



## Press release

### GAROFALO HEALTH CARE S.P.A.: SHAREHOLDERS' MEETING:

- took note of the consolidated financial statements of the GHC Group at December 31, 2018, which reported revenues of Euro 155.6 million (+13.9% on 2017 and +2.3% on the 2017 Pro-Forma<sup>(1)</sup> figure), Adjusted Operating EBITDA, neutralising the IPO costs<sup>(2)</sup>, of Euro 29.8 million - with a 19.1% margin (18.2% in 2017), up 19.7% on 2017 and 8.6% on 2017 Pro-Forma (with a margin of 18.0%), a Net profit of Euro 14.1 million (+14.3% on 2017 and +3.5% on 2017 Pro-Forma);
- unanimously approved the Directors' Report, the separate financial statements at December 31, 2018 of GHC S.p.A. and the proposal to allocate the relative net profit of Euro 4,993 thousand, as follows: Euro 250 thousand to the legal reserve, Euro 45 thousand to the provision as per Article 40 of the By-Laws (to be allocated to scientific research and charity purposes) and Euro 4,698 thousand to the extraordinary reserve;
- unanimously approved the authorisation to purchase and dispose of treasury shares, with prior revocation of the previous Shareholders' Meeting motion of September 26, 2018;
- unanimously approved the supplementation of the fees for the appointment to audit the accounts;
- approved the remuneration policy of the directors and of the senior executives.

**Rome, May 24, 2019** – The Shareholders' Meeting (the “Shareholders' Meeting”) of Garofalo Health Care S.p.A. (the “Company” or “GHC”), listed on MTA segment of the Italian Stock Exchange and an accredited private healthcare leader, chaired by the Chairman Alessandro Maria Rinaldi, met today in single call.

#### **Separate financial statements at December 31, 2018 and allocation of the net profit**

The Shareholders' Meeting reviewed and unanimously approved the Directors' Report and the separate financial statements at December 31, 2018 and approved, as per the Board of Director's proposal, the allocation of the net profit of Euro 4,993 thousand, as follows: Euro 250 thousand to the legal reserve, Euro 45 thousand to the provision as per Article 40 of the By-Laws (to be allocated to scientific research and charity purposes) and the remaining Euro 4,698 thousand to the extraordinary reserve.

At the Shareholders' Meeting, to the presence of several major investment funds as well as national and international institutional investors, in addition to two sovereign funds, the Consolidated Financial Statements of GHC at December 31, 2018 were also presented which, as announced on April 18, 2018, reported revenues of Euro 155.6 million, up 13.9% on Euro 136.7 million for 2017 and 2.3% on Euro 152.2

<sup>(1)</sup> The 2017 Pro-Forma figures retrospectively reflect at January 1, 2017 GHC's two acquisitions in 2017 (Fides Medica Group, acquired in June 2017 and comprising Fides Medica S.r.l. and its direct and indirect subsidiaries, and Casa di Cura Prof. Nobili S.p.A., acquired in December 2017)

<sup>(2)</sup> Operating EBITDA Adjusted, neutralising the IPO costs, is EBIT + depreciation & amortisation + provisions and write-downs + listing costs incurred and expensed to the Income Statement (this latter amounting to approximately Euro 4.0 million).



million for 2017 Pro-Forma, an Operating EBITDA Adjusted, neutralising the IPO costs, of Euro 29.8 million, with a margin of 19.1% (18.2% in 2017), up 19.7% on Euro 24.9 million for 2017 and 8.6% on Euro 27.4 million for 2017 Pro-Forma, with a margin of 18.0% and a Net profit of Euro 14.1 million, up 14.3% on Euro 12.3 million for 2017 and 3.5% on Euro 13.6 million for 2017 Pro-Forma.

The consolidated non-financial report for 2018 was also presented, in accordance with Legislative Decree No. 254 of December 30, 2016.

### **Authorisation of the purchase and disposal of treasury shares**

The Shareholders' Meeting, having examined the Board of Directors' Report, prepared in accordance with Article 125-ter of the CFA and Article 73 of the Consob Regulation and in compliance with Annex 3A, Schedule No. 4, of the same Regulation, unanimously approved:

- revocation of the Shareholders' Meeting motion of September 26, 2018 which authorised the purchase and disposal of treasury shares, for the part not yet executed;
- the Board of Directors, as per Article 2357 of the Civil Code, to purchase, also in a number of tranches, ordinary Garofalo Health Care S.p.A. shares without nominal value, up to a maximum number of shares which, taking account of the ordinary GHC shares which may be held in portfolio by the Company and by its subsidiary, does not exceed overall 1.5% of the share capital of the Company, in accordance with Article 2357, paragraph 3 of the Civil Code. The authorisation was granted in order to acquire the treasury shares to be allocated, where required, to the 2019 - 2021 Stock Grant Plan approved by the Shareholders' Meeting of September 26, 2018, in addition to any other share incentive plans, including of a long-term nature, reserved for directors and/or managers of the Company or its subsidiaries, which may be approved in the future by the Shareholders' Meeting of the Company. It may also be granted to permit interventions, in compliance with the applicable provisions and through intermediaries, in order to stabilise the share price and ensure normal trading and share prices, countering distortions related to excessive volatility or scarcity of shares. The purchases may be made through one or more tranches within 18 months from the date of the motion and according to that permitted by Article 132 of the CFA and Article 144-*bis* of the Consob Regulation, therefore also in respect of the equal treatment of shareholders. The unitary price for the purchase of the shares shall be set on a case by case basis for each transaction and however may not be 10% lower or higher than the share price recorded in the trading session occurred the day before each individual transaction;
- authorisation of the Board of Directors, in accordance with Article 2357-*ter* of the Civil Code, to dispose of, in full or in part and on one or more occasions, the treasury shares purchased under the above motion. The shares may be disposed of or otherwise transferred at any time and without time limit, while the unitary consideration for the disposal of the shares and/or the criteria, means, terms and conditions of use of all of the treasury shares in portfolio may be established by the Board of Directors.

### **Supplementation of the fees for the independent audit appointment**

The Shareholders' Meeting, on the reasoned proposal of the Board of Statutory Auditors of April 11, 2019, approved the supplementation for the years 2019-2025 of the total annual fees unanimously approved by the Shareholders' Meeting of August 8, 2018 to be paid to EY S.p.A. for the legal audit appointment.

### **Consultation on the Remuneration Policy of Directors and Senior Executives**

The Shareholders' Meeting voted in favour of the policy adopted by the Company for the remuneration of the members of the Board of Directors, the general managers and the senior executives with reference to 2019 and regarding the procedures used for the adoption and implementation of this policy, as outlined in Section I of the Remuneration Report as per Article 123-*ter* of the CFA and Article 84-*quater* and by Annex 3A, Schedule 7-*bis* of the Issuers' Regulation.



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The summary of voting shall be made available on the Company website, in accordance with Article 125-*quater* of the CFA, in accordance with law.

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The Executive Officer for Financial Reporting, Fabio Tomassini, 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.

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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 21 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 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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