



PRESS RELEASE

Appointment of Pierre Dumouchel, co-founder of Safe Orthopaedics, as Interim Chief Executive Officer

- ▶ Safe Orthopaedics will refocus its strategy on the most dynamic regions (France, Europe and Emerging Markets)
- ▶ Appointment of Dr. Alain Coudray as an independent director

Eragny-sur-Oise (France), March 2, 2016 – SAFE ORTHOPAEDICS (FR0012452746 – SAFOR), a company developing and marketing an innovative range of sterile implants combined with their single-use surgical instruments for back surgery, announces the appointment of Pierre Dumouchel, co-founder and previously Chief Operating Officer, as Interim Chief Executive Officer, succeeding to Yves Vignancour.

While the search for a new Chief Executive Officer is on-going, Pierre Dumouchel will initiate the execution of Safe Orthopaedics' new strategy. This strategy aims to refocus the Company's activities on its most dynamic regions, namely France, Europe and Emerging Markets, where the strongest appetite for innovative single-use solutions for back surgery has been observed.

Since its product ranges were introduced into these three regions, Safe Orthopaedics has achieved strong top-line momentum and rapid take-up by surgeons. Their numbers are continuously growing, and ever more surgeons in these regions are becoming regular users of Safe Orthopaedics' single-use products. In France, Europe and Emerging Markets, Safe Orthopaedics has, for two years in a row, doubled the number of surgeries performed to reach 2,212 surgeries in 2015, making an increase of 133% compared with 2014 (see the press release of February 11, 2016).

G rard Vaillant, Chairman of Safe Orthopaedics' Board of Directors, said: *"Given his excellent knowledge of the Company and his acclaimed leadership skills, it was an obvious decision to appoint Pierre pending the arrival of a new Chief Executive Officer. I have great faith in his ability to lead our new strategy and accelerate our strong growth in France, Europe and Emerging Markets, which still harbor largely under-exploited sales potential."*

Pierre Dumouchel, Interim Chief Executive Officer of Safe Orthopaedics, added: *"Since Safe Orthopaedics' founding in 2010, we have been able to demonstrate how single-use instruments provide an ideal response to the new expectations of hospitals, surgeons and patients in most European countries. This is not yet the case in the United States where implant suppliers still offset for the inefficiencies of the reusable instrument model by devoting substantial human resources, and where the healthcare system remains more accepting of high healthcare costs. Even so, I firmly believe the US market will also adopt it in the medium term and that we will be able to go back to the United States. In the meantime, my top priority will be to focus solely on France, Europe and Emerging Markets to which I intend to reallocate the sales and marketing resources previously largely devoted to the United States. Our strong performance in these regions in spite of limited resources proves their very substantial potential. Despite lower selling prices than in the United States, these markets still have attractive margin potential given that the sales efforts required to attract and then maintain a solid customer base are considerably less extensive."*

Pierre Dumouchel is the co-founder of Safe Orthopaedics. He has 11 years' experience in spinal medical devices industry. He began his career in the automotive industry, before joining SpineVision in 2005 as



PRESS RELEASE

Industrialization project leader for the PediGuard. In 2008, he took over responsibility for SpineVision's industrialization department. In 2010, he co-founded Safe Orthopaedics and led the Industrialisation, Operations and Quality/Regulatory Affairs departments. Pierre holds a master's degree in both advanced materials engineering and in management from the *Conservatoire des Arts et Métiers* and *Institut Supérieur de Technologie et Management*.

In addition to this appointment, Dr. Alain Coudray is joining the Company's Board of Directors as an independent director. He will draw on his substantial international experience in medical devices in support of the refocused strategy of Safe Orthopaedics.

Dr. Alain Coudray is an international veteran of the Medical device industry with more than 20 years of experience. In Medtronic he has held various positions of responsibilities since June 2006, to become in 2014 the Vice President of Global Corporate Clinical Affairs. Before this assignment, he was European Vice President of the Cardiac Rhythm Disease Management business unit. Before joining Medtronic, Alain held the position of Vice President Central and Eastern Europe & Distributors for Guidant, based in Vienna (Austria). Alain is an active participant on the advisory board of MD Start, a MedTech incubator based in Paris, and was a Board Member of EUCOMED (European Medical Devices Industry association). Alain received his medical degree from Grenoble University, graduated from HEC Paris MBA and completed a Business executive program at Kellogg's.

The costs of mothballing Safe Orthopaedics' US subsidiary are very limited. However, Safe Orthopaedics will not be able to meet its target of completing 10,000 surgeries in 2017, as this figure was based on strong growth in the United States. A full update on the Company's financial position and the savings from halting operations in the United States will be presented along with its full-year 2015 results.

Next publication: full-year 2015 results and first-quarter 2016 sales, Thursday April 28, 2016 (after the market closes)

About Safe Orthopaedics:

Founded in 2010, Safe Orthopaedics is a French medical technology company that develops and markets an innovative range of sterile implants and associated single-use surgical instruments, with the aim of facilitating safer, optimized and lower-cost spinal surgery. By avoiding the reuse of surgical instruments, Safe Orthopaedics reduces the risk of infection, avoids the cumbersome and unreliable logistics of instrument sterilization, and limits hospital costs. Protected by 17 patent families, the SteriSpine™ Kits are CE-marked and FDA cleared. They are being rapidly adopted by surgeons with a doubling of the number of surgical procedures performed between 2014 and 2015. The company is based at Eragny-sur-Oise (France), and has 33 employees.

For more information, visit: www.SafeOrtho.com

Contacts

Safe Orthopaedics

Thierry Lambert
CFO

Tel.: +33 (0)1 34 21 50 00
investors@safeorthopaedics.com

NewCap

Julien Perez / Valentine Brouchet
Investor Relations

Nicolas Merigeau
Media Relations

Tel.: +33 (0)1 44 71 94 94
SafeOrtho@newcap.eu

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