

# **Sisram Medical Ltd**

## **INVESTOR PRESENTATION**

March, 2018



Yi Liu	Lior Dayan	Jianping Hua
Chairman & Executive Director	Chief Executive Officer & Executive Director	Chief Financial Officer
<b>17+</b> years' experience in the medical and medical devices industry	<b>17+</b> years' experience in the laser industry	<b>10+</b> years' professional financial and investment experience
<ul style="list-style-type: none"> <li>✓ The chief technology officer of the medical devices division of Fosun Pharma from 2015 to 2016, and currently a vice president of Fosun Pharma</li> <li>✓ Served as a civil servant at the State Food and Drug Administration of China from 2000 to 2004</li> <li>✓ Served as deputy head of the Beijing Medical Equipment from 2004 to 2007 and the head of that laboratory from 2007 to 2015</li> <li>✓ Obtained a bachelor's degree of Engineering from Beijing Institute of Technology and a master's degree in Management from Peking University</li> </ul>	<ul style="list-style-type: none"> <li>✓ Served in several managing positions at Lumenis Ltd. from September 2001 to September 2008, prior to joining Sisram Medical</li> <li>✓ Held several senior financial positions in the hi-tech telecommunications industry from 1996 until 2001, prior to his time in the medical devices industry</li> <li>✓ Obtained a bachelor's degree in Economics and Logistics from Bar Ilan University in Israel and a Master of Business and Administration from the Israeli branch of Manchester University</li> </ul>	<ul style="list-style-type: none"> <li>✓ The chief financial officer and secretary of the board of directors of Alma Lasers since February 2014 and the executive director of Sisram Medical Ltd since March 2018</li> <li>✓ Served as a deputy general manager of the finance department at Fosun Pharma since February 2011, prior to joining Sisram Medical</li> <li>✓ Worked as an audit manager for PwC from August 2005 to February 2011 and has held a number of positions comprising vice director of financial audit, director of financial audit</li> <li>✓ Obtained a bachelor's degree in English from Shanghai University</li> </ul>

## Section

**1** **Company Overview**

**2** **Investment Highlights**

**3** **Financial Information**

**4** **Future Strategies**

### Appendix

- Industry Overview
- Corporate Development History
- Supplementary Business Segment Overview
- Supplementary Financial Information

A leading provider of energy-based medical aesthetic treatment systems in the PRC and globally

Sisram Medical is an Israeli company incorporated in April 2013 for the acquisition of Alma Lasers by Fosun Pharma

## Alma Lasers

- ✓ A **wholly-owned and principal operating subsidiary** of Sisram
- ✓ **Strong track record** dating back to October 1999
- ✓ Comprehensive **in-house capability** (design, development and production of energy based treatment systems)
- ✓ **Innovative and proprietary** technologies
- ✓ **Well-diversified and balanced** geographic coverage
- ✓ **Widely recognized brands**



Soprano



Harmony



Accent



Femilift



## Market leader in the PRC

**16.2%** market share in 2016 by revenue<sup>(1)</sup>



## Top Five Global leadership

**4.4%** market share in 2016 by revenue<sup>(1)</sup>

Products sold worldwide in **~80** countries / jurisdictions



## Highest profitability relative to the Top Four US listed energy-based system suppliers in 2016<sup>(2)</sup>

Adj. FY17A Adjusted Net Profit margin: **18.5%**

## Since Alma Laser's Inception



## Innovation Leader

**50+** different models of treatment systems

**100+** different models of applicators

**52** registered patents and **20** patent applications



## Proven Commercial Track Record

**27,300+** main consoles sold

**117,600+** applicators sold

### Notes:

(1) Source: Medical Insight Report.

(2) Based on reported net income margin. Top four US listed global energy-based system suppliers defined in terms of market share by revenue as per Medical Insight Report and were listed in the US in 2016. The companies include Cynosure, Zeltiq, Syneron and Cutera.

## Comprehensive portfolio of treatment systems for non-invasive medical aesthetic and minimally invasive treatments

### Main Business Segments

2017A Revenue (% Group Total)

#### Sale of Goods

US\$128.1m

93.6%

Non-invasive  
medical  
aesthetic

US\$ 111.0  
81%



- **Core:** Offerings from versatile-modular, multi-application treatment systems to more specialized systems
- **Beauty :** More economically priced systems targeted for use by aestheticians and other non-medically trained therapists

Minimally  
invasive

US\$ 17.1  
12.6%



- Targeted for use by **specialist physician**
- Treatment of feminine conditions (vaginal rejuvenation), laser-based liposuction, varicose veins and hyperhidrosis

Services and  
Other

US\$8.8m 6.4%

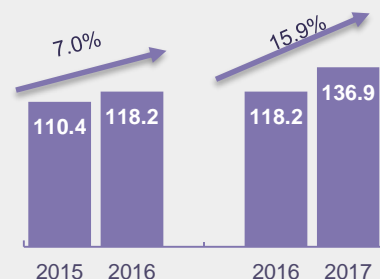


- **Revenue from sales customers** including after-sale services, warranty extensions, and replacement applicators (for applicators that have a limited number of uses)

## Outstanding Financial Performance

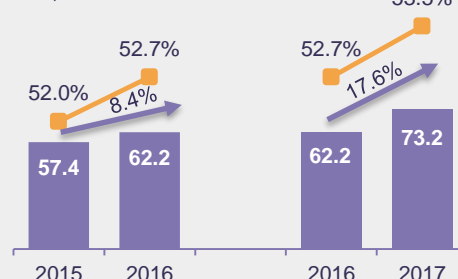
### Revenue Growth

US\$ million



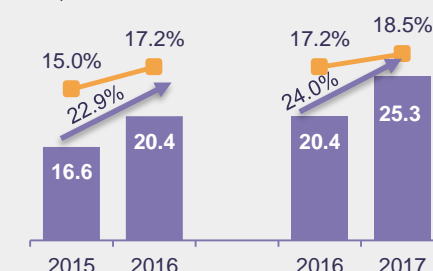
### Gross Profit & Margin

US\$ million



### Adjusted Net Profit & Margin <sup>(1)</sup>

US\$ million



Notes:

(1) We define adjusted net profit as profit for the year excluding other intangible assets amortization expenses, adding back the tax benefit arising from those amortizations, imputed interest expenses arising from shareholder capital notes, expenses incurred in relation to the Listing, the one-off litigation expenses.

Our products serve a broad range and specialist forms of medical aesthetic treatments

## Core Product Line

### Core product family systems:

- **Soprano** – hair removal
- **Harmony** – versatile multi-application platform (65 different FDA-cleared indications)
- **Accent** – body contouring and skin tightening
- **Aesthetic Precision series** – a product series with narrower focus on specific indications for specialist physicians

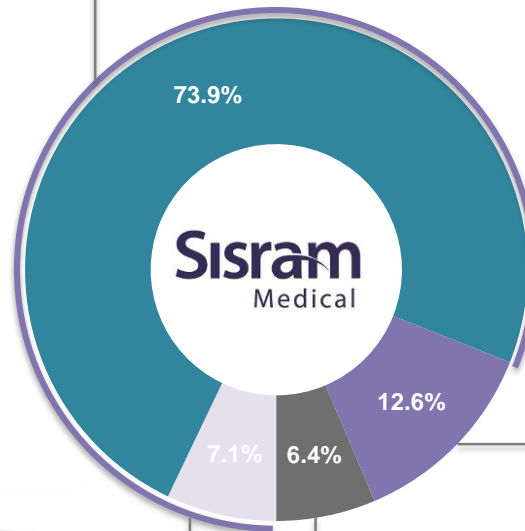


## Beauty Product Line

- **Cater aestheticians** who generally require less complex and powerful systems
- Priced lower than Core product line
- Popular in the PRC due to growing demand and less restrictive local laws and regulations
- **Remove** – laser hair removal
- **Rejuve** – multiple applications (vascular and pigmented lesions, as well as hair removal)
- **Remove** (tightening) and **Reboost** (skin)



## Non-invasive Medical Aesthetic



## Minimally Invasive

### Minimally invasive systems:

- **FemiLift** – Another flagship product that commenced sale in 2013 for feminine conditions (vaginal rejuvenation) by the application of fractional CO2 laser
- **LipoLife** – all-in-one laser-based solution for all stages of liposuction and fat grafting
- **VascuLife** – endovenous laser ablation to treat varicose veins

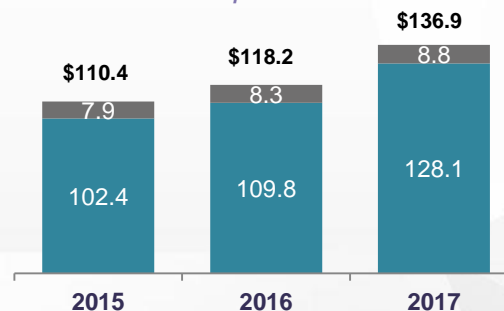


## Services and Other

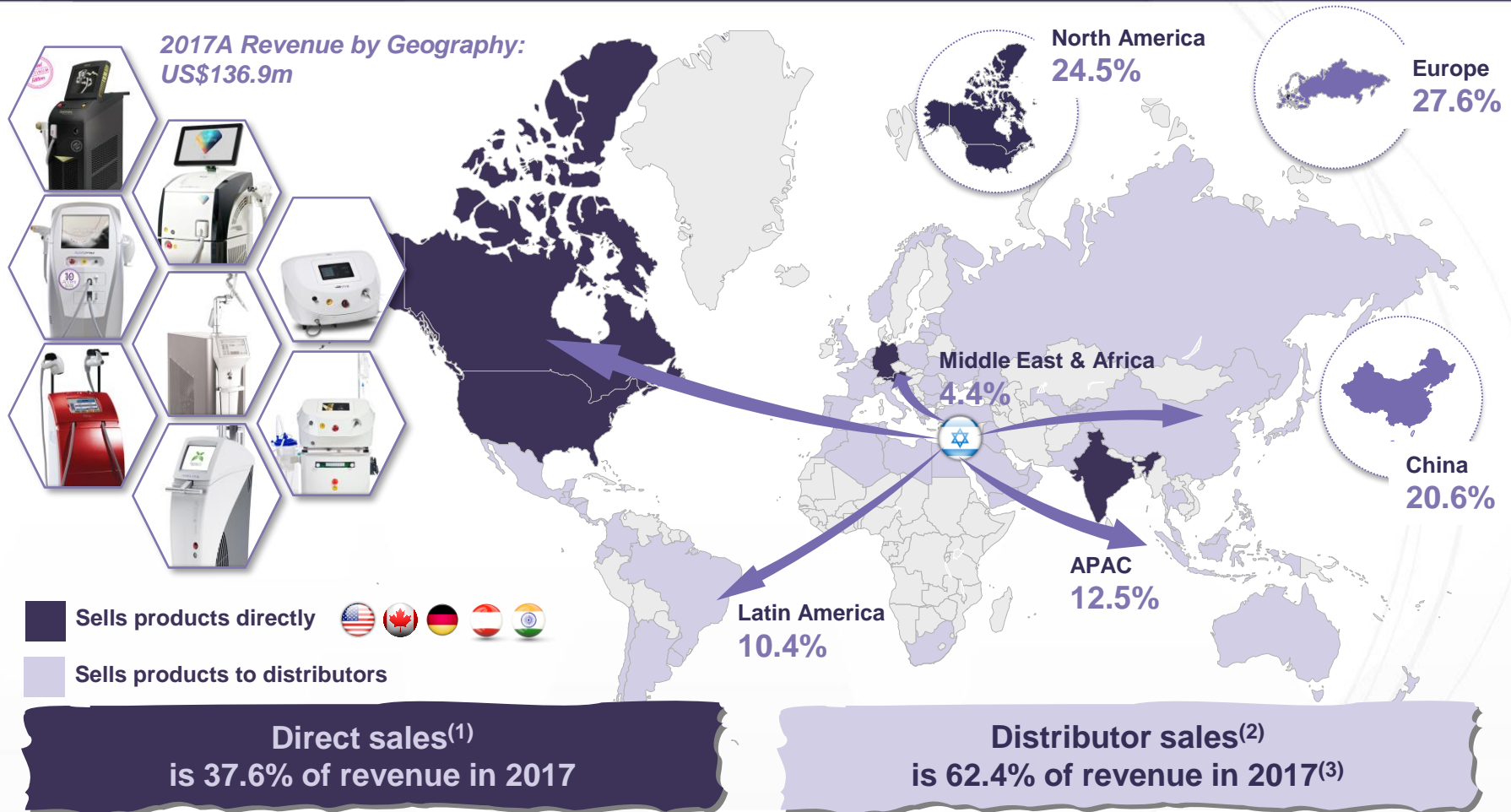
### Primarily to direct sales customers:

- **After-sale Services** – installation and product training, product service and maintenance
- **Sales of warranty extensions**
- **Sales of replacement applicators** – applicators with a limited number of uses
- To boost recurring revenue by increasing direct sales customers – extend their warranty and purchase other service contracts

## 2017A Group Revenue US\$136.9m







## Positioning

Efficient mix of global sales and distribution channels adapting to different market dynamics

## Location

Worldwide sales network across ~80 countries / jurisdictions

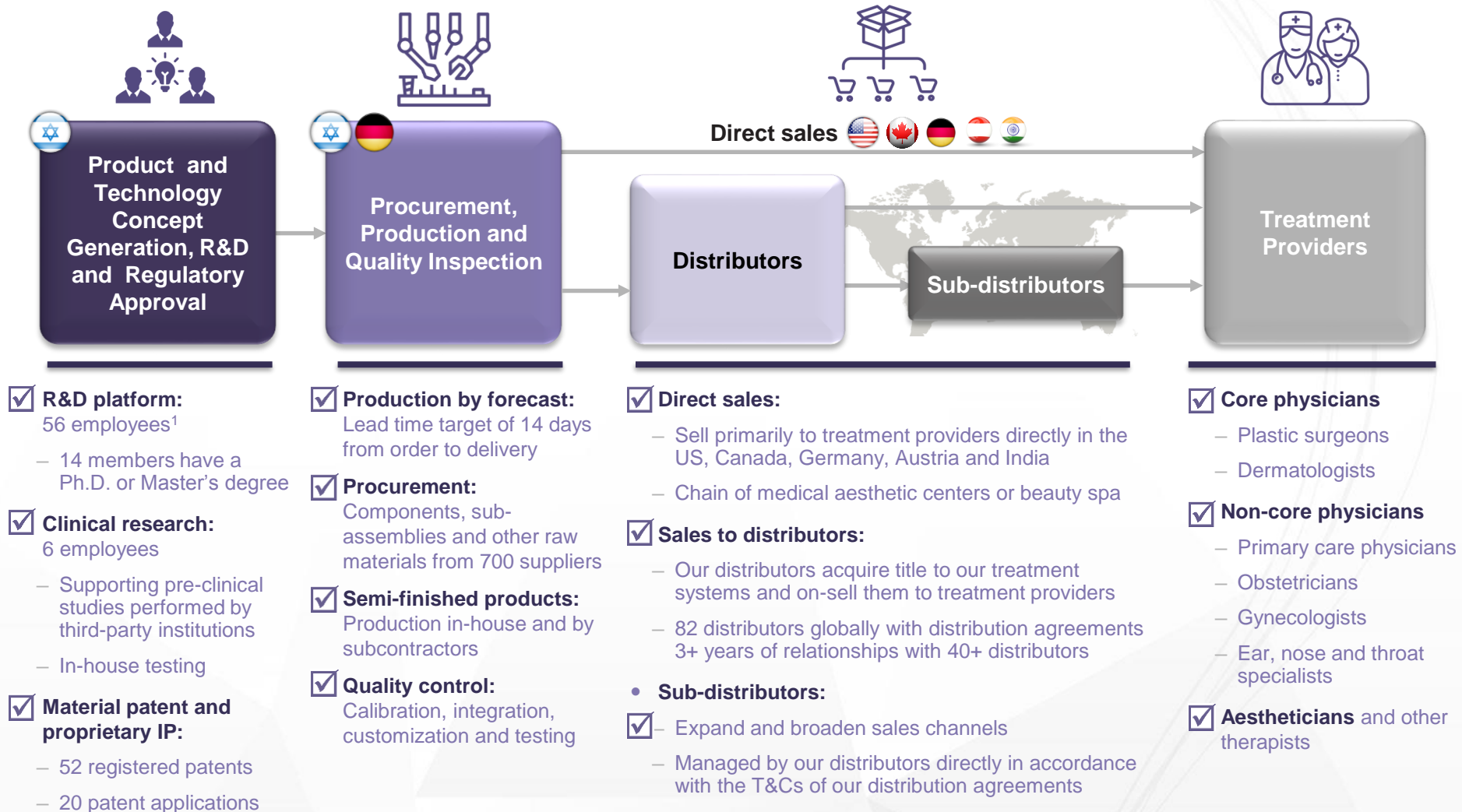
## Strength

Well-diversified and balanced geographic coverage

### Notes:

- (1) Direct sales: Treatment provider(s) to whom we sell directly.
- (2) Distributors: All of which are Independent Third Parties, who purchase Alma products and on-sell them to treatment providers.
- (3) Exclude other customers without written distribution agreements. These customers purchase products on an ad hoc basis and in relatively small quantities and on-sell them to treatment providers.

## From R&D, production to commercialisation



Notes:

(1) As of December 31, 2017; others as of December 31, 2016

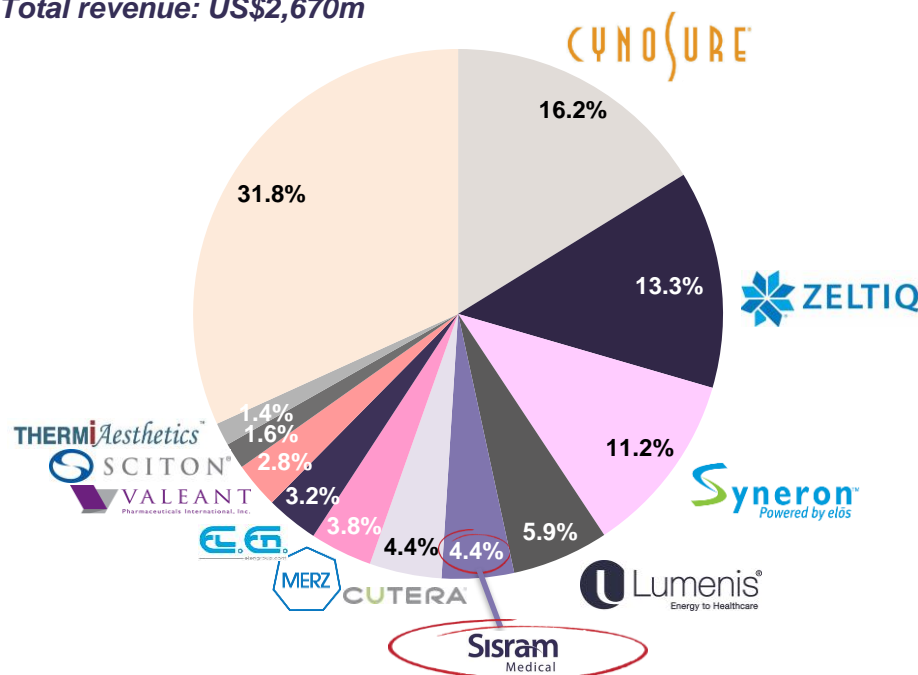


## Major global suppliers in the energy-based medical aesthetic treatment systems market

### Global Market Share by Revenue (2016)

Sales by manufacturers regardless of sales channels (i.e. either directly to treatment providers or distributors)

Total revenue: US\$2,670m



- Top 10 players account for 67% of the global market
- 3 out of the top 5 players are Israeli incorporated companies

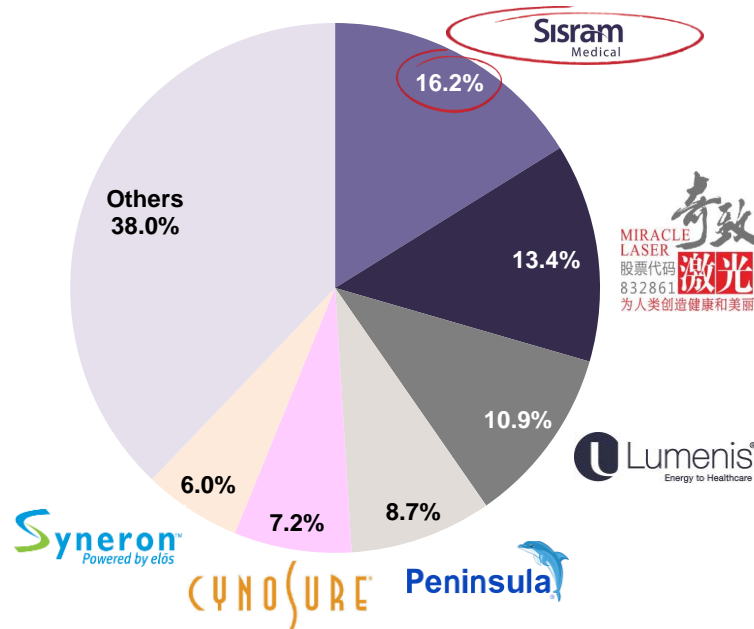
Ranking	Company	Headquarter	Estimated market share by revenue, 2016
1	Cynosure	United States	16.2%
2	Zeltiq	United States	13.3%
3	Syneron	Israel	11.2%
4	Lumenis	Israel	5.9%
5	Sisram	Israel	4.4%
6	Cutera	United States	4.4%
7	Merz Pharma	Germany	3.8%
8	El.En.	Italy	3.2%
9	Valeant	Canada	2.8%
10	Sciton	United States	1.6%

Sisram was ranked Number 1 in the PRC market by revenue in 2016

## PRC Market Share by Revenue (2016)

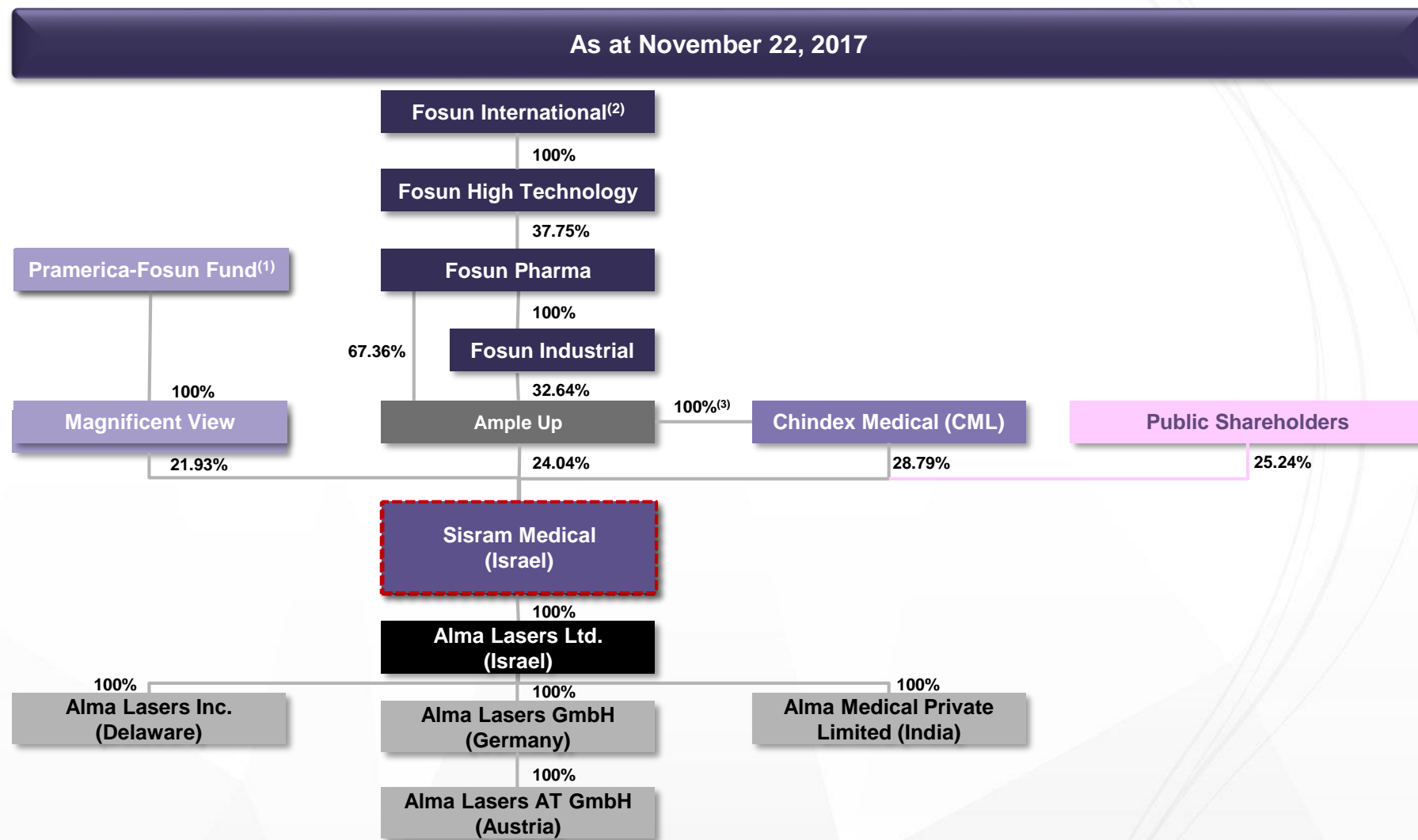
Sales by manufacturers regardless of sales channels (i.e. either directly to treatment providers or distributors)

Total revenue: US\$158.9m



Ranking	Company	Headquarter	Estimated PRC market share by revenue, 2016
1	Sisram	Israel	16.2%
2	Wuhan Miracle Laser	China	13.4%
3	Lumenis	Israel	10.9%
4	Peninsula Medical <sup>(1)</sup>	China	8.7%
5	Cynosure	United States	7.2%
6	Syneron	Israel	6.0%
	Others	-	37.6%

- **Industry consolidation** in the PRC market is expected
- **Key competitive factors in the PRC:**
  - Price and quality of services
  - Brand recognition
  - Variety of services provided



**Notes:**

- (1) Pramerica-Fosun Fund was incorporated in the Cayman Islands on March 3, 2011. The general partner is Fosun Equity Investment Ltd. (a wholly owned subsidiary of Fosun International) and the limited partners are Prudential Insurance Company of America and Prudential Legacy Insurance Company of New Jersey, which are Independent Third Parties.
- (2) As at the Latest Practicable Date, Fosun International is 71.65% owned by Fosun Holdings, which in turn is owned as to 64.45%, 24.44% and 11.11% by Mr. Guo Guangchang, Mr. Liang Xinjun and Mr. Wang Qunbin, respectively. Fosun International Holdings is the beneficial owner of all the issued shares in Fosun Holdings.
- (3) In April 2017, Ample Up acquired the remaining 30% shareholding interest in CML which it did not own.

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**1**

**Industry Leader Globally and Largest Provider in the PRC**

**2**

**Broad Technology Platform and Comprehensive Product Offerings**

Sisram  
Medical Ltd

**3**

**Efficient Mix of Global Sales and Distribution Channels**

**4**

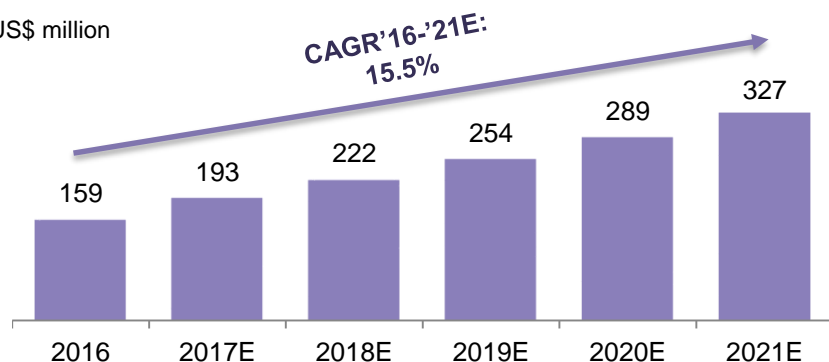
**FOSUN PHARMA — Innovation for health**

Well-positioned to take advantage of the global growth in demand for energy-based medical aesthetic treatment systems

### Fast-growing PRC Market

#### PRC – Energy-based Medical Aesthetic Systems Market

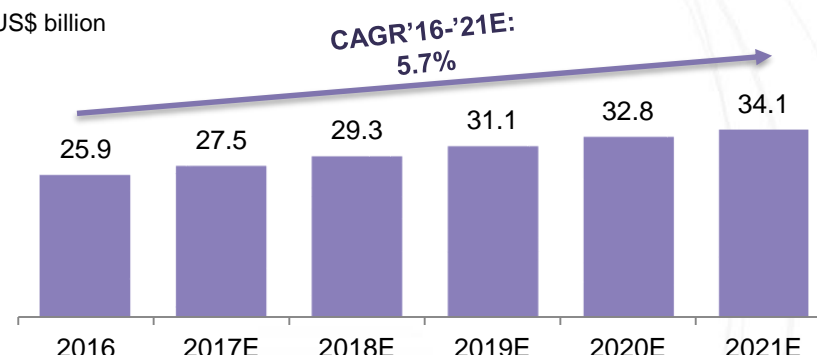
US\$ million



### Global Consumer Demand

#### Total global consumer expenditure for medical aesthetic treatments

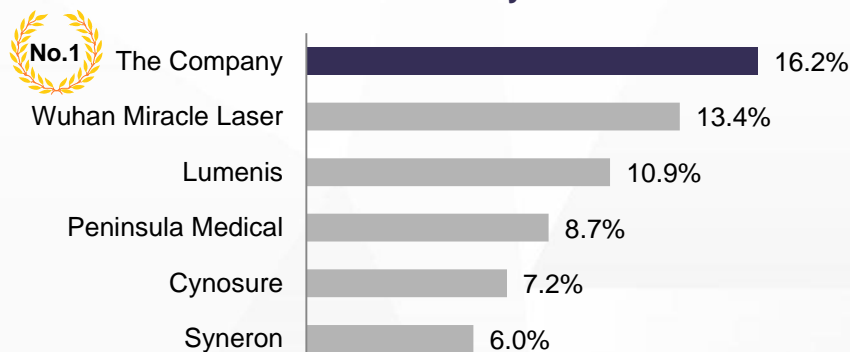
US\$ billion



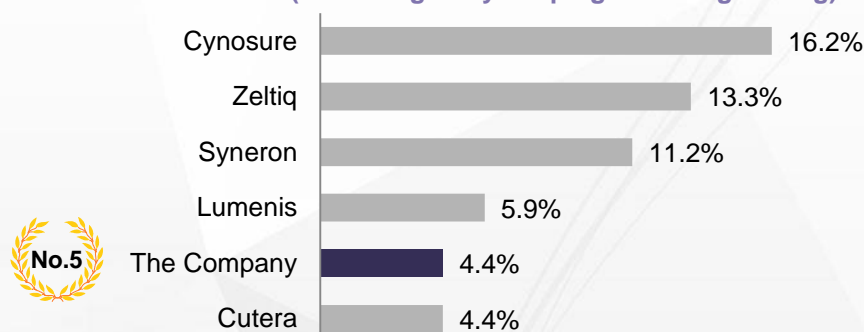
### Underpinned by Market Leadership Position

(in terms of 2016 revenue<sup>(1)</sup>)

#### No. 1 in the PRC energy-based medical aesthetic treatment systems market



#### No. 5 in the Global energy-based medical aesthetic treatment systems market (Excluding body shaping & skin tightening)





## Treatment Systems

### Non-invasive medical aesthetic



Soprano



Harmony



Accent



Pixel CO2



Legato II



Alma-Q

.....

### Minimally invasive medical aesthetic



Femilift



LipoLife



Vasculife

.....

## Treatment Providers



### Core Physicians



Plastic surgeons



Dermatologists



### Non-Core Physicians



Primary care physicians



Obstetricians



Gynecologists



Ear, nose &amp; throat specialists



### Aestheticians

## Treatment Recipients

Skin remodeling &amp; lifting

Skin tightening

Hair removal

Liposuction &amp; fat grafting

Rejuvenation

Body &amp; face contouring

Tattoo removal &amp; pigmentation

Skin Rejuvenation

Reduction of acne

Varicose veins

Vascular lesions

Vaginal rejuvenation

Snoring

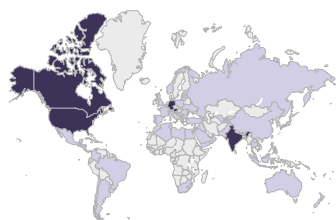
Smoothing of scars

Adapting to different market dynamics and allowing access to multiple customer segments resulting in high profitability

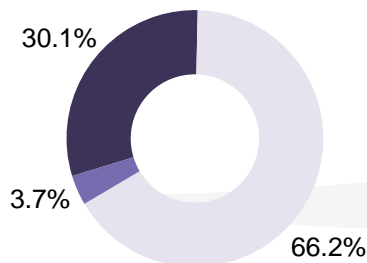
■ Direct sales 

■ Distributor sales

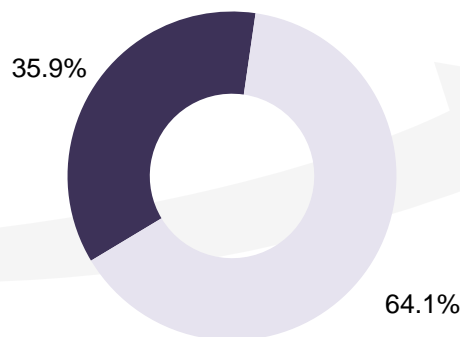
■ Other customers<sup>(1)</sup>



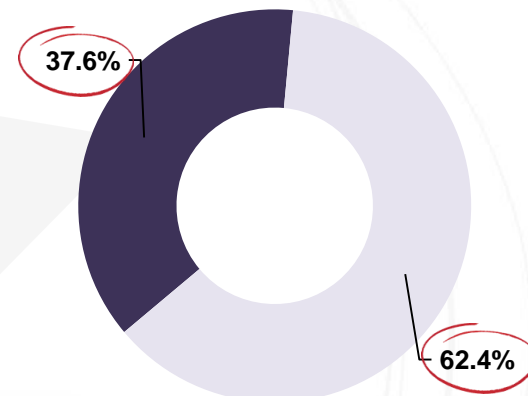
**2015**  
US\$110.4m



**2016**  
US\$118.2m

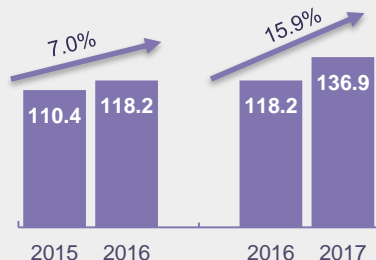


**2017**  
US\$136.9m



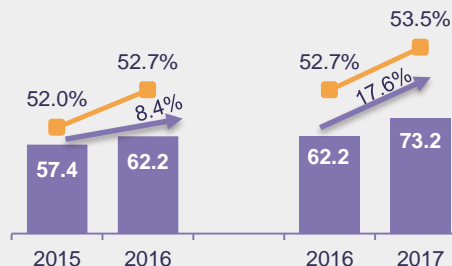
### Revenue Growth

US\$ million



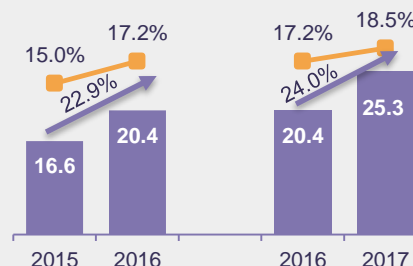
### Gross Profit & Margin

US\$ million



### Adjusted Net Profit & Margin<sup>(1)</sup>

US\$ million



Selling and distribution and general and administration expenses ranged from 26.9% to 29.2% of our total revenue during the track record period – Relatively low among the leading companies in our industry resulting in our superior profitability

Notes:

(1) Includes distributors, on-sellers and dealers with which we have not entered into written distribution agreements.

(2) Net profit defined as profit for the year excluding other intangible assets amortization expenses, adding back the tax benefit arising from those amortizations, imputed interest expenses arising from shareholder 16 capital notes, expenses incurred in relation to the Listing, the one-off litigation expenses.



R&D

Pharmaceutical  
Manufacturing

Medical  
Diagnosis & Devices

Distribution  
and Retailing

Healthcare  
Services



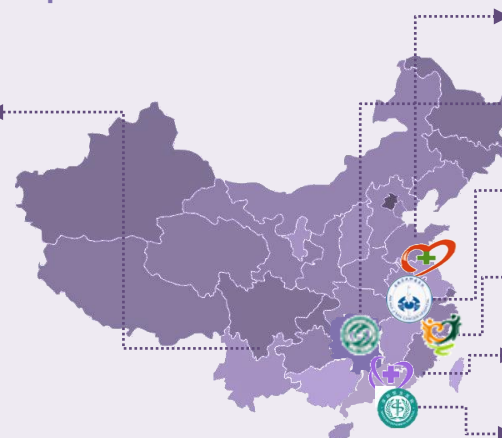
**FOSUNPHARMA**  
复星医药

- ✓ Rooted in **China**
- ✓ Integrate **global** industries
- ✓ **First-tier** enterprise in the global healthcare market
- ✓ Cover the **key sectors** of the healthcare industry chain



- Alma Lasers Studio in Chancheng Central Hospital is a well-recognized medical aesthetic treatment center
- Alma will replicate the initial success by facilitating several other healthcare institutions operated and controlled by Fosun Pharma

## Hospital Network of Fosun Pharma



Suqian Zhongwu Hospital
Grade A Class II General Hospital
Yueyang Guangji Hospital
Grade A Class II General Hospital
Anhui Jimin Oncology Hospital
Grade A Class III Oncology Hospital
Wenzhou Geriatric Hospital
Grade A Class III Geriatric Hospital
Foshan Chancheng Central Hospital
Grade A Class III Large-scale General Hospital
Shenzhen Hengsheng Hospital
Grade A Class III Large-scale General Hospital

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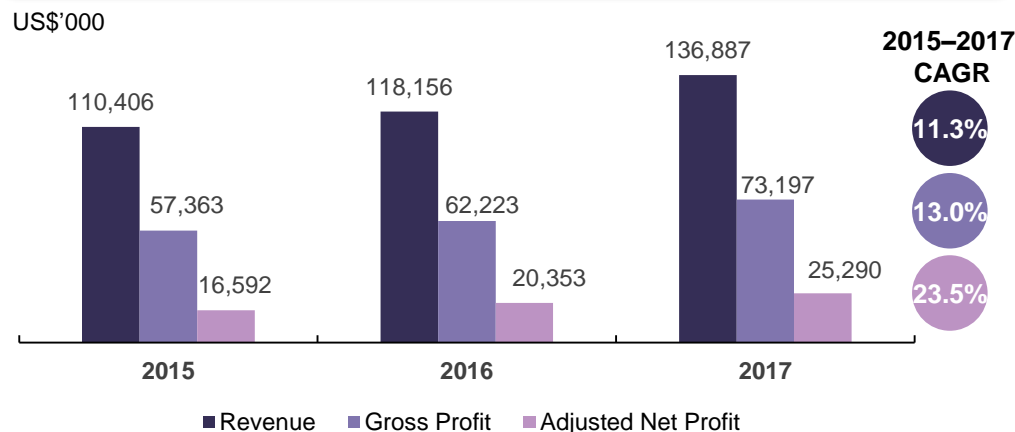
4 Future Strategies

### Appendix

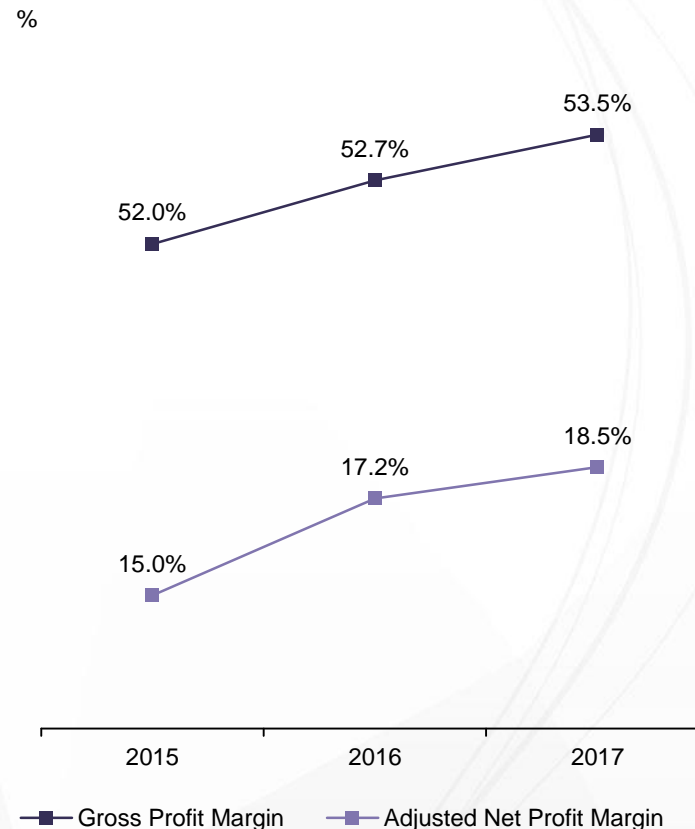
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## Strong operating leverage with superior net income growth

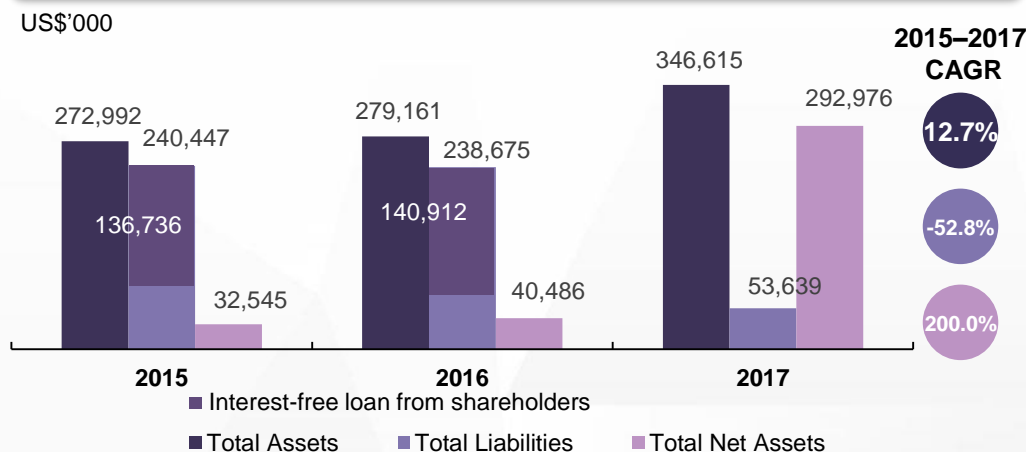
### Revenue/Gross Profit/Adjusted Net Profit<sup>(1)</sup>



### Gross Profit Margin/Adjusted Net Profit Margin<sup>(2)</sup>



### Total Asset/Total Liabilities/ Total Net Assets



Notes:

(1) Please refer to the slide of Adjusted Net Profit;

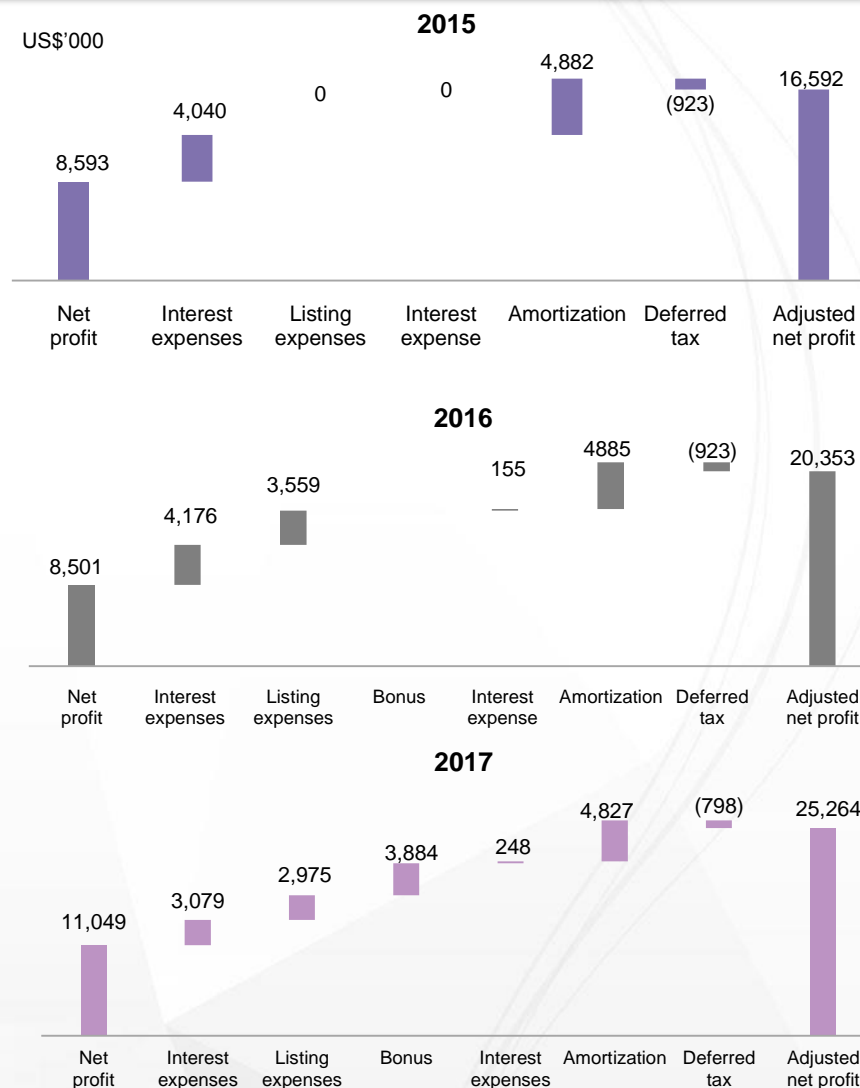
(2) Adjusted Net Profit Margin equals Adjusted Net Profit divided by Revenue.

# Adjusted Net Profit

Sisram Medical Ltd

## Adjusted Net Profit

US\$'000	For the year ended December 31, 2017		
	2015	2016	2017
Profit for the year/period	8,593	8,501	11,049
Adjusted for :			
Shareholder capital notes imputed interest expenses	4,040	4,176	3,079
Listing expenses	-	3,559	2,975
Bonus to managements and employees relating to IPO	-	-	3,884
Interest expense from a related party loan — Fosun Industrial Co. Ltd.	-	155	248
Amortization of other intangible assets arising from the Alma acquisition	4,882	4,885	4,827
Deduct: deferred tax arising from other intangible assets	(923)	(923)	(789)
Adjusted items in total	7,999	11,852	14,215
<b>Adjusted net profit</b>	<b>16,592</b>	<b>20,353</b>	<b>25,264</b>
<b>Adjusted net profit margin</b>	<b>15.0%</b>	<b>17.2%</b>	<b>18.5%</b>



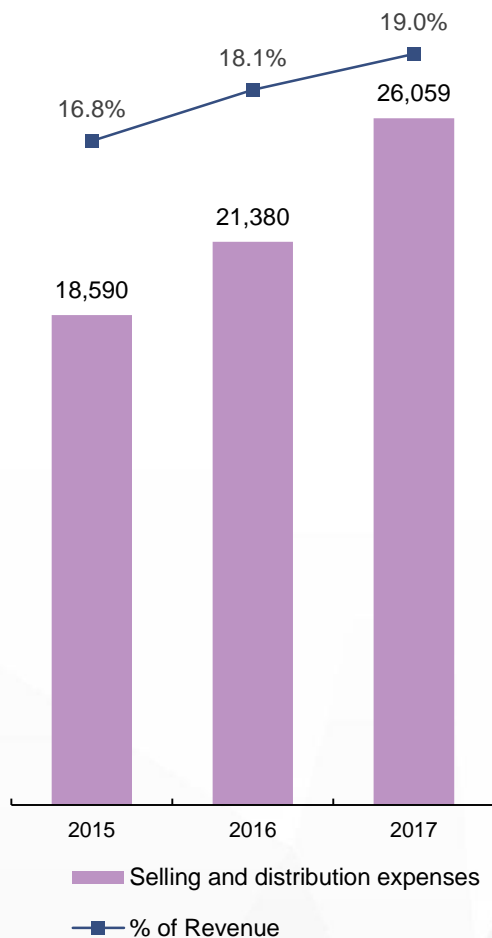


# Operating Costs Analysis

Sisram Medical Ltd

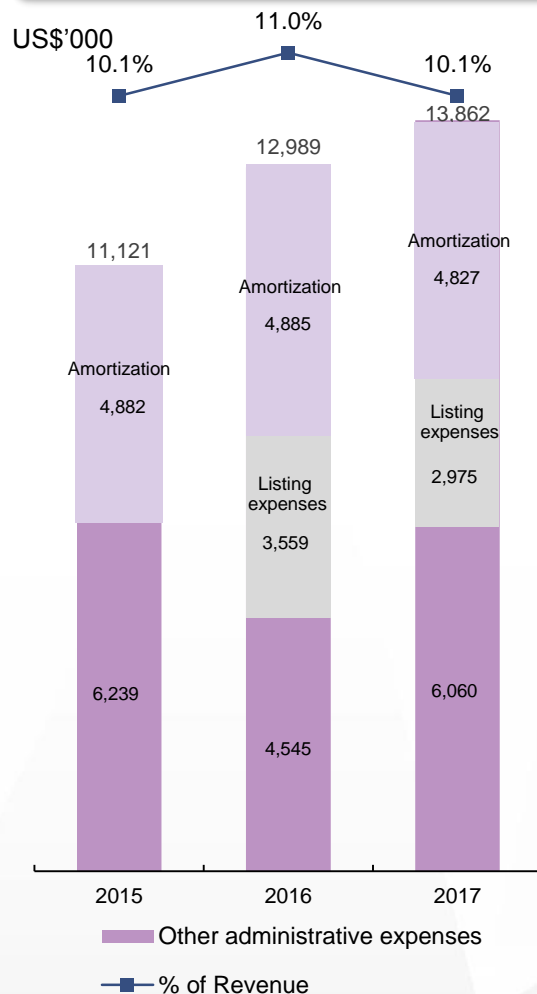
## Selling and Distribution Expenses

US\$'000



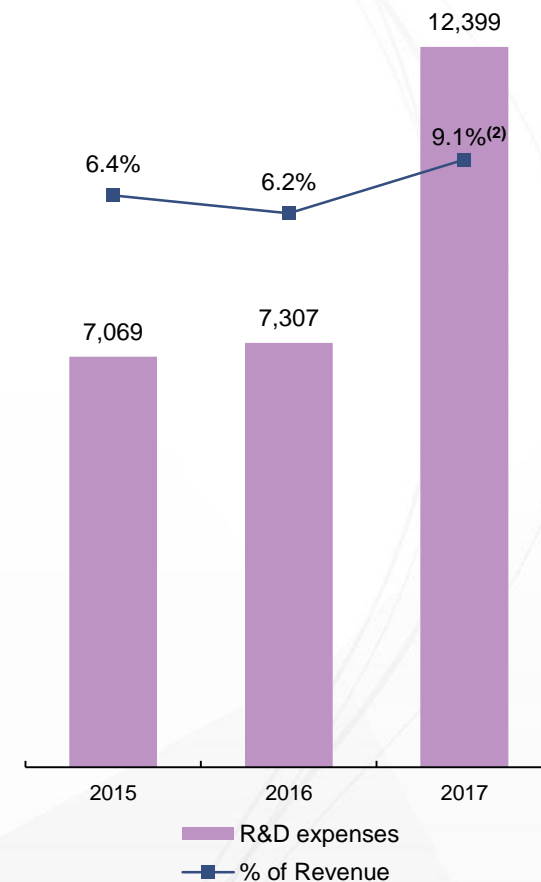
## Administrative Expenses<sup>(1)</sup>

US\$'000



## Research and Development Expenses

US\$'000



Note :

(1) Administrative expenses consist of amortization of the intangible assets arising from the Alma Acquisition, which the amount was US\$4.9 million, US\$4.9 million and US\$4.9 million, respectively, for FY2015, FY2016, and FY2017 and listing expenses

(2) The increase of 2017 R&D expense is primarily attributable to the payment of the IPO Bonus

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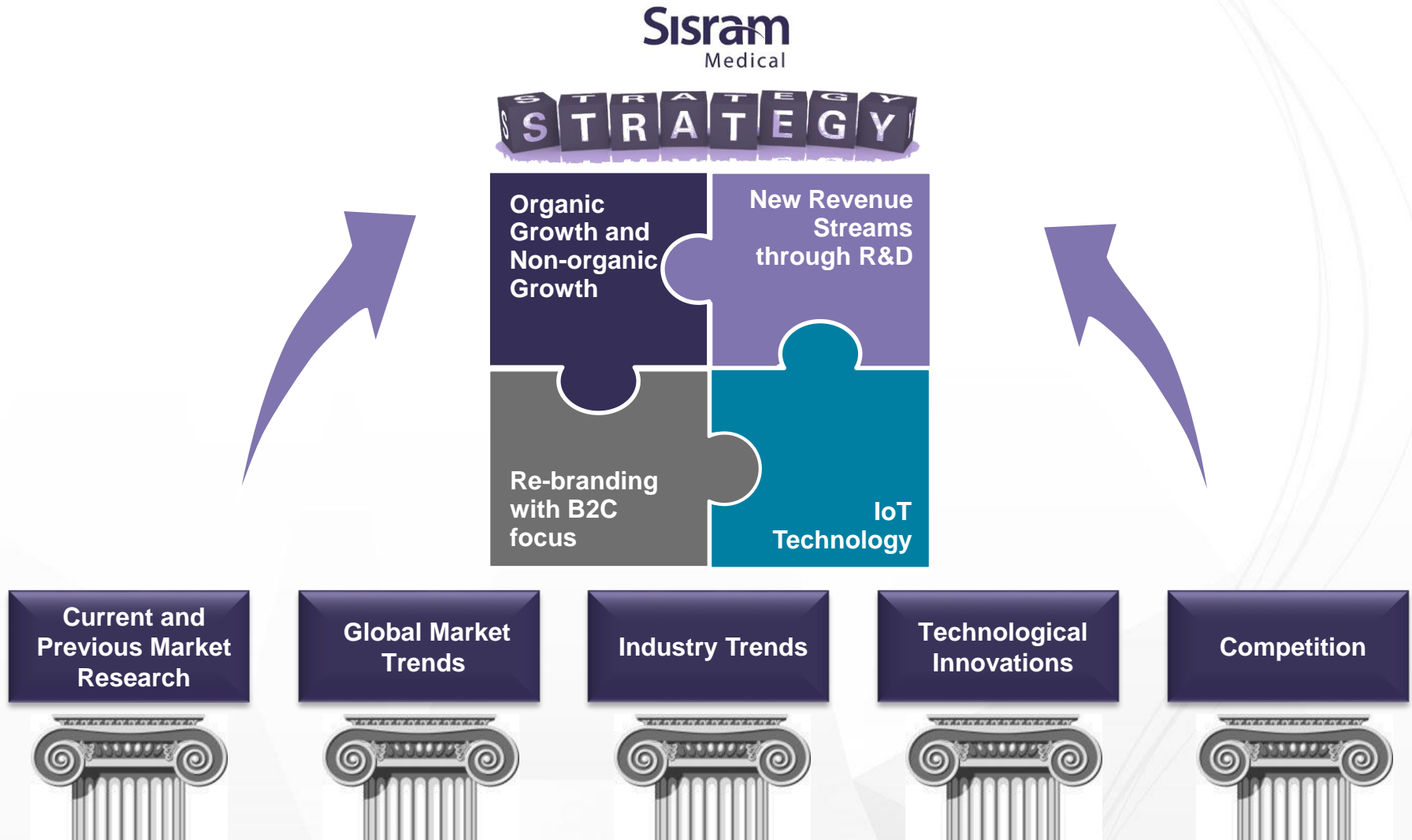
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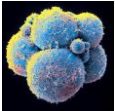


## Formulating Our Strategies on the Basis of Five Key Factors



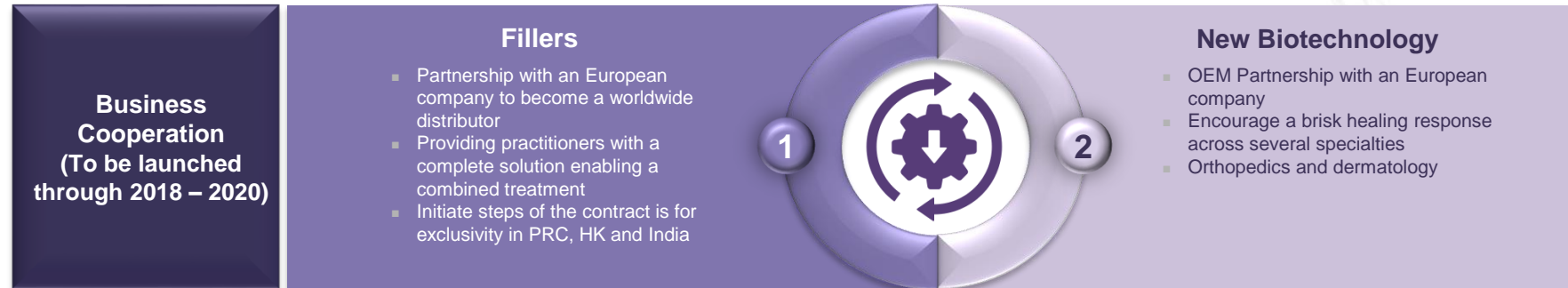
## Aesthetic Line (To be launched through 2018 – 2019)

1	Accent Prime		<ul style="list-style-type: none"> <li>Most advanced workstation for skin tightening, body contouring &amp; aesthetic enhancement</li> <li>Combines <b>Ultrasound and Radio Frequency (RF)</b> technologies for enhanced, long lasting results</li> <li>Introducing a new special facial kit with a <b>new 55mm applicator as an upgrade</b></li> </ul>
2	Accentuate		<ul style="list-style-type: none"> <li>innovative hands free RF platform for body shaping</li> <li>Combined technologies and treatment options of <b>RF and Ultrasound yield faster, longer-lasting results, with fewer treatment sessions</b></li> </ul>
3	Next-Generation Soprano		<ul style="list-style-type: none"> <li>Most advanced Hair Removal platform with Android based 15" screen, 2 connectors</li> <li>New 4cm applicator size for the fastest hair removal treatment, allowing to treat larger areas along with a breakthrough <b>Wi-Fi component (Alma Cloud)</b></li> </ul>
4	Alma Pico		<ul style="list-style-type: none"> <li>Next generation solution for tattoo removal, skin resurfacing, pigmented lesions &amp; vascular lesions</li> <li>A breakthrough 350 pico sec platform in comparison to 600-700 pico secs available by competition, yields to double the peak power, allowing better clinical results</li> </ul>

## Surgical Line (To be launched through 2018 – 2020)

1	Fat Grafting - StemsCells		<ul style="list-style-type: none"> <li>LipoLife 3G achieves a fat vitality rate of greater than 95%</li> <li>Procedure is quick and convenient with a fully equipped kit, allowing Doctors to easily restore patient tissue volume</li> <li>Expanding this segment of StemCells, by adding new application and indications to treat, would be a strategic growth path for our minimally invasive business</li> </ul>
2	Next-Gen Co2		<ul style="list-style-type: none"> <li>Robust multi wavelength platform</li> <li>Family new generation — FemiLift</li> <li>Introducing the most advanced platform with a new Android screen addressing both surgical and aesthetic needs</li> </ul>
3	Proctology		<ul style="list-style-type: none"> <li>Great potential in this line of business</li> <li>More than half of men and women aged 50 years and older will develop hemorrhoid symptoms during their lifetime</li> <li>In the US three-quarter of individuals have hemorrhoids at some point in their lives, and about half of them over age 50 required treatment</li> </ul>

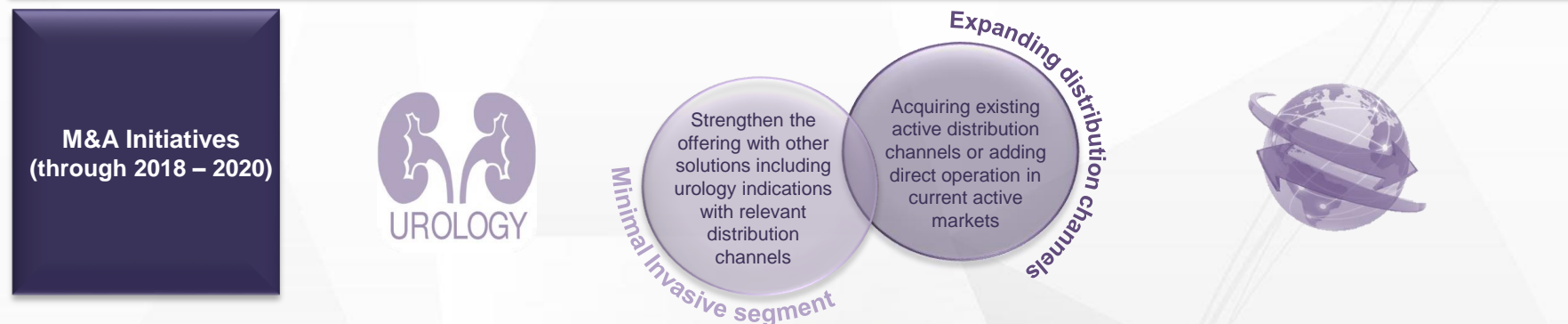
## New Revenue Streams



## Strategic Growth



## Mergers and Acquisitions



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## Medical Aesthetic Treatment

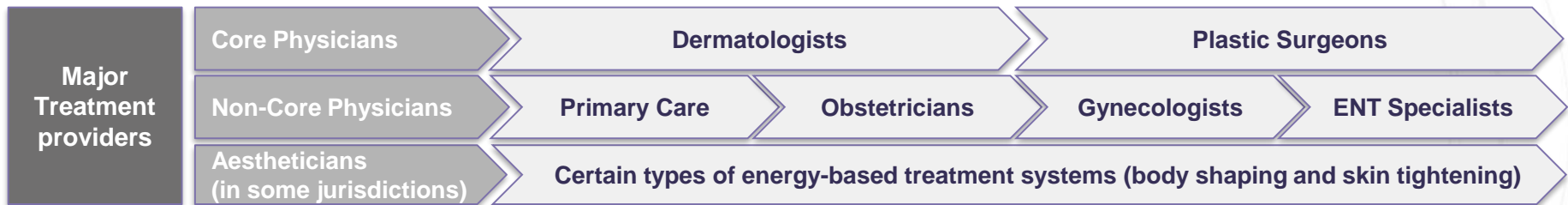
Improvement of cosmetic appearance of individuals through treating medical and physical conditions  
(scars, skin laxity, wrinkles, moles, excess fat, cellulite, unwanted hair and skin discoloration)

### Non-invasive to Minimally Invasive Treatments

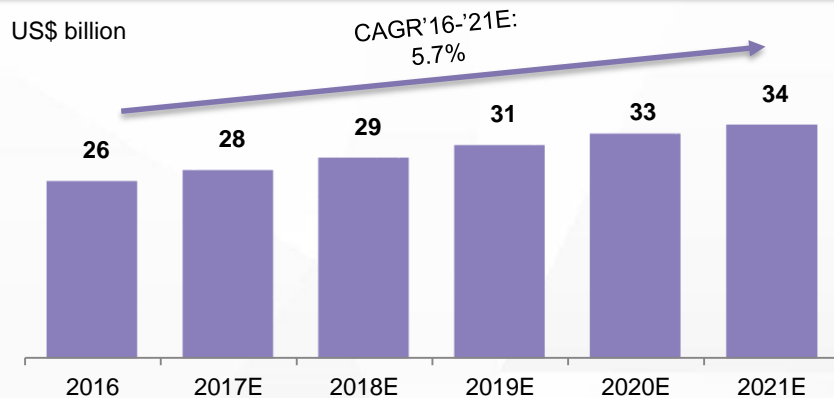
- ✓ **Energy-based treatment systems**
- ✓ Fillers injectables
- ✓ Neuromodulators
- ✓ Topical skincare products

### Invasive Surgical Procedures

- ✓ Liposuction
- ✓ Facelifts
- ✓ Breast implants



**Global Consumer Demand for Medical Aesthetic Treatments  
(Energy-based and non-energy-based treatments)<sup>(1)</sup>**



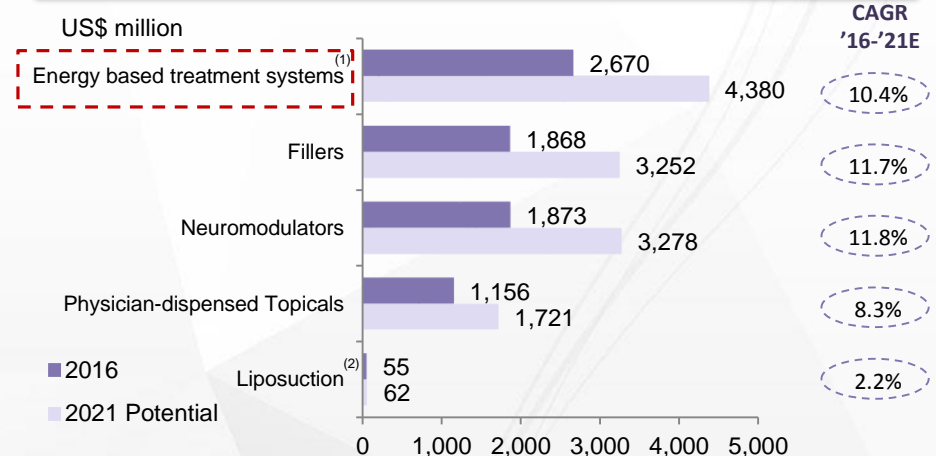
Source: Medical Insights Report

Notes:

(1) Non-energy based treatments include topicals, body sculpting, implants and aesthetic surgical procedures.

(2) Includes data of sales revenue from both non-invasive and minimally invasive energy-based treatment systems.

**Global Sales of Non-invasive and Minimally invasive  
Medical Aesthetic Equipment and Consumables**

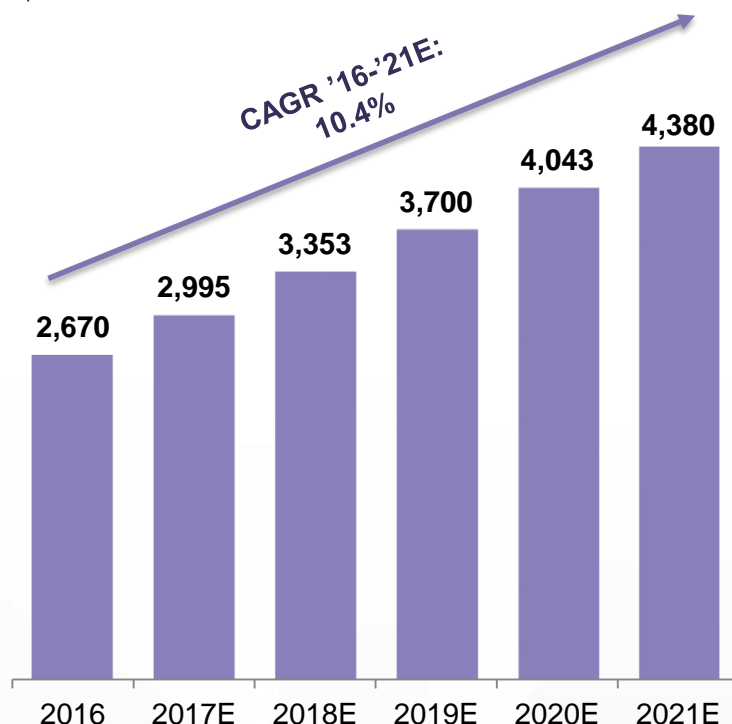


(3) Excludes energy-based liposuction.

## Global Sales Revenue of Energy-based Medical Aesthetic Treatment Systems <sup>(1)</sup>

### Overall Market

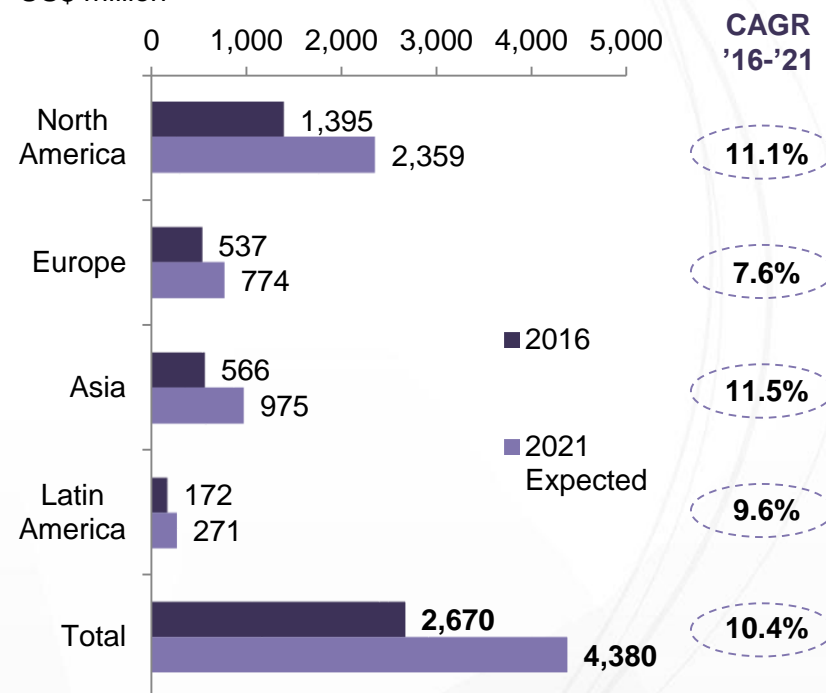
US\$ million



- US\$2.76 billion in global revenue in 2016
- Expected to reach US\$4.4 billion by 2021
- Revenue CAGR '16-'21: 10.4%

### By Region

US\$ million



- North America accounts for 52% of the global sales, followed by Asia (21%), Europe (20%), and Latin America (6%)
- Sales split by Geography is expected to be similar in 2021

1  
**Increased discretionary income**



- **Worldwide consumer expenditure** US\$28.7tn (2005) → US\$42.7tn (2015), CAGR 4.1%
- Improvements in **standards of living**, increased individual **wealth and discretionary income** in some markets
- Consumers can allocate **more disposable income** to medical aesthetic treatments

2  
**Desire to achieve or maintain more youthful appearance**



- Consumers want to **reduce the effects of the aging process** on physical appearance
- Demand has been increasingly driven by **younger consumers**:
  - Prevention of aging
  - Correction options for existing cosmetic conditions

3  
**Aging population and longer life expectancy drive the demand of anti-aging**



- People **aged 60 years or above** is expected to increase by 55.4% from 901 million in 2015 to 1.4 billion in 2030, reaching **2.1 billion by 2050**
- Demographic shift will lead to increase in **anti-aging** procedures and treatments

4  
**Increased awareness and acceptance of medical aesthetic treatments**



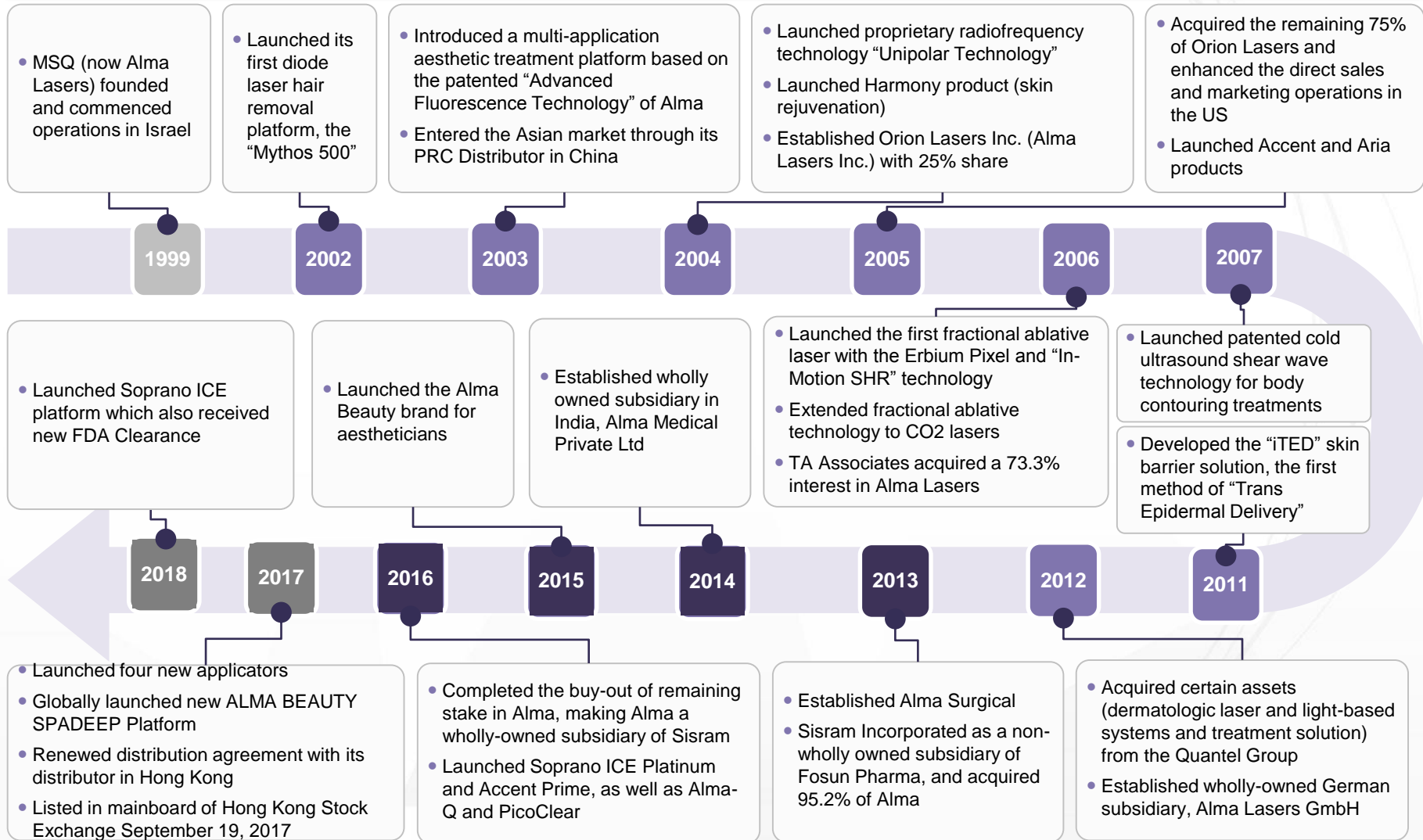
- Wider acceptance due to treatments by **celebrities** and **direct-to-customer advertising**
- **Focus on personal appearance** due to “**selfie**” culture on social media
- Increase in the **awareness and acceptance of aesthetic medical services**

5  
**Shift in demand to non-invasive and minimally invasive treatments**



- Growing consumer **preference for non-invasive and minimally invasive treatments**
- **Advances in medical aesthetic technology**
  - Covers a **wider range** of indications
  - **Less painful, safe and cost-effective procedures**

## Key Corporate and Business Development Milestones



## Mergers and consolidation of key players in the energy-based medical aesthetic treatment systems market

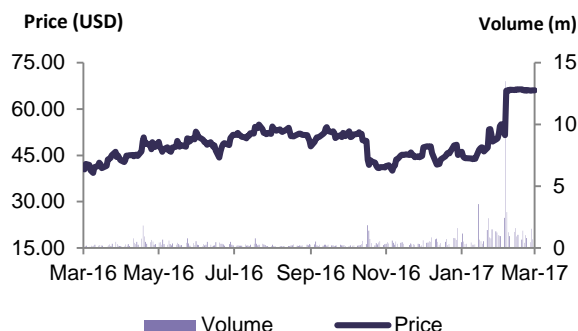
- Four of Sisram's direct competitors and comparable U.S. listed companies have been acquired in recent years
  - Three major acquisitions (Zeltiq / Allergan; Cynosure / Hologic; Syneron / Apax Partners) in 2017 alone
  - Lumenis was acquired by XIO Group and delisted in 2015

Company	Sisram Medical	CYNOSURE Be transformed	ZELTIQ	SYNERON CANDELA	CUTERA	Lumenis <sup>®</sup> Energy to Healthcare
2016A Revenue (US\$m)	\$118.2m	\$433.5m	\$354.2m	\$298.1m	\$118.1m	N/A <sup>(1)</sup>
Reporting Geography						N/A <sup>(1)</sup>
Reporting Segment						N/A <sup>(1)</sup>
Acquired by	FOSUNPHARMA 复星医药	HOLOGIC <sup>®</sup>	Allergan	Apax PARTNERS	- (NasdaqGS:CUTR)	XIO   GROUP

Source: Company public filings, Capital IQ.

Note: (1) Lumenis was acquired by XIO Group and delisted in 2015 and not included in the analysis above.

## Recent Significant M&A transactions in Medical Aesthetics since February 2017



### Transaction Highlights

Announced Date	14-Feb-17
Cash Offer	\$66 per share
<b>Transaction Value</b>	<b>\$1,440m</b>
EV/ LTM Revenue	3.3x
EV/ LTM EBITDA	25.2x
Equity / LTM Net Profit	114.4x

### Transaction Rationale

- Entry into the medical aesthetics segment
- Complements Hologic's position in the Obstetrics and gynaecology and women's health channels

### Premium Analysis

One Day Prior	28.2%
One Week Prior	30.6%
One Month Prior	49.7%



### Transaction Highlights

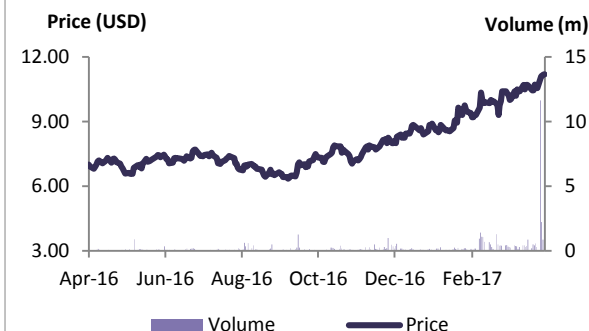
Announced Date	13-Feb-17
Cash Offer	\$56.50 per share
<b>Transaction Value</b>	<b>\$2,475m</b>
EV/ LTM Revenue	7.0x
EV/ LTM EBITDA	146.4x
Equity / LTM Net Profit	nm <sup>1</sup>

### Transaction Rationale

- Enhances global medical aesthetics portfolio through ZELTIQ's flagship CoolSculpting System

### Premium Analysis

One Day Prior	14.4%
One Week Prior	24.8%
One Month Prior	35.2%



### Transaction Highlights

Announced Date	03-Apr-17
Cash Offer	\$11.00 per share
<b>Transaction Value</b>	<b>\$397m</b>
EV/ LTM Revenue	1.3x
EV/ LTM EBITDA	23.8x
Equity / LTM Net Profit	nm <sup>1</sup>

### Transaction Rationale

- Privatization by private equity as a portfolio company

### Premium Analysis

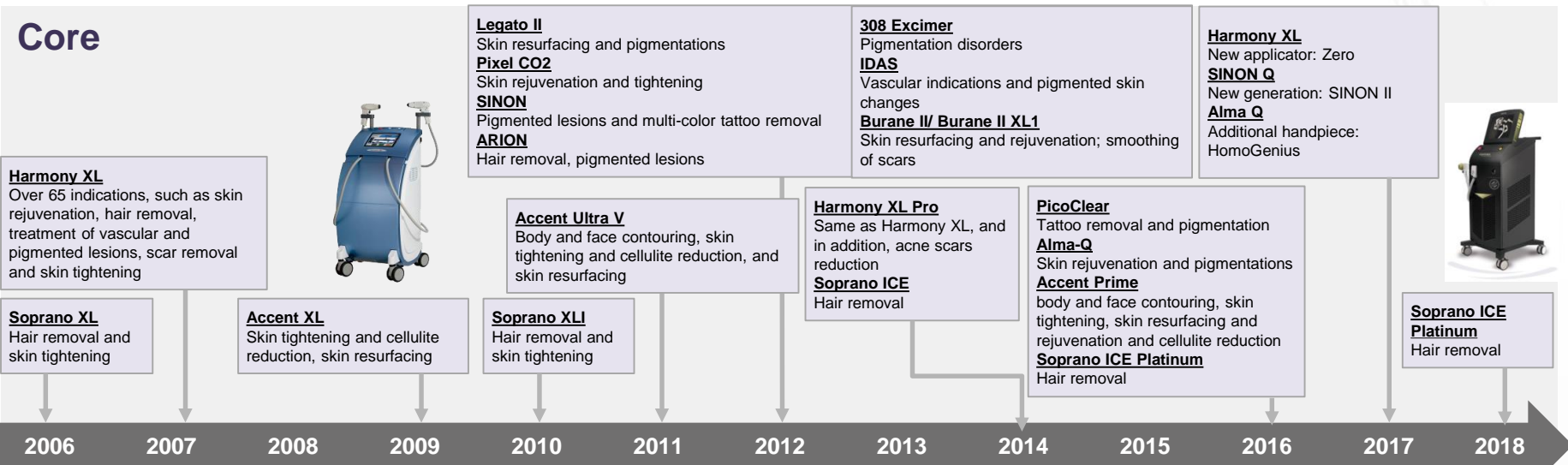
One Day Prior	4.3%
One Week Prior	5.3%
One Month Prior	5.8%



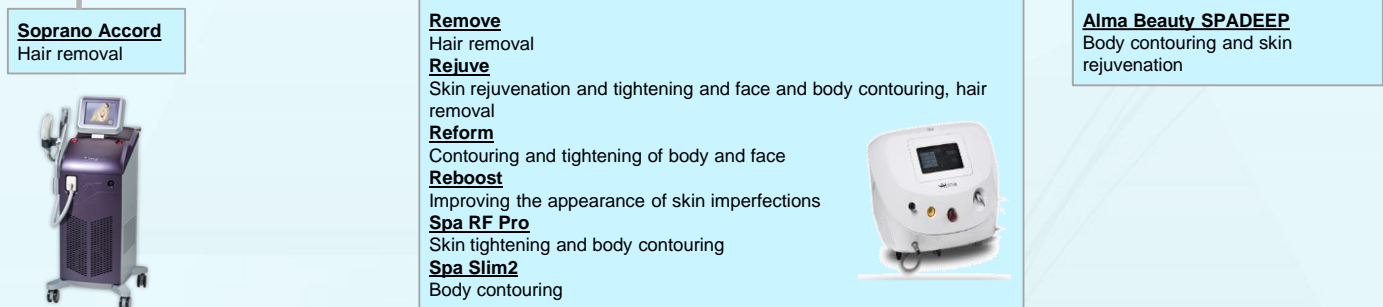
## Strong track record of developing and commercializing non-invasive systems

- **Core:** Ranging from **versatile multi-application treatment systems** (wider range of technologies and treatment options for a lower upfront investment and flexibility to upgrade) to **more specialized systems** (serving medical professionals with targeted features)
- **Beauty:** Treatment systems that are more economically priced and targeted for use by aestheticians and other non-medically trained therapists

### Core



### Beauty



## Strong market uptake of our minimally invasive products since our first sale of FemiLift in 2013

- Targeted for use by specialist physicians to perform minimally invasive treatments
- Procedures may require a minor incision
- Suitable for a medical office or aesthetic medical spa setting subject to local guidelines







**Feminine Rejuvenation**



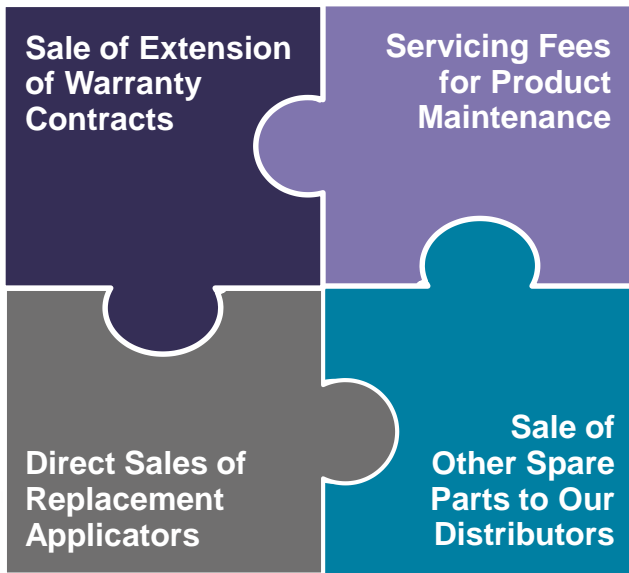
**Varicose Veins**



**Liposuctions**

Product	Energy Source	Launch Year	Primary Indication
 <b>FemiLift</b>	CO2 Laser	2013	Vaginal rejuvenation, stress urinary incontinence (SUI) vaginal dryness and recurrent infections Post-menopause — GSM Post-delivery rehabilitation
 <b>VascuLife</b>	Laser	2015	Varicose veins
 <b>LipoLife</b>	Laser	2016	Body contouring: liposuction and fat grafting
 <b>Liposense</b>	Laser	2017	New applicator for Lipolife treatment system

## Service and other activities



- ✓ After-sale services
- ✓ Installation and product training
- ✓ Product service and maintenance
- ✓ Sales of replacement applicators and spare parts
- ✓ Sales of warranty extensions to direct sales customers
- ✓ Modular design and separate components enable quick repair

### After-sale Services – Direct Sales

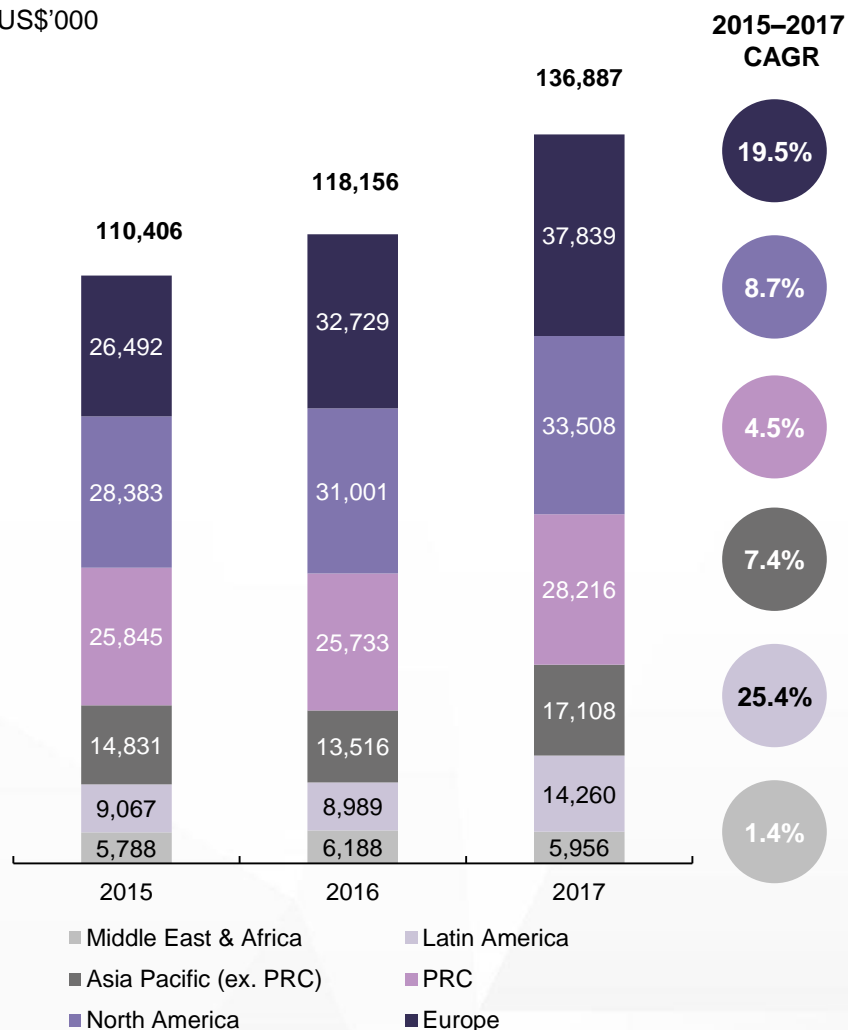
- **System installation and initial product training** by our team and clinical support staff
- **Arrange a distributor nearby** to assist in providing after-sale services in some occasional direct sales countries
- A **service call center** to help the treatment providers to diagnose and resolve product issues

### After-sale Services – Distributors

- The distributors, which the Group has trained, install the systems and provide customer training
- Distributors are also responsible for servicing and maintaining the products for their customers

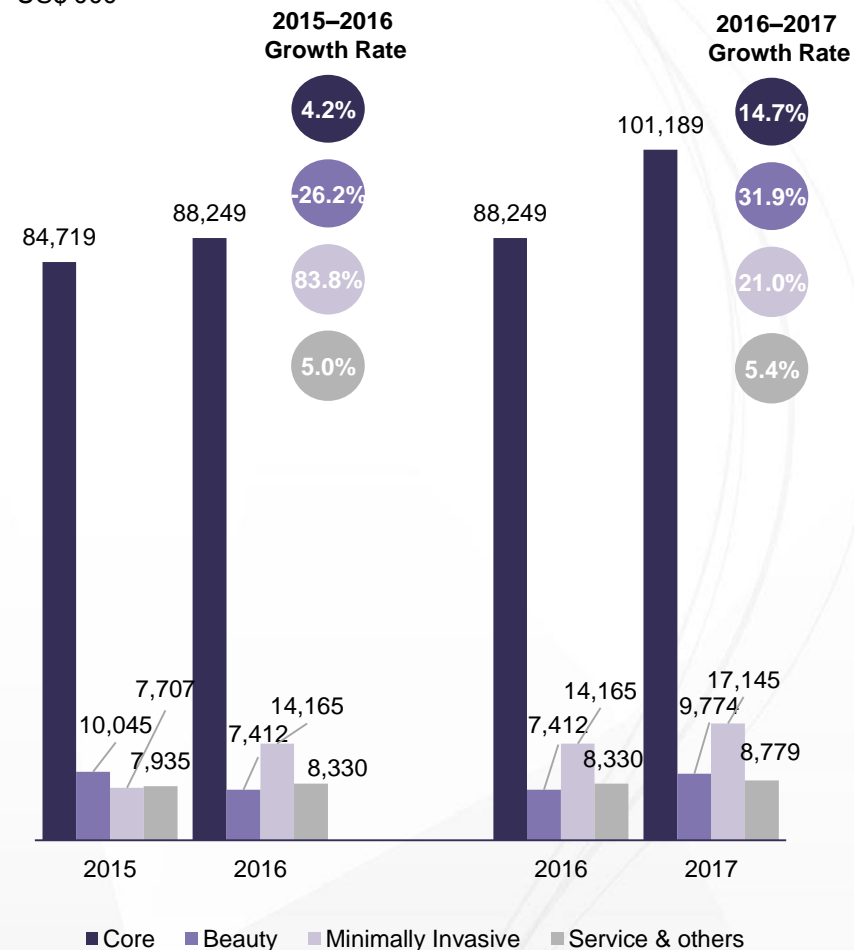
## Revenue by Geographical Segments

US\$'000



## Revenue by Products Segments

US\$'000



Notes :

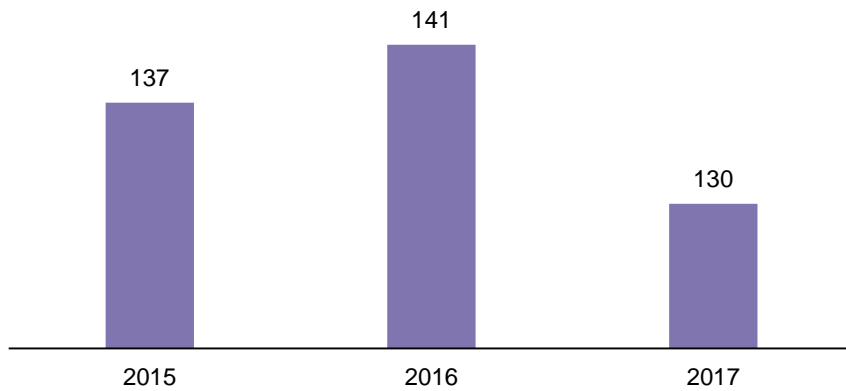
(1) Latest revenue segmental results available as of December 31, 2017

# Turnover Days and Operating Capital Analysis

Sisram Medical Ltd

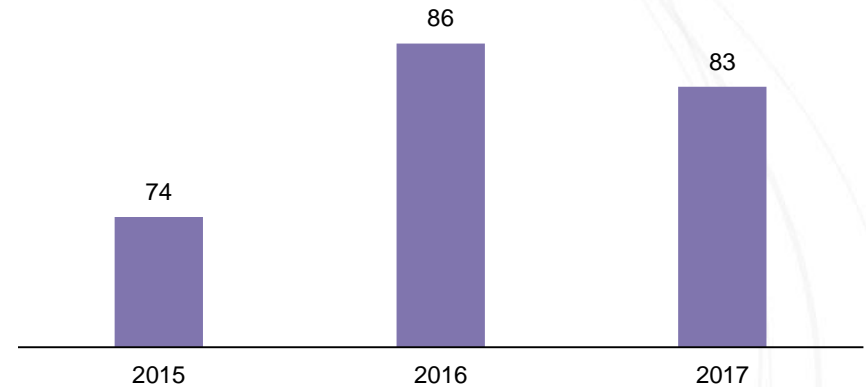
## Average Inventory Turnover Days

Days



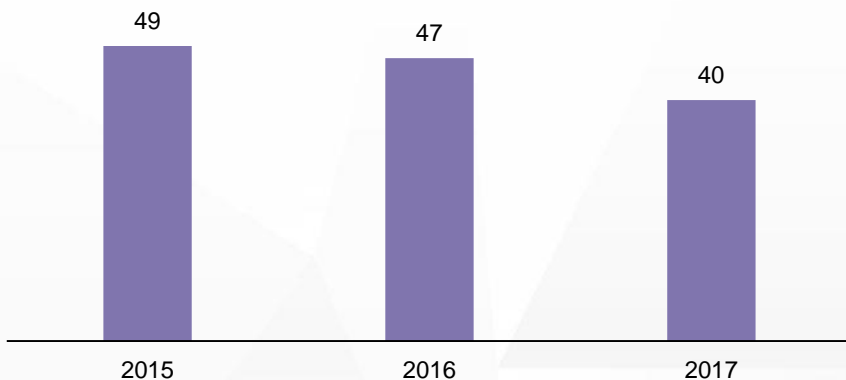
## Average Trade Receivables Turnover Days

Days



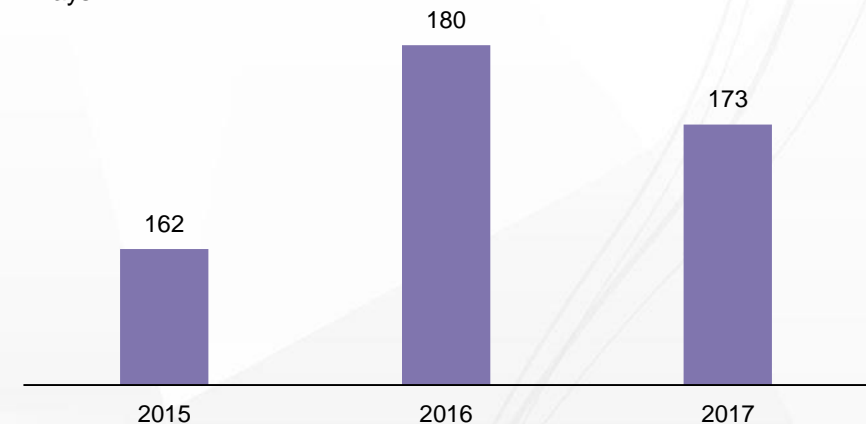
## Average Trade Payable Turnover Days

Days



## Working Capital Cycle

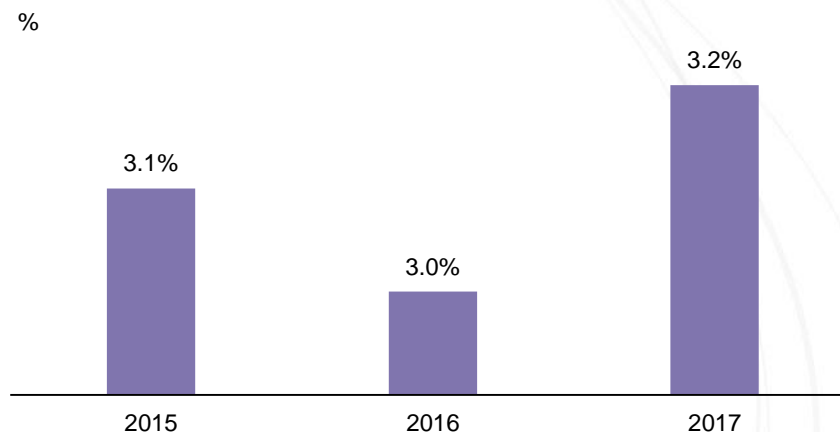
Days



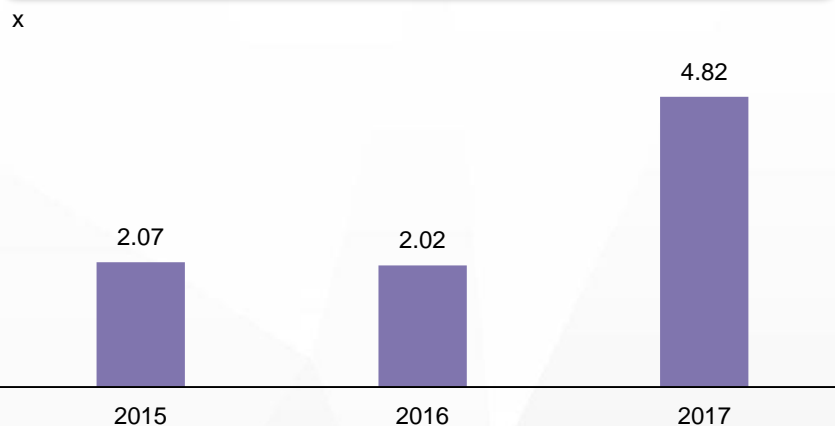
## Return on Equity<sup>(1)</sup>



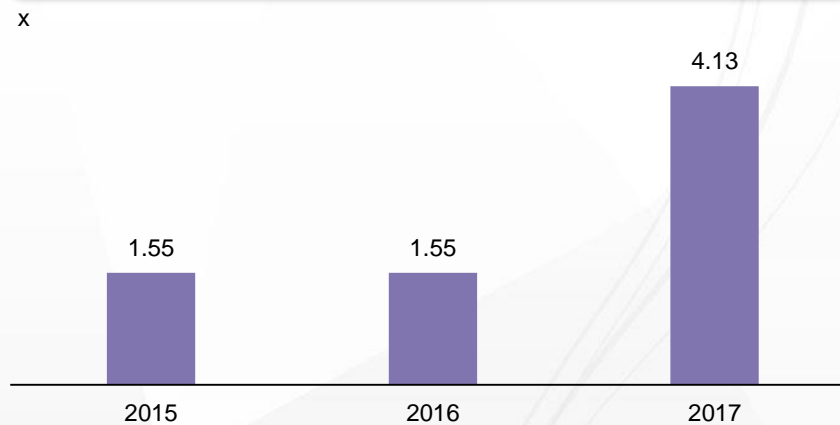
## Return on Total Assets<sup>(2)</sup>



## Current Ratio <sup>(3)</sup>



## Quick Ratio<sup>(4)</sup>



Notes:

(1) Return on equity equals Profit for the year divided by Total equity.

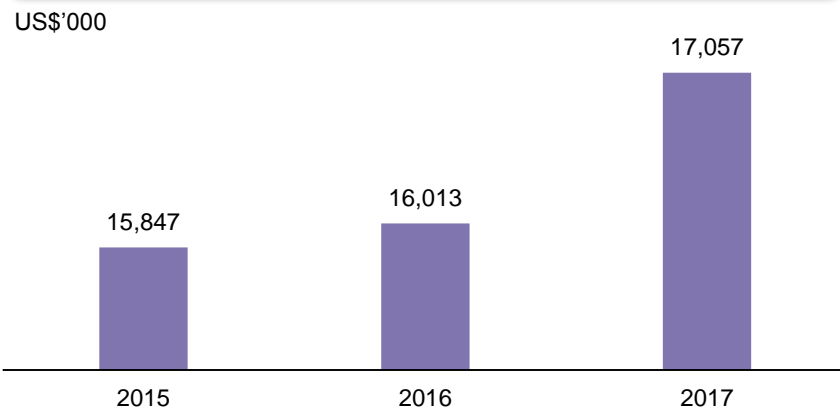
(2) Return on total assets equals Net profit for the year divided by Total assets.

(3) Current ratio equals Current assets divided by Current liabilities.

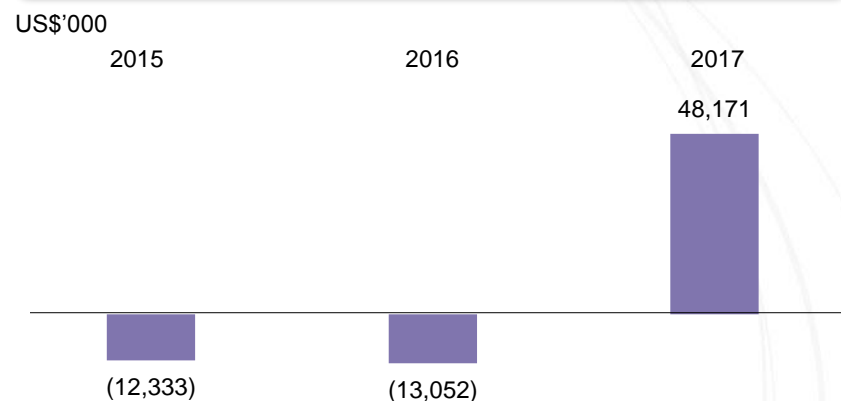
(4) Quick ratio equals (Current assets minus inventories) divided by Current liabilities.

(5) 2015,2016 Return on equity equals Profit for the year divided by Total equity plus Interest-free loan from shareholders

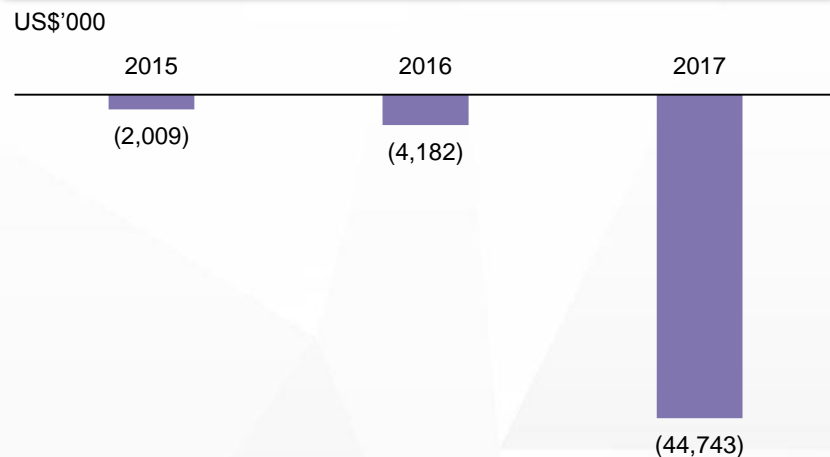
## Net Cash Flows from Operating Activities



## Net Cash Flows used in Financing Activities



## Net Cash Flows used in Investing Activities



## Cash and Bank Balances

