

## **PRESS RELEASE**

### **HOFI S.p.A, Italian leader in the funeral service space, acquires Eco Fly and Pedretti Cimiteriale, entering the crematoria and cemetery service sector**

Milan, November 9, 2021 – HOFI S.p.A. (“HOFI”), Italy’s largest player in the funeral service sector through its division led by Impresa San Siro American Funeral, is pleased to announce the closing of an important partnership that will allow the group to enter the crematoria management and cemetery services sectors, sustaining the strategic development envisioned by Augens Capital in 2019.

In the transaction HOFI, through newly incorporated Daigo S.p.A. (“Daigo”), will acquire 100% of Eco Fly S.r.l. and Pedretti Cimiteriale S.r.l. from the Oliva and Pedretti families, respectively. Within the context of the transaction, the shareholders of the two companies will re-invest in Daigo and will become the main partners of HOFI in these sectors. The agreement also includes a direct re-investment by top managers Luca Oliva and Angelo Pedretti in HOFI, which will give them a total stake of approximately 2% post-transaction. HOFI’s current shareholders Augeo 3 (investment vehicle controlled by Augens Capital in partnership with BMO Private Equity), Andrea Cerato and Eurolegno (Lorandi family) will subscribe a capital increase for over €10 million to finance this important strategic project for HOFI.

The Eco Fly Group was born from a partnership between Eco Fly and Porfido Pedretti, two of the main players in the cremation service sector in Northern Italy and specifically in Lombardy. Eco Fly, founded in 1999 and based in Esine (Brescia) has been active in the crematoria management sector since 2015, when the company began managing the prestigious Bergamo crematorium in partnership with an established Italian group. The group currently manages four crematoria in the cities of Bergamo, Varese, Pavia and Pisa.

The Eco Fly Group is active in a sector that is exhibiting significant growth rates, confirming a trend that has occurred in the past years in other Western countries. The number of people choosing cremation in Italy is expected to reach 50% by 2040. The objective of HOFI and its partners, through this transaction, is to offer its clients and all funeral service companies located in the crematoria’s catchment area the highest service standards and the most advanced technologies, especially regarding safety, traceability, and certification of cremation processes.

“We are very proud of completing this important partnership in the cremation service sector. When we envisioned the incorporation of HOFI in 2019, our aim was to create a large Italian group backed by institutional capital, to transform the funeral social infrastructure sector from funeral services to crematoria and cemetery services. Striking this partnership with the Oliva and Pedretti families we are realizing a further step ahead in the project we started in 2019, which was not only aimed at investing in the best companies but also in creating long-lasting partnerships with the most important entrepreneurial families in the sector willing to be part of our project” said Marco Mantica, HOFI’s Chairman.

“We are very happy of completing this partnership with HOFI” said Luca Oliva and Angelo Pedretti. “This transaction will strengthen our group operationally and financially and will allow us to play a leading role in the growth path of our sector, which will see the realization of several new infrastructures, strongly backed by guidelines at a regional and municipality level”.



In the realization of its partnership with Eco Fly, HOFI was assisted by lawyers Fabio Labruna and Elisabetta Russo from law firm LMS for all legal and regulatory matters and by EY for the financial and tax due diligence. The Oliva and Pedretti families were assisted by lawyers Antonio Granelli and Laura Gandolfi from AGAF, and by Moreschi and Almici for fiscal matters.

The transaction was financed through equity and a senior acquisition line provided by Banco BPM. Lawyers Marina Balzano and Giulio Asquini from Orrick assisted BPM on financing legal matters, while lawyer Francesco Serrano from LMS assisted HOFI. Essentia assisted HOFI as debt advisor.

## **HOFI**

HOFI S.p.A. is a holding company controlled by Augens Capital in partnership with funds managed by BMO Private Equity and participated by Andrea Cerato and by the Lorandi group. In 2020 HOFI generated sales of over €30 million.