

Sisram Medical

Stock Code : 1696.HK

Sisram Medical

2024 Interim Earnings Presentation



ENHANCING QUALITY OF LIFE

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Agenda

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Highlights**

02

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04

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01

PERFORMANCE
HIGHLIGHTS



H1 2024 Key Highlights



168.7M

-1.7% YoY

Revenue



149.3M

+1.3% YoY

Revenue from
Medical Aesthetics



62.4%

+1.0 p.p

Gross Profit Margin



86.1%

+14.0 p.p

% of rev. from direct sales



56.0M

+15.5% YoY

Revenue from APAC



24.0M

+10.0% YoY

Revenue from Europe

Resilient and Agile: Ready for Market Opportunities

Enhancing development in the core EBD business, while excelling the new growth engine in the injectable business, supported by the following core strengths.

Brand

Strong brand equity

Channels

Worldwide sales channels

Products

Diversified and distinctive offerings to capture a larger market share and meet evolving consumer demands

02

BUSINESS
HIGHLIGHTS



Beyond Treatment

Prioritizing Customer Journey

Customers are primarily driven by how they feel and what makes them feel their best, with their needs being more emotional than physical.

“

Trust, credibility, loyalty, confidence, and joy, are the key factors that create customer delight and stand out through differentiation.

”

Consumers today are looking for:



Medical grade quality that can be trusted



Digital solutions



Personalized solutions to fit seamlessly into their fast-paced lives



An easy, accessible, and enjoyable daily wellness routine



Overall enhanced quality of Life

Total Addressable Market

The global wellness market size is expected to expand at a CAGR of **8.6%** from 2023 to 2027

The Global Wellness Market is expected to reach in 2027:

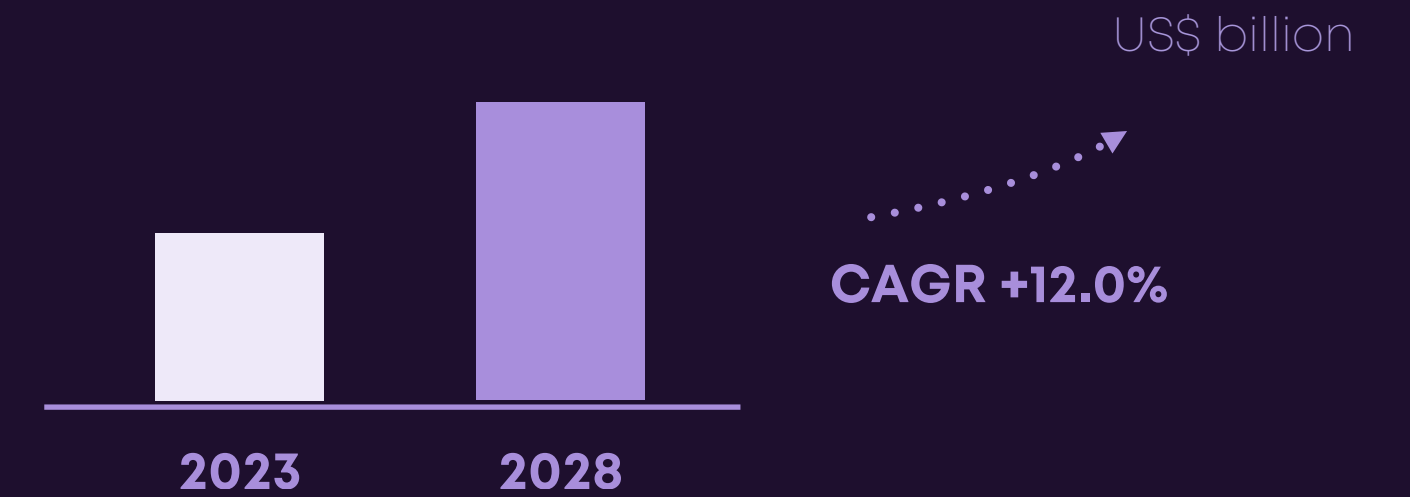
US\$
8.5
Trillion

The world Wellness Market is currently estimated at \$5.6 trillion

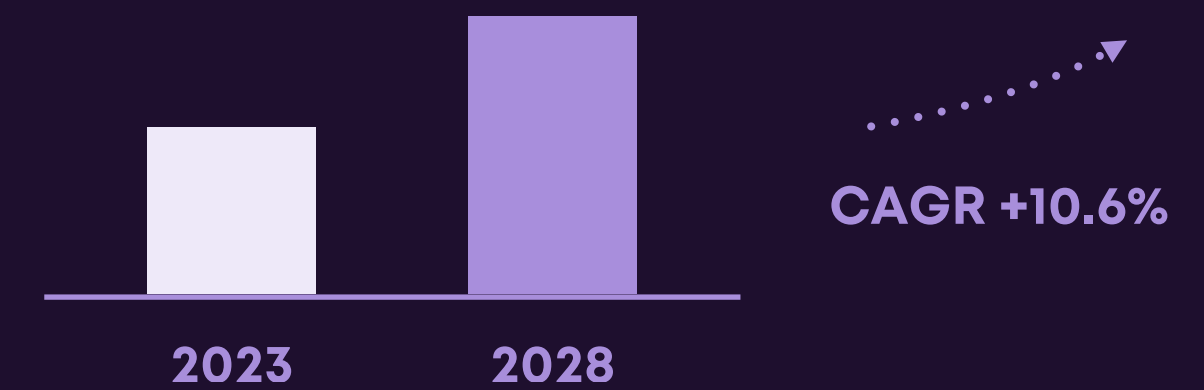
The wellness market focuses on three sectors:

- 1. healthy eating, nutrition, and weight loss
- 2. personal care and beauty
- 3. physical activity

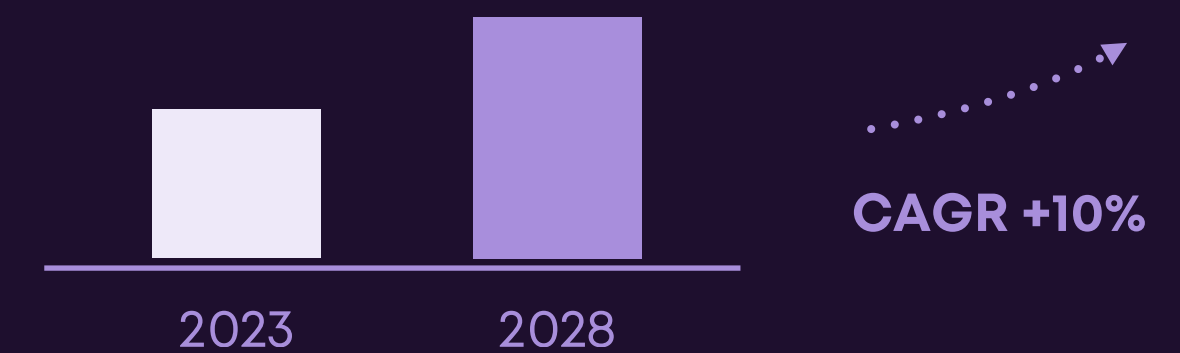
Global EBD
growth projection



Global Facial Injectables
growth projection



The global dental market
growth projection



Sources:
<https://globalwellnessinstitute.org/press-room/press-releases/globalwellnesseconomymonitor2023/>
<https://www.giiresearch.com/report/tbrc1414193-energy-based-aesthetic-devices-global-market.html>
<https://www.thebusinessresearchcompany.com/report/dermal-filler-global-market-report>
<https://www.thebusinessresearchcompany.com/report/dental-equipment-and-supplies-global-market-report>

Business Overview Our Offerings

Core Business



B2B2C

A leading medical aesthetics energy-based device provider



Soprano Titanium



Harmony XL PRO



Alma PrimeX



Opus



Alma Duo

Incubation

LMNT.

Personal Care, immersing the essence of wellness into consumers' daily life

B2C | D2C

Business Expansion

Injectables

EXCELLING INJECTABLES THERAPY

B2B2C

Offer skin boosters, dermal facial fillers and soon – a new generation of toxin



Daxxify®
Long-lasting Toxin



Profhilo®
Skin Bio-remodeling
Therapy



Revanesse®
hyaluronic acid (HA)
dermal fillers



A holistic value proposition for professional dentistry practitioners as well as patients

B2B



Alma

Injectables

LMNT.

copulla

Channel

Sisram's Global Footprint

Direct Offices

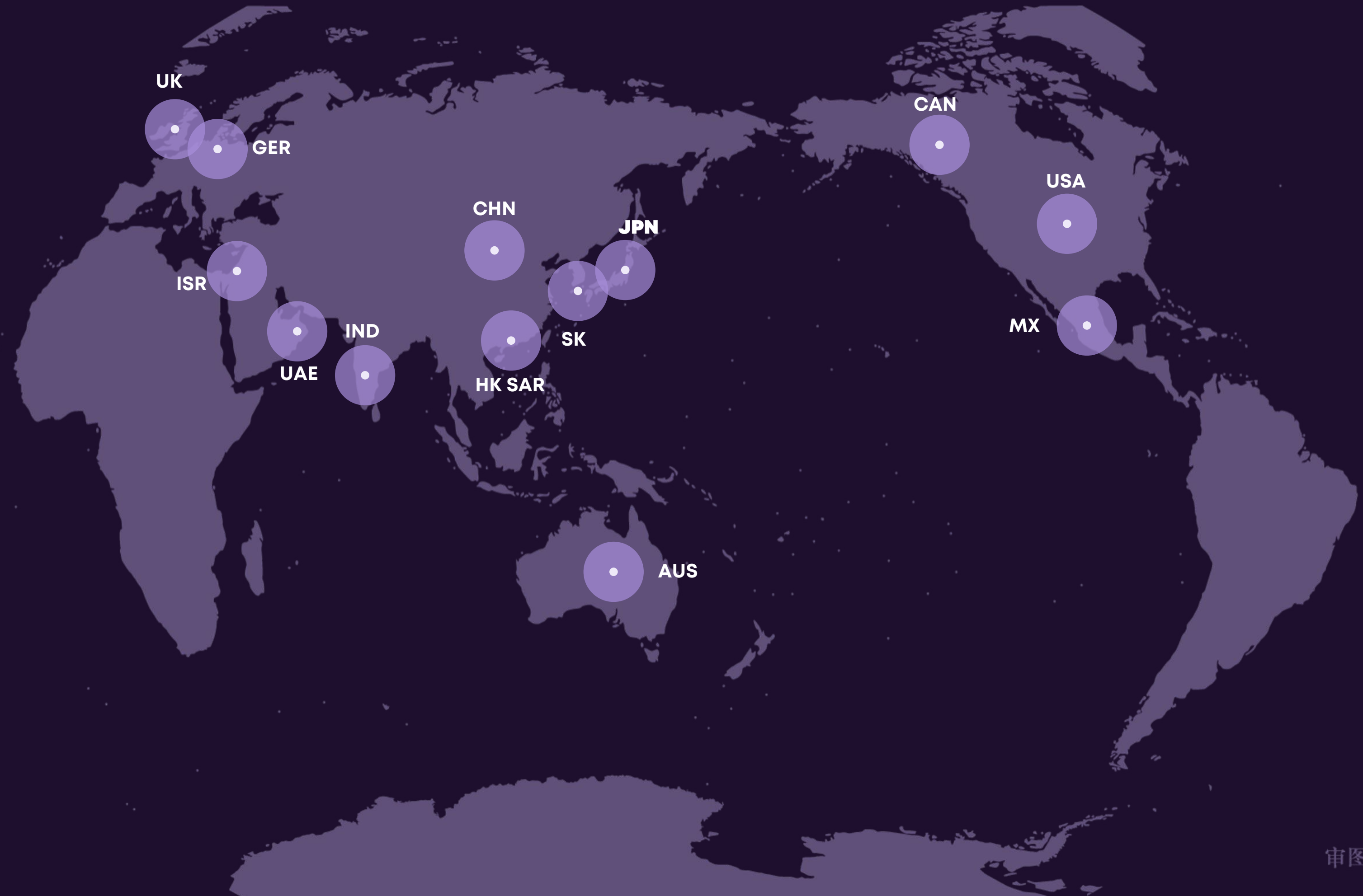


100+

- Enhanced geographic reach with strategic diversification and regional balance
- Worldwide sales network across around 100 countries / jurisdictions

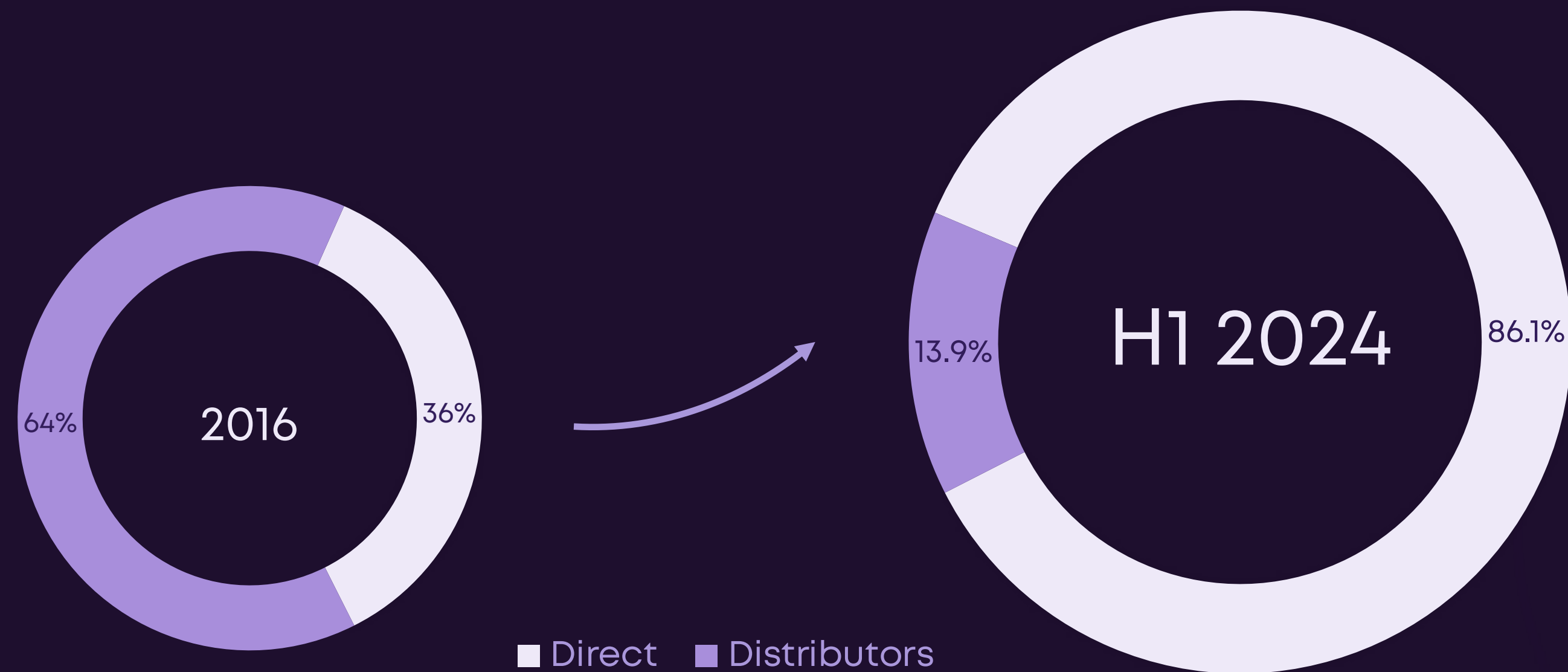
86.1%

- Significant efforts to expand our direct offices built last year such as mainland China, UAE and Japan
- A new all-time-high direct revenue record



Global Expansion

Expanding Global Presence through Direct Channels



▲ **145.2M**

The direct sales achieved a revenue of US\$145.2 million, representing an increase of 17.3% compared to H1 2023

▲ **14 p.p.**

The direct sales portion is representing an increase of 14 p.p. when compared to H1 2023

▲ **86.1%**

Revenue derived from direct sales amounted to 86.1% in H1 2024, a new all-time-high direct revenue record

Products Enhancing R&D Capabilities

- Initiated **2** additional clinical studies and **10** peer reviewed
- Applied for **2** new patents in the field of RF and ultrasound, registering **1** new designs, obtaining a considerable number of trademarks
- Promote new products launch to keep leadership in the industry while expand existing products into new territories

Technology

58 registered patents and 18 patents pending*

Utilizing 5 energy sources:

- Laser
- IPL
- Radio Frequency
- Ultrasound
- Plasma

Product

100+ applicators

Meeting multiple needs of beauty seekers:

- Body Tightening
- Skin Rejuvenation
- Facial Contouring
- Hair Removal
- Sexual Wellness

Treatment

50+ product platforms

Addressing varied customer requirements with dozens of treatment options:

- Non-invasive
- Minimally invasive (surgical)

*Totals are worldwide (i.e., not a specific country only)

*Does not include design patents.



Body

Skin

Alma PrimeX

- Body contouring and skin tightening
- Received FDA approval for Accent family of body contouring systems since 2007
- Guided ultrasonic wave technology combined with AlmaWave 40.68 MHz Radio Frequency technology for optimal long-lasting results



Alma PrimeX

Accent Prime

Harmony XL PRO

- Over 65 FDA-cleared indications of skin remodeling, vascular lesions, pigmented lesions, skin tone & texture, hair removal, acne, tattoo removal and more
- Nearly 20 distinct laser, light and ultrasound technologies
- Offers a wide range of combinations that can be tailored to each patients' needs



Alma Harmony™



Opus

- Skin resurfacing
- Opus Plasma® is the first-of-its-kind Fractional Plasma® technology
- Addressing superficial to complex textural and skin-quality concerns that are traditionally corrected with conventional fractional resurfacing lasers or full-field ablative resurfacing lasers, but with less downtime and a higher safety profile

- Skin rejuvenation and scar revision

- The first and only device to bring together 3 powerful energies (CO2, 1570nm and IMPACT ultrasound), designed for a wide range of ablative and non-ablative treatments

- Smart software serves as a tool to customize treatment, enabling a matrix of options, including skin type, the area being treated and other parameters

Alma Hybrid



BeautiFill by LipoLife

- Liposuction and fat grafting
- The first Laser-based fat transfer technology to standardize the process, time and quality of fat transfer methods with the least amount of adipose disruption
- Simultaneous lasing and suctioning for tighter skin and reduced treatment time
- Fat grafting with fat vitality higher than 95%

Derma Clear



REJUVE



SINON



Pixel CO2



ALMA Q



Hair

Soprano Titanium

- Sisram's flagship family for the treatment of hair removal
- 3 combined wavelengths (755nm, 810nm & 1064nm) covering all skin types
- ICE technology that continuously cools skin and facilitates range-controlled temperature
- Smart clinic data center – a cloud-based business development tool that offers continuous access to live data



Soprano SE
★ +20% power



Alma TED

- An ultrasound-based system with a propriety tip engineered with Impact Delivery™ that offers a non-invasive, non-traumatic option to address the market's growing hair loss concerns

Sexual Wellness

Alma Duo

- A revolutionary treatment for men to stimulate better blood flow and restore his natural sexual performance
- Focused low-intensity extracorporeal shock wave therapy (LI-ESWT) for long-lasting results (at least 2 years post treatment)



FemiLift

A state-of-the-art, minimally-invasive outpatient gynecological solution, FemiLift incorporates Pixel CO₂ technology to provide optimal feminine wellness to patients of any age. A single solution with a variety of applicators treating a wide range of feminine indications, FemiLift delivers quick and effective results, with no pain and minimal downtime



Products



An innovative and newly launched multiplatform is available in North America

- FDA-cleared for over 130 indications, Alma Harmony revolutionizes the field to address multiple signs of aging across all skin types

Alma Harmony™ **new**

A new and improved version of Alma's flagship platform for hair removal, delivering 20% more energy

- All-in-one TrioMax™ handpiece that combines three of the most clinically validated laser hair removal wavelengths – 755nm, 810nm and 1064nm



Soprano Titanium™
Special Edition

A whole new diagnostic product segment has emerged via the introduction of Alma IQ™

- An intelligent skin analysis and consultation solution



Alma IQ™

**Strengthening our position:
new products launching to enhance the portfolio and boost competitiveness**

Learn. Experience. Excel

Marketing

Deepen global brand recognition

Ambassador Collaboration

Continue to maximize global brand impact by leveraging our strategic collaboration with Hollywood icon Kate Hudson. The campaign has reached so far a cumulative number of more than 300 million people worldwide

Alma Academy

Held two Alma Academies in North America and Barcelona, which generated a record-breaking intake of new orders

From Traditional B2B To Modern B2B2C

Shifting the business mindset from product approach to clinic-centric approach and expanding its offering of high-value and high-demand advanced products

Alma Academy

品质医美
QUALITY MEDICINE BEAUTY
行动

聚势能·赢在起跑

Alma飞顿

Alma飞顿
新医美新力量

年度一

Opus



Alma

Injectables

LMNT.

copulla

Key Development

Injectables

Injectables
EXCELLING INJECTABLES THERAPY



With the knowledge and practice accumulated in the treatment of a variety of medical aesthetic clinical indications by energy-based devices, Sisram strengthens the synergistic empowerment of EBD and injectables, providing professional customers with a unique combination of medical aesthetic effects, bringing best experience for consumers.

Main Products

REVANCE®

First and only FDA approved neuromodulator product candidate with long-acting duration



BDDE free and one of the highest concentrations of HA on the market

PROLLENIUM®

The Revanesse® line of hyaluronic acid (HA) dermal fillers (CE and FDA Approved) made with state-of-the-art production methods, optimal ingredients, and rigorous quality testing to help to rejuvenate, smooth, lift and contour

Strategic Investments

RAZIEL
Therapeutics

Silk Fibroin

REVANCE® | Daxxify®

- First FDA approved true innovation in neuromodulator formulation in 30 years
- Generally safe with no human serum albumin (HSA) or animal proteins and U.S.-based manufacturing
- 6 months median duration; up to 9 months for some patients
- Long-duration, fast-onset, and the appearance of improved skin quality

Key Progress

The drug registration application of Daxxify® was accepted by the NMPA in March 2023*

*NMPA: National Medical Products Administration



REVANCE® | Daxxify®

Real world learnings in North American market

- >4 out of 5 HCPs (Healthcare Professionals) and patients are satisfied or very satisfied with the aesthetic results from DAXXIFY®
- Real-world feedback on the duration of DAXXIFY® is consistent with the clinical trial data
- DAXXIFY® is used broadly across the face
- FAST TREATMENT ONSET
- IMPROVED SKIN SMOOTHNESS - A quantitative image analysis demonstrated improved skin smoothness in patients who have been treated with DAXXIFY® in glabellar lines¹





PROFHILO®

- Introduced “Profhilo” skin bio-remodeling treatment in Israel, Hong Kong S.A.R and India. Soon in China
- BDDE-free (without the use of chemical cross-linking agents) with the patented NAHYCO® technology
- One of the highest concentrations of HA on the market (64 mg / 2 ml)
- Stimulating natural collagen and elastin production
- The registration application of Profhilo®, an injectable product exclusively distributed in Mainland China, was accepted by the NMPA*

*National Medical Products Administration



Key Progress

- It was granted approval by the Hainan Provincial Drug Administration as a designated medical device in April 2024

PROLLENIUM® | REVANESSE®

- The Revanesse® line of hyaluronic acid (HA) dermal fillers made with state-of-the-art production methods, optimal ingredients, and rigorous quality testing to help to rejuvenate, smooth, lift, contour
- Exclusive distribution rights for the renowned Revanesse® dermal filler collection in several key markets including the United Kingdom, Germany, Austria, Switzerland, Australia, and New Zealand*

* Refer to the voluntary announcement disclosed on 8 Jan 2024



**Revanesse®
Outline™+**



**Revanesse®
Contour™+**



**Revanesse®
Ultra™+**



**Revanesse®
Kiss™+**



**Revanesse®
Shape™+**



**Revanesse®
Versa™+**



**Revanesse®
Lips™+**

Strategic Investments

RAZIEL Therapeutics

- Key product: Fat Dissolving Injections
- JS-001 (RZL-012) has completed Phase IIb clinical trial and achieved primary endpoint, and prepared for the phase III international multicenter clinical trial
- The active ingredient of JS-001 is synthesized small molecule, and the dosage form contains no human or animal-derived ingredients. Preclinical and clinical studies have confirmed that JS-001 injection can induce apoptosis of fat cells at the injection site, thereby reduce the thickness of the fat layer and achieve local contouring

Silk Fibroin

- Two key products: silk fibroin sodium hyaluronate composite gel and facial implant threads
- Silk fibroin is a kind of natural fiber with the highest biological safety. Silk fibroin has low immunogenicity and excellent angiogenesis ability, and is completely degradable



Alma

Injectables

LMNT.

copulla

- LMNT by Alma is a personal care brand, delivering the company’s legacy of technology and knowhow in light-based aesthetic solutions into consumers' home. FDA cleared, and clinically validated, LMNT gives an immediate glow, as well as long-term results
- LMNT targets the consumer market, using a unique channel combination (Sisram’s existing B2B channels as well as T-mall partner and European e-commerce channels)

Products

LMNT Beauty Device



LMNT One
2022



LMNT one+
2023

Pink Champagne Nude Pink



LMNT O2
2023



2024

LMNT Skincare

LMNT Facial Oil
2023



LMNT Facial Mask
2023

Marketing

China

+150+

Collaborated with 150+ KOLs/KOCs

+400%

400% increase in Douyin Channel in terms of GMV

+100%

100% increase in 618 promotion event in terms of GMV

Channels

Tmall, JD, REDBOOK, Douyin, POZION and other vertical channels

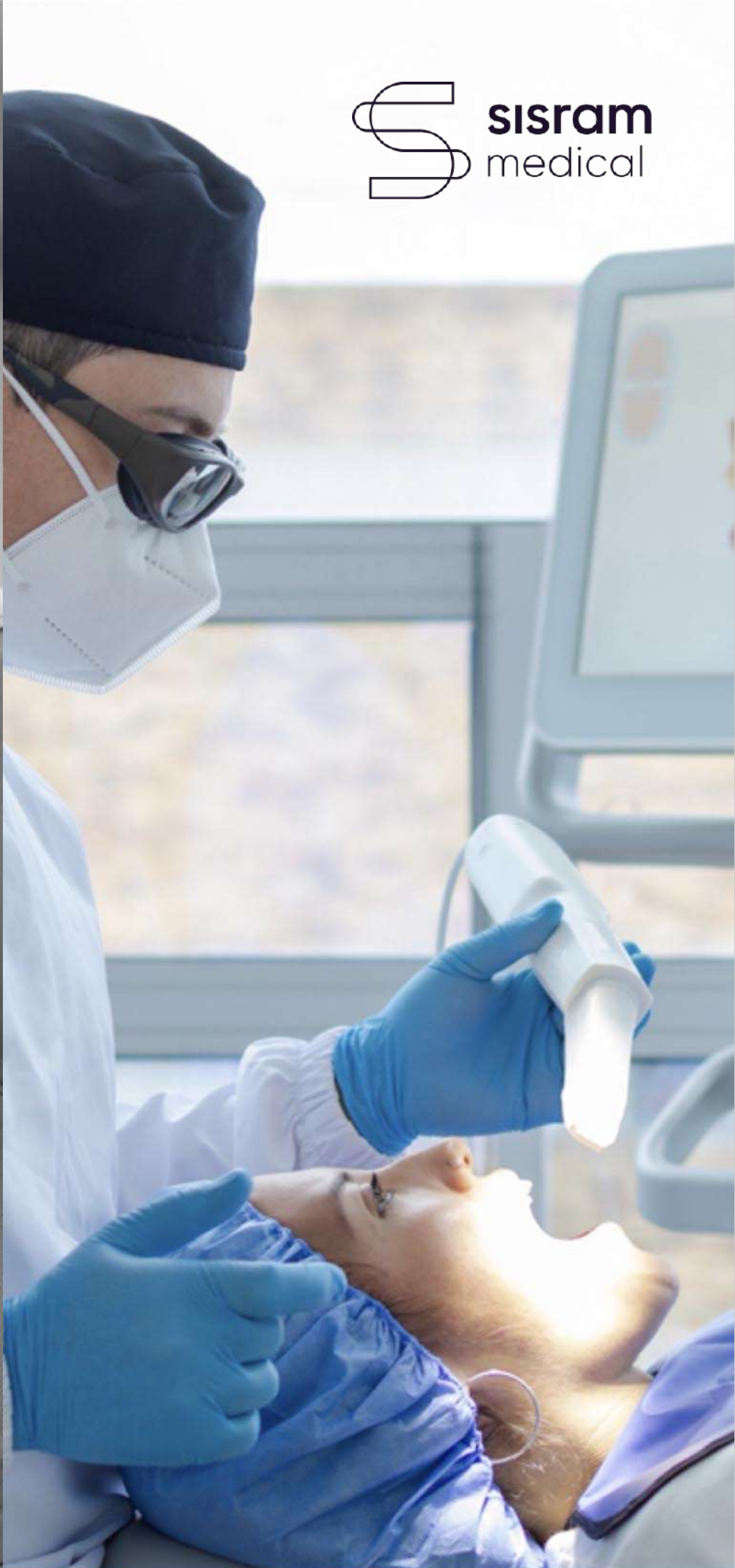
North America

~300

available in around 300 Clinics in US

One Stop Shop

Alma's holistic approach and philosophy include EBD in clinics and extending to home-environment via clinics



Alma

Injectables

LMINT.

 **copulla**

copulla | Aesthetic and Digital Dentistry

- A global end-to-end digital dentistry service, challenging existing dentistry workflow by creating an ideal, assisted digital workflow
- Copulla's mission is to enable cost-effective and efficient measurement, design, and production processes for restoration dentistry treatments via a digital platform, covering all aspects from intra-oral scanning to final dental appliance delivery
- During 2024, we held a successful pilot of Copulla (new innovative digital dentistry service) in Israel and we are evaluating the path to commercialization in other global markets



03

FINANCIAL
REVIEW

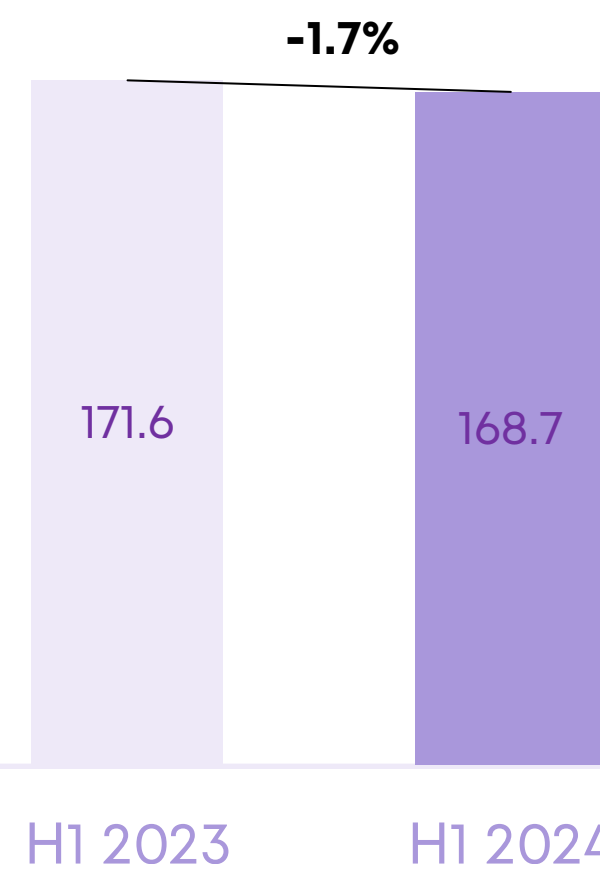


MEDICAL GRADE WELLNESS |  | MEDICAL GRADE WELLNESS

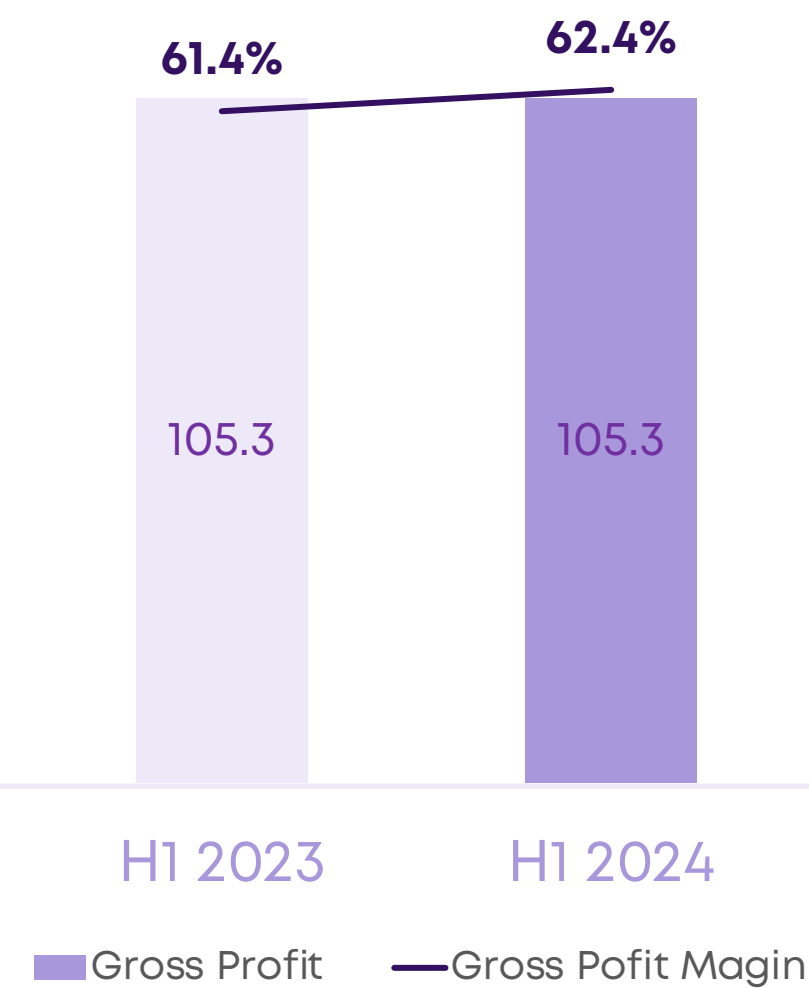
H1 2024 Financials

- Despite global challenges in H1 2024, the increase in the proportion of direct sales and the increase in gross margin reflect the Company's strategic direction over the years
- Some one-time expenses for initial setup of direct offices offset the increase in net profit

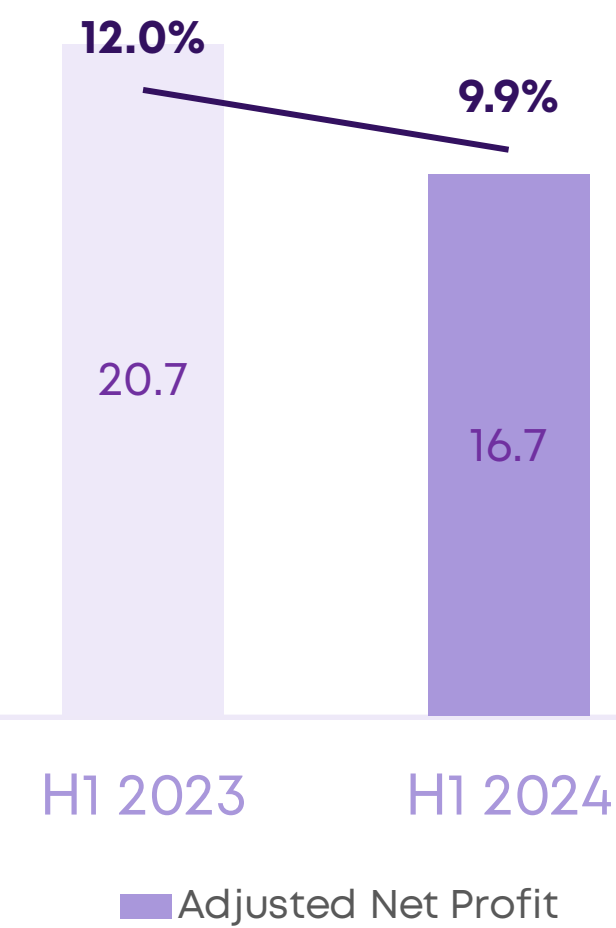
Revenue



Gross Profit and Gross Profit Margin



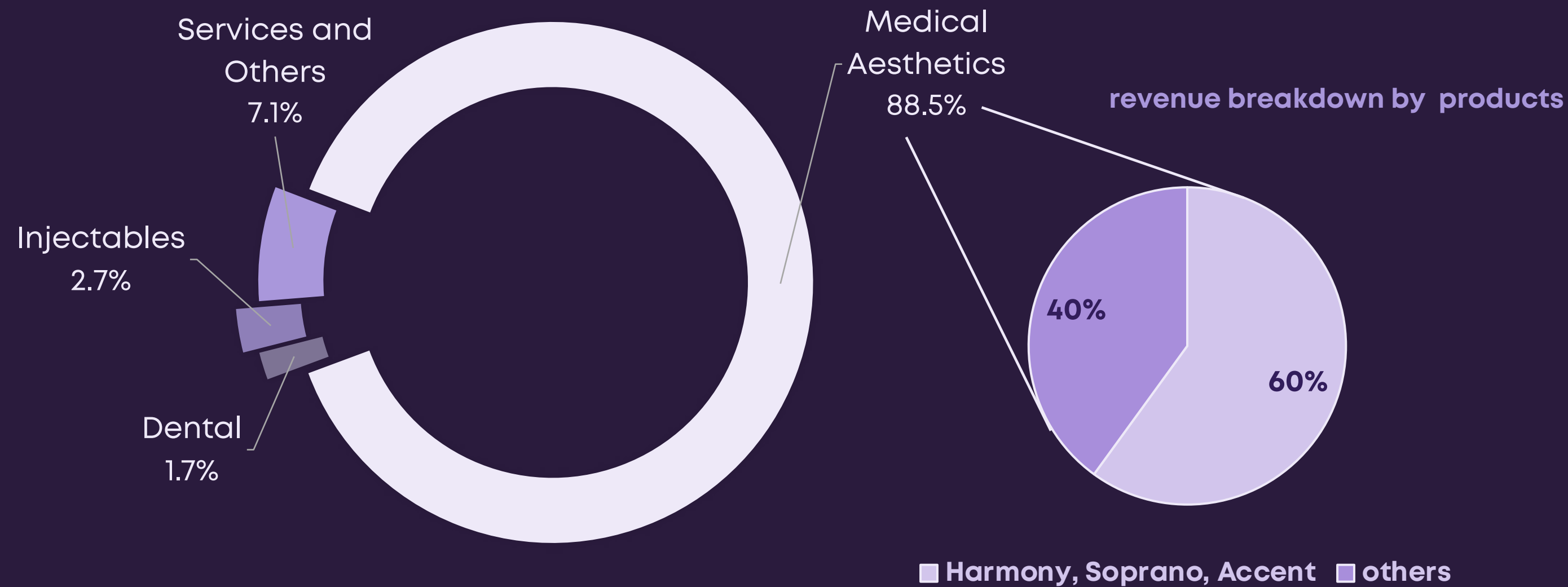
Adjusted Net Profit and Adjusted Net Profit Margin



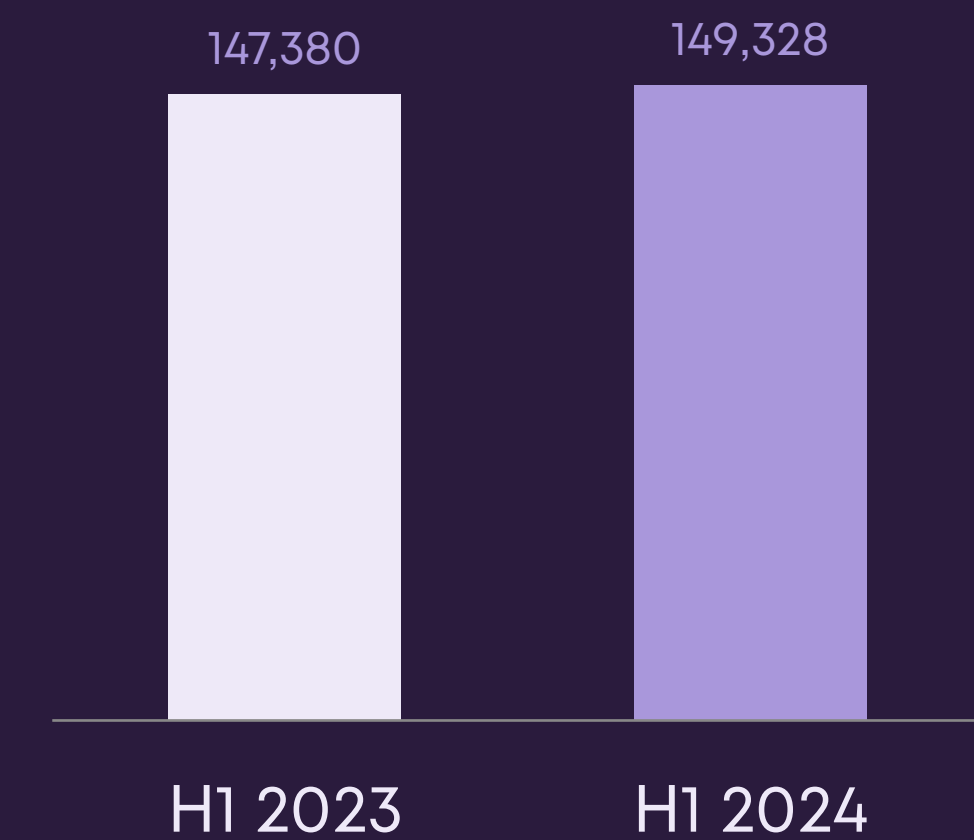
H1 2024 Financials

- 1.3% increased in Business of Medical Aesthetics, mainly due to our traditional leading platforms such as “Soprano”, “Harmony” and “Accent”
- Core EBD segment continued to delivered solid results and generated more than 10% net profit margin

revenue breakdown by segments



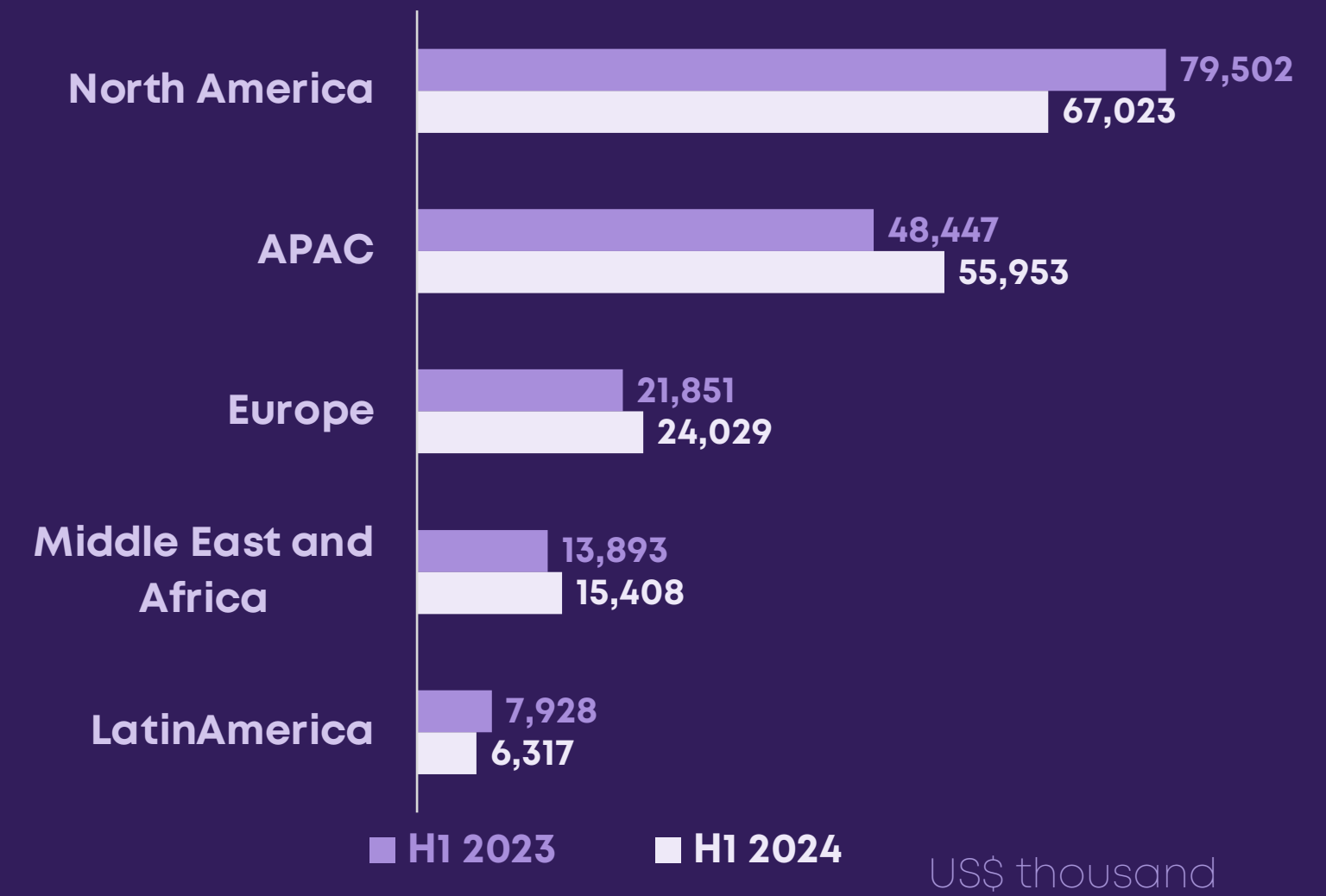
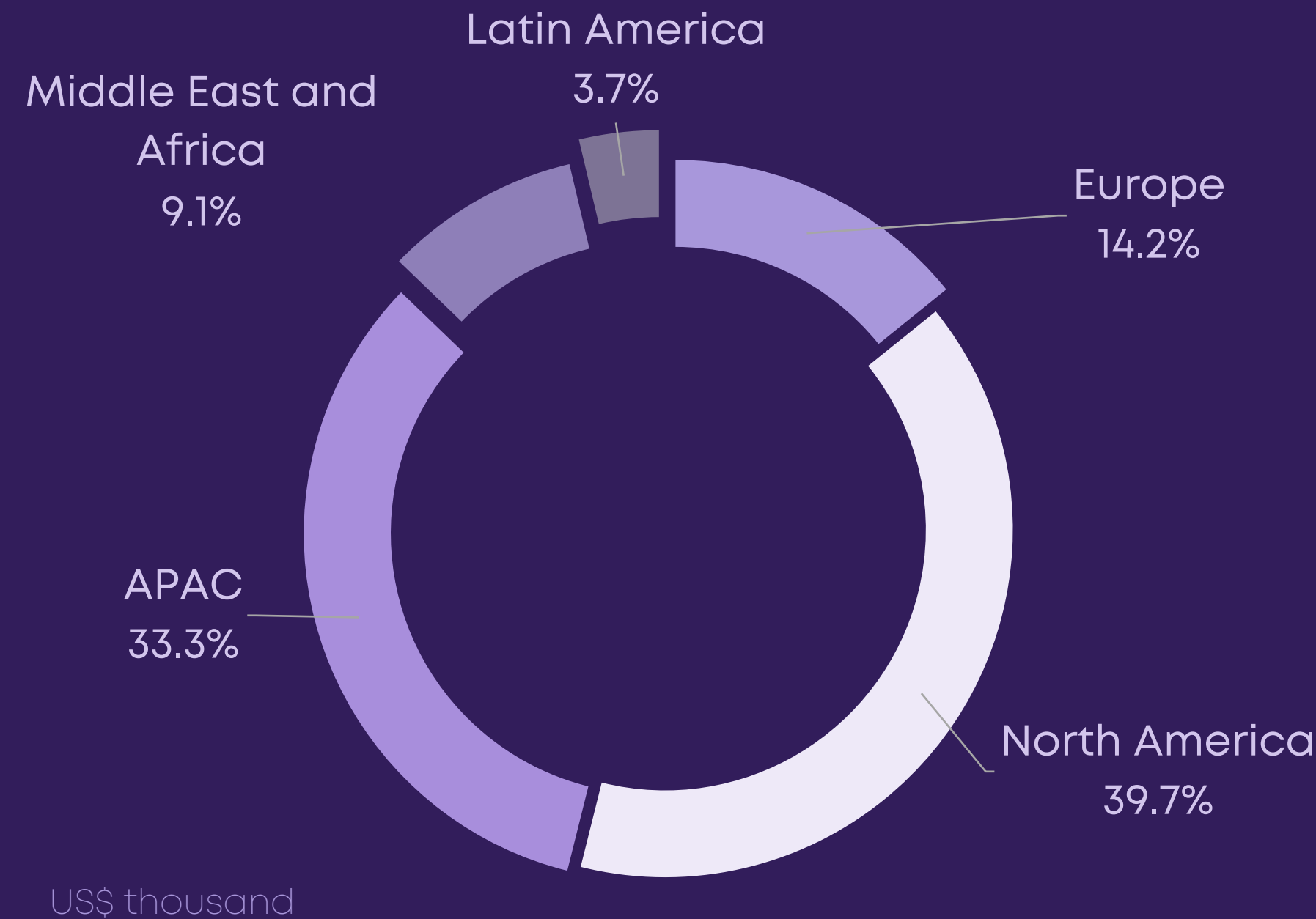
US\$ thousand



Medical Aesthetics

H1 2024 Financials

revenue breakdown by geography



▼ North America

-15.7% revenue decrease in North America – the challenging economic conditions, mainly due to high interest rates, costing clinics more to when purchasing platforms

▲ Europe

+10.0% revenue increase in Europe – continues leadership of Alma’s Hair removal platform – Soprano Titanium in it’s special edition introduced to market and steady growth in market adoption of Alma’s most prestigious platform – Alma Hybrid, designed for top notch practitioners of medical aesthetics craft

▲ APAC

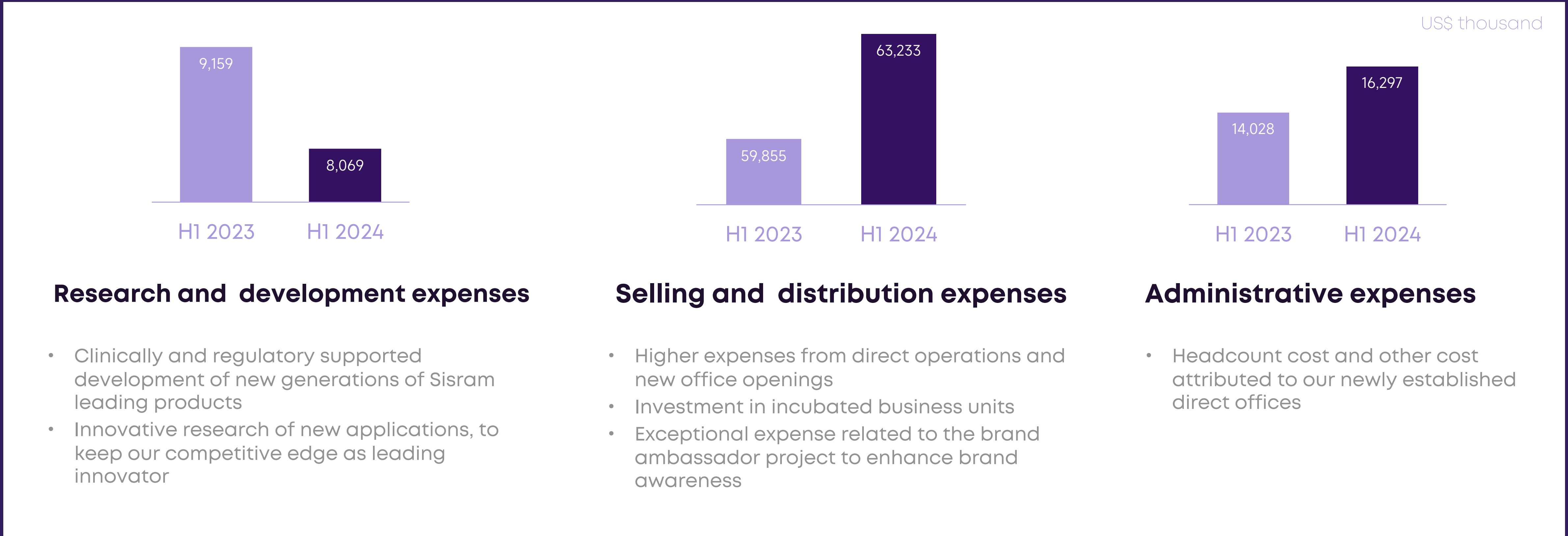
+15.5 revenue increase in APAC – strong performance of EBD segment in our China direct office, which demonstrated resilience to economic headwinds

▲ Middle East and Africa

+10.9% revenue increase in Middle East and Africa mainly due to Soprano Titanium in it’s special edition introduced to market in H1 2024

H1 2024 Financials | OPEX Analysis

- Cost control in H1 2024 to improve efficiency in mature direct offices
- The YoY increase of \$6 million in OPEX was mainly due to costs associated with our new established subsidiaries



04

OUTLOOK
STRATEGIES



Five Pillars of Our Success



R&D DRIVEN

Strong and disruptive R&D capability to lead the industry




GLOBAL PRESENCE

Strengthen our distribution channels and direct operations



WELLNESS

Broadening our reach into adjacent domains of wellness & creating a medical grade wellness brand



CONSUMER FOCUS

Actively targeting the end-user with a unique multi-channel approach and commitment to quality



OUR BRAND

Successfully translating our vision & strategy into a tangible and recognizable consumer brand

Key Drivers In Future

APAC and North America, as important strategic markets, are the main revenue growth engine of Sisram in the future. Sisram will strengthen the layout of the strategic markets and investment to enhance business coverage and penetration.

APAC Market

- Push key progress and commercialization of injectables
- Accelerate post M&A integration of Chinese market and empower the brand and channels
- Pilot market to demonstrate the wellness ecosystem

North America Market

- Strengthen revenue-driven product sales such as Alma Harmony and Alma IQ
- Excel in customer journey with exceptional customer experience and satisfaction
- Improve penetration through diversified solutions under the challenge of high interests

BUILDING Sisram Wellness EcoSystem

Operating within the Greater Wellness Market

Vision of “Enhancing Quality of Life”

Unique Business to Everyone (B2E)
industry-disrupting approach

First-of-its-kind synergistic ecosystem of business building blocks and **consumer-focused** branding



Growth Engines

Direct channels

- Expand global footprint through a direct-sales approach

Innovation

- Leading the industry with game-changing EBD platform launches

M&A opportunities

- Enrich the wellness ecosystem by strategic investments

Expanding Ecosystem offering

- Expanding the injectables and personal care with high-end products
- Combined therapy of EBD, injectable, home-use devices and skincare solutions

Increase brand awareness

- Enhance customer experience and create customer journeys based built trust and loyalty

Non-Organic
Growth

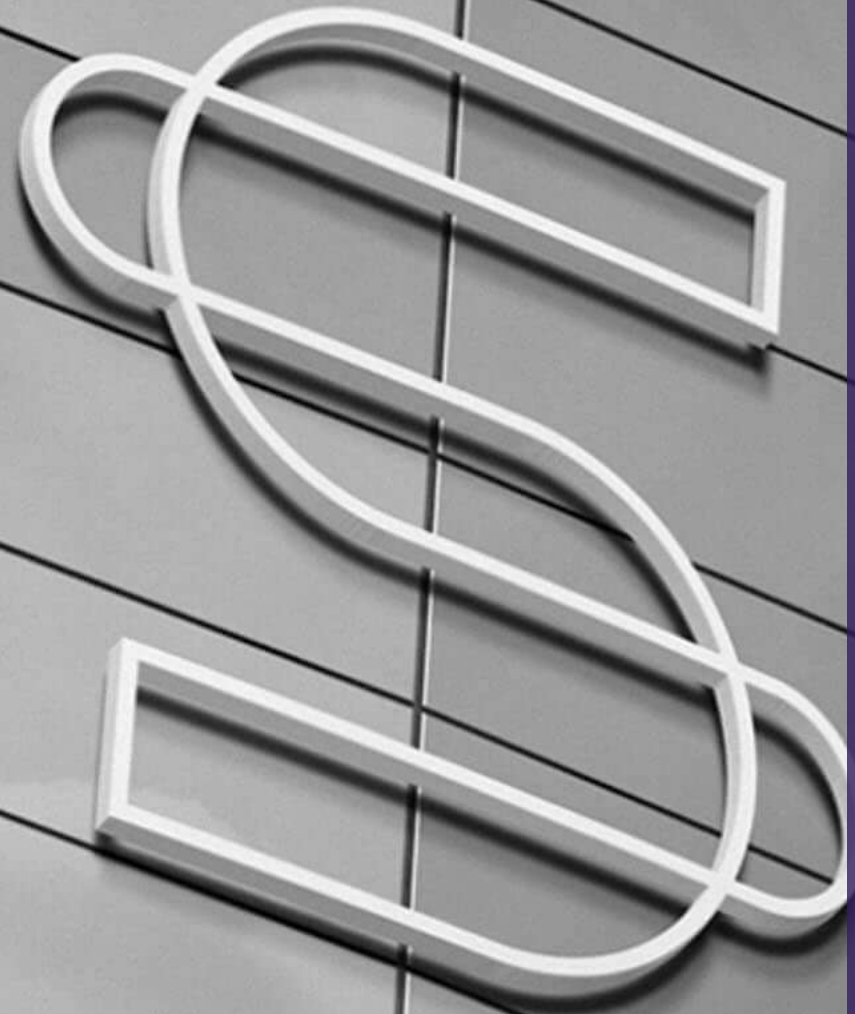
Organic
Growth



05

APPENDIX





Sisram
medical

Fosun
Pharma

71.42%

2196.HK
600196.SH



Sisram
Medical

1696.HK

100%

Public
Shareholders

28.58%



As of 30th June 2024