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Sisram Medical Ltd
復銳醫療科技有限公司*
(Incorporated in Israel with limited liability)
(Stock Code: 1696)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2025**

FINANCIAL HIGHLIGHTS

- Revenue for the year ended December 31, 2025 was US\$365.3 million, increased by 4.7% as compared to the revenue for the previous year.
- Revenue from Injectables for the year ended December 31, 2025, was US\$28.0 million, increased by 185.6%.
- International markets (excluding North America) achieved revenue growth of 20.1% year-on-year compared to 2024.
- Gross profit margin decreased to 58.9% for the Reporting Period from 62.1% in 2024.
- The adjusted net profit was US\$31.0 million, increased by 7.9% as compared to that for the previous year.

FINAL DIVIDEND

- The Board has resolved to declare a final dividend of HK\$0.095 (inclusive of tax) per Share for the year ended December 31, 2025.

RESULTS HIGHLIGHTS

The board of directors (the “**Board**”) of Sisram Medical Ltd (the “**Company**” or “**Sisram**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**” or “**we**”) for the year ended December 31, 2025 (the “**Reporting Period**”), prepared under International Financial Reporting Standards (“**IFRSs**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended December 31, 2025

	<i>Notes</i>	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
REVENUE	4	365,347	349,112
Cost of sales		<u>(150,203)</u>	<u>(132,432)</u>
Gross profit		215,144	216,680
Other income and gains	4	4,556	7,289
Selling and distribution expenses		(129,496)	(131,515)
Administrative expenses		(36,232)	(33,571)
Research and development expenses		(16,861)	(15,937)
Other expenses		(5,526)	(7,980)
Finance costs	6	(3,245)	(2,455)
Share of profits and losses of associates		<u>210</u>	<u>30</u>
PROFIT BEFORE TAX	5	28,550	32,541
Income tax expense	7	<u>(3,545)</u>	<u>(3,775)</u>
PROFIT FOR THE YEAR		<u>25,005</u>	<u>28,766</u>
Attributable to:			
Owners of the parent		19,016	25,126
Non-controlling interests		<u>5,989</u>	<u>3,640</u>
		<u>25,005</u>	<u>28,766</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic			
— For profit for the year (US cents)	9	<u>4.06</u>	<u>5.36</u>
Diluted			
— For profit for the year (US cents)	9	<u>4.06</u>	<u>5.36</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended December 31, 2025

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
PROFIT FOR THE YEAR	<u>25,005</u>	<u>28,766</u>
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
Effective portion of changes in fair value of hedging instruments arising during the year	2,089	(105)
Reclassification adjustments for gains included in the consolidated statement of profit or loss	<u>(1,512)</u>	<u>(136)</u>
	577	(241)
Exchange differences:		
Exchange differences on translation of foreign operations	<u>3,742</u>	<u>(3,035)</u>
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	4,319	(3,276)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Actuarial reserve relating to a defined benefit plan	(36)	(188)
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	<u>(36)</u>	<u>(188)</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<u>4,283</u>	<u>(3,464)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>29,288</u>	<u>25,302</u>
Attributable to:		
Owners of the parent	23,361	21,753
Non-controlling interests	<u>5,927</u>	<u>3,549</u>
	<u>29,288</u>	<u>25,302</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2025

		December 31, 2025	December 31, 2024
	<i>Notes</i>	<i>US\$'000</i>	<i>US\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		21,318	22,092
Right-of-use assets		35,471	37,377
Goodwill		126,915	126,915
Other intangible assets		136,695	142,543
Deferred tax assets		9,950	9,618
Trade receivables	10	35,918	26,553
Investments in associates		7,297	5,157
Financial assets at fair value through profit or loss		2,827	2,764
Other non-current assets		4,574	5,029
		<hr/>	<hr/>
Total non-current assets		380,965	378,048
CURRENT ASSETS			
Inventories		93,289	81,023
Trade receivables	10	92,587	80,759
Prepayments, other receivables and other assets		18,714	14,945
Financial assets at fair value through profit or loss		—	1,745
Derivative financial instruments		728	508
Cash and bank balances		70,973	70,234
		<hr/>	<hr/>
Total current assets		276,291	249,214
CURRENT LIABILITIES			
Contract liabilities		12,036	15,597
Trade payables	11	22,927	13,364
Other payables and accruals		50,300	48,447
Interest-bearing bank and other borrowings		10,788	4,796
Lease liabilities		5,501	4,407
Tax payable		4,701	8,876
		<hr/>	<hr/>
Total current liabilities		106,253	95,487

	December 31, 2025	December 31, 2024
<i>Notes</i>	<i>US\$'000</i>	<i>US\$'000</i>
NET CURRENT ASSETS	<u>170,038</u>	<u>153,727</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>551,003</u>	<u>531,775</u>
NON-CURRENT LIABILITIES		
Contract liabilities	3,458	1,254
Lease liabilities	35,464	33,998
Deferred tax liabilities	7,211	8,668
Other long-term liabilities	<u>1,189</u>	<u>3,063</u>
Total non-current liabilities	<u>47,322</u>	<u>46,983</u>
NET ASSETS	<u><u>503,681</u></u>	<u><u>484,792</u></u>
EQUITY		
Equity attributable to owners of the parent		
Share capital	1,334	1,334
Reserves	<u>478,518</u>	<u>462,695</u>
Non-controlling interests	<u>23,829</u>	<u>20,763</u>
Total equity	<u><u>503,681</u></u>	<u><u>484,792</u></u>

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated under the laws of the State of Israel on April 25, 2013. The registered office of the Company is located at Ofek Building 15, HaHarash Street 18, Industrial Park, Caesarea, 3079895, Israel.

The Company is involved in research, development, design, manufacture, sale and marketing of medical aesthetics and dental equipment, home use devices, injectables and cosmeceuticals products.

A major shareholder of the Company is Ample Up Limited and the ultimate holding company of the Company is Fosun International Holdings Limited. The ultimate controlling shareholder of the Company is Mr. Guo Guangchang.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“IASs”) and interpretations) as approved by the International Accounting Standards Board (the “IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments, financial assets at fair value through profit or loss and a defined benefit plan which have been measured at fair value. The financial statements are presented in United States dollars (“US\$” or “U.S. Dollar”) and all values are rounded to the nearest thousand (US\$’000) except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended December 31, 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognizes the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognized in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to IAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, branches, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 Disclosures about Uncertainties in the Financial Statements, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group's operating activities are related to a single operating segment, which is the design, development, manufacture and sale of energy-based aesthetic medical, minimally invasive treatment systems, non-energy-based devices and cosmeceuticals. Therefore, no analysis by operating segment is presented.

Geographical information

(a) Revenue from external customers

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Asia Pacific	147,419	116,215
North America	111,010	137,398
Europe	56,442	50,538
Middle East and Africa	36,422	34,605
Latin America	14,054	10,356
	<u>365,347</u>	<u>349,112</u>
Total revenue	<u>365,347</u>	<u>349,112</u>

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Israel	208,404	206,664
Chinese Mainland	134,772	136,156
United States	8,215	7,458
Other countries	16,797	15,388
	<u>368,188</u>	<u>365,666</u>
Total non-current assets	<u>368,188</u>	<u>365,666</u>

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about a major customer

There was no revenue from transactions with a single external customer amounting to 10% or more of total revenue for the reporting period (2024: Nil).

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
<i>Revenue from contracts with customers</i>	<u>365,347</u>	<u>349,112</u>

Revenue from contracts with customers

(i) *Disaggregated revenue information*

For the year ended December 31, 2025

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Types of goods or services		
Sale of products	345,211	327,298
Services provided	<u>20,136</u>	<u>21,814</u>
Total revenue from contracts with customers	<u>365,347</u>	<u>349,112</u>
Timing of revenue recognition		
Goods transferred at a point in time	345,211	327,298
Services transferred over time	<u>20,136</u>	<u>21,814</u>
Total revenue from contracts with customers	<u>365,347</u>	<u>349,112</u>

The following table shows the amounts of revenue recognized in the reporting period that were included in the contract liabilities at the beginning of the reporting period and recognized from performance obligations satisfied in previous periods:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Revenue recognized that was included in contract liabilities at the beginning of the reporting period:		
Sale of goods	7,538	7,452
Warranty and related services	<u>8,059</u>	<u>8,452</u>
Total	<u>15,597</u>	<u>15,904</u>

(ii) Performance obligations

Information about the Group's performance obligations is summarized below:

Sale of products

The performance obligation is satisfied when control of goods is transferred to the customers and there are different payment terms according to the region.

Services provided

The performance obligation is satisfied over time as services are rendered and advances are normally required before rendering the services.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at December 31 are as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Amounts expected to be recognized as revenue:		
Within one year	12,036	15,597
After one year	3,458	1,254
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Total	15,494	16,851
	<hr/> <hr/>	<hr/> <hr/>

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognized as revenue after one year relate to goods to be sold and services to be provided. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognized as revenue within one year.

Other income and gains

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Foreign exchange differences, net	2,514	—
Interest income	961	1,316
Revenues from rent	154	160
Gain from disposal of investments in associates	—	4,152
Fair value gain on revenue commitment	—	1,218
Others	927	443
	<hr/>	<hr/>
Total other income and gains	4,556	7,289
	<hr/> <hr/>	<hr/> <hr/>

5. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging/(crediting):

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Cost of inventories sold	133,770	115,183
Cost of services provided	<u>16,433</u>	<u>17,249</u>
Total	<u><u>150,203</u></u>	<u><u>132,432</u></u>
Employee benefit expense (including directors' and senior management's remuneration:		
Wages and salaries	115,586	115,984
Equity-settled share based payments	—	(794)
Defined benefit scheme	<u>648</u>	<u>686</u>
Total	<u><u>116,234</u></u>	<u><u>115,876</u></u>
Research and development costs:		
Current year expenditure	16,861	15,937
Auditors' remuneration	564	508
Lease payments not included in the measurement of lease liabilities	1,755	1,302
Depreciation of property, plant and equipment	3,548	3,452
Depreciation of right-of-use assets	6,156	6,075
Amortization of other intangible assets	7,645	7,779
Impairment of other intangible assets	—	102
Provision for impairment of inventories	3,796	3,093
Provision for impairment of trade receivables	1,407	2,202
Fair value gain from foreign exchange forward contracts not qualifying as hedges	(2,334)	(480)
Fair value gain on revenue commitment	—	(1,218)
Gain from disposal of investment in associates	—	(4,152)
Share of profits of associates	(210)	(30)
Foreign exchange differences, net	<u><u>(2,514)</u></u>	<u><u>1,827</u></u>

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Interest on loans and borrowings	788	251
Interest on lease liabilities	<u>2,457</u>	<u>2,204</u>
Total	<u><u>3,245</u></u>	<u><u>2,455</u></u>

7. INCOME TAX

Israel

The Israeli corporate tax rate applicable to the Company was 23% for the reporting period (2024: 23%). Each entity in the Group is taxable based on its standalone results as measured by the local tax system.

Alma Lasers Ltd. (“Alma”), a major operating subsidiary of the Company, was granted the status of “Preferred Enterprise” under the Law for the Encouragement of Capital Investments, 1959 (as amended in 2011, the “2011 Amendment of the Investment Law”) and therefore enjoyed a preferential corporate tax rate of 16% during the period.

For a Special Preferred Technological Enterprise (“SPTE”) where the parent company’s total revenues are more than NIS10 billion in the tax year, its preferred technological income will be subject to a tax rate of 6%, regardless of its geographical location.

As of December 31, 2025, Alma enjoyed a preferential effective tax rate of 6% for being a SPTE for the year ended December 31, 2025 (2024: 6%).

United States

The subsidiary operating in the United States is subject to the United States federal and multiple state income tax. The United States federal income tax was provided at the rate of 21% during the year, and multiple state income tax was provided at the average rate of 6% during the year on the estimated assessable profits arising in the United States.

Chinese Mainland

The income of Sisram Medical (Tianjin) Ltd., Shanghai Foshion Medical System Co.,Ltd., Xingyuanda Medical Technology Huaiian Co., Ltd. and Alma Feidun Technology (Chengdu) Co., Ltd., subsidiaries established in the PRC, are taxed at the rate of 25%.

Other overseas subsidiaries

Taxes on taxable income assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Current	5,334	9,145
Deferred	<u>(1,789)</u>	<u>(5,370)</u>
Total tax charge for the year	<u><u>3,545</u></u>	<u><u>3,775</u></u>

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the country in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax expense at the effective tax rate is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Profit before tax	<u><u>28,550</u></u>	<u><u>32,541</u></u>
Statutory tax rate	23%	23%
Tax at the statutory tax rate	6,567	7,484
Different tax rates for certain entities	(902)	(3,708)
Effect on opening deferred tax from changes in tax rates	(55)	(123)
Tax losses utilized from previous period	(311)	(452)
Expenses not deductible for tax	312	142
Taxes in respect of previous year	(2,340)	375
Deductible temporary differences not recognized	91	95
Others	<u>183</u>	<u>(38)</u>
Total tax charge for the year at the effective rate	<u><u>3,545</u></u>	<u><u>3,775</u></u>

8. DIVIDEND

On March 23, 2026, the Board resolved to declare a final dividend of HK\$0.095 (inclusive of tax) per share for the year ended December 31, 2025 (for the year ended December 31, 2024: HK\$0.126).

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the reporting period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 468,343,092 (2024: 468,343,092) outstanding during the reporting period.

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2024 and 2025.

The calculations of basic and diluted earnings per share are based on:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	<u>19,016</u>	<u>25,126</u>
	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	<u>468,343,092</u>	<u>468,343,092</u>

10. TRADE RECEIVABLES

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Trade receivables		
Current	96,032	83,100
Non-current	<u>37,344</u>	<u>28,039</u>
Subtotal	133,376	111,139
Impairment		
Current	(3,445)	(2,341)
Non-current	<u>(1,426)</u>	<u>(1,486)</u>
Subtotal	(4,871)	(3,827)
Net carrying amount		
Current	92,587	80,759
Non-current	<u>35,918</u>	<u>26,553</u>
Total	<u>128,505</u>	<u>107,312</u>

The Group's trading terms with its customers are mainly on credit. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimize credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables at the end of the reporting period, based on the due date and net of loss allowance, is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Within one month	109,525	86,300
1 to 2 months	3,820	3,210
2 to 3 months	4,857	3,587
Over 3 months	10,303	14,215
Total	128,505	107,312

The movements in loss allowance for impairment of trade receivables are as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
At beginning of year	3,827	2,346
Impairment losses	1,407	2,202
Amount written off as uncollectible	142	(667)
Effect of foreign exchange rate changes, net	(505)	(54)
At end of year	4,871	3,827

11. TRADE PAYABLES

An ageing analysis of the trade payables at the end of the reporting periods, based on the invoice date, is as follows:

	2025	2024
	<i>US\$'000</i>	<i>US\$'000</i>
Within 1 month	7,461	5,635
1 to 2 months	8,227	5,030
2 to 3 months	6,690	1,300
Over 3 months	<u>549</u>	<u>1,399</u>
Total	<u><u>22,927</u></u>	<u><u>13,364</u></u>

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

12. EVENT AFTER THE REPORTING PERIOD

The regional security environment continues to evolve amid ongoing geopolitical tensions and the scope and severity of conflicts in the Middle East remain difficult to predict at this stage. As of the date of this announcement, the Group's production and operations in Israel, as well as its subsidiaries in the Middle East, Europe, North America, Asia Pacific ("APAC"), etc. have maintained normal operations. Owing to the Group's geographically diversified footprint and established risk management protocols, such incidents have not had a material adverse impact on the Group's overall business activities to date. The Company will continue to monitor the situation closely, maintain regular communication with local teams and authorities, and stand ready to implement contingency measures — including adjustments to production scheduling, logistics, workforce deployment and customer support — to protect employee safety, ensure continuity of supply and minimize any potential disruption to customers and partners.

MANAGEMENT DISCUSSION AND ANALYSIS

1. BUSINESS REVIEW

Sisram is rapidly emerging as a distinguished global provider of medical aesthetic solutions, backed by over 25 years of leadership in the energy-based device (“EBD”) sector. Anchored by a legacy of innovation and clinical excellence, the Company has cultivated a unique, synergistic ecosystem that spans energy-based technologies, injectables, diagnostics, and complementary solutions.

With a deep-rooted commitment to research, development, and the application of advanced energy technologies, Sisram has introduced a series of groundbreaking solutions that continue to redefine the standards of medical aesthetics. Expanding its synergistic offering and leveraging global leadership alongside a robust commercial infrastructure spanning 12 direct-sales subsidiaries, Sisram is uniquely positioned as a premier platform for incubating and commercializing next-generation innovations in medical aesthetics.

Driven by a vision to enhance lives worldwide, Sisram empowers practitioners to deliver safe, effective, and life-transforming treatments utilizing state-of-the-art, clinically proven, holistic medical aesthetics solutions ranging from cutting-edge energy-based devices and diagnostic platforms to advanced injectables, AI-assisted skincare, and home-use devices, all designed to support an intelligent, personalized aesthetic journey across a spectrum of patient needs.

Recognized for our achievements, Sisram’s award-winning solutions are trusted by more than tens of thousands of leading aesthetic clinics worldwide, with millions of patients across the board benefiting from its solutions every day, solidifying our position as a global leader.

2. BUSINESS REVIEW OF 2025

In 2025, Sisram’s global sales and distribution network recorded a total revenue of US\$365.3 million, representing an increase of 4.7% compared to 2024. Sisram continued to expand its direct presence in APAC with the establishment of a new direct office in Thailand, generating significant revenue while also driving strong growth through distribution channels. This strategy enabled Sisram to deliver 20.1% year-on-year revenue growth in markets outside North America. This growth was partially offset by the slowdown in North America, mainly due to the continuously challenging macroeconomic environment.

The gross profit amounted to US\$215.1 million for the Reporting Period, representing a decrease of 0.7% compared to 2024. The gross profit margin during the Reporting Period amounted to 58.9%, representing a decrease of 3.2 percentage points (“p.p.”) compared to 62.1% in 2024. The decrease in gross profit margin was mainly due to changes in geographic, product mix and newly established import tariffs.

For the Reporting Period, the Group recorded profit before tax of US\$28.6 million and profit for the year of US\$25.0 million, representing a decrease of 12.3% and 13.1% respectively, when compared to 2024. The decrease in profit before tax and profit for the period was mostly due to the decrease in gross profitability, partially offset by operational savings, as the Group has undertaken efficiency enhancement initiatives across its operations.

For the Reporting Period, the Group recorded an adjusted net profit of US\$31.0 million representing an increase of 7.9% when compared to 2024. The adjusted net profit margin for the Reporting Period was 8.5% of revenue, an increase of 0.3 p.p. compared to 2024. This increase was primarily driven by the non-recurrence of a one-time gain recorded in 2024.

The Company’s business fundamentals remain solid and healthy with sufficient financial resources to meet its future business needs and sustain its operational resilience, while achieving the Company’s strategic goals.

- Among the year’s key achievements, Sisram delivered double-digit international growth, led by APAC, reflecting the effective execution of initiatives to strengthen operational and production capabilities amid a challenging macroeconomic environment.
- Core platforms including Alma Harmony, Alma Hybrid, and Soprano continued to generate strong global demand, while the injectables portfolio led by Prophilos, Revanesse, and the advancement of DAXXIFY further diversified growth.
- In parallel, the Company advanced its AI-enabled ecosystem through the expansion of Universkin by Alma and the global rollout of Alma IQ, integrating diagnostics, treatment, and personalized skincare to enhance outcomes and engagement.

R&D

- R&D expenses amounted to US\$16.9 million, an increase of US\$1.0 million compared to previous year, while the ratio of R&D cost to revenue remained the same.
- During the Reporting Period, the Company:
 - o Continued to drive innovation both by internal development and establishment of an innovation hub, bringing together commercial partners and academic institutions to foster the deep integration of industrial, academic, and research sectors;
 - o Embarked on a long-term journey towards integration of AI based tools as part of our Diagnostic products and in the future as part of our treatment product offering;
 - o Continued the clinical activities intended to support the next generations of our innovative EBD products.
- Clinical Research, IP and Product Clearance:
 - o On the intellectual property front, the Company has been granted patents in the fields of ultrasound and laser-assisted liposuction, applied for patents in the fields of ultrasound and RF, registered two industrial designs, and registered a considerable number of trademarks.
 - o The Company completed local product clearance for the Soprano family in multiple APAC regions and launched the energy-based solution “鈦提升”.

New Products for 2025

- ***Universkin by Alma***

Alma introduced Universkin, a first-of-its-kind AI-powered personalized skincare system. Bringing AI-based personalization to the forefront of patient care, the new platform is powered by proprietary analysis software that functions as a virtual assistant for today’s modern clinic. In less than one minute, physicians can capture a facial image, initiate smart skin analysis, and instantly transform it into a tailor-made skincare formulation personalized to the individual’s unique skin profile and concerns.

- ***HALLURA***

Hallura is a revolutionary Hyaluronic Acid (HA) filler based on proprietary “click” chemistry, a technology awarded the 2022 Nobel Prize. Its BDDE-free formulation ensures a high safety profile and minimizes adverse effects. Hallura preserves the concentration and long-chain structure of natural HA, closely mimicking healthy skin. Commercial expansion of Hallura’s innovative HA and biostimulator combination continues across strategic markets.

- ***Alma IQ***

Alma IQ, the Company’s next-generation imaging platform, has been introduced to global markets. The platform, developed in collaboration with Sylton, a global leader in aesthetic skin visualization, delivers real-time, high-definition insights beneath the skin’s surface, capable of revealing what the eye cannot see, empowering aesthetic professionals to make informed decisions with unprecedented precision.

Sales and Marketing

Sisram has made a concerted effort to implement its corporate strategy, tailoring it to the unique characteristics and cultural nuances of local countries and regions. At the same time, the Company continues to provide ongoing support and guidance to its direct sales offices, empowering them to meet and exceed regional growth targets. This disciplined execution drove double-digit growth in markets outside North America during the Reporting Period, with particularly strong performance in the APAC region, aligned with the Company’s strategic focus on this market. APAC delivered double-digit growth, led by robust momentum in Thailand, Chinese Mainland, Hong Kong SAR, and Korea.

Sisram’s core product portfolio continued to perform strongly. Alma Harmony sales remained robust, reflecting sustained market adoption, while Alma Hybrid delivered its fifth consecutive year of growth, underscoring the durability of the Company’s core medical energy-based device platforms. In parallel, “鈦提升” was successfully launched in China.

The Company also made significant progress in expanding its injectable portfolio, strengthening its position in providing access to premium aesthetic care solutions that combine energy-based devices with injectables. Profhilo continued its strong momentum in Thailand, while Revanesse outperformed expectations in the United Kingdom. In addition, Hallura’s successful launch in Israel marked further progress in the commercialization of innovative hybrid injectable solutions. During the Reporting Period, Sisram advanced pre-launch preparations for DAXXIFY in Chinese Mainland, including engagement with key opinion leaders and sales team preparation, as groundwork for the anticipated launch.

In addition, during the Reporting Period, the following milestones were accomplished:

Sisram continued to advance the establishment of its smart, connected ecosystem strategy designed to enhance clinical outcomes and long-term patient engagement. Universkin by Alma, the world's first AI-powered personalized skincare system, was successfully launched in the United States in the first half of the year and in Hong Kong SAR of China in the second half of the year. By transforming aesthetic care into a long-term patient relationship, Universkin by Alma enables clinics to extend treatment impact beyond the clinic and increase patient retention and lifetime value. In parallel, Alma IQ continued its international rollout, enabling a new era of intelligent skin analysis and enhancing the patient journey from the very first interaction.

Focusing on enhancing business relationships and professional education, the Company held Alma Academy events in North America and Croatia, with the latter marking one of Alma's largest global educational events to date. The flagship academy, held for the eighth consecutive year, remains a cornerstone of Alma's industry leadership positioning. In addition, Alma continued to participate in leading international industry congresses worldwide, including IMCAS and IMCAS Asia.

The Company continued to strengthen its global marketing and brand-building activities. Harmony Bio-Boost, the exclusive Harmony treatment, gained further global traction as a premium skin-rejuvenation procedure and received industry recognition, including being named Best Laser for Fine Lines by the ELLE Awards. The Harmony product family further reinforced its position as Alma's most awarded platform, with recent recognitions from EPDA, GOOD DESIGN® Awards, and ELLE Tweakments Awards 2025.

Additional branded treatments include Pixel Peel, a gentle laser peel treatment designed to meet the growing demand for subtle, effective skin renewal with minimal downtime. Pixel Peel is compatible with the Alma Pixel and Alma Hybrid systems and has debuted in North America, with plans for subsequent global expansion. Please refer to the announcement of the Company dated August 25, 2025.

Sisram entered into strategic collaborations to expand global consumer reach, including a continued collaboration with celebrity skin expert Jamie Sherrill (“**Nurse Jamie**”) and a strategic partnership with a leading Korean influencer, Sorina, with a significant global following. These initiatives contributed to a strengthened digital presence, with the Company growing its social media audience to 486k followers and achieving 123 million total views across all channels.

Business Development

- ***Strategic Agreement with Universkin***

Sisram has signed a strategic agreement with French company Universkin, a pioneer in dermatology-based skincare, to expand its presence in the personalized cosmeceuticals space.

The partnership includes a co-branded distribution agreement under the name Universkin by Alma, the collaborative development of innovative cosmeceutical products and AI-assisted skin analysis software, and exclusive commercialization rights granted to Sisram in the US and key international markets.

- ***Commercialization of Botulinum Toxin Type A for Injection***

In June 2025, Sisram Medical HK Limited entered into a supply framework agreement with Fosun Wanbang (Jiangsu) Health Development Co., Ltd* (復星萬邦(江蘇)健康發展有限公司) (“**Fosun Wanbang (Jiangsu)**”) to advance the commercialization preparations for botulinum toxin type A for injection (DaxibotulinumtoxinA-lanm, with the trademark of 达希斐 in Chinese Mainland and the English trademark of DAXXIFY, project code RT002) (the “**Product**”). Please refer to the announcement of the Company dated June 10, 2025. In September 2025, Sisram Medical (Tianjin) Limited* (復銳醫療科技(天津)有限公司) (“**Sisram Tianjin**”) entered into a commercial distribution co-operation agreement with Fosun Wanbang (Jiangsu). Please refer to the announcement of the Company dated September 22, 2025.

In January 2026, DAXXIFY officially passed the quality testing from National Institutes for Food and Drug Control of China. Please refer to the announcement of the Company dated January 5, 2026. In the same month, the first clinical application was completed, marking its full entry into the commercialization phase.

As of the announcement date, DAXXIFY has been rolled out in multiple provinces and cities across Chinese Mainland, with its coverage continuously expanding. Leveraging strong product performance and efficient commercial strategy, the commercial shipment volume has reached over ten thousand units, with steady growth in the usage metrics. The team is currently continuing to expand product deployment and end-user services to ensure subsequent supply and support.

Operations

As of the date of this announcement, the Company’s production line in Israel is operating normally and the current inventory levels are sufficient to meet customer demand.

In 2025 as a response to global demand shifts, especially towards our multi-energy platform, the Company executed a comprehensive ramp-up plan, expanding the manufacturing capacity, optimizing the planning, material management and production processes and enhancing quality performance. Those initiatives have reinforced the Company's ability to ensure sufficient capacity to address both current and future market needs and significantly shorten the lead time for EBD high runners in demand.

Sisram has launched a glocalization initiative intended to address local demand by localized manufacturing and further improve the competitiveness of our products and resilience of our supply chain. In September 2025, the Company hosted a localization strategy expert seminar in China, engaging with experts to discuss core topics such as understanding the needs of consumers and medical aesthetics institutions in China, product safety and efficacy, after-sales services to enhance market recognition and customer satisfaction. In January 2026, Sisram entered into a Memorandum of Understanding (MOU) with Sinmait Medical Technology (Beijing) Co., Ltd (星邁泰科醫療科技(北京)有限公司) to establish a strategic cooperation framework for initiating a local manufacturing presence for energy-based devices in China. For further details, please refer to the announcement dated January 21, 2026.

As part of an effort to optimize sales and distribution infrastructure in North America, a new subsidiary has been established in Canada, with a goal to improve the customer experience in a strategic market and better utilize market potential.

Information Systems and Digitalization

In recent years, Sisram has continued to invest in strengthening, standardizing, and digitalizing its global information systems and business processes. During the Reporting Period, the Company further enhanced its core enterprise platforms and their integration across sales, marketing, operations, supply chain, and customer support functions. The Company continued to advance its global customer relationship management (CRM) environment, reinforcing unified sales processes across direct sales organizations and improving data consistency, visibility, and operational efficiency. In parallel, Sisram expanded the use of digital tools and system integrations to support global supply chain operations, improve demand planning, and increase transparency across manufacturing, logistics, and distribution activities. Sisram also invested in data infrastructure and analytics capabilities, enabling more effective data-driven decision-making, proactive customer support, and improved insights across commercial and operational activities. These ongoing initiatives are designed to support scalability, operational resilience, regulatory compliance, and long-term growth as the Company continues to expand its global footprint.

3. OUTLOOK FOR 2026

Sisram enters the coming period from a position of demonstrated operational resilience, supported by disciplined execution and sustained demand across key markets. With this foundation in place, 2026 marks the start of a new strategic phase focused on deeper cross-business collaboration and the continued development of an integrated wellness ecosystem, extending value beyond individual products and treatment solutions.

Central to this evolution is the Company's expanding application of artificial intelligence across product development, operations, and customer engagement. By embedding intelligence across diagnostics, treatment pathways, and ongoing care, Sisram is advancing toward a more integrated, data-driven operating model that enhances efficiency, strengthens relationships with healthcare providers, and delivers more differentiated and durable value in an increasingly complex and competitive market.

Continued investment in injectables, diagnostics and skincare further complements the Company's core energy-based device (EBD) business, establishing additional growth drives and reinforcing Sisram's long-term strategic positioning.

From a geographic perspective, the Company will prioritize deepening its presence in North America and APAC while advancing greater integration across its business segments. In APAC, the focus will be on ecosystem-led solutions and expanded market penetration through differentiated product portfolios addressing both professional and consumer needs, while meeting diverse regulatory requirements. To strengthen supply chain resilience and enhance market responsiveness, Sisram will initiate localized production in China in line with its "Glocalization" strategy. This initiative will establish an integrated regional hub encompassing R&D, manufacturing, and commercial capabilities to support sustainable growth across the region.

In North America, where market conditions remain challenging, the Company's 2026 priorities focus on structural optimization and strategic capability building. This includes balancing near-term operational discipline with long-term capability development, supported by more granular market analytics and data-driven decision-making. Together with ongoing optimization of regional resource allocation and functional expertise, these initiatives will further strengthen the Company's foundation and prepare it for the next phase of market expansion.

Meanwhile, in light of the recent geopolitical situation in the Middle East, the Company remains vigilant in tracking related developments. As of the date of this announcement, the Group's production and operational activities in Israel, along with its subsidiaries across the Middle East, Europe, North America, APAC, etc. have maintained normal operations. The Company will continue to closely monitor the situation, maintain regular communication with local teams and authorities, and stand ready to implement contingency measures — including adjustments to production scheduling, logistics, workforce deployment and customer support — to protect employee safety, ensure continuity of supply and minimize any potential disruption to customers and partners.

Looking ahead, Sisram will remain committed to providing comprehensive and ongoing support to its customers, reinforcing operational excellence and long-term partnership value. In parallel, the Company will further invest in strengthening brand visibility and consumer engagement, fostering sustained bottom-up demand that supports clinical success and enhances the long-term resilience of its ecosystem.

Key initiatives for 2026 include:

- Expanding commercialization and driving sales growth of DAXXIFY — the peptide-powered botulinum toxin product for injection — in Chinese Mainland.
- Launching and upgrading energy-based devices and handpieces globally to deliver high-quality services and meet market demand. Introducing EBD products in the Thailand market to enhance customer experience and product optionality.
- Initiating localized manufacturing of energy-based devices in China to establish a regional hub supporting scaled production, sophisticated logistics, and advanced technology capabilities.
- Building on the momentum from the launch of Alma Harmony and expanding the penetration of Alma IQ in global markets, alongside Universkin by Alma, the AI-assisted skincare system launched in 2025.
- Advancing regulatory clearances for new energy-based devices and injectable products.
- Pursuing ecosystem-aligned M&A opportunities to strengthen R&D capabilities and enhance the product portfolio.
- Leverage the global and regional resources of Fosun Pharma to deepen market penetration, with a focus on customized offerings for Asian markets.

4. FINANCIAL REVIEW

Overview

The following table sets forth the consolidated statement of profit or loss for the years indicated:

	2025		2024		YOY%	
	<i>(US\$ in thousands, except for percentages)</i>					
	Amount	% of revenue	Amount	% of revenue		
Revenue	365,347	100.0%	349,112	100.0%	4.7%	
Cost of sales	<u>(150,203)</u>	<u>41.1%</u>	<u>(132,432)</u>	<u>37.9%</u>	<u>13.4%</u>	
Gross profit	215,144	58.9%	216,680	62.1%	(0.7)%	
Other income and gains	4,556	1.2%	7,289	2.1%	(37.5)%	
Selling and distribution expenses	(129,496)	35.4%	(131,515)	37.7%	(1.5)%	
Administrative expenses	(36,232)	9.9%	(33,571)	9.6%	7.9%	
Research and development expenses	(16,861)	4.6%	(15,937)	4.6%	5.8%	
Other expenses ¹	(5,526)	1.5%	(7,980)	2.3%	(30.8)%	
Finance costs	(3,245)	0.9%	(2,455)	0.7%	32.2%	
Share of profits and losses of associates	<u>210</u>	<u>0.1%</u>	<u>30</u>	<u>0.0%</u>	<u>600.0%</u>	
Profit before tax	28,550	7.8%	32,541	9.3%	(12.3)%	
Income tax expense	<u>(3,545)</u>	<u>1.0%</u>	<u>(3,775)</u>	<u>1.1%</u>	<u>(6.1)%</u>	
Profit for the year	<u><u>25,005</u></u>	<u><u>6.8%</u></u>	<u><u>28,766</u></u>	<u><u>8.2%</u></u>	<u><u>(13.1)%</u></u>	

¹ Other expenses mainly included US\$3.8 million of slow-moving inventory and US\$1.4 million of bad debts provision.

(a) Revenue

During the Reporting Period, revenue of the Group increased from US\$349.1 million to US\$365.3 million, representing an increase of 4.7% when compared to 2024. The overall increase was primarily attributable to double-digit growth in APAC, Europe and Latin America regions, partially offset by revenue decrease in North America.

Revenue by main product segments

We generate revenue from the following revenue streams: (i) sale of goods; and (ii) services and others.

The following table sets forth our revenue breakdown by main product lines and as a percentage of our total revenue for the years indicated:

	2025		2024		YOY%
	<i>(US\$ in thousands, except for percentages)</i>				
	Amount	% of revenue	Amount	% of revenue	
Sale of Goods:					
Medical Aesthetics	310,434	85.0%	308,928	88.5%	0.5%
Injectables	<u>27,957</u>	<u>7.6%</u>	<u>9,790</u>	<u>2.8%</u>	<u>185.6%</u>
Subtotal	338,391	92.6%	318,718	91.3%	6.2%
Services and Others	<u>26,956</u>	<u>7.4%</u>	<u>30,394</u>	<u>8.7%</u>	<u>(11.3%)</u>
Total	<u>365,347</u>	<u>100.0%</u>	<u>349,112</u>	<u>100.0%</u>	<u>4.7%</u>

We derived a substantial majority of our revenue from our Medical Aesthetics product line, representing 85.0% of our total revenue for the Reporting Period. This includes our flagship non-invasive medical aesthetics treatment systems: “Soprano”, “Harmony”, “Opus”, “Accent” and “Hybrid” platforms. Revenue from the sale of our Medical Aesthetics product line was US\$310.4 million in 2025, representing an increase of 0.5% in comparison with a revenue of US\$308.9 million in 2024. The increase was mainly due to strong performance of Harmony product family.

Revenue from Injectable line, another major building block in our comprehensive market offering, amounted to US\$28.0 million, representing an increase of 185.6% as compared with 2024. The increase was mainly attributed to the establishment of the direct sales office in Thailand, which accelerated Prophilo's ramp-up in Thailand.

The revenue from service and others amounted to US\$27.0 million, representing a decrease of 11.3% as compared with 2024. The decrease was mainly attributed to less complementary services purchase, especially in North America.

Revenue by geographic segments

The following table sets forth our revenue by geographic segments for the years indicated:

	2025		2024		YOY%
	<i>(US\$ in thousands, except for percentages)</i>				
	Amount	% of revenue	Amount	% of revenue	
North America	111,010	30.4%	137,398	39.4%	(19.2)%
APAC	147,419	40.4%	116,215	33.3%	26.9%
Europe	56,442	15.4%	50,538	14.5%	11.7%
Middle East and Africa	36,422	10.0%	34,605	9.9%	5.3%
Latin America	<u>14,054</u>	<u>3.8%</u>	<u>10,356</u>	<u>2.9%</u>	<u>35.7%</u>
Total	<u><u>365,347</u></u>	<u><u>100%</u></u>	<u><u>349,112</u></u>	<u><u>100.0%</u></u>	<u><u>4.7%</u></u>

During 2025, North America, APAC and Europe were the Company's most important geographic segments by revenue contribution. The Company has a wide distribution network across more than 110 countries worldwide, including 12 direct channel offices.

The revenue derived from North America decreased by 19.2% to US\$111.0 million in 2025 from US\$137.4 million in 2024. The decrease was primarily due to regional macroeconomic headwinds and subdued consumer sentiment.

The revenue derived from APAC increased by 26.9% to US\$147.4 million in 2025 from US\$116.2 million in 2024. The increase was mainly attributed to strong market performance in Thailand, Chinese Mainland, South Korea and Hong Kong SAR. The successful launch of “鈦提升” in China and the establishment of the direct sales office in Thailand, which accelerated Profhilo’s ramp-up in Thailand, collectively drove high-quality growth in APAC.

The revenue derived from the Europe segment increased by 11.7% to US\$56.4 million in 2025 from US\$50.5 million in 2024. The increase was mainly attributed to growth in sales in UK, Poland, Spain, Netherlands and Slovenia.

The revenue derived from Middle East and Africa increased by 5.3% to US\$36.4 million in 2025 from US\$34.6 million in 2024. The increase was mainly attributed to growth in sales in UAE.

Our Latin America revenue increased by 35.7% to US\$14.1 million in 2025 from US\$10.4 million in 2024. The increase was mainly due to optimization of distribution network in major territories in Latin America which resulted in rapid growth.

(b) Cost of sales

Cost of sales primarily comprised (i) costs of materials used for production; (ii) cost of rendering of services; (iii) remuneration of production and services employees and (iv) overheads and other miscellaneous costs relating to production. During the Reporting Period, the total cost of sales of the Group increased by 13.4% to US\$150.2 million from US\$132.4 million in 2024, which correlates to top line growth, new import tariffs and decrease in gross profitability.

(c) Gross profit and gross profit margin

During the Reporting Period, gross profit of the Group decreased by 0.7% to US\$215.1 million from US\$216.7 million in 2024.

The gross profit margin decreased to 58.9% for the Reporting Period from 62.1% in 2024. The decrease was mainly due to change in geographical and product mix, as well as new import tariffs.

(d) Selling and distribution expenses

The selling and distribution expenses primarily consist of: (i) employees' salaries and related cost; (ii) sales commission to sales employees and independent agents; (iii) marketing expenses such as participation in tradeshows and social networks; and (iv) other sales and marketing expenses.

During the Reporting Period, the selling and distribution expenses of the Group decreased by 1.5% to US\$129.5 million from US\$131.5 million in 2024. The decrease was mainly due to the optimized sales scale in North America and the continued improvement in overall operational efficiency.

(e) Administrative expenses

Administrative expenses mainly related to Finance, IT, HR and facilities, primarily consisting of: (i) amortization of intangible assets related to M&A; (ii) remuneration paid to administration employees; (iii) professional fees paid and administrative costs; (iv) fees relating to the operation facilities; and (v) other miscellaneous expenses.

During the Reporting Period, the administrative expenses of the Group increased by 7.9% to US\$36.2 million from US\$33.6 million in 2024. The increase was primarily attributable to higher personnel-related costs and infrastructure investments to support the expansion of new business initiatives.

(f) R&D expenses

The Group's R&D expenses primarily consist of: (i) remuneration to R&D team members; (ii) cost of materials used in R&D efforts; (iii) expenses related to clinical studies; and (iv) expenses related to regulatory compliance and registration of patents and trademarks. During the Reporting Period, the majority of R&D expenses were recorded in the period that such expenses were incurred and were not capitalized.

During the Reporting Period, R&D expense increased to US\$16.9 million from US\$15.9 million in 2024, which was primarily due to continued investment in R&D across key areas. The Group continued to invest significant resources in two main areas: clinically and regulatory supported development of new generations of Sisram's leading products and innovative research of new applications, to keep our competitive edge as leading innovator.

(g) Finance costs

Finance costs are mainly comprised of (i) interest on bank loans and (ii) interest on lease liabilities. Finance costs increased to US\$3.2 million in 2025 from US\$2.5 million in 2024, which was primarily due to higher interest expenses on short-term loans.

(h) Income tax expense

The Israeli corporate tax rates are both 23% in 2024 and 2025. Each entity in the Group is taxable based on its standalone results as measured by the local tax system.

During the Reporting Period, income tax expense decreased to US\$3.5 million, representing a decrease of 6.1% from US\$3.8 million in 2024. The decrease was mainly attributable to positive income tax adjustments in previous years as well as a decline in profit before tax resulting in lower tax expenses, which was partially offset by the increase in income tax expenses in APAC.

The Group's effective tax rates for 2024 and 2025 were 11.6% and 12.4%, respectively. The effective tax rate is calculated by dividing the income tax expense by the profit before tax.

(i) Profit for the year

As a result of the foregoing, during the Reporting Period, our profit for the year decreased by 13.1% to US\$25.0 million from US\$28.8 million in 2024. The net profit margin of the Group for 2025 and 2024 was 6.8% and 8.2%, respectively.

(j) Adjusted net profit and adjusted net profit margin

The Group calculates adjusted net profit by taking profit for the period and adjusting: (i) amortization of other intangible assets related to M&A transactions; (ii) deferred tax liability arising from other intangible assets, which primarily relates to acquisitions; (iii) RSU expenses; and (iv) one-off adjustment. The Group calculates adjusted net profit margin by dividing adjusted net profit by revenue.

The Group presents this financial measure because it is used to evaluate financial performance by excluding the impact of items that the Group does not consider indicative of the Group's ordinary operating performance.

The term adjusted net profit is not a financial measure defined under IFRSs. The use of adjusted net profit has material limitations as an analytical tool, as it does not include all items that impact net profit for the period. Items excluded from adjusted net profit are significant components in understanding and assessing the Group's operating and financial performance. The following table reconciles the adjusted net profit for the Reporting Period presented to the most directly comparable financial measure calculated and presented in accordance with IFRSs, which is profit for the year:

	2025	2024	YOY%
	<i>US\$'000</i>	<i>US\$'000</i>	
PROFIT FOR THE YEAR	<u>25,005</u>	<u>28,766</u>	<u>(13.1)%</u>
Adjusted for:			
Amortization of other intangible assets arising from the Alma acquisition	2,751	2,751	0.0%
Amortization of other intangible assets arising from the Nova acquisition	337	478	(29.5)%
Amortization of other intangible assets arising from the Foshion acquisition	403	419	(3.8)%
Amortization of other intangible assets arising from Alma China	4,111	4,111	0.0%
One time income from realization of investment in Belkin	—	(802)	(100.0)%
One time income from Investment in Tianjin JuveStar Bio-technology Company Ltd.	—	(3,350)	(100.0)%
One time income from Investment in Brown RSU expenses	—	(794)	(100.0)%
Deduct: deferred tax arising from other intangible assets	<u>(1,641)</u>	<u>(1,653)</u>	<u>(0.7)%</u>
Adjusted net profit	<u>30,966</u>	<u>28,708</u>	<u>7.9%</u>
Adjusted net profit margin	8.5%	8.2%	

5. DEBT STRUCTURE, LIQUIDITY AND SOURCES OF FUNDS

(a) Treasury Policy

The Board aims to have better control of its treasury operations and endeavors to maintain an adequate level of cash and cash equivalents. The functional currency of the Company is the U.S. Dollar and most of the sales proceeds are denominated in U.S. Dollar. Please see “Risk Management — Foreign Currency Exposure” for further details. The Group generally finances its operation with internally generated resources.

To ensure that the financial resources have been used in the most cost-effective and efficient way, the Board would also consider various funding sources to address the Group’s financial obligations and operational needs. The Board would also review and evaluate the adequacy and effectiveness of the treasury functions from time to time.

(b) Gearing Ratio

As at December 31, 2025, and December 31, 2024, the Group’s cash and cash equivalents exceeded the total debt. As such, no gearing ratio was presented.

(c) Interest Coverage

During the Reporting Period, the interest coverage, which is calculated by Earnings Before Interest and Taxes divided by financial costs, was 9.8 times as compared with 14.3 times in 2024. The interest coverage decreased mainly due to lower income before tax.

(d) Available Banking Facilities

As of December 31, 2025, Sisram facilitated a fixed short term loan on amount of US\$19 million from an Israeli Bank of which US\$5.3 million had been utilized.

In January 2026, the loan was increased to US\$31 million.

(e) Interest Rate

As at December 31, 2025, total interest-bearing bank and other borrowings at a fixed interest rate amounted to US\$10.8 million (as at December 31, 2024: US\$4.8 million).

(f) Maturity Structure of Outstanding Debts

The following tables sets forth the maturity structure of outstanding debts as at December 31, 2025 and December 31, 2024.

	2025			2024		
	Effective interest rate (%)	Maturity	US\$'000	Effective interest rate (%)	Maturity	US\$'000
Current						
Fixed short term loan	SOFR+200bp	2026	5,304	—	—	—
Other borrowings*	3.3-4.1	2026	<u>5,484</u>	4.10-4.15	2025	<u>4,796</u>

* Other borrowings are mainly loan from the Group's related parties.

6. CASH FLOW

Sisram is using its cash primarily for its operating activities, payments of interest and principals of debts due, payments for purchases and capital expenditures and funding growth and expansion of its business.

The table below shows the cash flow of the Group generated from (or used in) operating activities, investing activities and financing activities for 2025 and 2024.

	2025 US\$'000	2024 US\$'000	YOY%
Net cash flows generated from operating activities	9,398	33,083	(71.6)%
Net cash flows used in investing activities	(1,697)	(6,595)	(74.3)%
Net cash flows used in financing activities	<u>(10,923)</u>	<u>(16,115)</u>	<u>(32.2)%</u>
Net (decrease)/increase in cash and cash equivalents	(3,222)	10,373	(131.1)%
Cash and cash equivalents at the beginning of year	70,102	60,535	15.8%
Effect of foreign exchange rate changes, net	<u>3,946</u>	<u>(806)</u>	<u>(589.6)</u>
Cash and cash equivalents at the end of the year	<u>70,826</u>	<u>70,102</u>	<u>1.0%</u>
Pledged bank balances for bank loans	<u>147</u>	<u>132</u>	<u>11.4%</u>
Cash and bank balances at the end of the year	<u>70,973</u>	<u>70,234</u>	<u>1.1%</u>

Net cash flows from operating activities

During the Reporting Period, the net cash flows generated from operating activities were US\$9.4 million, which was primarily attributable to (i) the profit before tax of US\$28.6 million; (ii) total adjustments for profit or loss items of US\$22.3 million; and (iii) working capital adjustments of US\$41.5 million.

Net cash flows used in investing activities

During the Reporting Period, the net cash flows used in investing activities were US\$1.7 million, which was mainly attributable to (i) purchase of plant and equipment for US\$2.6 million; and (ii) interest received of US\$0.9 million.

Net cash flows used in financing activities

During Reporting Period, the net cash flows used in financing activities was US\$10.9 million, which was primarily attributable to (i) dividend paid to shareholders (including tax) of US\$10.4 million; (ii) payment of lease payments and interest paid under IFRS 16 of US\$8.4 million; (iii) repayment of bank loans of US\$18.7 million (iv) borrowing new loans of US\$24.6 million; (v) proceeds from settlement of foreign currency forward contracts of US\$2.7 million and (vi) interest paid of US\$0.7 million.

7. CAPITAL COMMITMENTS AND CAPITAL EXPENDITURES

During the Reporting Period, capital expenditures of the Group amounted to US\$2.6 million, which mainly consisted of leasehold improvements.

As at December 31, 2025, the Group did not have any significant capital commitments.

8. CONTINGENT LIABILITIES

As at December 31, 2025, the Group did not have any contingent liabilities.

9. MATERIAL ACQUISITION AND DISPOSAL

During the Reporting Period, the Group did not conduct any other material acquisition or disposal.

10. SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save for those disclosed in this announcement, there were no other significant investments held as at December 31, 2025. The Group did not have other plans for material investments and capital assets.

11. RISK MANAGEMENT

The operation and development of the Group are not exposed to any material risk factors, but they will be impacted to a certain extent by several factors including the following:

(a) Macroeconomic risk

Deterioration of economic conditions worldwide or part of the market resulting from economic cycles, tariff, political or social unrest, armed conflicts, government measures in response to outbreaks of contagious diseases, or other events or conditions that may adversely affect the business results in the decrease in the availability of funds and needs of our customers or material adverse effect on the net sales, profitability, cash flow and financial position of the Company.

The Company puts efforts into expanding the direct operations offices infrastructure and implementing glocalization to mitigate the risk of financial crisis in a specific region. In addition, the Company maintains a cost control mechanism in order to be able to adjust the Company's expenses in case of macroeconomic events negatively impacting the top line performance.

(b) Foreign currency exposure

The functional currency of the Company is the U.S. Dollar and most of the sales proceeds are denominated in the U.S. Dollar. However, the Company also generates revenue globally in a few other currencies, particularly Euros, and incurs costs mostly in New Israeli Shekels. Furthermore, the functional currencies of certain subsidiaries are currencies other than the U.S. Dollar, including the Euros, the Indian Rupee, the New Israeli Shekels, the HK Dollar, the South Korean Won, Australian Dollar and the Chinese RMB. As at the end of the Reporting Period, the assets and liabilities of these entities were translated into the U.S. Dollar at the exchange rates prevailing at the end of the Reporting Period and their statements of profit or loss were translated into the U.S. Dollar at the weighted average exchange rates for the period. As such, the Group's results of operations are sensitive to changes in foreign currency exchange rates.

The Company formally established a hedging management framework in 2014 and the hedging transactions are mainly managed by the Company's finance department. By analyzing the currency balance sheet and trends in the foreign exchange markets, the Company has entered into forward contracts from time to time to mitigate the adverse effects of exchange rate fluctuations.

(c) Interest rate exposure

It is the Group's strategy to use debts with fixed and floating interest rates to manage its interest costs. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

(d) Legal & Compliance Risk

The Company's business and operations may be affected by unexpected or uncertain application of a law or regulation which may incur penalties, operation costs.

The Company has engaged legal advisers in different jurisdictions to provide legal advisers and suggest prompt actions on any regulatory updates.

12. EMPLOYEES AND REMUNERATION POLICIES

The following table sets forth the number of our employees by function as at December 31, 2025:

Functions	Number of Employees
Operations	285
R&D	84
Sales & Marketing	524
General and Administration	154
Total	<u>1,047</u>

Employees' headcount in 2025 increased by 3.2% with an increase of 32 employees.

R&D activity is conducted by 84 employees, representing 8.0% of corporate employees.

The employees' remuneration includes basic salary and a performance-based bonus. The performance-based bonus is determined by reference to the performance appraisal of the employees of the Group. Through clearly locating position-oriented performance targets and formulating performance standards, the Company has managed to assess employees' performance in an objective manner. By materializing reward and penalty in the performance-related portion of the employees, the Company is able to achieve the coexistence of incentives and restraints.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Group is committed to creating two-way channels of communication between senior management and investors, maintaining close relations with all its shareholders through a variety of channels and promoting understanding and communication between investors and the Group. The Company has adopted a shareholders' communication policy to formalize and facilitate the effective and healthy communication between the Company and its shareholders and other stakeholders, which is available on the website of the Company (www.sisram-medical.com). The main communication channels with the shareholders include investors' meetings, general meetings, annual reports, interim reports, announcements and circulars, prospectuses and the Group's website.

The Group has a dedicated team to maintain contact with investors and handle shareholders' inquiries. Should investors have any inquiries, please contact the Group's investor relationship department (email: IR@sisram-medical.com).

FINAL DIVIDEND

The Board has resolved to declare a final dividend of HK\$0.095 (inclusive of tax) per Share for the year ended December 31, 2025 (the "**2025 Final Dividend**"). A separate announcement will be made by the Company in relation to the expected payment date and record date for ascertaining shareholders' entitlement to the 2025 Final Dividend in due course. During the year ended December 31, 2025 and up to the date of this announcement, the Company did not have any treasury shares (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

TAXATION ON DISTRIBUTION OF DIVIDENDS

The withholding tax rate applicable to the Company in the distribution of the dividends to the shareholders depends on the source of the distributed earnings and the requirements under the Israeli Tax Ordinance and tax treaties. A further announcement will be made by the Company after the withholding tax rate applicable to 2025 Final Dividend is confirmed.

EVENTS AFTER THE END OF THE REPORTING PERIOD

The regional security environment continues to evolve amid ongoing geopolitical tensions and the scope and severity of hostilities in the Middle East remain difficult to predict at this stage. As of the date of this report, the Group's production and operations in Israel, as well as its subsidiaries in the Middle East, Europe, North America, APAC, etc. have maintained normal operations. Owing to the Group's geographically diversified footprint and established risk management protocols, such incidents have not had a material adverse impact on the Group's overall business activities to date.

The Company will continue to monitor the situation closely, maintain regular communication with local teams and authorities, and stand ready to implement contingency measures — including adjustments to production scheduling, logistics, workforce deployment and customer support — to protect employee safety, ensure continuity of supply and minimize any potential disruption to customers and partners.

ANNUAL GENERAL MEETING AND PERIOD OF CLOSURE OF REGISTER OF MEMBERS

The Company will arrange the time of convening the annual general meeting of the Company ("AGM") as soon as practicable, and the notice of the AGM will be published and dispatched to the shareholders of the Company in a timely manner in accordance with the requirements of the Listing Rules and articles of association of the Company. Once the date of the AGM is finalized, the Company will publish the period of closure of register of members of the Company and the record date in a separate announcement and in the notice of the AGM.

PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES

For the year ended December 31, 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares).

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles and code provisions set forth in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules.

For the Reporting Period, the Company has complied with all applicable principles and code provisions set out in Part 2 of the CG Code.

COMPLIANCE WITH CODE FOR SECURITIES TRANSACTIONS

The Company has adopted Directors' and Chief Executive Officer's Dealing Policy which is no less exacting than the required standard pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiries to all of the directors of the Company, all directors of the Company confirmed that they have fully complied with the relevant requirements set out in its own code of conduct during the Reporting Period.

AUDITORS

The financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in the preliminary announcement have been agreed with the Group's auditors, Ernst & Young, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by Ernst & Young on this preliminary announcement.

AUDIT COMMITTEE

The audit committee of the Company has reviewed the Group's 2025 annual results and the financial statements for the year ended December 31, 2025 prepared in accordance with the IFRSs.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at www.hkexnews.hk and on the website of the Company at www.sisram-medical.com. The 2025 annual report containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company who requested printed copy and published on the websites of the Company and the Stock Exchange in due course.

APPRECIATION

The Group would like to express its appreciation to all the staff for their outstanding contribution towards the Group's development. The Board wishes to sincerely thank the management for their dedication and diligence, which are the key factors for the Group to continue its success in future. Also, the Group wishes to extend its gratitude for the continued support from its shareholders, customers, and business partners. The Group will continue to deliver sustainable business development, so as to create more values for all its shareholders.

On behalf of the Board
Sisram Medical Ltd
復銳醫療科技有限公司*
Lior Moshe DAYAN
Chairman

Hong Kong, March 23, 2026

As at the date of this announcement, the Board comprises Mr. Lior Moshe DAYAN and Mr. Jiahong LI as executive directors; Mr. Yi LIU, Ms. Rongli FENG and Ms. Caroline Xiaokui JIN as non-executive directors; Mr. Heung Sang Addy FONG, Mr. Chi Fung Leo CHAN, Ms. Jenny CHEN and Mr. Kai Yu Kenneth LIU as independent non-executive directors.

* *For identification purposes only*