



Press Release

GAROFALO HEALTH CARE S.P.A.: CLOSING FOR ACQUISITION OF CENTRO MEDICO SAN BIAGIO AND BIMAR IN PORTOGRUARO (VENICE) COMPLETED

NEW COMPANY GOVERNANCE STRUCTURE OF TWO COMPANIES PUT IN PLACE

Rome, July 25, 2019 – Garofalo Health Care S.p.A. (“**GHC**”), listed on the MTA segment of the Italian Stock Exchange, announces that today, following on from that announced to the market on June 26, 2019, the closing has been completed for the acquisition from Vincenzo Martino and Pierina Loretta Bianco of 100% of the share capital of **Centro Medico San Biagio S.r.l.** and of **Bimar S.r.l.**

The Centro Medico San Biagio, located in Portogruaro (province of Venice) and operating in the diagnostics centre sector, both under the Veneto Region accredited and private healthcare system, provides specialist services in the areas of diagnostic imaging and echocardiography, outpatient ophthalmologic surgery, lower limb varices, sports medicine and dentistry.

Bimar, located in Portogruaro (province of Venice), provides exclusively specialist private services.

The acquisition of Centro Medico San Biagio was executed through a vehicle company called GHC Project 3 S.r.l., entirely held by GHC, while the Bimar acquisition was executed directly by GHC S.p.A..

A Shareholders’ Meeting including the new shareholders was held immediately after the closing of the transaction to renew the governance structures of both the acquired companies.

In particular, following the Shareholders’ Meeting and the subsequent meeting of the newly-formed Board of Directors of Centro Medico San Biagio, the following were appointed to the Board: Vincenzo Martino (Chairman and Chief Executive Officer), Pierina Loretta Bianco, Maria Laura Garofalo, Giuseppe Giannasio. Simultaneously, Vincenzo Martino was in addition indicated by GHC as the Sole Director of Bimar S.r.l., thereby establishing the governance structure which ensures the company’s going concern, according to GHC Group consolidated practice.

The two healthcare clinics were taken over by Garofalo Health Care as part of the transaction announced on June 26, 2019, which includes also the acquisition of 80% of the share capital of **Centro Medico Università Castrense S.r.l. in San Giorgio di Nogaro** (province of Udine), whose closing is expected by November 2019.

The Enterprise Value of the three transactions is approximately Euro 51.2 million⁽¹⁾, with an Equity Value of Euro 52.4 million, which takes account of the estimated net financial position of the three companies at June 30, 2019.

At December 31, 2018, the three companies reported overall revenues of approximately Euro 19.0 million⁽²⁾, with pre-efficiencies normalized EBITDA of approximately Euro 5.2 million.

The transaction will be funded for Euro 20.0 million through a bank loan agreed with **Banco BPM S.p.A.** and for the remainder through own funds.

⁽¹⁾ The price includes the value of 20% of the share capital of Centro Medico Università Castrense, currently owned by the Municipality of S. Giorgio di Nogaro

⁽²⁾ Source: Financial Statements of the acquired companies at December 31, 2018. Aggregated Data, ITA GAAP



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The GHC Group

The GHC Group, listed on the Milan Stock Exchange, is an Italian accredited private healthcare leader operating through 22 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. In particular, the Group in fact operates across six regions in Northern and Central Italy (Piedmont, Veneto, Emilia Romagna, Liguria, Tuscany and Lazio), covering in the hospital sector acute admissions, long hospitalization, post-acute rehabilitations and outpatient services (the "Hospital Sector"), and in the regional and social-care sector covering residential admissions and district outpatient services (the "Dependency Care Sector").

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FOR FURTHER DETAILS:

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