



Safe group reports half-year revenues of €2.9m

- ▶ Second-quarter revenue of €1.4M in Q2 2023, stable compared with Q1 2023
- ▶ Safe Orthopaedics French half-year growth of 32%.
- ▶ Safe Medical half-year growth of 7% compared with 2022
- ▶ Ongoing reorganization of less dynamic regions

Éragny-sur-Oise, Fleurieux-sur-l'Arbresle, July 10th, 2023 at 8:35 p.m. CET - Safe (FR001400F1V2 - ALSAF), a company specializing in the design, manufacture and marketing of ready-to-use technologies for back surgery, particularly safe for spinal fractures treated in emergency (the "Company") announces its yearly sales results for 2023.

"Safe Group closes the first half of 2023 with overall half-year sales growth of 6% compared with the first half of 2022, driven by growth in French direct sales for Safe Orthopaedics (+32%), the introduction of hydride marketing in the UK (+37%) and Safe Medical (+7%). In the German and American markets, we are holding discussions with local players to increase our commercial presence and boost the adoption of our technologies" comments Pierre Dumouchel, Chairman and CEO of Safe Group. "The second half of the year should be boosted by the acceleration of sales of Sycamore and Hickory, currently being rolled out internationally, and by the contracting of distributors and agents in less dynamic regions".

Revenue at June 30, 2023

Thousands of dollars	Q1 2023	Q2 2023	S1 2023	Q1 2022	Q2 2022	S1 2022	Variation Q2 23/ Q2 22	Variation S1 23/ S1 22
Safe Orthopaedics	918	808	1 726	928	817	1 745	-1%	-1%
Safe Medical	590	593	1 183	490	518	1 008	+14%	+17%
Safe Group	1 508	1 401	2 909	1 418	1 335	2 753	+5%	+6%

Excluding impact of IFRS 15

Safe Orthopaedics' half-year direct sales came to €1,149k versus €1,182k in the first half of 2022, down 3%, mainly impacted by a contraction in German and US sales, in contrast to Safe Orthopaedics' historical markets: France and the UK, where sales are growing at double-digit rates.

In France, first-half direct sales came to €842k, compared with €643k (+30%) in the first half of 2022. The 20% growth in the second quarter is part of a series of 5 post-covid quarters of double-digit revenue growth.

In the UK, first-half direct sales came to €110k versus €88k (+25%), excluding the contribution of the first order from the new distributor contracted in the second quarter to bolster sales prospecting in England and Wales.



In Germany and the United States, direct sales amounted to €197k versus €443k in the first half of 2022. These two markets require stronger sales and technical support. As a result, Safe Orthopaedics has been reviewing its sales organization since the beginning of 2023, and is actively seeking distribution partners in order to step up prospecting and support for surgeons on a daily basis.

Indirect sales recorded at €577k for the first half of 2023 are up slightly by 3% compared with 2022. The financial prudence of certain distributors in a troubled international financial context is still limiting international growth. However, the company has noted significant sales growth in Latin America and Eastern Europe, where distributors are actively promoting the ready-to-use model and offering the full SteriSpine™ range.

The company is actively seeking new European distributors and is working on the international commercial launch of the new Sycamore and Hickory technologies.

Safe Medical posted half-year sales of €1,183k, up 7% from €1,106k in 2022.

For reasons of confidentiality and respect for customers other than Safe Orthopaedics, the Group is not disclosing any commercial details.

From a technological standpoint, the number of SteriSpine™ procedures sold exceeds 27,000 by June 30, 2023. The new Sycamore and Hickory technologies are now being marketed worldwide, with the exception of the United States, where they are awaiting FDA approval.

In the second half of 2023, the company, which has already performed over 150 Sycamore surgeries under reinforced clinical follow-up, will publish its 12-month clinical results, and is awaiting official registration in several hospital groups.

From a structural point of view, the Group has been producing all its SteriSpine™ products in-house since summer 2022. The Group offers shorter production lead times, optimized working capital requirements and a significant recovery in gross margin. All these elements will be detailed when the financial results are published on 10/10/2023.

Cash position

At June 30, 2023, the Group's cash position stood at 70 k€, compared with 220 k€ at June 30, 2022.

As a reminder, a 30M€ financing program was signed with Alpha Blue Ocean on March 14, 2023. The inherent risks, and in particular its highly dilutive potential, are reminded in the press release published on March 14, 2023 and available on the company's website.

Next financial publication

First-half 2023 results, October 10, 2023 (after close of trading)



About Safe Group

Safe Group is a French medical technology group that brings together Safe Orthopaedics, a pioneer in ready-to-use technologies for spine pathologies, and Safe Medical (formerly LCI Medical), a medical device subcontractor for orthopaedic surgery. The group employs approximately 150 people.



Safe Orthopaedics develops and manufactures kits combining sterile implants and single-use instruments, available at any time to the surgeon. These technologies are part of a minimally invasive approach aimed at reducing the risks of contamination and infection, in the interest of the patient and with a positive impact on hospitalization times and costs. Protected by 18 patent families, SteriSpine™ kits are CE marked and FDA approved. Safe Orthopaedics is headquartered in the Paris region (95610 Eragny-sur-Oise) and has subsidiaries in the United Kingdom, Germany, the United States, and the Lyon region (Fleurieux-sur-l'Arbresle).

For more information: <http://www.safeorthopaedics.com/>

Safe Medical produces implantable medical devices and ready-to-use instruments. It has an innovation center and two production sites in France (Fleurieux-sur-l'Arbresle, 69210) and in Tunisia, offering numerous industrial services: design, industrialization, machining, finishing and sterile packaging. Supported by the French stimulus plan in 2020, the company invests in additive printing and will be operational in 2022 on this new technology.

For more information: <http://www.safemedical.fr/>

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