



Press Release

GAROFALO HEALTH CARE S.P.A. CLOSES FULL ACQUISITION OF CLINICA S. FRANCESCO OF VERONA AND DEFINES NEW GOVERNANCE

Rome, April 9, 2021 - Garofalo Health Care S.p.A. ("**GHC**"), listed on the STAR segment of the Italian Stock Exchange, announces today, following on from that announced on February 24, 2021, the closing of the full acquisition of Clinica S. Francesco S.p.A. ("**Clinica S. Francesco**") and all its instrumental real estate assets, from the company Epifarm S.r.l., wholly-owned by the Perazzini family.

The acquisition was executed through a vehicle company called GHC Project 6 S.r.l., entirely held by GHC. The new shareholder convened the Shareholders' Meeting immediately following the transaction's closure to appoint the current Board of Directors and its Chairperson.

Following the Shareholders' Meeting and the subsequent meeting of the newly-formed Board of Directors, the following were appointed Directors and assigned the relative powers:

- Mr. Piergiuseppe Perazzini, in charge of the clinical-healthcare organisation of the facility (Chairman);
- Ms. Lorena Corso (Executive Director);
- Mr. Domenico Scibetta, in charge of institutional representation;
- Mr. Marco Dal Brun, in charge of representation towards the regional and local institutions, relations with trade associations and trade unions and the assigning of professional appointments with particular reference to medical personnel;
- Ms. Maria Laura Garofalo.

This composition of the Board of Directors, which sees significant representation from GHC, satisfies the distinctive elements of the Group's post-M&A discipline, through: (i) entrepreneurial, managerial and healthcare continuity at the facility, ensured by Mr. Perazzini in the role of Chairperson, who - further to having begun the entrepreneurial project centred on clinical, scientific and technological excellence, is a European pioneer of the robotic technique for hip and knee prosthesis surgery, introduced by him to Europe 10 years ago and (ii) the commitment to a quick and full integration of the newly-acquired entity with the GHC Group facilities, ensured by the presence of Mr. Scibetta and Mr. Dal Brun - as representatives of the GHC facilities in the Veneto Region - as well as that of Ms. Maria Laura Garofalo, who shall ensure the comprehensive support of the Holding company and all of GHC in support of future planning.

In particular, it should be noted that the powers assigned to Mr. Scibetta (also Healthcare Manager of Villa Berica) and to Mr. Dal Brun (also Chief Executive Officer of Villa Berica in Vicenza and CMSR in Altavilla Vicentina and Chairperson of Villa Garda in Garda) will support the delivery of significant synergies between all the facilities in the Veneto Region, a virtuous Region in which the Group currently has a strong presence.

Based on the founding value of achieving mutual synergies between all GHC facilities, Mr. Perazzini has been also simultaneously named in charge of the training in robotic orthopaedic surgery for all orthopaedic surgeons of the Group, who will learn this innovative method, which is seen as the future of the most advanced surgical practice in the sector.

With respect to the settlement, GHC used both available cash, which includes resources from the reserved capital increase transaction through ABB executed on January 21, 2021, and a bank financing signed with Crèdit Agricole Italia exclusively for M&A's.

At December 31, 2019, reference year as not impacted by the Covid-19 health emergency, the Clinic reported revenues of €32.0M, of which €18.3M related to high and low complexity hospital assistance services and approx. €13.7M related to outpatient services. The pre-synergies normalized EBITDA of the Clinic was approx. €7.0M, with a margin of 22% - higher than the Group average.



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GHC received legal support from Ms. Patrizia Crudetti and tax and finance support from Crowe Bompani. The sellers received legal support from Studio Legale Gianni & Orioni and tax and finance support from Studio Del Bue and Studio Baso.

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The GHC Group

The GHC Group, listed on the STAR segment of the Italian Stock Exchange, is an Italian accredited private healthcare leader operating through 26 healthcare clinics demonstrating excellence, located in Italy's strongest regions and offering a comprehensive range of services covering all areas of healthcare thanks to diversified specialties, the use of cutting-edge technologies and highly-qualified personnel. The Group in fact operates across eight regions in Northern and Central Italy (Piedmont, Lombardy, Veneto, Friuli-Venezia Giulia, Emilia Romagna, Liguria, Tuscany and Lazio), covering in the hospital sector acute admissions, long-term care, post-acute rehabilitations and outpatient services (the "Hospital Sector"), and in the social services and dependency care sector covering residential admissions and district outpatient services (the "Dependency Care Sector").

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FOR FURTHER DETAILS:

Garofalo Health Care S.p.A.
Mimmo Nesi - Investor Relator
Tel. +39 06 68489231 - ir@garofalohealthcare.com
Website: www.garofalohealthcare.com

Press Office

Close to Media
Via Caradosso, 8 - Milan
Tel.+39 02 7000 6237
Luca Manzato - luca.manzato@closetomedia.it
Lucia Nappa - lucia.nappa@closetomedia.it