# **News** 2Q 2022 Earning Release

IR Letter

**Jeisys** 

**Contact** 

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· We announced earning results for the second quarter 2022 on August 11, 2022

 It recorded consolidated sales of KRW30.8bn (YoY 60%) and oprating profit of KRW9.0bn (YoY 53%) for 2Q 2022

Seoul, August 11, 2022 \_ Jeisys Medical inc. reported earning results for the second quarter 2022 on August 11,2022

In spite of uncertainties in the global market caused by reducing consumption and Supply chain issues,

Jeisys Medical Inc. showed continued growth, especially we that achieved exceeded market's expectations

by high demand for RF devices in the global market. Also, Jeisys Medical Inc. launched the 3rd generation of

HIFU device, which called LinearZ at the end of June. We commit to achieve continuous growth

through business activities such as its partnership with Cynosure, Japanese subsidiary

#### 2Q 2022 Summary

- Sales: It recorded KRW30.8bn (YoY 60%) which sales in RF devices increased due to high demand for POTENZA
  in the global market. Also, sales of Consumables, IPL and Laser devices sustained its growth trend.
- 2. Gross Profit: Although sales increased significantly, gross profit recorded KRW20.7bn (YoY 55%) and its gross profit ratio was 67% as cost of goods sold reflected by the raw materials cost increases and the incentive provisions for employees.
- 3. Operating Profit: With high sales growth and improved the SG&A expense ratio,

  It recorded KRW9bn (YoY 53%) and its operating profit ratio was 29%
- 4. Net Profit : With incurred corporate tax of KRW2bn, net profit recorded KRW7.4bn (YoY 31%) and its net profit ratio was 24%

#### I. Sales

In spite of uncertainties in the global market caused by reducing consumption and supply chain issues, it continued to high demand for RF devices in the second quarter 2022. As a result, It recorded KRW30.8bn in sales and rose by 60% in the same period since last year and 21% compared to the previous quarter.

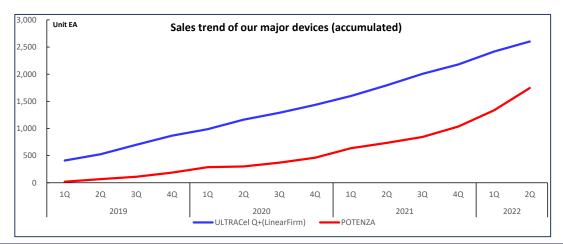
#### 1 Sales by product portfolio

With the remarkable sales growth in RF devices, high sales growth in IPL and Laser devices reached too.

Sales by product portfolio were RF 30%, HIFU 10%, IPL 4.9%, LASER 9.9%, Consumables 40.4% and Other 2.7%.

- RF (YoY 212.4%) : As expanding demand for RF devices, ordering potenza devices constantly increased.

  RF devices reached continuous sales growth in Korea and Japan
- HIFU (YoY -11.6%): Due to deferred demand ahead of the release of a new device, sales in major countries decreased. Change the growing trend after the launch of a LinearZ at the end of June (Korea, Japan)
- IPL (YoY 204.2%): Overseas sales of Cellec V increased
- LASER (YoY 29.3%): Overseas sales of TRI-BEAM, Edge ONE increased
- Consumables (YoY 39.4%): Both sales growth in Cartridge and tip increased as growing culmulative sales of major devices and number of aesthetic procedure



#### 2 Sales by Region

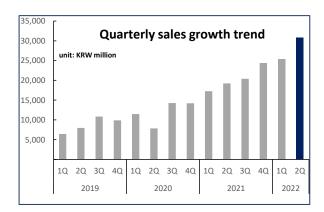
Sales by region showed strong sales growth centered in overseas market.

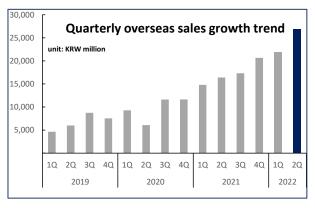
The proportion of sales by region was 12.7% domestic and 87.3% overseas.

- Domestic (YoY 36.7%)
  - Due to deferred demand of the realease of a new device(LinearZ),

    Change the growing trend after the launch of a LinearZ at the end of June
  - With the growth of RF market, sales in POTENZA continued to grow steadily.
  - · Both continued sales growth in Cartridge and tip
- Overseas (YoY 64.0%)
  - Japan Due to deferred demand of the release of a new product(Ultracel[Zi]),

    Change the growing trend after the launch of a Ultracel[Zi] at the end of June
    - · As an expansion of entering aesthetic clinics, sales of RF device has constantly increased.
    - Sales of consumables including cartridge and tip increased by growing number of aesthetic procedure. Especially, sales of tip has increased since last year by increasing the sales of POTENZA
  - Supplies in POTENZA ODM rose by 511% compared to the same time last year due to high demand in the global market. Cumulative sales volume of POTENZA exceeded to annual MOQ of POTEZNA in the first half standard.
    - · Sales of consumables increased(YoY 91%) by expanding high demand for multi-functional tips

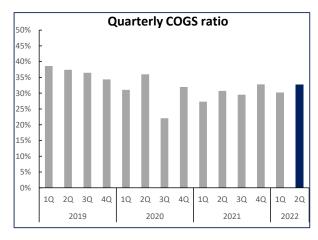


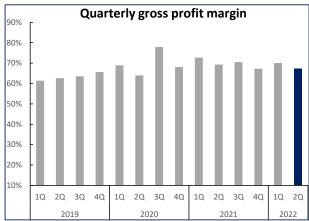


### II. Gross profit

Gross profit recorded KRW20.7bn (YoY 55%) and its gross profit ratio was 67%

Despite the high sales growth, the ratio of cost of goods sold (COGS) slightly increased by the raw material cost increases and the incentive provisions for production employees.

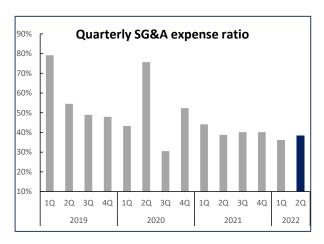




## III. Operating profit

Operating profit reported KRW9bn (YoY 53%) and its operating profit ratio was 29%, which was the SG&A expense ratio improved with high sales growth.

The SG&A expense increased by KRW4.3bn compared to the same last year due to the incentive provisions for the parent company and Japanese subsidiary, advertising expenses for the launch of a new device, R&D expenses.





## IV. Net profit

With incurred corporate tax of KRW2bn, net profit recorded KRW7.4bn (YoY 31%) and its net profit ratio was 24%.

the reason why corporate tax seemed to be relatively increased was corporate tax credit that carried losses forward expired. therefore, corporate tax reflected from 2022

## ► Consolidated Statements of Income (K-IFRS)

Consolidated based on K-IFRS (Unit: KRW million)	2Q 2022	2Q 2021	1Q 2022	YoY	QoQ
Sales	30,770,176,375	19,239,042,690	25,334,283,272	59.9%	21.5%
Cost of Good Sold	10,055,586,077	5,913,315,096	7,638,226,900	70.0%	31.6%
Gross profit	20,714,590,298	13,325,727,594	17,696,056,372	55.4%	17.1%
SG&A Expense	11,752,941,821	7,460,431,798	9,147,281,020	57.5%	28.5%
Operating profit	8,961,648,477	5,865,295,796	8,548,775,352	52.8%	4.8%
Profit before tax	9,365,684,504	5,746,799,755	8,399,171,854	63.0%	11.5%
Net Profit	7,360,407,094	5,634,330,672	6,512,176,555	30.6%	13.0%