



**Jeisys Medical Inc.**  
**1Q 2022 Earnings**

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## Summary of 1Q 2022 earnings

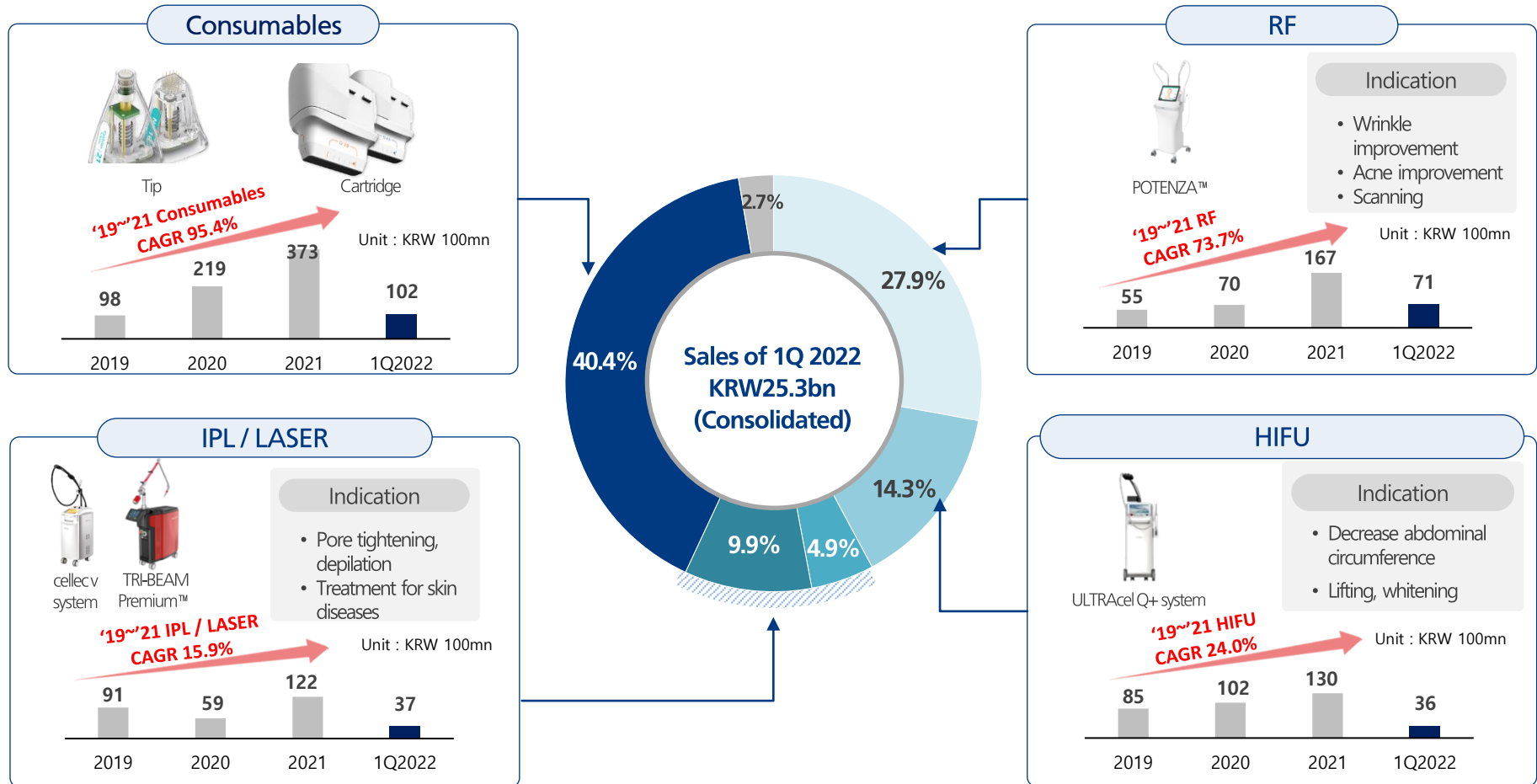
- The highest ever quarterly sales reached [1Q 2022 KRW 25.3bn / YoY 46.8%]
- The highest ever quarterly operating profit reached [1Q 2022 KRW 8.5bn / YoY 73.3% / OPM 33.7% ]

Consolidated based on K-IFRS (Unit : KRW million)	2021		2022		YoY	
	1Q	Accumulated	1Q	Accumulated	1Q	Accumulated
<b>Sales</b>	<b>17,258</b>	<b>17,258</b>	<b>25,334</b>	<b>25,334</b>	<b>46.8%</b>	<b>46.8%</b>
Cost of sales	4,712	4,712	7,638	7,638	62.1%	62.1%
<b>Gross profit</b>	<b>12,546</b>	<b>12,546</b>	<b>17,696</b>	<b>17,696</b>	<b>41.1%</b>	<b>41.1%</b>
SG&A	7,613	7,613	9,147	9,147	20.2%	20.2%
<b>Operating profit</b>	<b>4,933</b>	<b>4,933</b>	<b>8,549</b>	<b>8,549</b>	<b>73.3%</b>	<b>73.3%</b>
Net profit before income tax <b>(Note1)</b>	-5,657	-5,657	8,399	8,399	turnaround	turnaround
<b>Net profit (Note1)</b>	<b>-6,303</b>	<b>-6,303</b>	<b>6,512</b>	<b>6,512</b>	turnaround	turnaround
<b>EBITDA</b>	<b>5,507</b>	<b>5,507</b>	<b>9,257</b>	<b>9,257</b>	<b>68.1%</b>	<b>68.1%</b>

Note1) 1Q 2021 \_ Other losses (Merger cost KRW 10,569million)

## Sales classification by product portfolio

- Continuous growth of all product portfolio
- Strong sales growth led by RF devices and Consumables



## Sales by product portfolio

- Due to increase in demand for POTENZA, the quantity of ODM has increased in North America.
- As increasing in both the accumulated number of devices sold and medical aesthetic procedures, Consumables sales continue to grow.

Consolidated based on K-IFRS (Unit : KRW million)	2021		2022		YoY	
	1Q	Accumulated	1Q	Accumulated	1Q	Accumulated
Sales	17,258	17,258	25,334	25,334	46.8%	46.8%
Device	9,382	9,382	14,423	14,423	53.7%	53.7%
Consumable	7,260	7,260	10,237	10,237	41.0%	41.0%
Others	615	615	674	674	9.5%	9.5%

### ○ Devices

- **HIFU** : Due to lower demand prior to launch new device which scheduled for the second quarter of 2022, sales by major countries including Japan decreased but other countries including Southeast Asia increased. (YoY 42%)
- **RF** : - The strong RF demand trend and increasing POTENZA ODM in North America.(YoY 70%)
- **LASER** : Overseas sales of Edge ONE increased (YoY 45%)
- **IPL** : Overseas sales of Celtec increased (YoY 53%)

### ○ Consumables

- **Cartridges** : Despite the off-peak season, its sales continue to grow as increasing in both medical aesthetic procedures and accumulated number of devices sold (YoY 38%)
- **Tips** : Consumables sales with various functions such as pumping tips continue to grow as medical aesthetic procedures using POTENZA increased. (YoY 76%)

Note1) Growth rate: Based on number of sales

## Overseas business capabilities

- Entering to more than 60 countries and the export growth in the last 3 years was 60.2%.
- The export share continue to grow as sales of RF, HIFU and consumables increased(1Q 2022 86.5%)

### Europe

- Penetrate into multiple countries including UK
- Expand clients using Cynosure

### China

- Plan to enter China in collaboration with Cynosure (registration, distribution, etc.)
- Prospects for entry through a variety of partnerships

### Japan

- Successful launch of HIFU products
- Launch POTENZA™

### USA

- Enter in collaboration with Cynosure (ODM contract)

### SE Asia

- Expand clients in Taiwan, Hong Kong, Thailand, etc. where the network has been established

### Latin America

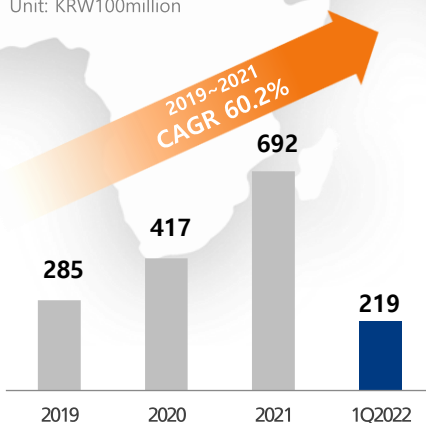
- Penetrate into emerging market including Mexico and Brazil

### Australia

- Enter in collaboration with Cynosure (RF, HIFU)

### Overseas sales trend

Unit: KRW100million



- Continuous sales growth domestic and overseas [1Q2022 YoY : Domestic 39.6%, Overseas 48.0%]
- Export sales counted for 86.5% of total sales in 1Q2022

Consolidated based on K-IFRS (Unit : KRW million)	2021		2022		YoY	
	1Q	Accumulated	1Q	Accumulated	1Q	Accumulated
Sales	17,258	17,258	25,334	25,334	46.8%	46.8%
Domestic	2,459	2,459	3,433	3,433	39.6%	39.6%
Overseas	14,798	14,798	21,901	21,901	48.0%	48.0%

### Domestic

- **HIFU** : Due to lower demand prior to launch new device, its sales decreased slightly.
- **RF** : Higher demand for POTENZA, its sales growth maintained (YoY 62%)
- **Consumable** : - Cartridge YoY 133%  
- Tip YoY 48%

### Overseas

- **Japan**
  - HIFU : Due to lower demand prior to launch new device, its sales decreased
  - RF : Expanding sales growth by entering aesthetic clinics (YoY 200%)
  - Consumable : Cartridge YoY 26%  
Tip YoY 380%
- **Cynosure**
  - POTENZA : Increasing the quantity of ODM as expanding demand (YoY 61%)
  - Consumable : Higher demand for multi-functional tips (YoY 125%)

Note1) Growth rate: Based on number of sales

- Reached KRW 8.5 bn in operating profit in 1Q 2022

- Improved the SG&A ratio YoY 8.0%p by cost control

Consolidated based on K-IFRS (Unit : KRW million)	2021		2022		YoY	
	1Q	Accumulated	1Q	Accumulated	1Q	Accumulated
Cost of sales	4,712	4,712	7,638	7,638	62.1%	62.1%
Gross profit	12,546	12,546	17,696	17,696	41.1%	41.1%

• Cost of sales : It remained both cost-of-sales and gross-sales ratio stable as continuous sales growth of HIFU, RF and consumables.

Consolidated based on K-IFRS (Unit : KRW million)	2021		2022		YoY	
	1Q	Accumulated	1Q	Accumulated	1Q	Accumulated
SG&A	7,613	7,613	9,147	9,147	20.2%	20.2%
Operating profit	4,933	4,933	8,549	8,549	73.3%	73.3%

• 1Q2022 SG&A ratio : Improve SG&A ratio YoY 8%p

• SG&A : : Increasing labor costs as the recruitment for R&D,  
the related cost of launching new product and the R&D costs.

Consolidated based on K-IFRS (Unit : KRW million)	2021		2022		YoY	
	1Q	Accumulated	1Q	Accumulated	1Q	Accumulated
Net profit	-6,303	-6,303	6,512	6,512	turnaround	turnaround

• 1Q 2021\_Other losses (Merger cost KRW 10,569mn)



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JEISYS MEDICAL INC.,



## APPENDIX

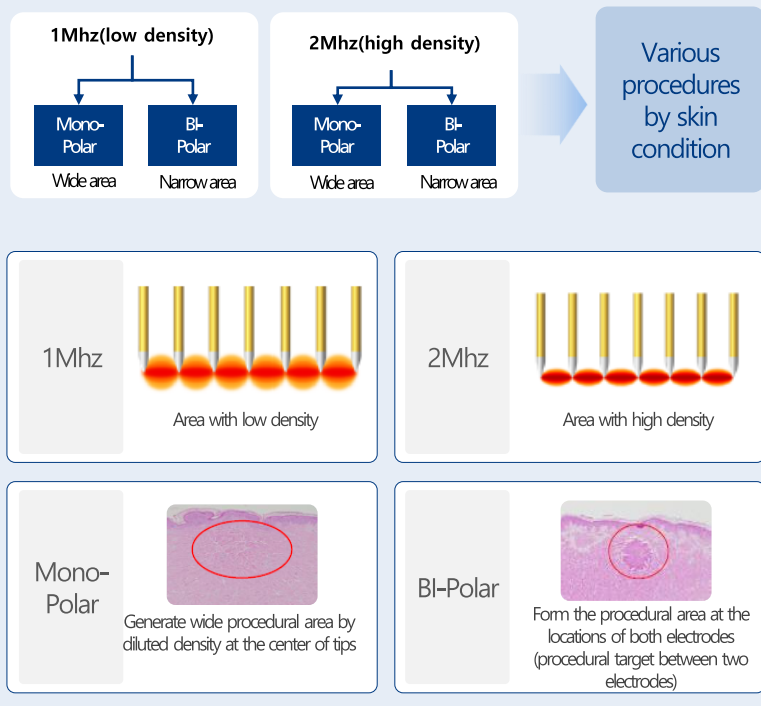
- 01 RF (POTENZA™)
- 02 HIFU (Linear Cartridge)
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Jeisys

## Enhance the effects of RF procedure and provide customized procedures with cutting edge tip technology

### ○ Enhance the efficacy by customized procedures

Multiple procedures by selecting combinations to meet the indications such as two frequencies of monopolar and bipolar



### ○ Tip

#### Pumping Tip



#### Structure

Design the solution to be inserted into the hole of the tip when the tip is released

#### Function

Insert the solution to the adjusted space by RF energy accurately

#### Efficacy

Independent parameter  
RF energy  
+ inject the drug simultaneously  
= enhanced efficacy

#### Non-invasive Tip



SFA Tip



DDR Tip



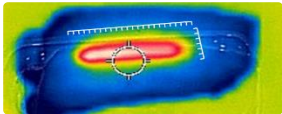
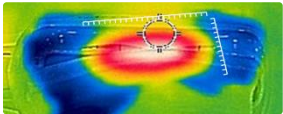


DIA Tip

## HIFU (Linear Cartridge)

### Improve procedural speed and safety by development of linear cartridge

- Improve procedural speed and area with linear cartridge compared to those with dot type (preferred by many doctors)
- Enhance customer satisfaction by securing safety from energy control technology
- Establish multiple cartridge lines to meet the customized procedures

	Dot (Jeisys)	Linear (Jeisys)
Cartridge comparisons (Image for better understanding)		
Heat expansion		

Item	Dot cartridge (Jeisys)	Linear cartridge (Jeisys)
Procedural hour (full-face 300shots)	8Min	Within 3 Min
Number of patients to be processed (1 hour)	8	22
Type of cartridge	8 items	7 items

## Global Partnership

**Jeisys**

Accelerate global market penetration by collaborating with Cynosure

**Jeisys****CYNOSURE®**

Agreement in June 2019

Expansion of collaborative areas starting with ODM supply

### Planning

- Planning new product
- Discussion to improve and innovate existing products

### R&D

- Co-developing products to further penetrate into the global market

### Product Supply

- Continuous expansion of supply items such as HIFU/RF products, consumables, etc.

### Network

- Co-entrance to global market (Asia, Latin America, etc.)



## ○ Shareholder status

Rating classification	Shareholder name	Number of shares	Stake Percentile
largest shareholder	Dong Hwan Kang	17,972,844	25.21%
	Myeong Hoon Lee	3,859,127	5.41%
	Kang Lak Lee	90,000	0.13%
Affiliated persons	Tae Hwan Kim	3,000	0.00%
	Il kwon Kang	2,000	0.00%
	Seong Gyun Kim	1,605	0.00%
Treasury Shares	Jeisys Medical Inc.	131,048	0.18%
Holding at least 5%	-	-	-
Other shareholders	-	49,239,848	69.06%
<b>Issued Shares</b>	-	<b>71,299,472</b>	<b>100.00%</b>

Note) AS of March 31, 2022

## Consolidated Statements of Financial Position

Unit: KRW million

field	2019	2020	2021	1Q2022
Current assets	19,725	28,264	54,188	61,487
Non-current assets	8,086	10,903	14,731	23,692
<b>Total assets</b>	<b>27,810</b>	<b>39,167</b>	<b>68,919</b>	<b>85,178</b>
Current liabilities	23,358	12,918	26,022	24,757
Non-current liabilities	13,495	9,290	2,379	4,040
<b>Total liabilities</b>	<b>36,853</b>	<b>22,208</b>	<b>28,401</b>	<b>28,797</b>
Issued capital	2,048	3,043	7,130	7,130
Capital surplus	2,769	20,200	26,849	26,849
Elements of other stockholder's equity	76	341	2,632	8,753
Other Comprehensive income/loss accumulated amount	54	-38	-126	-297
Retained earnings	-13,989	-6,587	3,466	13,416
Non-controlling interests	-	-	568	530
<b>Total equity</b>	<b>-9,043</b>	<b>16,959</b>	<b>40,519</b>	<b>56,381</b>

Note1) consolidated financial results based on K-IFRS.

## Consolidated Statements of Income

Unit: KRW million

field	2019	2020	2021	1Q2022
<b>Sales</b>	<b>35,149</b>	<b>47,829</b>	<b>81,296</b>	<b>25,334</b>
Cost of sales	12,829	14,090	24,649	7,638
Gross profit	22,320	33,739	56,647	17,696
SG&A	19,484	22,709	33,042	9,147
<b>Operating profit</b>	<b>2,836</b>	<b>11,030</b>	<b>23,604</b>	<b>8,549</b>
Finance income	1,261	1,965	1,045	349
Finance costs	2,067	4,217	897	488
Other gains	347	141	208	22
Other losses	1,055	705	10,866	32
Profit before tax	1,321	8,215	13,093	8,399
Income tax	130	1,064	-667	1,887
Profit from discontinued operations	-89	391	-268	-
<b>Net Profit</b>	<b>1,102</b>	<b>7,543</b>	<b>13,493</b>	<b>6,512</b>