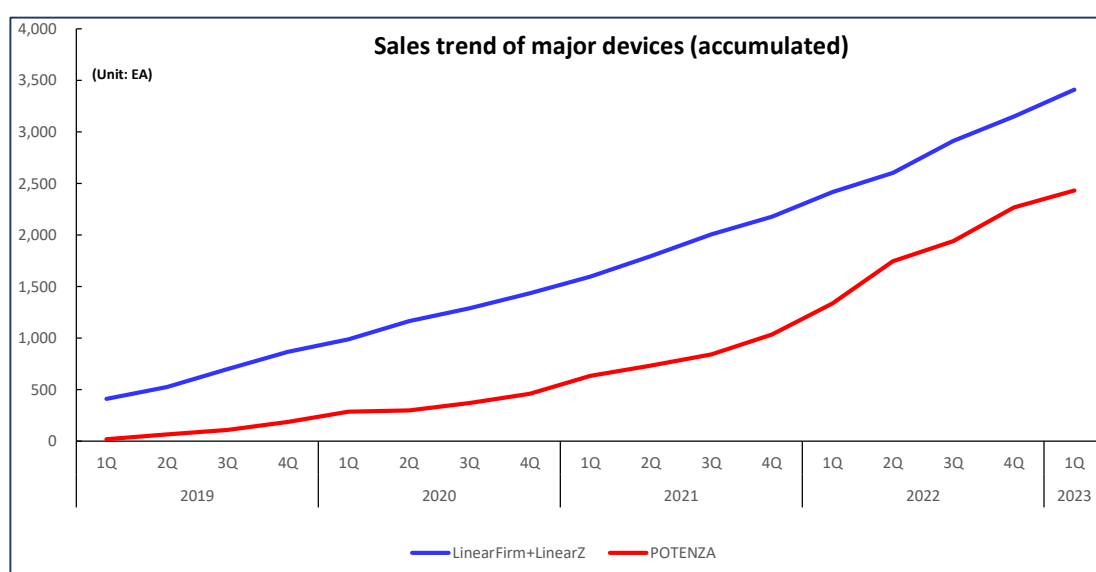
Although ODM of RF device for the first quarter according to the annual purchase order plan decreased, the sales of HIFU showed notably growth centered in Domestic and emerging countries and continuous sales growth of consumables as increasing in number of aesthetic procedures.

① Sales by product portfolio

With the remarkable sales growth in HIFU devices, consumables also showed growing trend as termination of promotion for launching new device.

Sales by product portfolio in 1Q were RF 20%, HIFU 15%, IPL 5%, LASER 9%, Consumables 44% and others 7%.

- RF (YoY -17%) : According to annual purchase order plan, quantities of the order decreased for the first quarter the continuation of growth in Japan market.
- HIFU (YoY 22%) :
 - It achieved continuous growth in domestic market after launching of Linear Z
 - The sales of Ultracel Q+ increased in other countries, including Southeast Asia.
- IPL (YoY 22%) : The sales in overseas market increased.
- Laser (YoY -2%) : The sales in domestic and overseas market slightly decreased.
- Consumables (YoY 25%) :
 - The sales of cartridge showed growing trend as termination of promotion for launching new device.
 - Continuous sales growth of tip as increasing in number of aesthetic procedures led by pumping tip



② Sales by Region

Sales by region showed strong growth centered in overseas market this quarter.

Domestic and overseas market extended sales growth centered on HIFU devices and consumables

The proportion of sales by region was 14% domestic and 86% overseas.

- Domestic (YoY 14.6%):
 - Linearfirm and Linear Z from HIFU devices showed strong sales as expanding business activities in key target location such as Gangnam and others (YoY 100%).
 - Sales of RF appeared to be temporarily depressed due to deferred demand of the release for new device (YoY -33%)
 - Sales of cartridge showed growing trend as termination of promotion for Linear Z. (YoY 20%)
 - Continuous sales growth of tip as increasing in number of aesthetic procedures (YoY 44%)

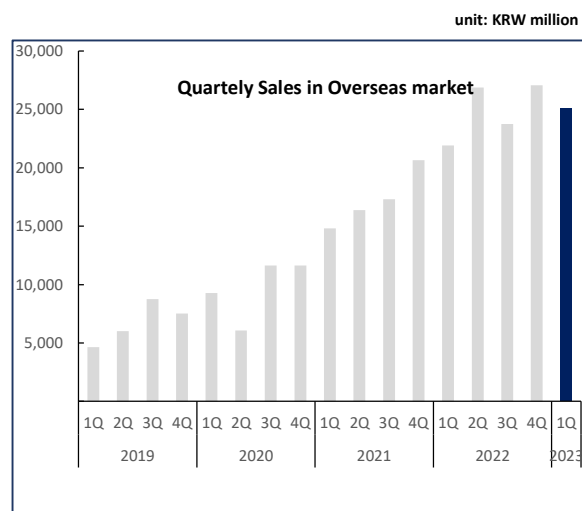
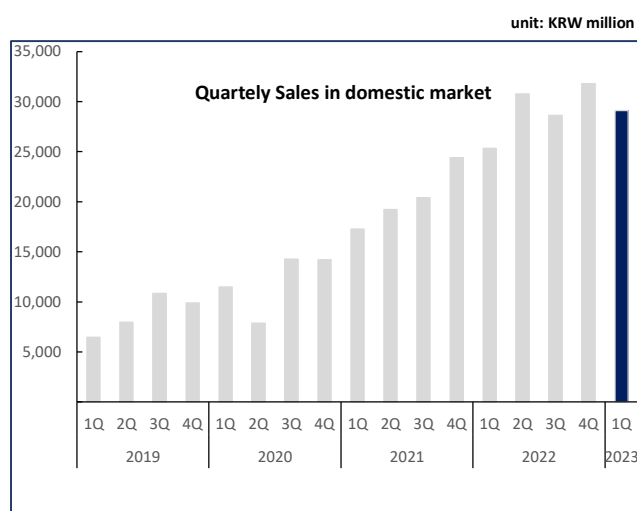
- Overseas (YoY 16.6%)

Japan

- The sales of UltracelQ+ decreased, as conversion of main HIFU device sales from UltracelQ+ to Ultracel[Zi]
- As continuously expanded installation of RF devices in aesthetic clinic, the sales increased 167% from the previous year.
- Sales of cartridge showed growing trend as termination of promotion for Ultracel[Zi] (YoY 21%)
- Continuous sales growth of tip as increasing in number of aesthetic procedures (YoY 298%)

ODM

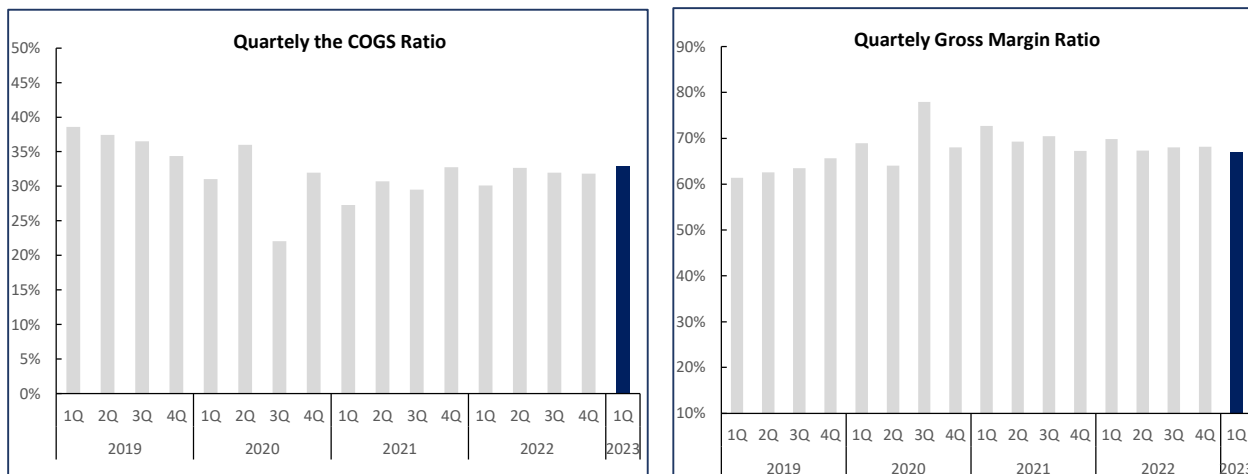
- According to annual purchase order plan, quantities of the order decreased for the first quarter
- The order quantities of tip decreased by owing to hold inventories



II. Gross Margin

With sales increased by 15% from previous year, Gross Margin posted KRW 19.5bn (YoY 10.5%).

Its gross margin ratio decreased by 3%p, as promotion for boosted sales in overseas market.

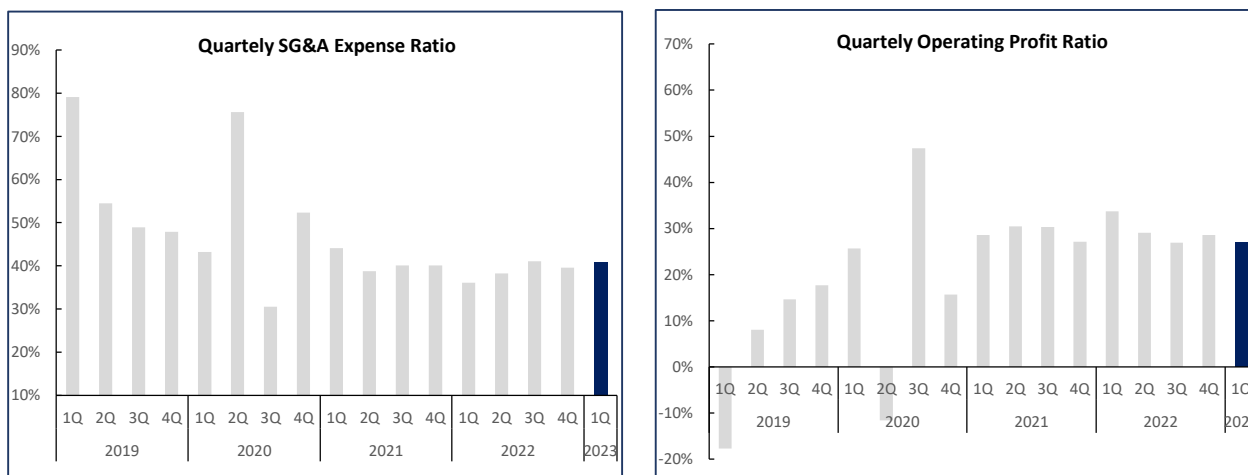


III. Operating Profit

As expanded investment including Recruiting, Regulatory Affair and R&D for launching new device in 2023

and entering overseas market, The SG&A ratio improved 4.9%p from previous year.

As a result, its operating profit posted KRW 7.6bn (YoY -10.9%) and its operating profit was 26%



IV. Net Profit

With incurred corporate tax of KRW 1.8bn, its net profit posted KRW 6.7bn, a 2.6% rise from the previous year
its net profit ratio was 23%.

► Consolidated Statements of Income (K-IFRS)

Consolidated based on K-IFRS (Unit : KRW)	1Q 2023	1Q 2022	4Q 2022	YoY	QoQ
Sales	29,104,842,943	25,334,283,272	31,803,087,693	14.9%	-8.5%
Cost of Good Sold	9,556,753,156	7,638,226,900	10,120,950,720	25.1%	-5.6%
Gorss Margin	19,548,089,787	17,696,056,372	21,682,136,973	10.5%	-9.8%
SG&A Expense	11,934,469,892	9,147,281,020	12,873,829,559	30.5%	-7.3%
Operating Profit	7,613,619,895	8,548,775,352	8,808,307,414	-10.9%	-13.6%
Profit before tax	8,433,913,503	8,399,171,854	7,009,868,192	0.4%	20.3%
Net Profit	6,680,999,977	6,512,176,555	5,958,035,590	2.6%	12.1%