

Łódź, 15 January 2024

GRUPA KLEPSYDRA SIGNS AN INVESTMENT AGREEMENT WITH GLOBAL FUNERAL SERVICES AND MAY RAISE MORE THAN PLN 23 MILLION

Grupa Klepsydra, a leader in the funeral market in Poland and the first company in this segment listed on GPW, has announced that on 15 January 2024, as a result of negotiations, the company and its main shareholders, Mr Tomasz Salski and Mr Marek Cichewicz, entered into an agreement with Global Funeral Services, Barcelona, which sets out the terms of its potential investment in Grupa Klepsydra. If the transaction is closed, the Group will raise nearly PLN 23.3 million. The new investor will acquire a total of more than 3.3 million shares in the Group, representing nearly 14 percent of the Group's share capital.

With the transaction, Grupa Klepsydra will raise the expected funds for the announced acquisitions and the associated consolidation of the funeral market in Poland.

The agreement is non-binding but the parties will strive to conclude final agreements by 18 January 2024.

"We have concluded an investment agreement with the leader of the funeral market in Catalonia, Global Funeral Services of Barcelona, which has immense experience of several hundred years in the funeral industry and a track record in market consolidation. We are in the process of finalising the agreement. Once it is closed, we will welcome an important industry investor on board and raise additional funds for the consolidation of the funeral market in Poland," said **Marek Cichewicz, President** of the holding company **Grupa Klepsydra S.A.**

Global Funeral Services was founded in 2017 by two family-owned funeral companies, GRUP VFV SL and Cabré Junqueras SA, to seek investment opportunities and further growth in the funeral sector outside Spain. **GRUP VFV SL** is the leader of the Catalan funeral sector with a history of more than 300 years. **Cabré Junqueras SA** is the largest independent family-owned funeral company in Catalonia with an extensive network of funeral homes and more than 120 years of tradition. Both companies have several centuries of experience in the funeral segment in Spain and a very strong track record in funeral company acquisitions. They manage the largest network of funeral homes (51 funeral homes), crematoria (15 crematoria) and cemeteries (23 cemeteries under full Group management and 297 cemeteries partially managed by the Group, totalling nearly 83,000 graves) in Catalonia and the Balearic Islands. In 2022, the Group completed 21,300 funerals and nearly 13,800 cremations. The Group's total revenue was €76.6 million and its EBITDA was €16.9 million in 2022.

Pursuant to the concluded investment agreement, the accession of a new investor to the Grupa Klepsydra would take place on the following conditions:

- new investor will acquire 3,321,428 series H shares in the company at an issue price of PLN 7.01 per share, i.e., at a total issue price of PLN 23,283,210.28,

- the investor's contribution to the company will be in cash,
- as a result of acquiring series H shares, the new investor will hold shares representing 13.92% of the company's share capital,
- the investor will have a personal right to appoint one member of the company's Supervisory Board,
- provisions will be added to the Articles of Association which will modify:
 - the principles of adoption of certain resolutions by the Supervisory Board of the Company,
 - the principles of adoption of certain resolutions by the General Meeting of the Company.
- the company will have a dividend policy providing for the payment of dividends at 20% of the annual profit, provided that it amounts to at least PLN 2,000,000.00,
- for a period of 5 years from the conclusion of a binding agreement, the main shareholders of the Group, Tomasz Salski and Marek Cichewicz, and the new investor will be obliged not to sell the company's shares (lock-up).

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Media contact:

Iwona Mojsiuszko

8Sense Public Relations

Tel. +48 502 344 992

E-mail: iwona.mojsiuszko@8sensepr.pl

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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.



GRUPA
KLEPSYDRA

Grupa Klepsydra S.A.

—

ul. Solec 5
94-274 Łódź

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T: +48 42 630 54 28

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grupaklepsydra.pl

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