



Safe group announces the convocation of the Annual General Meeting of Shareholders to be held on December 15th 2023 and provides an update on the situation

- ▶ Shareholders' meeting convocated for December 15, 2023, 2pm in Eragny sur Oise
- ▶ European High Growth Opportunities Securitization Fund submits new resolutions
- ▶ Update on the Group's situation following the opening of rehabilitation proceedings
- ▶ Postponed publication of first semester financial statements

Éragny-sur-Oise, France, November 24th 2023, 5h35 pm CET – Safe (FR0013467123 – ALSAF), a group specialized in the design, manufacture and marketing of ready-to-use technologies for orthopedic surgeries, in particular spine surgery, announces the convocation of the Annual General Meeting on December 15, 2023 and provides an update on the situation since the opening of the rehabilitation proceedings.

Pierre Dumouchel, Chairman and CEO, comments: *"Since the interruption of our financing and the opening of the rehabilitation proceedings, we have carried out a rapid restructuring which has enabled us to rebuild our cash position in the short term, and to seek financing solutions and strategic partnerships. Our sales performance to date remains stable compared with 2022, thanks to the renewed confidence of our customers and the remarkable commitment of our teams. The Annual General Meeting that we are reconvening following a lack of quorum in the first instance is a crucial step, and we take this opportunity to remind our shareholders of the importance of voting by post before December 12, or in person at our headquarters on December 15 at 2pm"*

▶ Shareholders' meeting convocated for December 15, 2023, 2pm in Eragny sur Oise :

As the General Meeting convened on September 6th 2023 was unable to validly deliberate due to a lack of quorum, Safe's Board of Directors is reconvening the General Meeting to be held on December 15th 2023 at 2pm at the Group's head office in Eragny-sur-Oise.

The notice of meeting was published in the *Bulletin des Annonces Légales Obligatoires* on November 10th 2022 and Safe would like to remind you of the agenda for the Annual General Meeting:

- Approval of the financial statements for the year ended December 31st 2022;
- Appropriation of net income for the year ended December 31st 2022;
- Approval of the consolidated financial statements for the year ended December 31st 2022 ;
- Approval of agreements entered into pursuant to article L.225-38 of the French Commercial Code;
- Renewal of the mandate of Mr. Pierre Dumouchel as director
- Renewal of the mandate of Mr. Philippe Petrou as director;



- Renewal of the mandate of Mr. Thomas Droulout as director;
- Determination of the total annual remuneration to be allocated to the directors.
- Authorization and delegation to enable the Company to trade in its own shares - Setting the terms and conditions in accordance with Article L. 22-10-62 of the French Commercial Code;
- Powers for formalities.

Safe recalls the current composition of the Board of Directors: Mr. Pierre Dumouchel (co-founder and CEO), Mr. Thomas Droulout (co-founder and CTO), Mr. Philippe Petrou (independent director), Mr. Jean-Marc Feige (director, former CEO of Safe Medical), Mr. François-Henri Reynaud (CFO) and Mr. Ismaël Nujurally (independent director).

The company announces the departure of François-Henri Reynaud, Chief Financial Officer. He joined Safe Orthopaedics in 2017, played an active role in the transformation of Safe Orthopaedics into the Safe Group following the acquisition of Safe Medical (formerly LCI Medical), and recently reorganized the Group's finance department in preparation for its move to the Lyon region. Benoit Rouquet, Financial consultant, and Pyramide (Safe Medical's long-standing financial supplier) are now in charge of financial management for the entire group. The Board of Directors and all the Group's teams would like to thank François-Henri Reynaud for his commitment over the last 6 years.

The company also announces the non-renewal of Mr. Ismaël Nujurally's mandate following his wish to take full advantage of his retirement. He had joined the Board in 2019 as an independent director. A doctor and former CEO of healthcare companies, Mr. Ismaël Nujurally shared his experience and energized strategic, marketing and clinical discussions within the Board. The Board of Directors and all the Group's teams would like to thank Mr. Ismaël Nujurally for his commitment throughout his term of office.

► **European High Growth Opportunities Securitization Fund proposes new resolutions :**

European High Growth Opportunities Securitization Fund, represented by its management company European High Growth Opportunities Manco S.A. ("EHGO"), and ABO Infinium Americas OpCo Ltd, the company's creditors under the 2021 and 2023 financing agreements, together hold 4,997,930 shares, representing around 32.14% of Safe's share capital. The European High Growth Opportunities Securitization Fund currently holds 170 and 2025 convertible bonds (par value €1,000) respectively issued under the 2021 and 2023 agreements, for a total of €2,875,000.

European High Growth Opportunities Securitization Fund request that the following draft resolutions be placed on the agenda of the Annual General Meeting:

- Appointment of Mr. Rodolphe Cadio as Director,
- Appointment of Mr. Victor Humberdot as Director,
- Appointment of Mr. Philippe Laurito as Director.

European High Growth Opportunities Manco S.A. ("EHGO"), and ABO Infinium Americas OpCo Ltd also informed the Company by letter and press release dated November 17, 2023 that they would vote against the renewal of the terms of office of Mr. Pierre Dumouchel, Mr. Philippe Petrou and Mr. Thomas Droulout, that they would vote in favor of setting the total annual remuneration to be allocated to the directors, and that they wished to carry out a major reorganization of the Company around a new project led by a renewed management team.

To date, Safe has no precise details of this new project, nor of the financing arrangements envisaged. In this context, and in view of Safe's financial situation and the efforts made by management to work towards a turnaround, Safe, its Board of Directors and management team do not recommend a positive vote on these resolutions. Major changes in governance and management present significant risks for



the company in view of the current receivership proceedings and the strategic discussions conducted to date.

► **Update on the Group's situation following the opening of rehabilitation proceedings**

Since September 5th 2023, the date on which the rehabilitation proceedings of SAFE SA and its French subsidiaries (SAFE ORTHOPAEDICS SAS and SAFE MEDICAL SAS) began, the SAFE Group has been pursuing the restructuring measures initiated at the beginning of 2023, and rebuilding its short-term cash position in order to seek long-term strategic financing/partnership solutions as part of a plan to continue its commercial and technological activities.

For several years, the Group has been pursuing a strategy of direct sales in France, Germany and the United States, and distribution in the rest of the world. In view of its reduced financial resources, Safe Orthopaedics has entrusted the distribution of its technologies in Germany to a local agent, who has taken over half the German sales team, just as it had been done in the United Kingdom by March 2023.

Since the transformation of Safe Medical and the internalization of Safe Orthopaedics products (Q4 2022), the Group has reduced its OPEX and improved its WCR. Since the opening of the receivership, the Group has decided to relocate Safe Orthopaedics to Fleurieux-sur-l'Arbresle, Safe Medical's current production site. This move will be completed in December 2023, and will enable a significant structural and logistical reduction.

The Group has also downsized the number of employees of Safe, Safe Orthopaedics and Safe Medical companies, and is now concentrating most of its human resources on the marketing of Safe Orthopaedics products already approved / Safe Medical industrial services and the transition to the new European regulations applicable to medical devices.

On November 17, 2023, the Pontoise Commercial Court ordered the continuation of the observation period, relying mainly on the €427K cash position at that date.

A progress report is scheduled for January 13, 2023 with the Commercial Court.

► **Postponed publication of first semester financial statements**

In the context of the Group's receivership and in view of the urgency of the measures to be implemented to strengthen the Group's cash position, the half-yearly financial report presenting the parent company financial statements of Group companies has been postponed and will be made available no later than December 31, 2023.



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 orthopedic surgeries. The group employs approximately 100 people.

Safe Orthopaedics develops and manufactures kits combining sterile implants and ready-to-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 15 patent families, SteriSpine™ kits are CE marked and FDA approved. Safe Orthopaedics is headquartered in the Paris region (and has subsidiaries in the United Kingdom, Germany, the United States. 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: industrialization, machining, finishing and sterile packaging. For more information: <http://www.safemedical.fr/>

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