



Éragny-sur-Oise, Fleurieux-sur-l'Arbresle, March 8, 2022

Dear Madam, dear Sir, dear Shareholders,

The current geopolitical situation and its consequences on the markets have generated considerable concern among the investment community, affecting all listed companies.

Attentive to the financial environment but resolutely optimistic, Safe Group is pursuing its development and its roadmap. Our innovative platform for spine surgery meets major medical needs that are not affected by the uncertainties of the economic climate and is contributing to a profound and structural transformation of medical practices in this field.

A new page in the history of our company, now integrated, is being written this year.

In this period of uncertainty, we are naturally keen to strengthen our contact with all our investors, both individual and institutional. This is the purpose of this first Letter to Shareholders of 2022.

We would also like to involve you more and more in the exciting development of Safe Group and **invite each of you to visit our industrial site in Fleurieux-sur-l'Arbresle on two open days, on April 14 and September 22.**

We thank you once again for your loyalty. You can count on our commitment.

The Safe Group management team

A word from the Chief Executive Officer



“ A transformed group for a new decade of innovation and success ”

In 2010, Safe Orthopaedics invented ready-to-use kits.

Since the creation of Safe Orthopaedics, we have been reinventing the management of back pain patients by offering surgeons and medical teams ready-to-use surgical kits, combining sterile implants and single-use instruments.



- **Ready-to-use and easy to use:** our technologies are delivered in new, sterile kits that can be used directly in surgery and released within 24 hours, ensuring the safety of the medical act, whatever the operating conditions, whether emergency, outpatient or more conventionally planned. Our technologies are based on an optimized number of high-performance polymer instruments, partly pre-assembled with the implants, offering lightness, precision and ease of use.
- **Economical:** our technologies eliminate 80% of the usual logistics of a surgery, eliminating all the steps of control, cleaning, sterilization and reducing the cost of the devices needed for back surgery by up to 50% for healthcare institutions.
- **Safe:** by offering only single-use instruments, we eliminate all risk of cross-contamination and help reduce the risk of infection during surgery by up to 66%.
- **Eco-responsible:** since the integration of Safe Medical, we have been striving to produce our technologies at our integrated production site in Fleurieux by improving our ecological impact. Indeed, the centralization of production allows us to reduce the number of cleaning operations and consequently the consumption of water and energy, the emission of CO2 linked to the former multi-supplier supply chain, and we have initiated a redesign of our packaging in order to reduce the waste generated.

As a pioneer in the off-the-shelf market, our SteriSpine™ technology platforms are protected by more than 100 patents and have initiated the global conversion of the approximately \$10 billion spine market. Several hundred surgeons trust us with these technologies, more than 20,000 patients have benefited from the clinical advantages of our technologies, and we are proud to see the off-the-shelf model being applied in many orthopaedic areas.

In 2021, we built the Safe Group!

Thanks to your support and that of the French government, through the stimulus plan, we have respectively acquired our historical subcontractor LCI Medical, a company specializing in the machining of implants and instruments, renamed Safe Medical, and built a production, innovation and integrated production site. We are now able to produce our SteriSpine™ technologies, reducing our production time by two, thus providing us with a production capacity linked to our expectations of commercial growth in the coming years and an acceleration of innovation: Hickory, Sycamore and SORA are the fruits of our new group.

- Safe Orthopaedics focuses on innovation and commercial deployment of our ready-to-use technologies on a global scale,
- Safe Medical is focused on integrated manufacturing, providing industrial know-how and services to Safe Orthopaedics and all other customers,
- Safe, as the parent company and 100% owner of the daughter companies, drives our double-digit growth, combining internal innovation and external growth.

Our Safe Group commitment for 2022 and beyond

- **Continue to innovate and digitalize the surgical act.** Initiated by the S.O.R.A (Safe Operating Room Assistant) program, our teams are working with surgeons and hospitals worldwide to deploy the surgical act 2.0, offering digital support from the first patient consultation to surgery and post-operative clinical follow-up, including the design and production of our technologies.



- **Reducing our ecological impact.** Combined with the digitalization of our services and the modernity of our Safe Medical factories, Safe Orthopaedics is working on the validation of its green-kits. Safe Orthopaedics is committed to reducing by 30% the waste generated in the operating room, and more globally the consumption of water, energy and CO2 emissions.
- **Deploying quality global distribution.** Our experienced sales and marketing teams are focused on driving adoption of our ready-to-use offerings and promoting their medico-economic benefits to hospitals, purchasing organizations and national health systems. The first sales in the United States validate the market as a real growth driver for the years to come.
- **Moving towards financial equilibrium in the medium term.** Despite the economic and commercial consequences of COVID 19, limiting the number of spine surgeries performed in healthcare institutions worldwide, Safe Group continues to deliver double-digit growth and is aiming to break even within three years.

Latest news

Shareholder invitation

Two Investor Days will be held on **April 14 and September 22, 2022** at our production site in Fleurieux-sur-L'Arbresle, near Lyon.



On these occasions, we will present the group's strategy, show you the group's infrastructures and answer your questions.

To register, please inform us of your coming at the following address: v.ollivier@safegrp.com
The details of the organization will be sent to you by email.

23% revenue growth in 2021

Driven by the Safe Medical subsidiary (subcontracted production) and the German and American markets, where Safe Group has an internal sales force, our company has published a turnover of 4.6 million euros for the 2021 financial year, up 23% compared with 2020, despite the fact that the beginning of the year was still affected by the health crisis.



Financing secured up to 8 million euros

In December, Safe Group entered into an agreement with the Luxembourg investment fund European High Growth Opportunities Securitization Fund to set up a flexible bond financing facility. This agreement provides Safe Group with financing capacity of up to €8 million by mid-2024.

Contacts

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