



## Press Release

### GAROFALO HEALTH CARE S.P.A.: BOARD OF DIRECTORS APPROVES 2022 CONSOLIDATED FINANCIAL STATEMENTS AND SEPARATE FINANCIAL STATEMENTS

#### INCREASING CARE NEEDS REFLECTED IN STRONG GROWTH OF REGIONAL, OUTSIDE-REGION AND PRIVATE “OUT-OF-POCKET” PATIENT ACTIVITIES

#### KEY FY 2022 RESULTS

- **2022 REVENUES OF €322.6M (+13.7% y/y):**
  - Including the 12-months contribution of GVDR, acquired in December 2022, Revenues amount to €334.8M, up 8.1% on the 2021 Pro-Forma figure<sup>(1)</sup> (€309.8M);
  - At constant perimeter<sup>(2)</sup>, i.e. excluding in 2022 the contribution for 1 month of GVDR, Revenues amount to €321.7M, up 3.8% on the 2021 Pro-Forma figure
- **OP. EBITDA ADJ.<sup>(3)</sup> OF €58.6M (+10.3% y/y):**
  - Including the 12-months contribution of GVDR, Op. EBITDA Adjusted amounts to €61.1M, up 11.4% on the 2021 Pro-Forma figure (€54.8M);
  - At constant perimeter<sup>(4)</sup>, Op. EBITDA Adjusted amounts to €58.6M, up 6.9% on the 2021 Pro-Forma;
  - Margin at constant perimeter of 18.2%, outperforming 2021 Pro-Forma (17.7%) despite the higher costs incurred for energy. Excluding this impact<sup>(5)</sup>, the Group margin would be 19.0%
- **GROUP NET PROFIT OF €21.4M (+13.8% y/y)**
- **NFP OF €145M:**
  - Financial leverage reduces to 2.4x (2.6x in 2021), despite the additional M&A executed, confirming the Group’s robust cash generation capacity from operating activities (equal to approx. €35M in the 12 months)
- **NEW BUY BACK PLAN UP TO 3% OF THE SHARE CAPITAL APPROVED, TO BE SUBMITTED TO SHAREHOLDERS’ MEETING CALLED FOR APRIL 28**

**Rome, March 16, 2023** – Garofalo Health Care S.p.A. (“GHC”), listed on the Euronext STAR Milan segment of the Italian Stock Exchange, today approved the 2022 Consolidated and Separate Financial Statements, drawn up as per IAS/IFRS international accounting principles.

<sup>(1)</sup> The 2021 Pro-Forma figures give retrospective effect to January 1 of the acquisitions of Clinica S. Francesco and Domus Nova, while not including the contribution of GVDR, acquired in 2022

<sup>(2)</sup> Constant perimeter is related to the comparison between Revenues 2022, excluding the 1 month contribution of GVDR, and Revenues 2021 Pro-Forma

<sup>(3)</sup> Operating EBITDA Adjusted defined as EBIT + amortisation and depreciation + provisions and write-downs + adjustments (this latter in 2022 totalling approx. €3.0M, of which €1.1M due to the “extra-Covid costs”, approx. €0.6M due to M&A costs and €1.3M to management incentive plans). FY 2021 adjustments of €6.1M concern for €3.0M “extra-Covid costs”, for approx. €1.8M M&A costs and for €1.3M management incentive plans. The “extra-Covid costs” are non-recurring costs incurred by the Group to tackle the COVID-19 emergency and concerning expenses for Personal Protective Equipment (“PPE”), swabs / tests, the preparation and management of triage areas and the dedicated distancing pathways

<sup>(4)</sup> Constant perimeter is related to the comparison between Op. EBITDA Adjusted 2022, excluding the 1 month contribution of GVDR, and Op. EBITDA Adjusted 2021 Pro-Forma

<sup>(5)</sup> Impact from the energy price increase, net of the relative tax credit

**Maria Laura Garofalo, CEO of GHC, commented:** “I am particularly proud of the economic and financial results produced by the Group in 2022 which, despite the exceptional complexity of the macroeconomic scenario of the period, showed significant growth, at constant perimeter, both in terms of revenues and margins and profits. A growth trend which, moreover, is confirmed and strengthened also in the first 2 months of 2023. A considerable development determined by an exponential growth in the needs for assistance reflected in the waiting lists which represent an urgent issue for our country. A phenomenon which has implied an increase in the turnover ceilings attributed by the Regions to the individual structures, as well as an increase in out-of-pocket activities and those provided to non-regional patients. We are, therefore, very optimistic for the rest of the year and confident that these values and prospects will soon be valued also by the market.”

## 2022 CONSOLIDATED FINANCIAL STATEMENTS

### GHC Group consolidated key operating highlights

#### Consolidated Revenues

GHC consolidated Revenues in 2022 totalled €322.6M, up 13.7% on €283.7M in 2021. These results include the 12-months contribution of Clinica S. Francesco and Domus Nova, acquired respectively in April and July 2021 and the 1-month contribution of GVDR, acquired in December 2022.

Revenues in Euro millions	FY2022	FY2021	vs. FY'21 (€M)	vs. FY'21 (%)
<b>Total</b>	322.6	283.7	+38.9	+13.7%

In comparison with the Pro-Forma results, which include the 12-months contribution of GVDR, 2022 Consolidated Revenues rise to €25.0M (+8.1%) on the 2021 Pro-Forma figure, thanks to the development of Regional, Outside-Region and private “out-of-pocket” patient activities.

Revenues in Euro millions	FY2022 Pro-Forma	FY2021 Pro-Forma	vs. FY'21PF (€M)	vs. FY'21PF (%)
<b>Total</b>	334.8	309.8	+25.0	+8.1%

At constant perimeter, i.e. excluding for 2022 the 1-month contribution of GVDR, Revenues increase 3.8% on 2021 Pro-Forma (€321.7M vs. €309.8M).

#### Focus on Consolidated revenues of Q4 2022

Group Revenues in Q4 2022 totalled €86.0M, up 0.8M (+0.9%) on Q4 2021<sup>(6)</sup>, which however benefited from the additional contributions from the Regions to manage the Covid units in preceding years, among which we highlight that recognised to Eremo di Miazzina (Piedmont) in December 2021 - for activities carried out in 2020 - of approx. €2M. Q4 2022 includes the 1-month contribution of GVDR, acquired in December 2022.

Excluding this contribution, Revenues in Q4 2022 would have increased on the same period of 2021 by approx. €2.0M (+2.3%, at constant perimeter).

Revenues in Euro millions	4Q2022	4Q2021 <sup>(5)</sup>	vs. Q4'21 (€M)	vs. Q4'21 (%)
<b>Total</b>	86.0	85.2	+0.8	+0.9%

#### Consolidated Operating EBITDA Adjusted

Consolidated Operating EBITDA Adjusted for 2022 was €58.6M, up 10.3% on €53.1M in the previous year, despite the higher energy costs incurred. These results include the 12-months contribution of Clinica S. Francesco and Domus Nova, facilities acquired respectively in April and July 2021 and the 1-month contribution of GVDR, acquired in December 2022.

<sup>(6)</sup> The Q4 2021 figures do not include the contribution of GVDR for 1 month (acquired in December 2022)

Op. EBITDA Adj. in Euro millions	FY2022	FY2021	vs. FY'21 (€M)	vs. FY'21 (%)
<b>Total</b>	58.6	53.1	+5.5	+10.3%

On comparison to the Pro-Forma figures, which include the 12-months contribution of GVDR, Operating EBITDA Adjusted increases €6.3M (+11.4%) compared to the 2021 Pro-Forma figure.

Op. EBITDA Adj. in Euro millions	FY2022 Pro-Forma	FY2021 Pro-Forma	vs. FY'21PF (€M)	vs. FY'21PF (%)
<b>Total</b>	61.1	54.8	+6.3	+11.4%

At constant perimeter, i.e. excluding for 2022 the 1-month contribution of GVDR, Op. EBITDA Adjusted increases 6.9% on 2021 Pro-Forma (€58.6M vs. €54.8M), with a margin of 18.2% increasing on the previous year (17.7%), despite the approx. €2.6M net impact of the energy costs. Excluding this impact, the Group margin would have been 19.0%.

### Focus on the Consolidated Operating EBITDA Adjusted in Q4 2022

Operating EBITDA Adjusted in Q4 2022 was €16.2M, reducing €0.7M (-3.9%) on Q4 2021. It is recalled however that Q4 2021 benefited from an additional contribution of approx. €2.0M recognised in December 2021 to Eremo di Miazzina for the management of Covid units in 2020.

Excluding this contribution, Operating EBITDA Adjusted in Q4 2022 would have increased on the same period of 2021 by €1.3M (+8.8%, at constant perimeter).

Op. EBITDA Adj. in Euro millions	4Q2022	4Q2021 <sup>(6)</sup>	vs. Q4'21 (€M)	vs. Q4'21 (%)
<b>Total</b>	16.2	16.9	-0.7	-3.9%

### Consolidated EBIT and Consolidated pre-tax profit

EBIT in 2022 was €31.7M, up €3.4M on €28.4M in 2021 (+12.2%). This result reflects amortisation, depreciation and write-downs for approx. €19.0M in the year, increasing €3.3M on 2021, in addition to Impairments and other provisions for €5.0M, increasing €1.9M on €3.0M in 2021, both increases mainly due to the change in consolidation perimeter during the year. This result benefits also of the lower non-recurring costs (adjustments).

EBIT in Euro millions	FY2022	FY2021	vs. FY'21 (€M)	vs. FY'21 (%)
<b>Total</b>	31.7	28.2	+3.4	+12.2%

Compared to the Pro-Forma figure, EBIT increases by €5.8M (+21.6%).

EBIT in Euro millions	FY2022 Pro-Forma	FY2021 Pro-Forma	vs. FY'21PF (€M)	vs. FY'21PF (%)
<b>Total</b>	32.9	27.1	+5.8	+21.6%

The Profit before taxes in 2022 was €27.4M, up 14.1% on €24.0M in 2021. This amount reflects net financial charges of €4.3M, substantially in line with 2021.

Result before taxes in Euro millions	FY2022	FY2021	vs. FY'21 (€M)	vs. FY'21 (%)
<b>Total</b>	27.4	24.0	+3.4	+14.1%



Compared with the Pro-Forma figure, the Profit before taxes increased €5.3M (+23.3%).

Result before taxes in Euro millions	FY2022 Pro-Forma	FY2021 Pro-Forma	vs. FY'21PF (€M)	vs. FY'21PF (%)
Total	28.0	22.7	+5.3	+23.3%

### Consolidated net profit

The Group Net Profit was €21.4M, increasing €2.6M on €18.8M in 2021. This amount reflects income taxes of €5.9M, increasing on €5.1M in 2021, principally due to the higher profit before taxes (tax rate of 21.7% vs 21.5% in 2021).

Net result in Euro millions	FY2022	FY2021	vs. FY'21 (€M)	vs. FY'21 (%)
Total	21.4	18.8	+2.6	+13.8%

Compared to the Pro-Forma figure, the Net Profit increased €4.3M (+24.9%).

Net result in Euro millions	FY2022 Pro-Forma	FY2021 Pro-Forma	vs. FY'21PF (€M)	vs. FY'21PF (%)
Total	21.8	17.5	+4.3	+24.9%

### GHC Group consolidated balance sheet highlights

#### Consolidated Net Financial Position

At December 31, 2022, the Net Financial Position (NFP) of GHC was €145.0M, comprising liquidity of €31.6M and financial debt of €176.6M.

Net Financial Position in Euro millions	FY2022	FY2021	Change vs. FY2021
Total	145.0	142.4	+2.6
Financial leverage (x)	2.4x	2.6x	-0.2x

Excluding the non-recurring items, the NFP would have amounted to €107.5M, with cash generation from operating activities of €34.9M compared to December 31, 2021. These non-recurring items mainly concern: (i) the acquisition of GVDR, (ii) expansion Capex and (iii) non-recurring and one-off items mainly for “extra-Covid” costs, M&A costs and the acquisition of treasury shares.

#### Capex

In 2022, Group investments totalled approx. €18.5M (€19.1M in 2021). In particular, approx. €6.8M concerns expansion investments mainly for the extraordinary projects of S. Marta (Fides Group) and of Istituto Raffaele Garofalo (Eremo di Miazzina).



## **SEPARATE FINANCIAL STATEMENTS AT DECEMBER 31 2022**

### **Garofalo Health Care S.p.A. key operating highlights**

Garofalo Health Care S.p.A. is the Parent Company, listed since November 2018.

2022 Parent Company Revenues were €4.6M, aligned with 2021, and are related to the recharges of Parent Company costs to the subsidiaries for administrative co-ordination, financial, corporate and IT services.

The net profit in 2022 was €1.6M, increasing on 2021 (€1.2M). This result benefits from the dividends received by the subsidiaries and the income from the tax consolidation, following the taxable income transferred from the subsidiaries belonging to the tax consolidation of GHC S.p.A..

### **Garofalo Health Care S.p.A. key balance sheet highlights**

At December 31, 2022, the Net Financial Position (NFP) of the Parent Company was €157.1M, with debt exceeding cash. This indicator increased €4.4M on 2021 (€152.6M), following the increase in net financial payables from cash pooling of €11.5M, the drawdown of the credit line to acquire GVDR of €16.5M, in part offset by the reimbursement of the refinancing instalments, amounting to €22.2M, and the settlement of the payable to the parent company Larama '98.

### **SUBSEQUENT EVENTS AFTER YEAR-END**

There were no subsequent events to period-end.

### **OUTLOOK**

The issue of health at national level is characterized by age-old demographic trends (such as the aging of the population and a higher incidence of chronic diseases compared to the European average), elements which are leading to clearly growing healthcare needs, the latter exacerbated exponentially by delays accumulated in the provision of services due to the pandemic.

In this context, the Group will continue to operate in 2023 by fully implementing the accredited activity, including the increased resources that could be assigned during the year for the reduction of waiting lists - as occurred in the previous years - and above all by strengthening and further developing the business for "out-of-pocket" private patients in the wake of the growth already achieved in 2022.

It is also specified that the results expected by the Group, compared with 2022, could benefit from the reduction in the prices of the energy on the basis of the decidedly declining trend observed in the first two months of the year, although elements of exogenous uncertainty remain in this area.

Furthermore, in line with its Buy & Build strategy, the Group also confirms for 2023 its strategic intention to grow also externally, through the acquisition of facilities of excellence with non-dilutive performance, also in perspective.

Lastly, the Group announces that it has started the activities aimed at concentrating its significant real estate assets, currently held by the subsidiaries, in an already established dedicated vehicle (GHC Real Estate), wholly controlled by the Parent Company.

### **OTHER BOARD OF DIRECTORS MOTIONS**

#### **Proposal for the allocation of the result**

The Board of Directors of GHC shall propose to the Shareholders' Meeting, called for April 28, 2023, as detailed in subsequent sections, to allocate the net profit of approx. Euro 1,638 thousand as follows: Euro 82 thousand to the legal reserve, Euro 16 thousand to the provision as per Article 40 of the By-Laws and the remaining Euro 1,540 thousand to the extraordinary reserve.



## **Approval of the 2022 Corporate Governance and Ownership Structure Report and 2023 Remuneration Policy and 2022 Report**

The Board of Directors approved the Corporate Governance and Ownership Structure Report for 2022 prepared by the Company in accordance with Article 123-*bis* of Legislative Decree No. 58 of February 24, 1998 ("CFA") and as per the Corporate Governance Code. The Board of Directors also approved the 2023 Remuneration Policy and 2022 Report in accordance with Article 123-*ter* of the CFA and Article 84-*quater* and Annex 3A, Scheme 7-*bis* of Consob Regulation No. 11971/1999 (the "Issuers' Regulation"). This report shall be made available to the public, in accordance with law, at the registered office of the Company, in Rome, Piazzale delle Belle Arti n. 6, on the company website [www.garofalohealthcare.com](http://www.garofalohealthcare.com), Governance/Shareholders' Meeting section, and on the eMarket Storage ([www.emarketstorage.com](http://www.emarketstorage.com)) authorised storage mechanism.

## **Approval of the Consolidated Non-Financial Statement for 2022 prepared as per Legislative Decree No. 254/2016**

The Board of Directors approved the Consolidated Non-Financial Statement at December 31, 2022 prepared by the Company in accordance with Legislative Decree No. 254/2016, which includes also the disclosure on Taxonomy as per European (EU) No. 2020/852 of June 18, 2020. This Report shall be made available to the public, according to the same timeline for the Annual Financial Report of the company in accordance with law, at the registered office in Rome, Piazzale delle Belle Arti n. 6, on the company website [www.garofalohealthcare.com](http://www.garofalohealthcare.com), Governance / Shareholders' Meeting section, and on the eMarket Storage ([www.emarketstorage.com](http://www.emarketstorage.com)) authorised storage mechanism.

This document, which provides an opportunity to communicate progress on sustainability matters to all Company stakeholders, outlines its performances, results and the impact in terms of environmental, social, personnel, human rights and anti-active and passive corruption aspects.

## **Buy Back Plan**

At today's meeting, the Board of Directors approved, pursuant to and for the purposes of Articles 2357 and subsequent of the Civil Code, 132 of the CFA, 144-*bis* of the Issuers' Regulation, 5 of Regulation (EU) No. 596/2014 on market abuse ("MAR"), and 3 and 4 of Delegated Regulation (EU) 2016/1052, to submit to the upcoming Shareholders' Meeting a proposal to authorise a new plan for the purchase and disposal of treasury shares, following the revocation of the previous authorisation approved by the Shareholders' Meeting of April 29, 2022<sup>7)</sup>.

This new authorisation is requested for a period of 18 months from the date of the Shareholders' Meeting and is to allow the company to acquire, also on a revolving basis, ordinary company shares, without indication of par value, in such a measure - taking account of the ordinary shares held at any time in portfolio by the company and by its subsidiaries - that the company at any point will not hold more than 3% of the company's share capital at the date of the Shareholders' Meeting, including the treasury shares which the company shall hold at the date of the Shareholders' Meeting (1,397,360 of March 15, 2023, equal to 1,55% of the share capital) and, in any case, for a total purchase equivalent of not more than Euro 7,000,000.00 (seven millions/00).

The proposal is made so as to: (a) set up a "securities reserve" to be allocated, if necessary, to serve share incentive plans, including of a long-term nature, to be reserved for Directors and/or managers of the Company or its subsidiaries; (b) intervene, in compliance with current regulations and through intermediaries, to stabilise the stock price and to regularise trading and price trends, against distortions linked to excessive volatility or poor trading liquidity; and (c) set up a "securities reserve" to be allocated, if necessary, to serve the execution of extraordinary corporate transactions involving the utilisation of treasury shares (including for consideration) for the purpose of the undertaking of holdings in GHC share capital by institutional or qualifying investors or, in any case, commercial, financial or strategic partners, with a view to the pursuit of the GHC Group's best medium and long-term interests and its strategic positioning in the marketplace.

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<sup>7)</sup> This authorisation was requested for a period of 12 months from the date of the Shareholders' Meeting of April 29, 2022 and is intended to allow the Company to purchase a total number of treasury shares not exceeding 1,804,000 shares, representing 2% of GHC's share capital at that date



Subject to the fact that the purchases of treasury shares shall be made in compliance with the terms, conditions and requirements established by the applicable regulation and, where applicable, market practice, the Board of Directors proposes that the unitary price for the purchase of the shares is set on a case by case basis for each transaction and however may not be, for the minimum, 10% lower or, for the maximum, 10% higher than the share price recorded in the trading session before each individual transaction.

For any other information concerning the proposal, reference should be made to the Illustrative Report of the Board of Directors to the Shareholders' Meeting prepared pursuant to Article 73 of the Issuers' Regulation, which will be made available within the terms set out by law.

### **2022 RESULTS OVERVIEW CONFERENCE CALL**

The Company announces that this afternoon, March 16, 2023, at 4PM (CET) a conference call shall be held for investors and analysts to provide an overview of the key 2022 results.

The Group's Chief Executive Officer Ms. Maria Laura Garofalo, together with the top management, will take part in the conference call.

The call shall be held in Italian. A transcript of the call shall be made available also in English on the company website ([www.garofalohealthcare.com](http://www.garofalohealthcare.com), Investor Relations / Presentations section).

The details to access the conference call are as follow:

**Dial In:**

Italy: +39 02 802 09 11

UK: +44 1 212818004

USA: +1 718 7058796



## **CALLING OF THE SHAREHOLDERS' MEETING**

The Board of Directors meeting today approved the calling of the Shareholders' Meeting of Garofalo Health Care S.p.A. in ordinary session for April 28, 2023, in single call, to discuss and vote upon the following

### **Agenda**

**1. Financial Statements of Garofalo Health Care S.p.A. at December 31, 2022. 2022 Directors' Report. Report of the Board of Statutory Auditors and of the Independent Audit Firm. Presentation of the Consolidated Financial Statements at December 31, 2022 and of the 2022 Consolidated Non-Financial Statement pursuant to Legislative Decree No. 254 of December 30, 2016 and Regulation (EU) 2020/852 of June 18, 2020. Resolutions thereon.**

**2. Allocation of the net profit. Resolutions thereon.**

**3. Resolutions on the Remuneration Policy and Report in accordance with Article 123-ter of Legislative Decree No. 58 of February 24, 1998 (CFA) and Article 84-quater of Consob Regulation No. 11971/1999 (Issuers' Regulation):**

**3.1 binding vote on the remuneration policy for 2023 set out in the first section of the Report. Resolutions thereon;**

**3.2 consultation on the second section of the report regarding compensation paid in or relating to 2022. Resolutions thereon.**

**4. Authorisation to purchase and dispose of treasury shares (buyback) as per and for the purposes of Articles 2357 and subsequent of the Civil Code, 132 of Legislative Decree No. 58 of February 24, 1998 (CFA), 144-bis of Consob Regulation No. 11971/1999 (Issuers' Regulation), 5 of EU Regulation No. 596/2014 (MAR), 3 and 4 of Delegated Regulation (EU) No. 2016/1052, following revocation of the previous authorisation to purchase and dispose of treasury shares. Resolutions thereon.**

The Company has decided to utilise the option established by Article 106 of Decree Law No. 18 of March 17, 2020 (converted with amendments by Law No. 27 of April 24, 2020 as last extended by Decree Law No. 198 of December 29, 2022, converted with amendments by Law No. 14 of February 24, 2023), providing - also as an exception to the By-Laws - that the participation of shareholders at the Shareholders' Meeting will take place exclusively through the Designated Agent appointed pursuant to Article 135-undecies of the CFA, without physical attendance by shareholders, according to the procedures indicated in the call notice.

The call notice, accompanied by all of the information required by Article 125-bis of the CFA, in addition to all the documentation which shall be submitted to the Shareholders' Meeting in accordance with Articles 125-ter and 125-quater of the CFA, shall be made available to the public, in accordance with law, at the registered office of the company in Rome, Piazzale delle Belle Arti n. 6 and on the Company website [www.garofalohealthcare.com](http://www.garofalohealthcare.com), Governance / Shareholders' Meeting section and on the eMarket Storage ([www.emarketstorage.com](http://www.emarketstorage.com)) authorised storage mechanism.



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The Separate Financial Statements and the Consolidated Financial Statements for the year ended December 31, 2022, together with the other documents comprising the Company's Annual Financial Report as per Article 154-ter of the CFA, will be available to the public, as required by law, at the Company's registered office, on the Company's website [www.garofalohealthcare.com](http://www.garofalohealthcare.com), Governance / Shareholders' Meeting section and on the eMarket Storage ([www.emarketstorage.com](http://www.emarketstorage.com)) authorised storage mechanism.

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The Executive Officer for Financial Reporting, Mr. Luigi Celentano, states in accordance with paragraph 2, Article 154-bis of the Consolidated Finance Act that the accounting information in this press release corresponds to the underlying accounting documents, records and entries. It should be noted that the legal audit of the accounts has not yet been completed for the figures presented below.

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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

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### GHC Group 2022 Consolidated Income Statement

<i>In Euro thousands</i>	2022	of which related parties	2021	of which related parties
Revenues from services	314,764		277,869	
Other revenues	7,810	2	5,803	
<b>TOTAL REVENUES</b>	<b>322,575</b>		<b>283,672</b>	
Raw materials and consumables	44,898		38,944	
Service costs	134,032	781	118,407	1,336
Personnel costs	73,287		65,739	
Other operating costs	14,833		13,620	
<b>TOTAL OPERATING COSTS</b>	<b>267,050</b>		<b>236,710</b>	
<b>TOTAL EBITDA</b>	<b>55,524</b>		<b>46,962</b>	
Amortisation depreciation and impairments	18,963		15,706	
Impairments and other provisions	4,896		3,025	
<b>TOTAL AMORTISATION, DEPRECIATION, WRITE-DOWNS, PROVISIONS AND OTHER ADJUSTMENTS</b>	<b>23,859</b>		<b>18,731</b>	
<b>EBIT</b>	<b>31,665</b>		<b>28,231</b>	
Financial income	127		56	
Financial charges	(4,551)	(19)	(4,512)	(47)
Results of investments at equity	129		213	
<b>TOTAL FINANCIAL INCOME AND CHARGES</b>	<b>(4,294)</b>		<b>(4,243)</b>	
<b>PROFIT BEFORE TAXES</b>	<b>27,371</b>		<b>23,988</b>	
Income taxes	5,938		5,145	
<b>NET PROFIT FOR THE YEAR</b>	<b>21,433</b>		<b>18,843</b>	
Group				
Minority interests	21,426		18,834	
Basic and diluted earnings per share	7		9	

### GHC Group 2022 Consolidated Balance Sheet

<b>ASSETS</b> <i>In Euro thousands</i>	<b>31/12/2022</b>	<b>of which related parties</b>	<b>31/12/2021</b>	<b>of which related parties</b>
Goodwill	91,392		70,265	
Other intangible assets	196,038		195,828	
Property, plant and equipment	221,826		217,006	
Investment property	885		924	
Equity investments	826		1,285	
Other non-current financial assets	517		482	
Other non-current assets	2,330		1,113	
Deferred tax assets	10,615		9,660	
<b>TOTAL NON-CURRENT ASSETS</b>	<b>524,430</b>		<b>496,564</b>	
Inventories	4,244		4,322	
Trade receivables	76,479	1	74,720	
Tax receivables	5,933		6,088	
Other receivables and current assets	3,137		3,405	
Other current financial assets	215		175	
Cash and cash equivalents	31,382		41,239	
<b>TOTAL CURRENT ASSETS</b>	<b>121,390</b>		<b>129,948</b>	
<b>TOTAL ASSETS</b>	<b>645,820</b>		<b>626,513</b>	

### GHC Group 2022 Consolidated Balance Sheet

<i>LIABILITIES In Euro thousands</i>	31/12/2022	of which related parties	31/12/2021	of which related parties
Share capital	31,570		31,570	
Legal reserve	532		471	
Other reserves	225,542		209,578	
Group result for the year	21,426		18,834	
<b>TOTAL GROUP SHAREHOLDERS' EQUITY</b>	<b>279,070</b>		<b>260,453</b>	
Minority interest capital and reserves	76		253	
Minority interest result	7		9	
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>279,153</b>		<b>260,715</b>	
Employee benefits	13,551		11,987	
Provisions for risks and charges	19,152		17,346	
Non-current financial payables	132,165		138,130	1,645
Other non-current liabilities	3,208		213	
Deferred tax liabilities	67,356		67,932	
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>235,431</b>		<b>235,608</b>	
Trade payables	51,100	38	46,239	45
Current financial payables	44,443		45,662	
Tax payables	3,211		3,860	
Other current liabilities	32,482		34,429	
<b>TOTAL CURRENT LIABILITIES</b>	<b>131,236</b>		<b>130,190</b>	
<b>TOTAL LIABILITIES</b>	<b>366,667</b>		<b>365,798</b>	
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>645,820</b>		<b>626,513</b>	

## GHC Group 2022 Consolidated Cash Flow Statement

<i>In Euro thousands</i>	31/12/2022	31/12/2021
<b>OPERATING ACTIVITIES</b>		
<b>Net Profit for the year</b>	<b>21,433</b>	<b>18,843</b>
<i>Adjustments for:</i>		
- Amortisation and depreciation	18,364	15,519
- Provisions for employee benefit liabilities	783	805
- Provisions net of releases for risks and charges	4,896	3,025
- Provisions net of releases for doubtful debt provision	599	187
- Interest from discounting	1,512	770
- Other non-cash adjustments	606	420
- Change in investments in associates valued under the equity method	(129)	(213)
- Change in other non-current assets and liabilities	1,874	(308)
- Net change in deferred tax assets and liabilities	(1,137)	(387)
- Payments for employee benefits	(1,232)	(1,208)
- Payments for provisions for risks and charges	(2,293)	(2,745)
<i>Changes in operating assets and liabilities:</i>		
(Increase) decrease in trade and other receivables	(1,914)	(2,710)
(Increase) decrease in inventories	191	341
Increase (decrease) in trade and other payables	3,878	(881)
Other current assets and liabilities	(3,561)	4,854
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>43,870</b>	<b>36,313</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investments in intangible assets	(1,134)	(1,470)
Investments in tangible assets	(13,835)	(23,198)
(Investments)/disposals in financial assets	(169)	(388)
Sale of tangible assets	316	326
Dividends from associates	203	280
Acquisition GVDR	(20,877)	
Acquisition Domus Nova		(31,119)
Acquisition Clinica San Francesco		(36,562)
<b>CASH FLOW ABSORBED BY INVESTING ACTIVITIES (B)</b>	<b>(35,496)</b>	<b>(92,130)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of medium/long term loans	16,590	179,773
Repayment of medium/long-term loans	(22,263)	(148,060)



<i>In Euro thousands</i>	<b>31/12/2022</b>	<b>31/12/2021</b>
<i>Issue/(repayment) of short-term loans</i>	(2,824)	6,927
<i>Changes in other financial payables</i>	(6,745)	(4,155)
<i>Share capital increase and shareholder payments</i>		40,937
<i>Use of Reserve as per Article 40</i>	(10)	(27)
<i>(Acquisition) treasury shares</i>	(2,979)	(3,150)
<b>NET CASH FLOW GENERATED/(ABSORBED) FROM FINANCING ACTIVITIES (C)</b>	<b>(18,231)</b>	<b>72,245</b>
<b>TOTAL CASH FLOWS (D=A+B+C)</b>	<b>(9,857)</b>	<b>16,428</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF YEAR (E)</b>	<b>41,239</b>	<b>24,810</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF YEAR (F=D+E)</b>	<b>31,382</b>	<b>41,239</b>
<b>Additional information:</b>		
Interest paid	<b>2,307</b>	<b>2,160</b>
Income taxes paid	<b>6,918</b>	<b>3,679</b>

### GHC Group 2022 Consolidated Net Financial Position

<i>In Euro thousands</i>	31/12/2022	31/12/2021
A Available liquidity	31,382	41,239
B Cash equivalents	-	39
C Other current financial assets	215	136
<b>D Liquidity</b>	<b>31,597</b>	<b>41,414</b>
E Current financial debt	22,297	24,163
F Current portion of non-current financial debt	22,146	21,499
<b>G Current financial debt</b>	<b>44,443</b>	<b>45,662</b>
<b>H Net current financial debt (G - D)</b>	<b>12,846</b>	<b>4,248</b>
I Non-current financial debt	132,165	138,130
J Debt instruments	-	-
K Trade payables and other non-current payables	-	-
<b>L Non-current financial debt (I + J + K)</b>	<b>132,165</b>	<b>138,130</b>
<b>M Total financial debt (H + L)</b>	<b>145,011</b>	<b>142,378</b>

### Garofalo Health Care S.p.A. 2022 Separate Income Statement

<i>In Euro thousands</i>	2022	of which related parties	/2021	of which related parties
Revenues from services	4,600	4,600	4,600	4,600
Other revenues	41	41	58	58
<b>TOTAL REVENUES</b>	<b>4,641</b>		<b>4,658</b>	
Raw materials and consumables	23		25	
Service costs	4,928	587	5,329	1,044
Personnel costs	2,687		2,178	
Other operating costs	813		862	
Increase in internal work capitalised	-		-	
<b>TOTAL OPERATING COSTS</b>	<b>8,451</b>		<b>8,395</b>	
<b>TOTAL EBITDA</b>	<b>(3,810)</b>		<b>(3,737)</b>	
Amortisation depreciation and impairments	424		350	
Impairments and other provisions	-		-	
<b>TOTAL AMORTISATION, DEPRECIATION, WRITE-DOWNS, PROVISIONS AND OTHER ADJUSTMENTS</b>	<b>424</b>		<b>350</b>	
<b>EBIT</b>	<b>(4,234)</b>		<b>(4,087)</b>	
Financial income	8,453	8,453	4,890	4,890
Financial charges	(4,115)	(547)	(1,230)	(353)
Results of investments at equity	-		-	
<b>TOTAL FINANCIAL INCOME AND CHARGES</b>	<b>4,337</b>		<b>3,660</b>	
<b>PROFIT BEFORE TAXES</b>	<b>103</b>		<b>(427)</b>	
Income taxes	1,534		1,653	
<b>NET PROFIT FOR THE YEAR</b>	<b>1,638</b>		<b>1,226</b>	



### Garofalo Health Care S.p.A. 2022 Separate Balance Sheet

<b>ASSETS</b> <i>In Euro thousands</i>	<b>31/12/2022</b>	<b>of which related parties</b>	<b>31/12/2021</b>	<b>of which related parties</b>
Other intangible assets	166		50	
Property, plant and equipment	6,568		5,075	
Equity investments	198,364		197,505	
Other non-current financial assets	136,741	136,730	129,996	129,996
Deferred tax assets	198		205	
<b>TOTAL NON-CURRENT ASSETS</b>	<b>342,036</b>		<b>332,831</b>	
Trade receivables	1,727	1,727	1,718	1,718
Tax receivables	1,182		1,175	
Other receivables and current assets	3,515	3,312	5,533	5,456
Other current financial assets	18,249	18,244	14,505	14,505
Cash and cash equivalents	4,122		2,616	
<b>TOTAL CURRENT ASSETS</b>	<b>28,795</b>		<b>25,548</b>	
<b>TOTAL ASSETS</b>	<b>370,832</b>		<b>358,379</b>	

### Garofalo Health Care S.p.A. 2022 Separate Balance Sheet

<i>LIABILITIES</i> <i>In Euro thousands</i>	31/12/2022	of which related parties	31/12/2021	of which related parties
Share capital	31,570		31,570	
Legal reserve	532		471	
Other reserves	151,177		152,376	
Profit for the year	1,638		1,226	
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>184,917</b>		<b>185,643</b>	
Employee benefits	137		93	
Non-current financial payables	112,055		117,620	1,645
Deferred tax liabilities	1		53	
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>112,194</b>		<b>117,767</b>	
Trade payables	706	22	393	2
Current financial payables	67,379	45,584	52,150	30,465
Tax payables	1,597		1,186	
Other current liabilities	4,039	2,731	1,240	19
<b>TOTAL CURRENT LIABILITIES</b>	<b>73,721</b>		<b>54,969</b>	
<b>TOTAL LIABILITIES</b>	<b>185,915</b>		<b>172,736</b>	
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>370,832</b>		<b>358,379</b>	

## Garofalo Health Care S.p.A. 2022 Separate Cash Flow Statement

<i>In Euro thousands</i>	31/12/2022	31/12/2021
<b>OPERATING ACTIVITIES</b>		
<b>Net Profit for the year</b>	<b>1,638</b>	<b>1,226</b>
Adjustments for:		
- Amortisation and depreciation	424	350
- Provisions for employee benefit liabilities	35	30
- Change in other non-current assets and liabilities	-	-
- Net change in deferred tax assets and liabilities	(45)	(124)
- Payments for employee benefits	0	(10)
- Other non-cash adjustments	545	420
Changes in operating assets and liabilities:		
(Increase) decrease in trade and other receivables	(9)	(37)
Increase (decrease) in trade and other payables	313	(228)
Other current assets and liabilities	4,831	(1,060)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>7,731</b>	<b>147</b>
Investments in intangible assets	(145)	(1)
Investments in tangible assets	(185)	(35)
(Investments)/disposals in financial assets	(769)	(33,791)
Other investing activities	-	-
<b>CASH FLOW ABSORBED BY INVESTING ACTIVITIES (B)</b>	<b>(1,099)</b>	<b>(33,827)</b>
Issue/(repayments) medium/long term loans	(5,015)	104,087
Issue/(repayment) of short-term loans	78	18,450
Movement in other current and non-current financial receivables/payables	2,800	(124,983)
Change Net Equity	0	40,937
Use of Reserve as per Article 40	(10)	(27)
(Acquisition) treasury shares	(2,979)	(3,150)
<b>NET CASH FLOW GENERATED/(ABSORBED) FROM FINANCING ACTIVITIES (C)</b>	<b>(5,126)</b>	<b>35,313</b>
<b>TOTAL CASH FLOWS (D=A+B+C)</b>	<b>1,506</b>	<b>1,633</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF YEAR (E)</b>	<b>2,616</b>	<b>983</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF YEAR (F=D+E)</b>	<b>4,122</b>	<b>2,616</b>
<b>Other information</b>		
Interest paid	2,299	551
Income taxes paid	1,182	817