

# Sisram Medical Ltd

(Stock Code: 1696.HK)

## Sisram Medical Ltd Announces Its Interim Results for the First Half of 2018, Demonstrating Impressive and Consistent Growth

**Hong Kong, August 20, 2018** -- Sisram Medical Ltd (“Sisram” or “the Company”; stock code: 1696.HK), a company specializing in medical technology for healthcare, today announced its interim results for the six months ended June 30<sup>th</sup>, 2018 (the “Period”).

### Results Highlights

- Revenue grew to US\$78.2 million, an increase of 17.9% YOY
- Gross profit rose to US\$41.9 million, an increase of 16.0% YOY
- Profit before tax rose to US\$13.6 million, an increase of 28.0% YOY
- Profit for the period attributable to owners of the parent rose to US\$11.3 million, an increase of 43.9% YOY
- Adjusted net profit reached US\$15.3 million, representing 15.2% YOY growth
- Net profit margin: 14.4%, compared with 11.8% for the first half of 2017

During the first half of 2018, the Company fine-tuned its growth strategy, incorporating both organic and non-organic elements, weaving both together into a holistic roadmap.

Sisram’s growth in the first half of 2018 is mainly attributed to the company’s “Go East” strategy, based on its strong connection to markets in the Asia Pacific region. As part of this strategy, Sisram established a new subsidiary in Hong Kong, Alma Medical HK, to serve as a hub for future business expansion initiatives in Southeast Asia.

The recent activities in Asia Pacific region (excluding PRC) resulted in a 40.3% revenue growth, compared to the corresponding period of 2017. A step that is expected to further strengthen the Company’s position in Asia Pacific as a leading MedTech player is the conclusion of a cooperation agreement with IBSA, a leading pharma company headquartered in Switzerland, for the distribution of its injectables product line in Hong Kong, mainland China and India.

Revenue from product sales during the period amounted to US\$72.0 million, an increase of 16.6% compared to the corresponding period of 2017. The minimally-invasive products line revenue increased by 28.3% in the period, the highest growth among all pillars. Strong demand from

recurring business increased revenue from services and others by 35.3%, to US\$6.2 million. The overall revenues of the Company increased by 17.9% to US\$78.2 million. The Company recorded adjusted net profit of US\$15.3 million, an increase of 15.2% YOY.

During the period, the Company continued to focus on R&D activities to meet the specific needs of treatment providers, using a systematic and user-oriented approach, with R&D expenses of US\$4.9 million, consistent with the corresponding period of 2017.

Looking ahead to the second half of 2018, Sisram will continue to provide modular, cost-effective and high-performance systems based on the very latest clinical research and cutting-edge technologies. The Company's analysis of global trends and market opportunities has identified three major "hot spots" - body contouring, dermatology (skin rejuvenation in specific) and feminine health. Sisram intends to fully exploit the global rising demand in these areas to further expand its market share and bolster its position in each territory. Key regional initiatives will include expanding sales channels in the United States; strengthening its body contouring product line sales team in India; as well as upgrading its existing service center in Germany and establishing a new one.

Mr. Yi Liu, Chairman and Executive Director of Sisram, said: "We have concluded yet another fruitful reporting period, demonstrating steady and impressive growth of sales and profitability during the first half of this year. Fosun Pharma perceives the MedTech industry as a major growth engine and an important pillar of its operation with Sisram as its spearhead. The synergy and benefit of Fosun Pharma's financial, regulatory and Healthcare strengths, bundled with Sisram's strong global position, experience and knowledge of bringing the best-of-the-west-to-the-east, is expected to manifest in our near-future outcomes."

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### **About Sisram Medical Ltd**

Sisram Medical Ltd (1696.HK), the first Israeli company to be listed on the Hong Kong Exchange Main Board, was established in 2013 for the acquisition of Alma, a leading provider of energy-based surgical and medical aesthetic solutions, ranked No. 1 in the People's Republic of China and one of the top 5 global leaders in its industry. Sisram Medical is majority held by Fosun Pharma, a leading healthcare group in China.

Sisram Medical – Enhancing Quality of Life.

<http://www.sisram-medical.com>

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