

Thursday, 21 January, 2016

**Surgical Innovations Group plc**

("the Company")

**Trading Update and Board Changes**

Surgical Innovations Group Plc (AIM: SUN), the designer and manufacturer of innovative medical technology for minimally invasive surgery, provides an update on trading for the year ended 31 December 2015 and announces changes to the composition of the Board.

**Trading Update**

Trading for the year ended 31 December 2015 was in line with board expectations, with an improved performance in the second half of the year. Revenues for the year were approximately £5.5m, an increase of 36% compared with the prior year. Net bank borrowings at the end of the financial year were approximately £1.0m (2014: £2.3m). Audited results for the year ended 31 December 2015 will be released in mid-March 2016.

**Board Changes**

Doug Liversidge CBE has served as a Non-Executive Director of the Company since 1998, and was Chairman until October 2015. He has now decided to step down from the Board to focus on his other business activities. The Board has accepted his resignation as a director with immediate effect. Professor Mike McMahon will continue to lead the clinical activities of the Company as a Non-Executive Director.

The Board is pleased to announce the immediate appointment of two independent Non-Executive Directors, Alistair Taylor and Paul Hardy.

Alistair is a vastly experienced director in life science companies with exposure to both pharmaceutical and med-tech sectors. After forging a successful career with Beecham Group Limited and Pfizer Inc., he has gone on to lead a number of public and private businesses in the medical field in the UK and internationally, initially as CEO of Biocompatibles plc, and later as Chairman of Lombard Medical Technology plc, and Phytopharm plc amongst others.

Paul also joins with a wealth of relevant skills and experience. After qualifying as a Chartered Accountant in 1984, he moved into the engineering industry which culminated in leading the private equity-backed management buyout of BI Engineering Limited, a £60m turnover group of aerospace and med-tech businesses in the UK and US. The medical division was subsequently sold to a US venture capital buyer for in excess of US\$200m. Since 2003, he has owned and led Hardy Transaction Management Limited, a boutique provider of merger and acquisition lead advisory services.

In recognition of the need for continued financial prudence, the newly appointed Non-Executive Directors have agreed to receive their remuneration on a quarterly basis in shares. Aggregate board remuneration for the year ending 31 December 2016 in respect of the Executive Chairman and three Non-Executive Directors is expected to be approximately £120,000.

Executive Chairman, Nigel Rogers, said,

*“Firstly, the Board places on record our appreciation for the many years of leadership which Doug has provided to the Company, and thanks him for his dedication and commitment.*

*“Looking to the future, we are delighted that Alistair and Paul are joining the Board. They bring both breadth and depth of experience and an excellent network of established contacts in our sector. They can offer extensive support in the continued improvement of our core activity, in business development and achieving operational excellence.”*

ENDS

For further information please visit [www.sigroupplc.com](http://www.sigroupplc.com) or contact:

**Surgical Innovations Group plc**

Nigel Rogers

Executive Chairman

Tel: 07767 603362

**WH Ireland Limited (Nominated Adviser and Broker)**

Tim Feather / Liam Gribben

Tel: 0113 394 6600

**APPENDIX**

**Further Information on Paul Hardy and Alistair Taylor**

The following information is disclosed pursuant to Schedule Two paragraph (g) of the AIM Rules for Companies:

Paul James Hardy, aged 55, is currently a director of the following companies:

F. Fretwell Downing Group Limited

Hardy Transaction Management Limited

Potenza Sports Cars Limited

Westfield Car Sales Limited

Westfield Sports Cars Limited

In the five years preceding this announcement, Mr. Hardy was also a director of the following companies:

Fretwell-Downing Hospitality Limited

Imco (362001) Limited

Peak Facilities Limited

Mr. Hardy was a director of Peak Facilities Limited when it entered administration on 15 August 2012. The company was dissolved on 9 November 2013 and the shortfall to creditors, including Mr. Hardy, was approximately £44,000.

Alistair Henderson Taylor, aged 74, is currently a director of the following companies:

Anaxsys Technology Limited

Arterius Limited

Iofix Limited

IPD Med Limited

Nightingale-Eos Limited

OR Productivity Public Limited Company

In the five years preceding this announcement, Mr. Taylor was also a director of the following companies:

Intelligent Orthopaedics Limited

Ixico plc

Ixitech Limited

Mr. Taylor was non-executive chairman of Intelligent Orthopaedics Limited which entered a creditors' voluntary liquidation on 13 July 2015. The shortfall to creditors is estimated to be approximately £1.4m.

There are no further disclosures required in accordance with the AIM Rules.