News 3Q 2022 Earning Release

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IR Letter

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· Recorded third-quarter consolidated sales of KRW 28.6bn (YoY 40%), operating profit at KRW 7.7bn (YoY 25%)

· Cumulative sales of KRW 84.7bn (YoY 49%), Cumulative operating profit at KRW 25.2bn (YoY 48%/OPM 30%)

Seoul, November 11, 2022 _ Jeisys Medical inc. reported earning results for the third quarter on November 11, 2022. The global medical aesthetics market showed continued growth, boosted by high demand despite low consumer cofindence concern by constant rise in interest rates frand geopolitical issues in the third quarter Jeisys Medical achieved higher growth through marketing strategies after the release of new HIFU device (LinearZ) RF devices also achieved growth as expanding global supply centered on POTENZA. In the fourth quarter, we will commit to achieve continuous growth in global market

3Q 2022 Summary

- Sales : The consolidated sales reported KRW28.6bn (YoY 40%), which sales HIFU devices expanded in domestic and overseas after the launch of LinearZ. RF devices also increased by overseas sales and ODM compared to the same period last year.
- 2. Gross Profit : Although sales incresed significantly, it recorded KRW 19.5bn (YoY 35%) and its ratio was 68% as cost of goods sold reflected by the raw materials cost increases and the sales promotion for LinearZ
- **3. Operating Profit** : The increase in SG&A expenses driven by labor investment, R&D expenses, marketing expenses for launching of LinearZ. Thus, oprating profit recorded KRW 7.7bn (YoY 25%) and its ratio was 27%.

4. Net Profit : With incurred corporate tax of KRW 1.9bn, Net Profit recorded KRW 7.2bn (YoY 17%) and its ratio was 24%

I. Sales

The sales of HIFU devices achived higher growth that converted its growth trend after launching LinearZ, it continued to high demand for RF devcies in Japan and ODM. As a result, it recorded KRW 28.6bn in sales and rose by 40% in the same period of the previous year. with an increase of 49% compared to the same period of the previous year, KRW 84.7bn was recorded as cumulative sales up to the thrid quarter 2022 which sales exceeded annual sales in 2021

1 Sales by product portfolio

With the remarkable sales growth in HIFU devices, continuous sales growth in all portfolio, including consumables Sales by product portfolio were RF 21%, HIFU 21%, IPL 5%, LASER 12%, Consumables 37% and others 4%.

- RF (YoY 54%): As expanding demand for RF device, supplies in POTENZA ODM and sales in Japan increased

- HIFU (YoY 65%) : • Sales was boosted by various marketing activities after launching of LinearZ

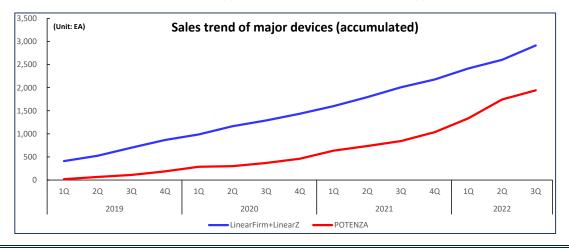
 $\boldsymbol{\cdot}$ The sales of UltracelQ+ increased in other countries, including Southeast Asia.

- IPL (YoY 42%) : Overseas sales of Cellec V increased.
- Laser (YoY 49%) : Overseas sales of TRI-BEAM, Edge ONE increased.

- Consumables (YoY 12%) : • Sales growth in Cartridge increased as expanding aesthetic proecedure

· The sales of tip decreased in the third quarter of 2022 versus the third quarter of 2021

because supplied in Bulk Order in 3Q2021 and supplied in Bulk Order in 2Q2022.



② Sales by Region

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

Especially, domestic sales expansion centered in LinearZ

The proportion of sales by region was 17% domestic and 83% overseas.

- Domestic (YoY 58%)

· The sales of HIFU devices achived growth that converted its growth trend after

launching LinearZ, HIFU sales increased 369% in the third quarter versus the second quarter

caused by deferred demand ahead of the release of a new device

- · The sales of RF devices decresased slightly due to temporary decline in demand for POTENZA
- · Both continued sales growth in Cartrige (YoY 30%) and Tip (YoY 15%) even off-peak

- Overseas (YoY 37%)

Japan

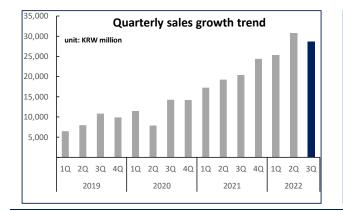
The sales of HIFU devices achived growth that converted its growth trend after launching of Ultracel[Zi] HIFU sales increased 24% in the third quarter versus the second quarter caused by deferred demand ahead of the release of a new device
As an expansion of entering asethetic clinic, the sales of RF devices have constantly increased

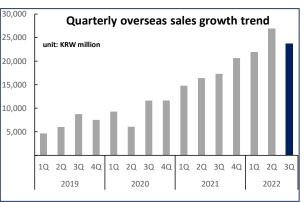
• As increasing in number of aesthetic procedures, the sales of Catridge (YoY 71%) and Tip (289%) increased.

ODM • Although it exceeded MOQ in the first half of 2022,

Supplied in Potenza ODM increased 147%, boosted by high demand in North America

· Consumables decreased in the third quarter of 2022 versus the third quarter of 2021





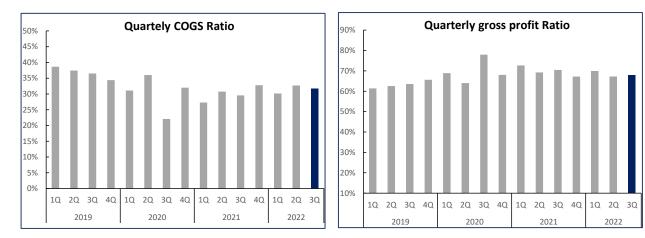
because supplied in Bulk Order in 3Q2021 and supplied in Bulk Order in 2Q2022.

II. Gross Profit

Gross Profit recorded KRW 19.5bn (YoY 35%) and its gross margin ratio was 68%

Despite the high sales growth compared to the same period last year, the COGS ratio rose slightly

with cost of goods sold reflected by the raw materials cost increases and the sales promotion for LinearZ

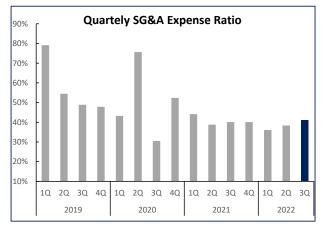


III. Operating Profit

Operating profit reported KRW7.7bn(YoY 25%) and its operating profit ratio was 27%

The SG&A expense ratio rose by 1%p (KRW 3.6bn) due to increase in labor costs for enhancing core manpower,

R&D expenses and marketing expenses for launching of LinearZ





IV. Net Profit

Net Profit recorded KRW 7.2bn (YoY 17%) and its net profit ratio was 24%

that related to non-operating gain of KRW 1.3bn from foreign currency exchange gain and others, incurred corporate tax of KRW1.9bn. The reason why corporate tax seemed to be relatively increased was corporate tax credit that carried losses forward expired. Therefore, corporate tax normally reflected from 2022.

Consolidated	Statements	of Incom	e (K-IFRS)
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Unit : KRW million	3Q 2022	3Q 2021	2Q 2022	ΥοΥ	QoQ
Sales	28,642,012,351	20,404,181,578	30,770,176,375	40.4%	-6.9%
Cost of Goods Sold	9,159,820,294	6,026,035,523	10,055,586,077	52.0%	-8.9%
Gorss Margin	19,482,192,057	14,378,146,055	20,714,590,298	35.5%	-5.9%
SG&A	11,765,761,223	8,184,280,775	11,752,941,821	43.8%	0.1%
Operating Profit	7,716,430,834	6,193,865,280	8,961,648,477	24.6%	-13.9%
Profit before tax	9,111,454,775	6,390,697,338	9,365,684,504	42.6%	-2.7%
Net Profit	7,181,646,345	6,134,939,546	7,360,407,094	17.1%	-2.4%