



Dear Shareholder(s)

Since the creation of Safe Orthopaedics in 2010, we have been re-inventing the care of patients with back pain by offering surgeons and medical teams ready-to-use surgical kits, combining sterile implants and single-use instruments. Different from reusable technologies offered by more than 400 global players, our kits are easy to use for the medical team, cost saving for the hospital and safer for the patient.

Ready-to-use and Ease of use: our technologies are delivered in new, sterile kits that can be used directly in surgery and can be delivered within 24 hours, thus making the medical procedure safer whatever the operating conditions, in emergency, in outpatient or more classically planned. Our technologies are designed using an optimized number of high-performance polymer instruments, partly pre-assembled with the implants, offering lightness, precision and ease of use.

Cost saving: our technologies eliminate up to 80% of the usual logistics of a surgery, eliminating all control, cleaning and sterilization steps and reducing the cost of devices required for back surgery by up to 50%.

Safer: by offering only single-use instruments, we eliminate any risk of cross-contamination and help reduce the risk of infection during surgery by up to 66%.

In 2010, we were the first to believe in ready-to-use on the global market. Since then, we have developed four technology platforms SteriSpine PS, SteriSpine LC, SteriSpine CC and SteriSpine VA protected by more than one hundred patents and initiated the global conversion of the spine market estimated at approximately \$10M. These technologies are approved in 24 countries, have attracted around 300 surgeons and helped treat more than 18,000 patients.

At the end of 2020, we are proud to have around twenty companies having adopted our model in the spine market but also in other orthopedic segments. Initially differentiated from the competition by our technology in market studies and/or specialized documents, Safe Orthopaedics is today recognized as a pioneer of a new segment of the "ready-to-use" orthopedic market with more than 20 players.

Since last spring, the global covid-19 pandemic has forced the care of patients affected by an elective pathology and impacted our commercial progress but also confirmed to us that bringing solutions simplifying the operation of hospitals and the flow of the patient was a global issue! Our ready-to-use model has already demonstrated its effectiveness on emergency procedures, but we want to promote its logistical, economic and safety benefits to a greater number of back pathologies and other orthopedic segments.

Engaged in our second decade, we are stepping up our pace of innovation, improving our ready-to-use model and working to revalue our market capitalization.

The acquisition of LCI Medical, an implant and instrument machining company in July 2020, allows us today to achieve this first objective thanks to the creation of our innovation and integrated production center in Fleurieux. Bringing design engineers together with production specialists is a definite advantage in developing many new concepts. At the same time, our Parisian teams can focus on approvals and clinical demonstration of our new technologies.

The development of a ready-to-use product portfolio for back surgery remains our priority in the short term. However, investment in other orthopedic pathologies is and will be initiated as soon as our model gains momentum in collaboration with our partner surgeons or other clients, open to strategic co-development between manufacturers.

The development of S.O.R.A, Safe Operating Room Assistant, marks an acceleration in the deployment of our model and our technological advance compared to the rising competition. Thanks to SORA, we want to offer a very short logistics cycle, relieve hospitals of tedious administrative tasks, but above all offer virtual support to unprecedented medical teams: answer questions from surgeons and nurses, collect data in order to improve surgical sequences and support the surgeon for better patient treatment.



Reflecting on the proforma turnover of € 6.6M at the end of 2019, before the Covid-19 health crisis, our new Safe group, made up of Safe Orthopaedics, Safe Medical (new designation of LCI Medical) and their respective subsidiaries is organized to deliver accelerated growth, profitability over 3 years and reward our shareholders.

Our 2021 growth is built on the work of sales and marketing teams already established in France, United Kingdom, Germany and on a distribution network deployed across 21 countries. At the same time, we are preparing our marketing on the American market for an acceleration in the second half of the year. The promotion of our four ranges SteriSpine LC, SteriSpine CC, SteriSpine VA and SteriSpine PS (2nd generation deployed since Q2 2020) as well as the industrial services of Safe Medical will generate all of our 2021 revenues. Subsequently, the evaluation of our new Safe Orthopaedics technologies and the qualification of new Safe Medical industrial services will support our growth in 2022 and 2023.

Our three-year profitability is mainly built on our combined Safe Orthopaedics & Safe Medical business growth, stabilization of our business investments and a recovery in gross margin and reduction in innovation OPEX following the integration of production.

For several years, Safe Orthopaedics, like the “small cap” sector, has suffered from a financial undervaluation: market capitalization based on commercial and financial performance rather than its transformative technology value of a market, the depth of European markets. In comparison to the United States or even a difficult understanding of alternative financing scheme such as convertible bonds. For several semesters, our shareholder management team and board of directors have worked closely with Alpha Blue Ocean to judiciously refinance our group while reducing the dilutive effect on its shareholders. At the end of 2020, we are proud to see the first results, a rise in the share price and our revaluation to €30M.

Finally, I would like to thank all of our shareholders who allow us to progress on a daily basis, to make our technologies and services available to a growing number of surgeons and hospitals for the benefit of patients and the reduction of public health costs.

Pierre Dumouchel
Chairman, CEO of Safe Group