

## Sisram Medical Ltd Announces 2018 Annual Results, Continuing Solid and Balanced Growth

**HONG KONG, March 18, 2019** – Sisram Medical Ltd ("Sisram" or "the Company") (Hong Kong: 1696), an investment holding company specializing in medical technology for healthcare, today announced its audited consolidated annual results for the 12 months ended December 31, 2018 ("the year").

### Results Highlights

- Revenue grew to US\$154.0 million, an increase of 12% YOY
- Gross profit rose to US\$82.3 million, an increase of 12% YOY
- Profit before tax rose to US\$22.8 million, an increase of 44% YOY
- Profit for the year rose to US\$21.8 million, an increase of 98% YOY
- Adjusted net profit reached US\$29.5 million, representing 17% YOY growth
- Net profit margin: 14%, compared with 8% for 2017

Despite challenging macro and micro economic environments in 2018, Sisram achieved a year over year top-line revenue growth of 12%, exceeding the industry CAGR. Moreover, Sisram maintained an almost identical geographical revenue mix, demonstrating its ability to quickly respond to changes and capture new market opportunities.

Sisram accomplished an overall balanced double-digit YoY growth across all three business pillars – minimally invasive, medical aesthetics and beauty product lines, ranging between 11% and 13%. Aligned with the hottest industry trends, Sisram launched 4 new products, including Accentuate, a hands-free fat reduction and skin tightening solution; RESHAPE, a novel Ultrasound and Radiofrequency combined platform introduced to the Beauty market; and PICO CLEAR, the industry's top picosecond laser for skin rejuvenation and pigmentation removal. The Company also explored new energy sources along with new synergies created using in-house capabilities (new and established energy sources) and external inputs combinations.

In 2018, the company was granted a 'Company Special Preferred Technological Enterprise' ("SPTE") status for a period of 5 years, bringing the company's effective tax rate to 4.2% for the Reporting Period, compared to 30.2% in 2017.

Throughout 2018, Sisram fine-tuned its global growth strategy, compiling organic and non-organic new ventures and M&A components. The company had rolled out this strategy with two first milestones achieved this year:

- (1) Acquisition of its Israeli distributor, and the establishment of a direct operation in Israel.
- (2) Cooperation with IBSA Derma, a leading pharma company headquartered in Switzerland, extending the company's business to the injectable distribution operation in Hong Kong, mainland China and India.

For 2019, Sisram foresees continuous growth in the medical aesthetic market driven by bottom-up consumer demand inspired by two upcoming trends – prejuvenation and regenerative medicine. Pre-juvenation is the concept of initiating medical aesthetic maintenance treatments in one's late

teens or early twenties. Practitioners can do so much more for patients when starting early in life, educating consumers regarding skin health, earlier rather than later. Regenerative medicine addresses a variety of age-related health conditions that previously had no treatments or had very poor and/or insufficient solutions. Regenerative medicine holds the promise of engineering damaged tissues and organs by stimulating the body's own repair mechanisms to functionally heal previously irreparable tissues or organs.

Mr. Yi Liu, Chairman and Executive Director of Sisram, said: "The achievements in 2018 are attributed to the company's wide and diverse product portfolio, strong in-house research and development capabilities, ongoing business evaluation and quick response time to market dynamics along with our 'full duplex' methodology which is an essential component of our global operation. At the core of this methodology is the concept of swirl – constant flow between two poles – East and West, mixing the currents into 'best of breed' output, benefiting both ends."

Mr. Lior Dayan, CEO of Sisram Medical and Alma, said: "A company's longevity depends heavily on its long-term market insight strategy, that couples wide and far future planning with lesson learned implementation. With markets and industries becoming more dynamic than ever, Sisram, as an Israeli company, known for its creativity and ingenuity, chose to deploy the 'Agile Organization' methodology, combining both stability and dynamism mechanisms across the entire business operation scope, focusing on thriving in a challenging business arena."

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## About Sisram Medical Ltd

Sisram Medical Ltd (1696.HK), the first Israeli company 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 health & medical industry group in China.

Sisram Medical – Enhancing Quality of Life.

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

For media inquiries, please contact:

ICR Inc.  
Jeff Pei  
Tel: +86 (10) 6583-7514  
E-mail: [Jianfeng.Pei@icrinc.com](mailto:Jianfeng.Pei@icrinc.com)

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