



PRESS RELEASE

HOFI S.p.A, the Italian leader in the funeral service sector, and Eurolegno S.p.A. have reached an important partnership agreement

Milan, 23 October 2020 – Augens Capital, Andrea Cerato, HOFI S.p.A. (HOFI) and Eurolegno S.p.A. (Eurolegno) are pleased to announce the signing of a definitive agreement to realize an important partnership with the aim to continue and accelerate the funeral service sector consolidation begun by Augens Capital in 2019.

The transaction includes the sale to HOFI of Eurolegno's entire stake in Concordia S.r.l. (Concordia) and a simultaneous capital increase in HOFI underwritten by Eurolegno, which will become a shareholder of HOFI alongside Augens Capital (which created HOFI in partnership with BMO Global Asset Management's private equity team) and Andrea Cerato.

Founded over 15 years ago, Concordia, with consolidated 2020 sales of approx. €8 million and 45 employees, is one of the largest funeral service players in the provinces of Mantua, Modena, Rovigo and Lodi, where it relies on 22 agencies and 3 funeral homes. Thanks to the agreement signed today, Concordia will be part of the HOFI group, which will exceed €30 million consolidated sales, and will be able to rely on the operating and financial support of HOFI and its shareholders to accelerate its expansion process.

This strategic alliance in HOFI represents a strong accelerator of the growth and sector consolidation process started by Augens Capital in January 2019. In less than two years, HOFI has become the largest Italian group in the sector backed by institutional shareholders. The presence of two historical funeral sector families among its shareholders guarantees a strong knowledge of the market and ensures that the company's management pursues innovation and strives to provide a high-quality service to its clients. Thanks to this transaction, HOFI will expand into Veneto and Emilia-Romagna for the first time, also strengthening its presence in Lombardia and preparing for the next growth phase of the group.

"We are extremely pleased of signing this transaction. When we conceived the foundation of HOFI in 2019, our aim was to create an Italian champion in the sector not only by investing in the best companies but also through the creation of long-term partnerships with the most important entrepreneurs in the sector who are interested in participating in this project" said **Marco Mantica**, HOFI's Chairman. "The partnership with Eurolegno gives us pride and is perfectly in line with our strategy".

"This transaction represents a historical turning point in the Italian funeral sector" said **Sandro Lorandi**, Eurolegno's Chairman. "I am especially proud of the work done by Concordia's employees who have pursued the company's objectives through the years with enthusiasm and professionalism. Our family has shared in these months the values and objectives of the HOFI project and we are sure that selling our subsidiary Concordia to HOFI, becoming at the same time shareholders of the group, was the best solution to accelerate Concordia's development and to contribute as a family to the realization of a group inspired by the best companies in the sector on a global level".

"Concordia is a brand with a long tradition, professionally managed, and we are enthusiastic about the opportunity to work with Eurolegno and its management team in the acceleration of the company's growth" said **Andrea Cerato**, Chairman of Impresa San Siro American Funeral S.p.A.. "HOFI has been looking for a partner to boost its development in the eastern part of Lombardia and to enter new regions and we have found in Concordia an ideal platform to begin a strong consolidation process in this area".

In the realization of this partnership with Concordia, HOFI has been assisted by law firm LMS and by EY for the financial and fiscal due diligence. Eurolegno has been assisted by lawyer Matteo Vielmi, with his law firm of the same name, and for due diligence by Cristian Turelli and Advanced Consulting. The transaction has been realized through a combination of equity and new acquisition financing lines provided by Banco BPM and Banca Interprovinciale | Illimity Bank.