



Łódź, 16 November 2023

GRUPA KLEPSYDRA SIGNS LETTER OF INTENT TO ACQUIRE FUNERAL COMPANY

THE GROUP IS CONSISTENTLY IMPLEMENTING ITS ANNOUNCED STRATEGY TO CONSOLIDATE THE FRAGMENTED FUNERAL MARKET IN POLAND

Grupa Klepsydra, leader of Poland's funeral market and the first company in the industry listed on the Warsaw Stock Exchange, has announced that it has signed a letter of intent on 16 November 2023 with the partners of a limited liability company providing comprehensive funeral services in Poland regarding the acquisition by Grupa Klepsydra of all shares in the company. The transaction is expected to close by the end of 2023.

The acquisition of the funeral company's shares by Grupa Klepsydra will be financed with funds raised in a planned share issue. The Management Board is in discussions with potential investors regarding the acquisition of H series shares. In view of the possible transaction, the Group will proceed to finalise the talks with investors. The Group plans to raise approximately PLN 30 million for acquisitions during this year through a share issue, including PLN 6.75 million already raised in July.

Grupa Klepsydra is pursuing a strategy of consolidating the funeral market in Poland. In June 2023, the Group acquired 67.62% of the share capital of Przedsiębiorstwo Usług Komunalnych Sp. z o. o. based in Kraków (PUK), which became part of the Group.

The funeral company with which Grupa Klepsydra has signed the letter of intent operates in the funeral market in and around a major city in Poland. The company is a good fit for the Group's development strategy, under which the Group will include approximately 20 entities operating in significant local markets in Poland by the end of 2027, handling around 1,000 funerals each year.

Pursuant to Resolution No. 24 of the Annual General Meeting of 20 June 2023, Grupa Klepsydra may issue H shares, but the shares should be taken up by 30 November 2023. In the Management Board's view, the Company will not have completed discussions with investors by that date. With this in mind, the Management Board intends to convene a General Meeting to adopt another resolution on the issue of series H shares, with an extended deadline for the issue of H shares.

"We are consistently pursuing our strategy and intend to further increase our share in the funeral market in Poland. We are consolidating a very fragmented industry and, in our opinion, we have all it takes to succeed. The company with which we have signed the letter of intent meets our requirements. I am certain that it will complement our Group very well. We are also in talks with investors regarding the closing of another share issue," said **Marek Cichewicz, President of the Management Board** of the holding company **Grupa Klepsydra S.A.**



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ABOUT GRUPA KLEPSYDRA

Grupa Klepsydra S.A. (WSE: KLE) is a leader of Poland's funeral market and the only company in this industry listed on the Warsaw Stock Exchange (WSE). Grupa Klepsydra is a provider of comprehensive funeral services in Poland – it is one of few providers of funeral and cremation services in Poland at more than one location as well as a provider of international transport of the deceased.

The strategic objective of Grupa Klepsydra is to become a leader in the funeral market in Poland through consolidation of the domestic funeral services market. Grupa Klepsydra expects to build a strong group of companies over the next 5 years with about 20 entities operating in significant local markets in Poland, and aims to hold up to 10% share in this highly fragmented market.

Grupa Klepsydra is a holding company which currently holds four companies: Firma Pogrzebowa "Klepsydra" Sp. z o. o., which provides funeral, cemetery and cremation services; Bongo Sp. z o. o., which specialises in cross-border transport of the deceased and their ashes; Centrum Pogrzebowe Sp. z o. o., which is running an investment project to build and manage a crematorium and cemetery in Kraków; and Przedsiębiorstwo Usług Komunalnych Sp. z o. o. based in Kraków (PUK), a provider of funeral and cremation services, of which the Group acquired 67.62% in June 2023.

Grupa Klepsydra is a modern, family-owned company with traditions. It has more than 60 years of experience in the funeral industry in Poland, and its success is created by managers with several decades of experience in the business.

With its extensive range of services, broad in-house infrastructure and many years of experience, Grupa Klepsydra provides services for both individuals and business customers (cemetery management and cremations).

Grupa Klepsydra's revenue was close to PLN 29.6 million in 2022, operating profit PLN 6.5 million, and net profit PLN 5.1 million. Grupa Klepsydra currently employs more than 70 people.

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