



The Healthcare Partner



PRESS RELEASE

GPI REINFORCES ITS PRESENCE IN FRANCE AND PROPOSES ITSELF AS A EUROPEAN PARTNER OF THE HEALTHCARE SYSTEM

AGREEMENT REACHED FOR THE ACQUISITION OF THE FRENCH GROUP EVOLUCARE

- **The Evolucare Group, which has been operating for more than 35 years, is a leading player in software solutions for the digital transformation of French healthcare with more than 2,700 customers; in 2022, it recorded consolidated revenues of EUR 42.9 million and adjusted consolidated EBITDA of EUR 15.7 million (EBITDA margin of 37%)**
- **The transaction is consistent with the guidelines of Gpi's 2022-2024 Strategic Industrial Plan and its path of consolidation as a key player in the digital health sector at European level**
- **The transaction will allow the Gpi Group to significantly expand its international presence in particular in the Software SBA, with a considerable increase in revenues and EBITDA in the its Software Area, respectively by 26% and 35% based on pro-forma 2022 figures**
- **The agreed price for the acquisition of approximately 96.58% of the Evolucare Group is around EUR 109 million based on an Equity Value for 100% of the fully diluted share capital of EUR 116 million, corresponding to an EV/Adj. EBITDA 2022 multiple of approximately 11.0x**

CONFERENCE CALL ON TUESDAY, 4 JULY 2023 - 9.30 A.M. CET

Details and information on how to attend are given at the end of this press release

Trento, 29 June 2023

GPI S.p.A. (GPI:IM), Tech Leader Company listed on the EXM market (Euronext Milan) of Borsa Italiana, leading in IT Solutions and Healthcare and Social Services, announces that today it has been accepted the put option agreement, according to French practice, that Gpi today submitted for the acquisition - to be completed through its French subsidiary GPI France SASU - of approximately 96.58% (the "**Acquisition**") of the share capital of the French group headed by Evolucare Investment SAS (the "**Evolucare Group**"). The remaining approximately 3.42% is held by the company's current top managers Philippe Blanco (CEO) and Gauthier Frandon (Sales Director), who will continue to guide the Evolucare Group on its path of development, consolidation and growth.

*«This operation takes us into the future we have conceived for Gpi - says **Fausto Manzana**, Gpi's CEO - In recent years we have worked with a precise objective: to create the best conditions for transforming Gpi into a company of international significance. We have therefore strengthened, both in terms of governance and finance, to come prepared for this step. We are well acquainted with the domestic market, on which we have been operating for 35 years. It is a market that recognises our leadership, but one that suffers slowness due to the typical dynamics of the Italian public administration. We want to continue to grow, without losing our identity as a company that looks at the sustainability of health systems through digital transformation. We intend to "export" our know-how and vision to European markets and we want to do this with a major player like Evolucare, a successful group, structured and led by high-level management, well positioned on the European market and, in particular, on the French Digital Health market».*

Philippe Blanco, CEO Evolucare Group: *«With the GPI Group, we share a vision of the future that places technology at the heart of the transformation of our healthcare systems. Together, we are making ourselves into a major player in this transformation. By pooling our portfolios and expertise, we bring greater added value to our clients. In addition, our complementary geographic coverage will allow us to increase our combined international presence. This transaction is part of the constant development of the Evolucare Group, which is now supported by an industrial group with a growth strategy in keeping with its ambitions».*

TRANSACTION RATIONALE

The transaction is part of the Gpi Group's plan for growth in the *software for the digital transformation of healthcare* sector, and is fully in line with the guidelines of the 2022-2024 Strategic Industrial Plan, aimed at consolidating Gpi as a key player in the digital health sector at European level.

The Acquisition will allow the Gpi Group on the one hand to expand its proprietary software product portfolio and, on the other, to significantly increase its presence in Europe, achieving a leadership position on the French market, where it entered in the past few years with the acquisitions of the companies Guyot-Walser Informatique SAS and Medinfo International Hemoservice SAS, specialised in blood management software and now being merged into GPI France SASU. In thus doing, Gpi intends to create a pole of excellence in France with the aim of achieving a level of sales and market penetration in the healthcare software market comparable to that achieved in Italy, and also to optimise production processes with reciprocal professional, technological and commercial growth.

The acquisition of the Evolucare Group will allow for a significant expansion of the Software SBA - with a 2022 pro-forma revenue increase of 26% and an EBITDA increase of 35% (EBITDA margin of 29%) as well as a significant increase in the Group's share of revenue generated abroad (approx. 14% to 23%).

The acquisition of the Evolucare Group is based on a value proposition aimed at the sustainability of healthcare systems:

- Digitisation: the adoption of new technologies to improve process efficiency, limit costs and ensure quality of care;
- Personalisation: the evolution of care models towards predictive, proactive, precise models that put the patient and their needs at the centre;
- Innovation and improvement: the integrated management of the information assets of healthcare institutions at a centralised level and with all parties concerned, as well as the introduction of artificial intelligence tools;
- Territoriality: creation of a model based on the proximity of treatment centres spread throughout national territories, which guarantees constant monitoring of patients.

Benefiting from the complementary nature of the solutions proposed by the Evolucare Group and the possibility of optimising production processes, investments in technological innovation and commercial activity in the reference geographies, Gpi intends to achieve important synergies in the areas of Hospital Information System (HIS - the Evolucare Group's historical business segment), Blood Management System, Laboratory Information System (LIS), Critical Care and Ophthalmology.

DESCRIPTION OF THE TRANSACTION

In accordance with the French legal system, the formalisation of the agreement requires the sellers to first complete the information-consultation process of the Evolucare Group's works councils (*comité social et économique*). Therefore, the signing of the purchase agreement is expected to be finalised only at the end of the above-specified process with full acceptance by these councils, while the closing of the transaction, subject to the completion of the foreign investment control procedure by the French Government and to certain conditions precedent in line with transactions of this type, is expected as soon as possible, hopefully by the end of the third quarter of 2023.

The agreement reached today provides for the acquisition by Gpi France, a full subsidiary of the parent company Gpi, of approximately 96.58% of the share capital of Evolucare Investment, the holding company of the Evolucare Group, from the current majority shareholders (Essling Capital, the Le Guilcher and Chenavier families and Mr. Alain Riffart). The acquisition consideration is approximately EUR 108.8 million, determined on the basis of an equity value of EUR 116 million for 100% of the fully diluted share capital (as indicated below), corresponding to an EV/Adj. EBITDA 2022 multiple of approximately 11.0x, calculated with reference to the adjusted net financial position as at 31 December 2022 (and subject to review with reference to 31 May 2023).

The remaining 3.42% of the Evolucare Group's share capital will continue to be held by CEO Philippe Blanco and Gauthier Frandon, Sales Director, who will maintain a key role in the management and development of the Evolucare Group, also with the aim of fostering a rapid integration of the two groups. Furthermore, in favour of the key executives of the Evolucare Group (including the CEO and Sales Director) and by virtue of the management incentive plan already in place, Evolucare Investment SAS will issue new shares that will be assigned free of charge at the end of the twelfth month following the closing of the Acquisition. Following this assignment, Gpi will retain a stake of approximately 93.78%, while the Evolucare Group's senior management will hold a total stake of 6.22% (of which 3.84% will be held by CEO Philippe Blanco).

The agreements between Gpi and the aforementioned shareholder managers provide for put & call options over minority interests to be exercised in 2028, with valuation linked to pre-established objectives aimed at maximising value creation.

The price for the acquisition of the majority shareholding will be paid in full in cash at the closing. Gpi will make its own financial resources available to GPI France without any recourse to bank loans.

Lastly, note that due to the relationship of control existing between Gpi and the Gpi France companies, the internal settlement between the two companies for completion of the Acquisition takes the form of a related party transaction pursuant to the Consob Regulation adopted by resolution No. 17221 of 12 March 2010, as subsequently amended and supplemented, and the Procedure for Transactions with Related Parties adopted by the Company.

However, this transaction is excluded from the application of the specific procedure provided for therein, as they are transactions to be carried out with a subsidiary, in which there are no significant interests of other related parties of Gpi.

To this end, therefore, no opinion was required from the Control and Risk and Sustainable Development Committee – within the scope of the powers attributed to it on the subject of transactions with related parties.

THE EVOLUCARE GROUP

Founded in 1988 by the Le Guilcher family, the Evolucare Group is a historic, leading French software provider specialising in the healthcare sector and operating in some 20 countries. The Group offers an integrated portfolio of software solutions at the service of the patient journey by providing proprietary solutions to hospitals, public and private clinics, diagnostic and rehabilitation centres and medical-social facilities (e.g. nursing homes and residences for the disabled) mainly throughout France and Germany (through the recently acquired company Health Information Management GmbH).

The Evolucare Group, based in Le Pecqnelle, near Paris, employs a workforce of more than 370 people of whom around 90 are dedicated to research and development. In 2022, it recorded consolidated revenue of EUR 43.1 mln (approximately 50% on a recurring basis) and consolidated adjusted EBITDA of approximately EUR 15.9 mln.

The most important products, supplied to more than 2,700 customers, are the HIS (Hospital Information System), software solutions for Critical Care (operating theatre and intensive care) and for *Medico Social* (facilities for the elderly and disabled). Also, of interest are the software solutions dedicated to imaging and ophthalmology, which are particularly innovative and have promising growth prospects.

The Evolucare Group consists of the holding company Evolucare Investment SAS which wholly owns the operating company Evolucare Technologies SAS which, in turn, has direct or indirect control of 14 other companies in France, Belgium, Germany, Spain, the United States, Canada, Dominican Republic and China.

Gpi was assisted by Intermonte as financial advisor, by the PwC Group as legal advisor for contractual aspects and legal, tax and financial due diligence, by Studio Arigoni Avocat (Paris) for legal aspects of

French law and foreign investment regulations, by the Boston Consulting Group as strategic advisor and by LTP – Legal & Tax Partners for the coordination activities.

CONFERENCE CALL WITH THE FINANCIAL COMMUNITY

The acquisition of the Evolucare Group will be presented to the financial community on Tuesday, 4 July 2023 during a video conference call to be held at 9:30 a.m. CET (8:30 BST).

The video conference will be attended by the company's top managers.

To attend the conference, register at the following link:

https://channel.royalcast.com/landingpage/gpi-it/20230704_1/

The presentation supporting the video conference can also be downloaded from www.gpigroup.com.

GPI GROUP

GPI is the partner of choice for software, technologies and services for healthcare, social services and the public administration. Founded more than 30 years ago in Trento, GPI has grown through significant investments in M&A (in Italy and abroad) and in R&D, carried out in partnership with leading Italian universities and research centres to transfer scientific, technological, functional and process knowledge into the e-health, e-welfare, and well-being sectors.

Also drawing on the solutions and know-how gained from the companies that have joined its ecosystem, the Group has masterfully translated the needs of the healthcare industry into cutting-edge high-tech solutions and new service models that optimise prevention, diagnosis and care processes, improving people's lives.

The offer combines specialised IT expertise with advisory and design capabilities enabling it to operate in a range of business areas: Software, Care, Automation, ICT and Payment services.

The Company reported consolidated revenues of €360.2 million in 2022, with over 7,100 employees at year end, and more than 3,000 customers in over 70 countries.

GPI was listed on Borsa Italiana in 2016 (AIM segment) and moved to the MTA (now EXM) market in 2018. In 2023 becomes part of Euronext Tech Leaders, the initiative of Borsa Italiana dedicated to high-growth and leading Tech Companies.

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