



## Press Release

**GAROFALO HEALTH CARE S.P.A. COMPLETES THE ACQUISITION OF “GRUPPO VENETO DIAGNOSTICA E RIABILITAZIONE” (GVDR), ONE OF THE LEADING ACCREDITED PRIVATE DIAGNOSTIC CENTRES IN THE VENETO REGION**

**DEFINED THE NEW GOVERNANCE OF THE ACQUIRED COMPANY IN THE FURROW OF BUSINESS CONTINUITY, AS PER THE GHC GROUP'S CONSOLIDATED PRACTICE**

**Rome, December 6, 2022** - Garofalo Health Care S.p.A. ("**GHC**"), listed on the Euronext STAR Milan market of the Italian Stock Exchange, informs that today the closing was completed for the acquisition of 100% of Gruppo Veneto Diagnostica e Riabilitazione S.r.l. ("**GVDR**"), founded in 1988 by the spouses Giuseppe Caraccio and Maria Stella Zaia.

The acquisition was made through a vehicle company called GHC Project 9 S.r.l., wholly owned by GHC. On the occasion of the closing, following the consolidated practice of the GHC Group, the governance of the Target was renewed with the appointment of the following Directors: Mr. Giuseppe Caraccio, Chairman, Mrs. Maria Stella Zaia, Chief Executive Officer, Mrs. Maria Laura Garofalo, Mrs. Alessandra Rinaldi Garofalo, Mrs. Claudia Garofalo - Directors.

This composition of the Board of Directors confirms compliance with the distinctive elements of the Group's post M&A discipline, through: (i) the maintenance of the management continuity of the facility, guaranteed by the role of Chairman attributed to Mr. Caraccio (who will maintain also the position of Medical Director) and the role of Chief Executive Officer attributed to Mrs. Zaia, both founding members of the facility, (ii) the commitment to a fast and full integration between the newly acquired reality and the facilities of the GHC Group, directly guaranteed by the presence of Mrs. Maria Laura Garofalo, who will ensure the support of the Holding and all of GHC in support of future planning.

**Mrs. Maria Laura Garofalo, Chief Executive Officer of the GHC Group**, stated: *“The positive conclusion of this operation, the ninth since the IPO, confirms GHC's ability to acquire structures of excellence and with incremental performance compared to those of the Group. In particular, the acquisition of GVDR ensures GHC an increasingly widespread presence in the Veneto Region, also covering the provinces of Padua, Treviso and Venice, as well as enabling important synergies to be established with the other Group facilities present in the same Region. I would also like to highlight how the growth prospects assumed for the next financial year are already finding confirmation in 2022, thanks to budget increases for the reduction of waiting lists - already contractually agreed - totalling approx. €600k and to the further growth of the private business”.*

**Mr. Giuseppe Caraccio, Chairman of the Board of Directors and Mrs. Mariastella Zaia, CEO**, stated: *“We are happy to become part of a family of Italian entrepreneurs. Our role will be to help broaden the Group's objectives, generating - especially for the area in which we operate - further growth opportunities given by the quality of our services and the continuous development of our current activities, also in innovative fields.”*

For the payment of the price, equal to €24.9M, GHC used both the available cash and a bank loan, having the availability of a Financing Line for new acquisitions for a total of €81M.

The development guidelines identified after the Due Diligence activity and already communicated to the market are fully confirmed. In particular, these refer to: (i) the opening of a new building in front of the Cadoneghe facility in order to further expand private activities - with estimated impacts from FY2023, (ii) the increase of private activity at the current facilities - with estimated impacts already from FY2022, and (iii) the recognition of additional NHS budgets for the reduction of waiting lists - again with estimated impacts already from FY2022.

In 2021 GVDR reported Revenues of approx. €12.0M, of which approx. 54% from accredited activities with the Veneto Region and approx. 46% from private activities, up approx. 10% on 2019 (year not affected by the Covid emergency).

The Adjusted and pre-efficiencies normalized EBITDA was approx. €2.8M, with a margin of 23.6% - higher



than the Group average (17.9% in 9M 2022 <sup>(1)</sup>).

\* \* \*

GHC was supported for the legal aspects by Studio Legale Gianni & Origoni, for the tax and financial aspects by Crowe Bompani, for the administrative aspects by AEGV Servizi and for the labour law aspects by Mr. Pisani, with Mr. Enzo Santagati providing support for the authorisation to operate for fire prevention purposes. The sellers were assisted by Mr. Riccardo Borsari for the legal aspects and by Ms. Grazia Galazzo for the tax and financial aspects.

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### **The GHC Group**

The GHC Group, listed on the Euronext STAR segment of the Italian Stock Exchange, is an Italian accredited private healthcare leader operating through 32 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 "Regional and Social-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](mailto:ir@garofalohealthcare.com)

Website: [www.garofalohealthcare.com](http://www.garofalohealthcare.com)

### **Press Office**

Barabino & Partners

Maximilian Parboni - [m.parboni@barabino.it](mailto:m.parboni@barabino.it)

Tel. +39 335 8304078

Giuseppe Fresa - [g.fresa@barabino.it](mailto:g.fresa@barabino.it)

Tel. +39 348 5703197

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<sup>1)</sup> GHC Group figures announced to the market on November 14, 2022