

GRUPA KLEPSYDRA OUTPERFORMS MARKET

THE GROUP'S STRATEGY BRINGS THE EXPECTED
RESULTS - THE GROUP IS GROWING ORGANICALLY
AND THANKS TO ACQUISITIONS

WARSAW, 27 MAY 2024
GRUPAKLEPSYDRA.PL



Group's Key People



PAWEŁ ŁAPIŃSKI

Vice-President of the Management Board

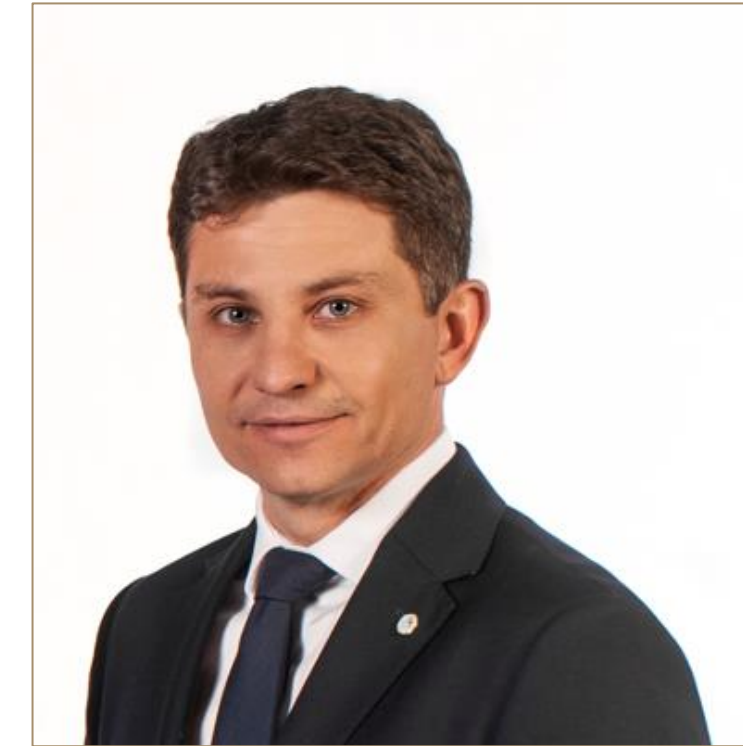
He enjoys over 26-year professional experience in various areas of the economy (power, logistics, chemical, foodstuff, fertilisers). His expertise covers, among other things, building value for shareholders, improving companies' performance, developing and implementing strategies, securing financing and running investment projects, organic development of companies, and M&A processes. He is also experienced in managing listed companies and controlling relations with the capital market. His professional career included managerial functions in companies such as: Stelmet S.A., Grupa Azoty S.A., Boryszew S.A. czy Bumar-Hydroma S.A.



TOMASZ SALSKI

The main shareholder of the Klepsydra Group

He has been with the Polish funeral industry for nearly 30 years now. A leading shareholder of the Klepsydra Group. He has remarkably contributed to the success of all Klepsydra Group companies. He was the President of the Polish Funeral Association (PFA) for two terms. During his presidency, the PFA became the Polish representative in the International Federation of Thanatologists Associations. He successfully promoted the "Memento" Funeral Fair brand. He is a principal shareholder in ŁKS Łódź football team.



MAREK CICHEWICZ

President of the Management Board

He has been with the Polish funeral industry for over 17 years now. He is also the CEO of BONGO International Funeral Services Ltd. and President of the International Federation of Thanatologists Associations, which gathers members from over 80 countries. He is the first Pole to occupy the position. In FIAT-IFTA, he coordinates all matters related to the international transport of the deceased. From 2013 to 2019, he was Deputy Chairman of the Polish Funeral Association. He coordinated two Memento fair exhibitions in 2008 and 2010.

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GRUPA KLEPSYDRA ON GPW



SUMMARY





The Klepsydra Group is a **LEADER** in funeral market in Poland and the **FIRST** company from this sector listed on the Warsaw Stock Exchange.



Strategy until 2028 - consolidation of the funeral market

UP TO 10% MARKET SHARE IN THE NEAREST FIVE YEARS - ACQUISITIONS OF FUNERAL COMPANIES IN POLAND

Further acquisitions of entities of similar size, operating in large or medium-sized Polish cities, are planned for 2024-2028.

According to the Group estimates, in the nearest five years, that should result in a strong capital group consisting of about 20 companies operating in significant markets in Poland and holding up to 10% share in the fragmented market in terms of number of services.

To this end, the Klepsydra Group plans to allocate up to 80% of net profit together with monies from issued shares.

UP TO 20% DIVIDEND PAID FROM 2024

After initial investments in the Group's expansion, the company intends to join the group of listed companies which pay dividends on a regular basis. According to the adopted dividend policy, the Group has every intention to pay 20% of its net profit as dividends to its investors starting from 2025. The first dividend shall be paid in 2025 (from the 2024 net profit).



The most important events in the Klepsydra Group in the first quarter of 2024.

RAISING CAPITAL FOR ACQUISITIONS

- The Klepsydra Group gained a significant shareholder, Global Funeral Services, which acquired 3.3 million new series H shares, which in total constitute nearly 14% share in the share capital of the Group.
- Thus, the Klepsydra Group raised nearly PLN 23.3 million for further acquisitions.

SECOND ACQUISITION

- On January 25, 2024, the Group made the payment and became the sole owner of Sotor, one of the largest funeral companies in Toruń and the Kuyavian-Pomeranian Voivodeship.
- Thus, Sotor became part of the Company's capital group.
- The Klepsydra Group debuted in a new geographical area.

CONSOLIDATION OF THE GROUP

- Further implementation of the know-how of the Klepsydra Group and introduction of centralized management mechanisms in order to achieve synergy effects

GROUP PROMOTION AND SEARCHING FOR COMPANIES

- Participation in industry fairs and promotion of the Klepsydra Group in order to further strengthen its image in the industry
- Continuation of activities aimed at acquiring new entities to the capital group

Klepsydra Group companies - currently 5 companies in the Group



Firma Pogrzebowa
„Klepsydra” Sp. z o.o.

COMPREHENSIVE FUNERAL SERVICES, CREMATORY



est. 1958

International Funeral Services

Office for the Care of the Tombs of Foreigners

Bongo Międzynarodowe Usługi
Pogrzebowe Sp. z o.o.

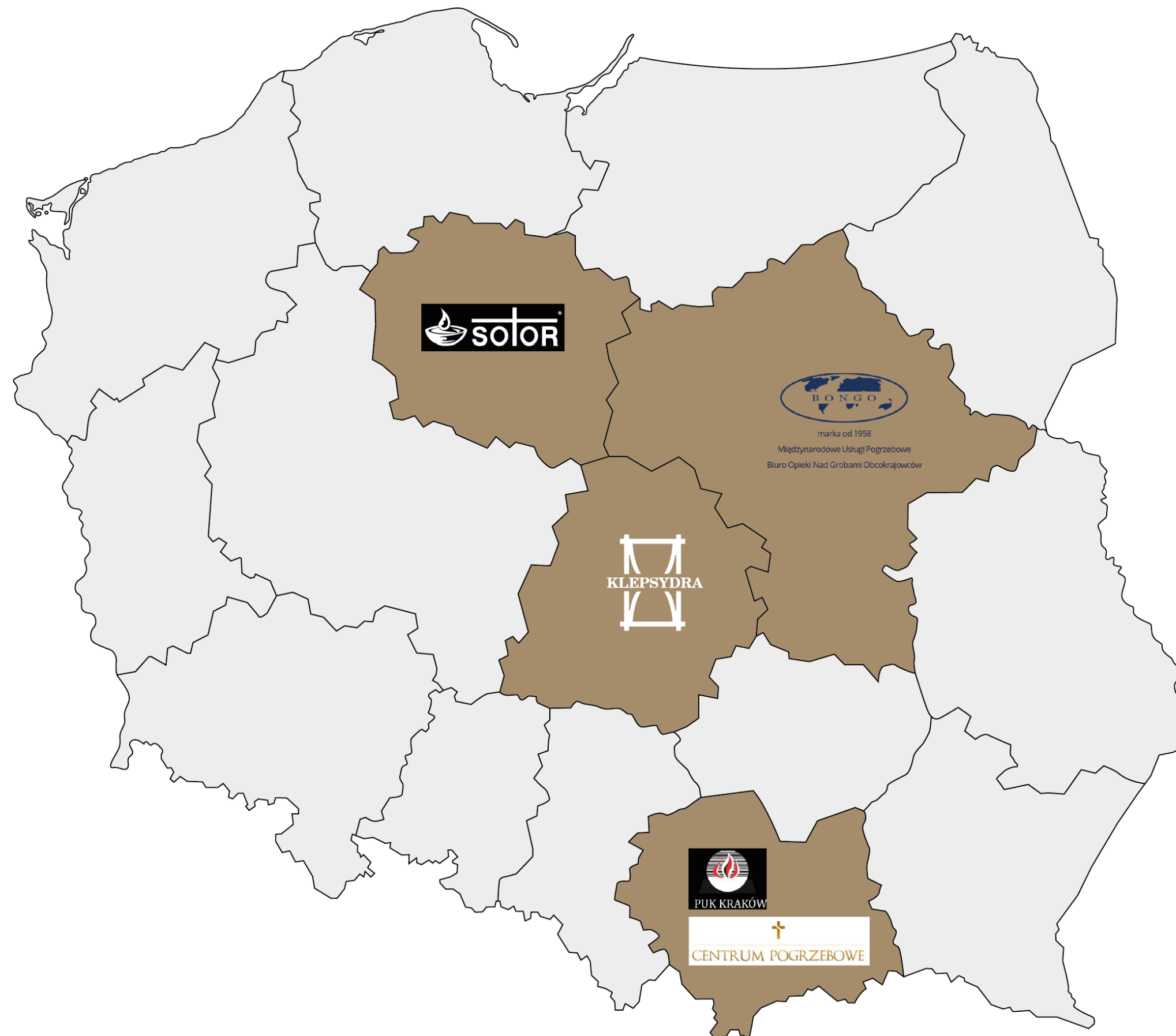
INTERNATIONAL FUNERAL SERVICES,
TRANSPORTING THE DECEASED



CENTRUM POGRZEBOWE

Centrum Pogrzebowe Sp. z o. o.

CEMETERY, CREMATORY AND FUNERAL
SERVICES FOR LOCAL COMPANIES FROM
THE MAŁOPOLSKIE REGION



New companies in the Group



P.U.K. Kraków Sp. z o.o.

CEMETERY, CREMATORY AND FUNERAL
SERVICES FOR LOCAL COMPANIES
FROM THE MAŁOPOLSKIE REGION



SOTOR Sp. z o.o.

COMPREHENSIVE FUNERAL SERVICES –
ONE OF THE LEADERS IN TORUŃ

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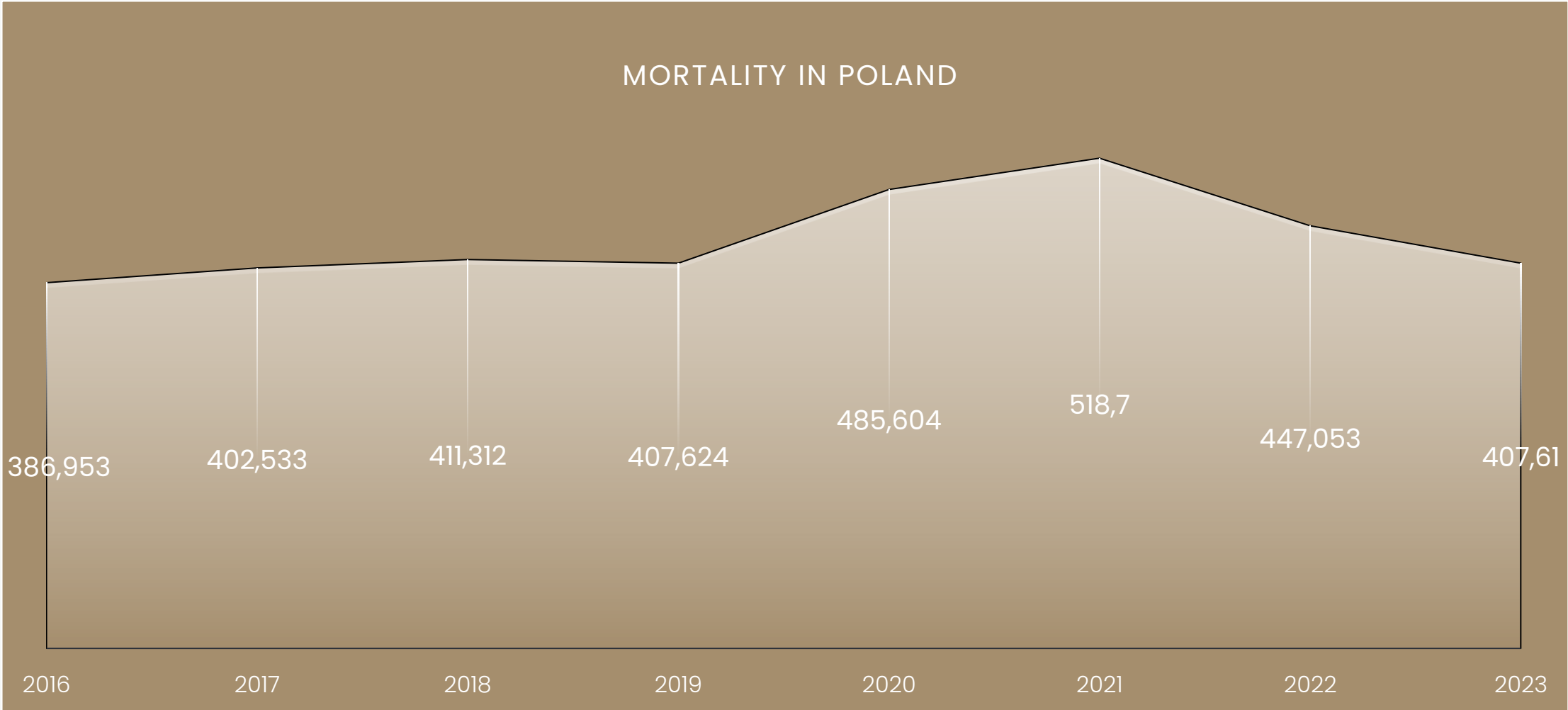


SUMMARY



Market situation - currently expected stabilization and growth in the long term

- After the period of "pandemic" growth, the market is stabilizing at pre-pandemic levels
- The decline in mortality in Q1 2024 was 4% compared to Q1 2023, but in the regions where the Group is present, this decline was even higher
- In the coming years, due to demographic changes in our country, the number of deaths will systematically increase
- According to the forecasts of the Central Statistical Office, the increase in the number of deaths will be constant and may amount to over 500,000 in 2046.
- This is related to the systematic increase in the number of people aged 65 and over and the fact that from 2025, many people born after World War II will also reach old age (80 and over).



Central Statistical Office

MORTALITY IN POLAND IN Q1 2024			
	Q1 2024	Q1 2023	Change
Poland	106 804	110 864	-4%
Cracow	2 020	2 186	-8%
Bydgoszcz-Toruń region	2 102	2 154	-2%
Łódź	2 516	2 154	-4%

Central Statistical Office

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GRUPA KLEPSYDRA ON GPW



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The Group in numbers in Q1 2024

Despite the market decline, the number of services provided by the Klepsydra Group companies was at a high level



TOTAL FUNERALS

826
2 562 (2023)



TOTAL CREMATIONS

2 282
8 484 (2023)



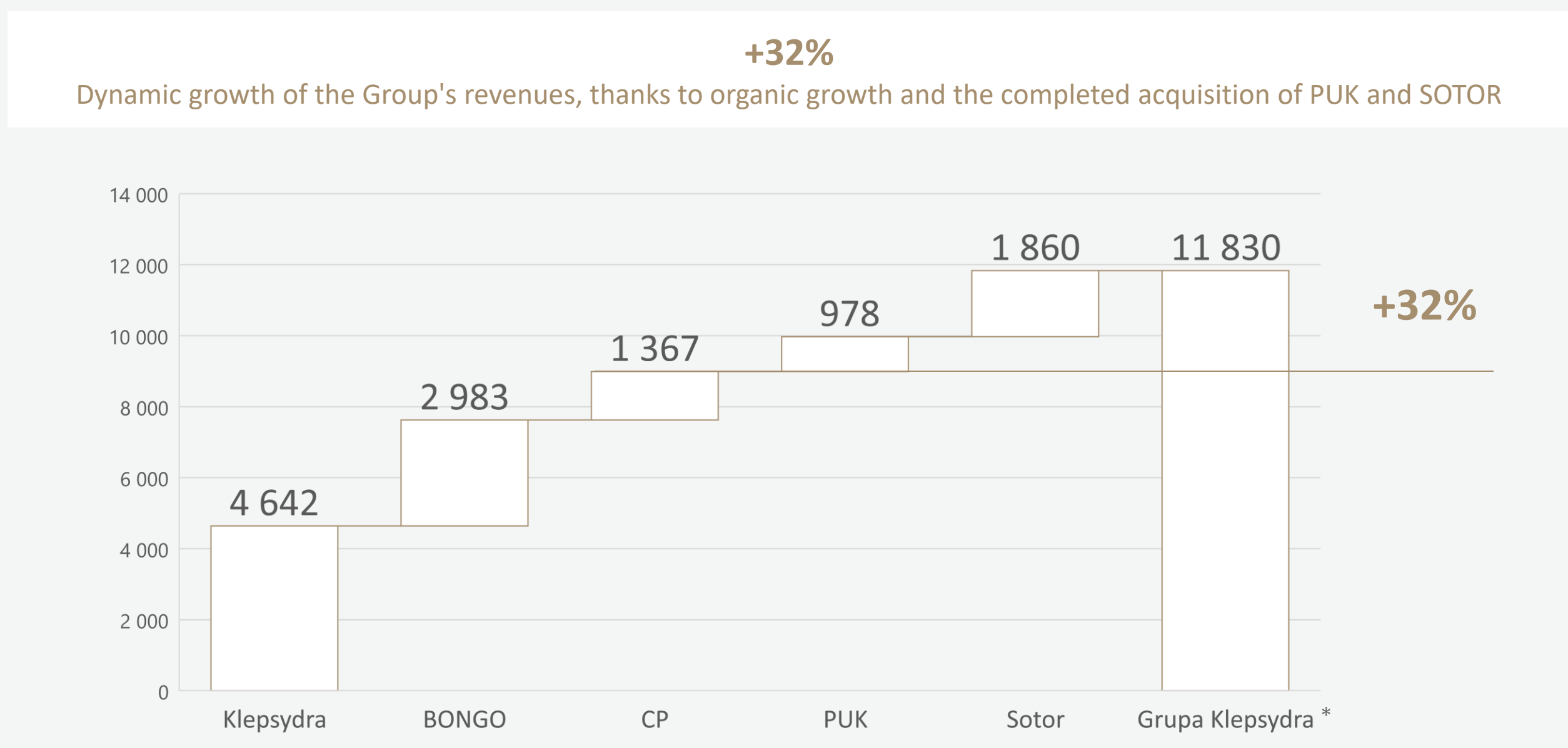
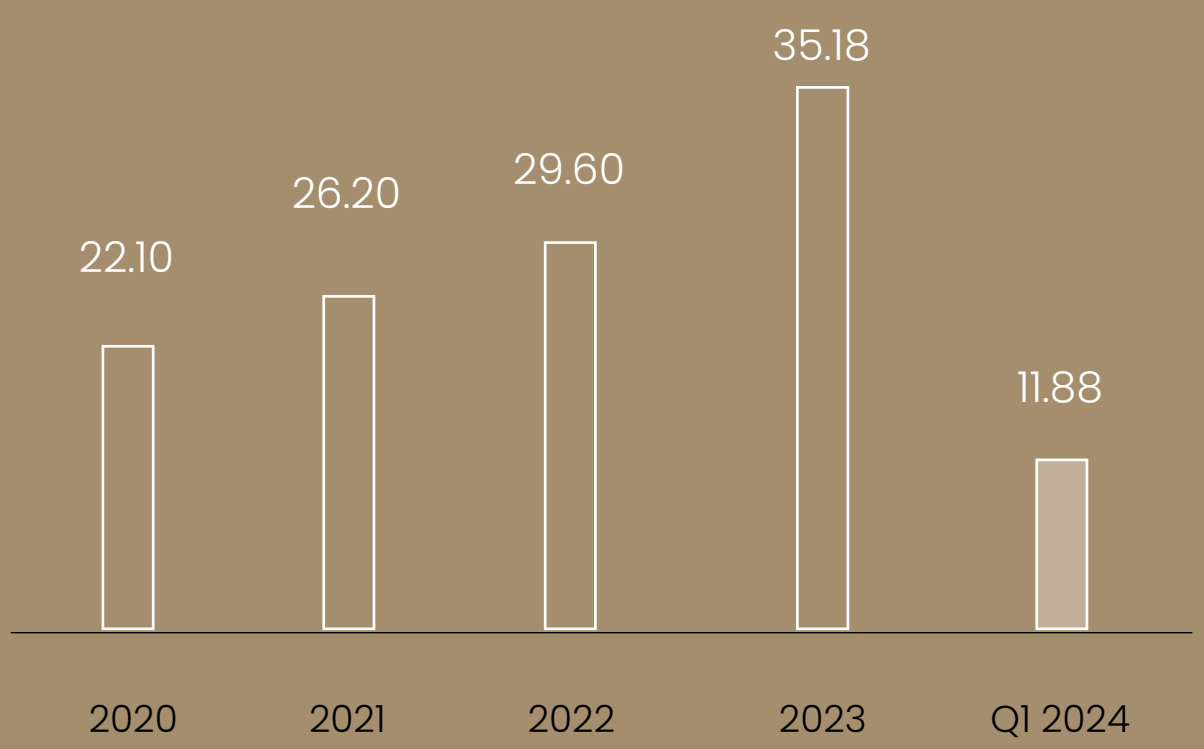
TOTAL ANNUAL INTERNATIONAL
TRANSPORT JOBS

143
650 (2023)

Klepsydra Group’s financial results in Q1 2024

Grupy Sharp Increase in Group's Revenues

Revenues
PLN million

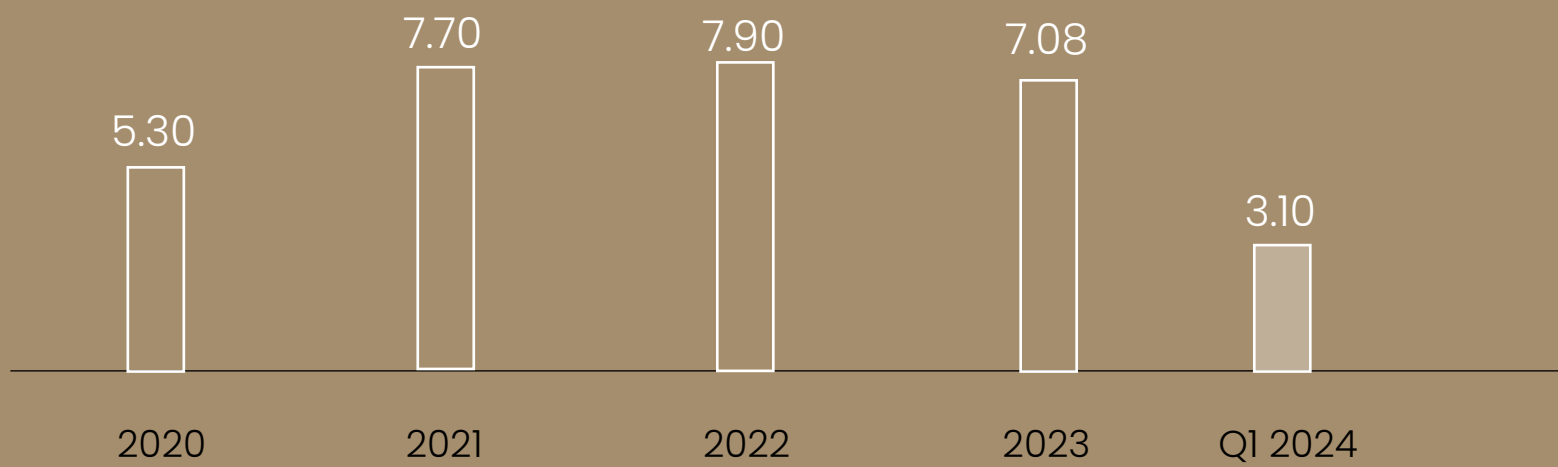


Consolidated results of Klepsydra Group companies, presented under the PAS
For informational purposes, selected financial data were prepared assuming the consolidation of all revenues and costs of companies consolidated from January 1, 2023.
* The results apply only to companies from the Klepsydra Group, excluding revenues generated by the Klepsydra Group as a company in the amount of PLN 50,000. zloty

Wyniki finansowe Grupy Klepsydra w 2023 r.

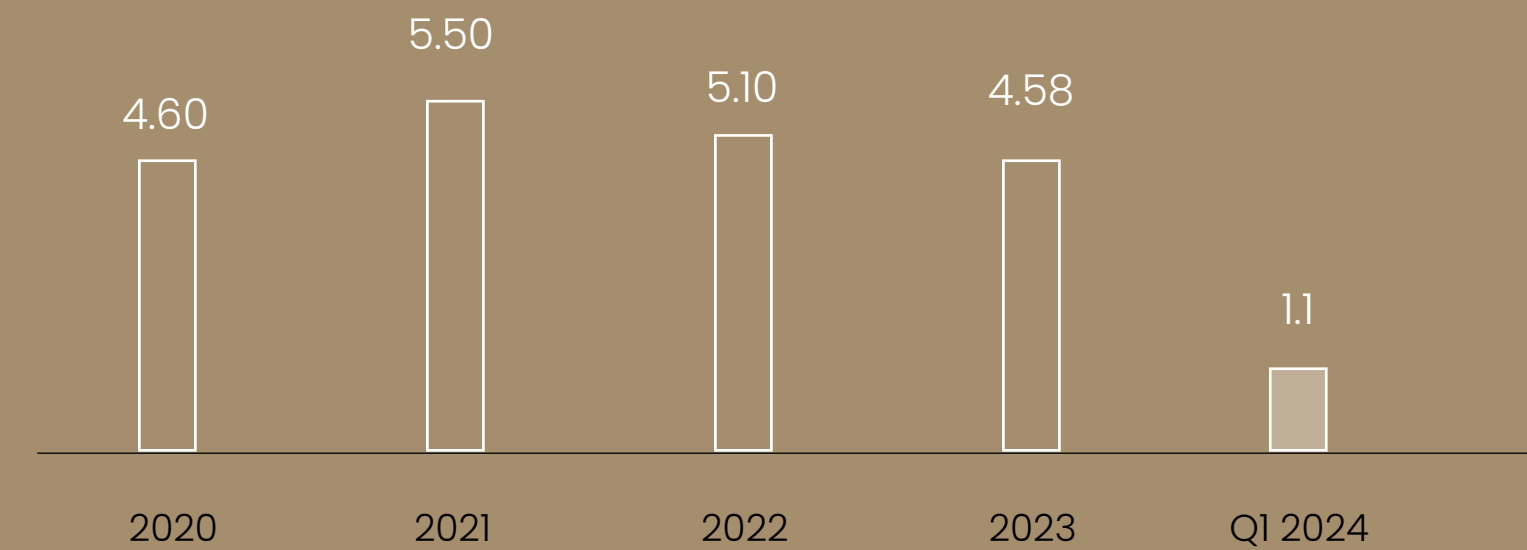
EBITDA

PLN million



Net profit

PLN million



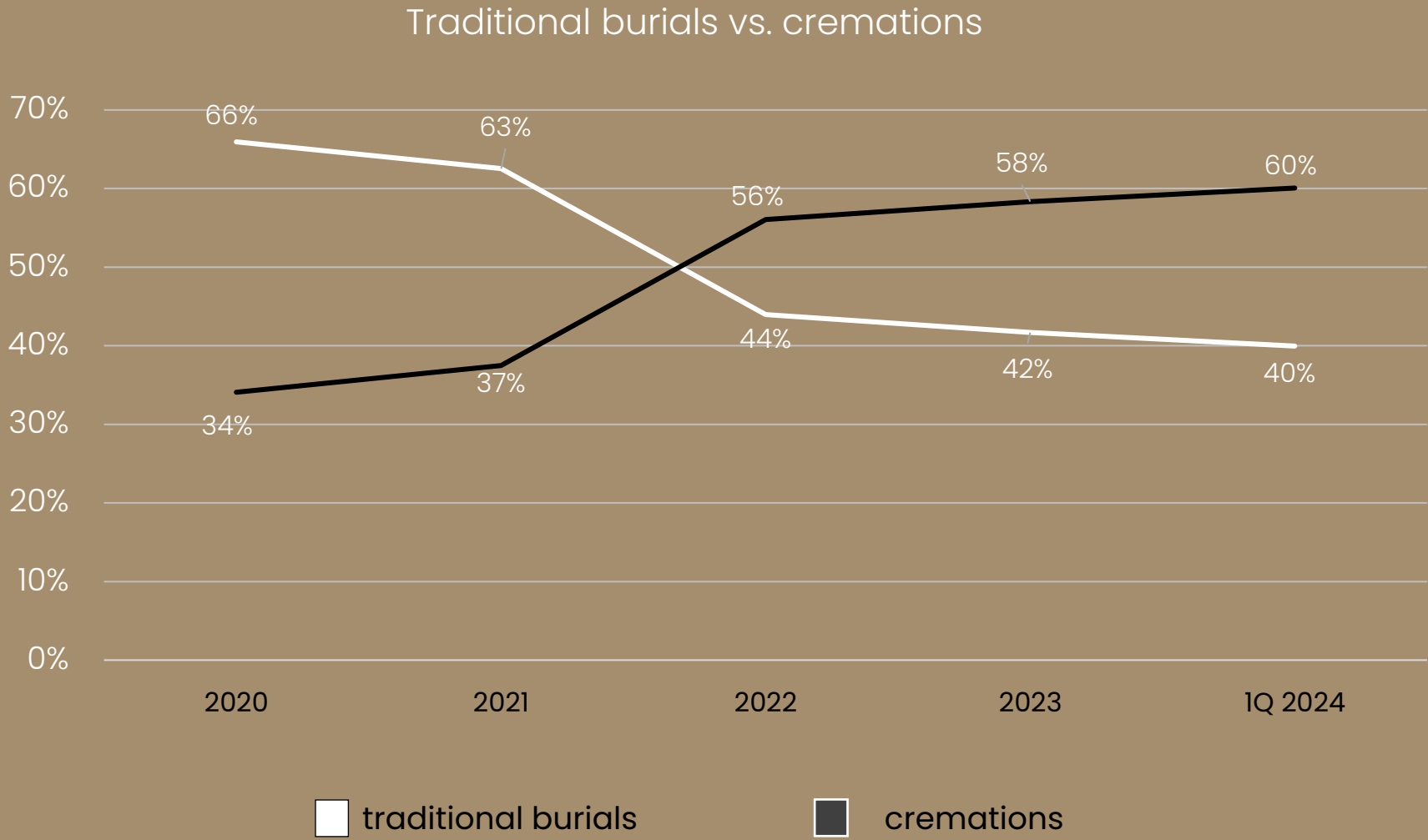
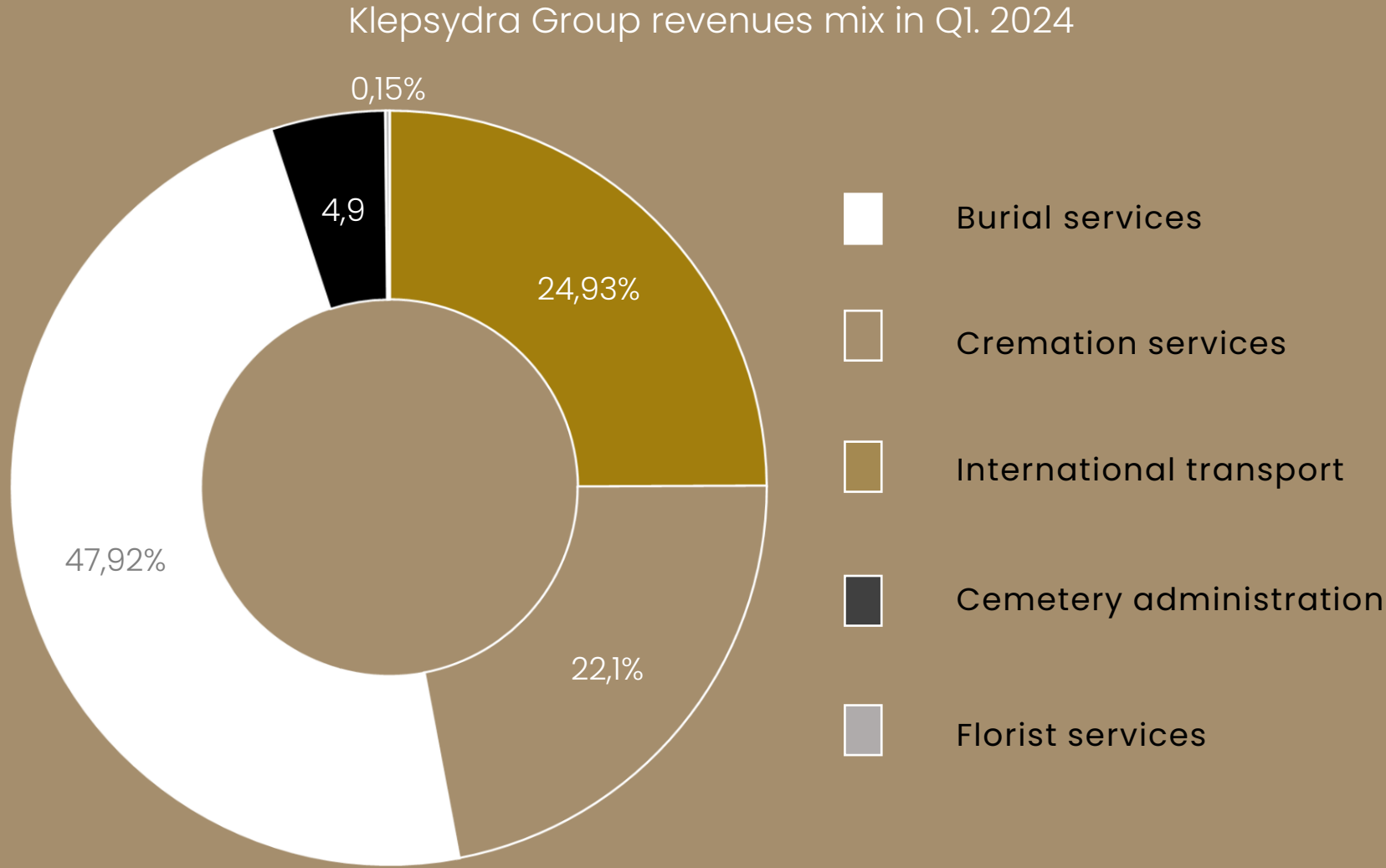
- Year-on-year EBITDA growth in almost all Group companies
- A strong EBITDA result will be a driving force for further acquisitions
- Increased revenues despite the falling mortality rate in Poland, thanks to an increase in the average selling price and an increase in market share
- Additional costs related to the unification and optimization of the functioning of new subsidiaries - the effects of these activities should have a positive impact on the results in the second half of 2024

Consolidated results of Klepsydra Group companies, presented under the PAS
For informational purposes, selected financial data were prepared assuming the consolidation of all revenues and costs of companies consolidated from January 1, 2023.

Revenue diversification and structure in Q1 2024

The Group's revenues are diversified

- Funeral services accounted for the largest share in the revenue structure of the Klepsydra Group in the period in question - nearly 48%.
- Historically, the Group has recorded an increase in the share of cremation in funeral services. In the period in question, the share of cremation exceeded 22%. The Group expects further growth in these services
- In total revenues, revenues from international transport carried out by Bongo International Funeral Services had a significant share, accounting for nearly 26%.



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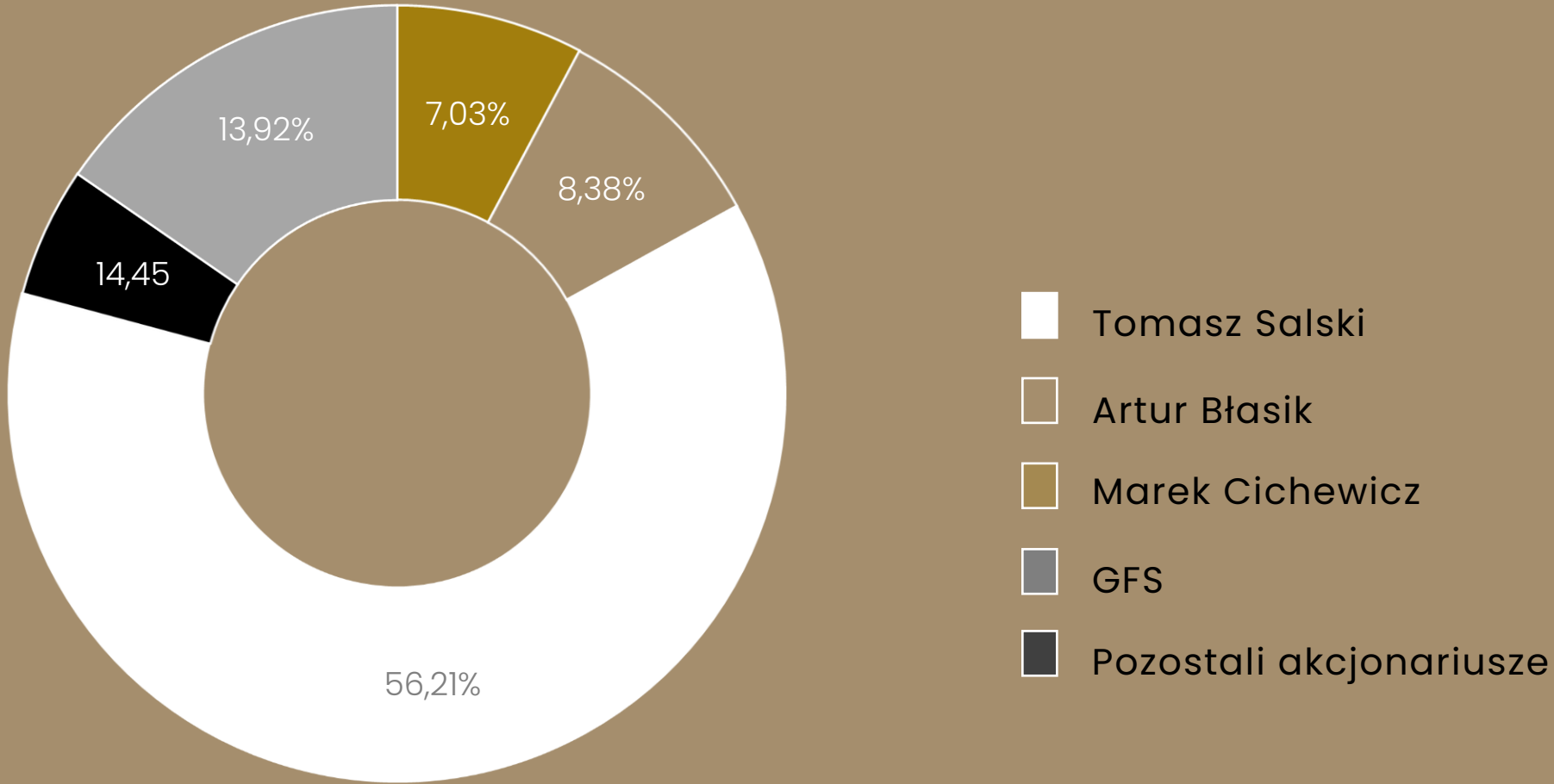


Grupa Klepsydra on WSE

- NewConnect
- The only company from the funeral segment listed on the WSE
- Ticker: KLE
- Date of debut of the Klepsydra Group on the WSE: June 21, 2023
(debut as a result of reverse takeover of MERIT S.A.)



SHAREHOLDERS STRUCTURE



Shareholder	Number of shares	Share in equity
Tomasz Salski	13 409 391	56,21%
GFS	3 321 428	13,92%
Marek Cichewicz	1 677 494	7,03%
Artur Blasik	2 000 011	8,39%
Others	3 448 411	14,45%
Total	23 856 735	100,00%

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Summary

LEADER OF THE FUNERAL MARKET IN POLAND

Klepsydra Group is the **leader in funeral services** in Poland and expects to further increase its market share.

THE MARKET WILL SUPPORT THE GROUP'S DEVELOPMENT IN THE FUTURE

Demographic changes in our society and changes planned by the government in the funeral allowance **will support the further development** of the industry, including the company.

CAPITAL RAISED

In total, since its debut on the WSE, the Group has acquired over **PLN 30 million** for further acquisitions.

CONSISTENT IMPLEMENTATION OF ANNOUNCED PLANS

The Group consistently fulfills its promises – in the first quarter of this year it finalized the **acquisition of SOTOR** – the second one since its debut on the WSE.

LEAP IN PERFORMANCE

Thanks to acquisitions and organic growth, the Group achieved a **sharp increase in revenues of 32%** in Q1 2024 compared to Q1 2023.

DIVIDEND-PAYING COMPANY FROM 2024

The Group expects to **pay investors a dividend** of up to 20% of net profit. The first dividend would be paid as early as 2025 (from net profit for 2024).



THANK YOU FOR YOUR ATTENTION

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Attachments





Klepsydra Group Companies



est. 1958
International Funeral Services
Office for the Care of the Tombs of Foreigners



Firma Pogrzebowa „Klepsydra” Sp. z o.o.

COMPREHENSIVE FUNERAL SERVICES, CREMATORY

- o Łódź Offices
- o A crematory with three furnaces
- o A cold room for 150 bodies
- o Autopsy room
- o Body preparation place
- o Five chapels
- o Two florist’s
- o Masonry services
- o 14 hearses
- o A broad range of coffins, urns and accessories

Bongo Międzynarodowe Usługi Pogrzebowe Sp. z o.o.

INTERNATIONAL FUNERAL SERVICES, TRANSPORTING THE DECEASED

- o Offices in Warsaw and Łódź
- o Nine hearses
- o Worldwide agents and partners
- o International experience
- o Professional service, care, advice for the deceased’s friends and families
- o Funerals of VIPs, distinguished and accomplished persons

Centrum Pogrzebowe Sp. z o. o.

CEMETERY, CREMATORY AND FUNERAL SERVICES FOR LOCAL COMPANIES FROM THE MAŁOPOLSKIE REGION

- o Offices in Krakow
- o A crematory with two furnaces
- o A cold room for 40 bodies
- o A body preparation place
- o Two chapels
- o Masonry services
- o The whole project shall deliver over 10,000 burial places
- o The place’s area is 9 hectares (10.5 sq yards)

P.U.K. Kraków Sp. z o.o.

KRAKOWSKIEJ COMPREHENSIVE FUNERAL SERVICES – ONE OF THE LEADERS IN KRAKOW CITY

- o Offices in Kraków
- o A cold room for 70 bodies
- o Body preparation place
- o Identification room
- o 7 hearses
- o A broad range of coffins, urns and accessories

SOTOR Sp. z o.o.

COMPREHENSIVE FUNERAL SERVICES – ONE OF THE LEADERS IN TORUŃ

- o Offices in Toruń
- o A cold room for 12 bodies
- o Body preparation place
- o Identification room
- o 8 hearses
- o A florist’s
- o Masonry services
- o A broad range of coffins, urns and accessories



KEY FEATURES

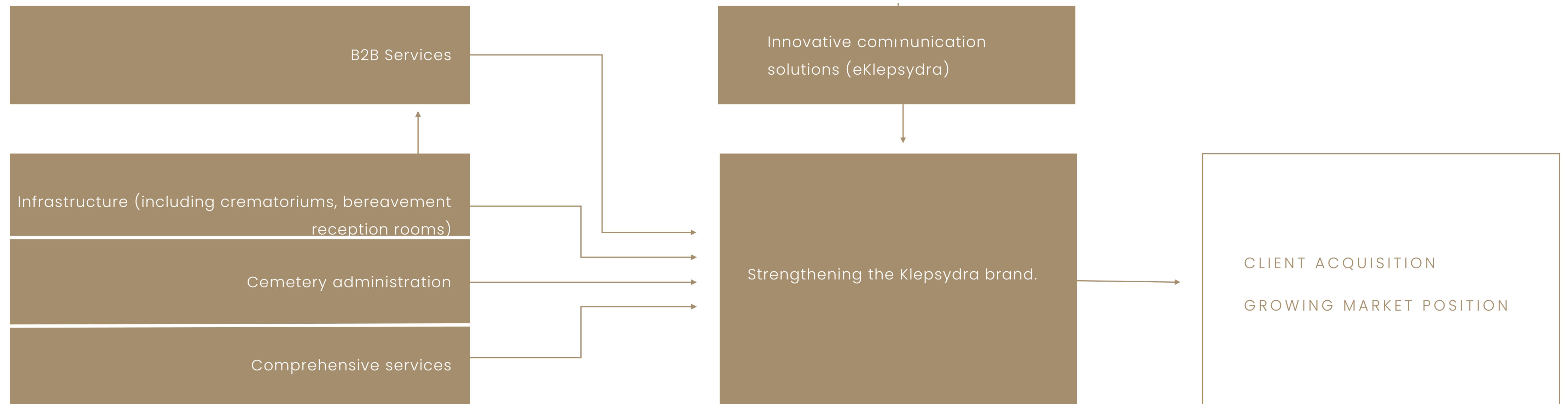
- comprehensive services
- brand awareness
- high quality of the services
- own infrastructure



B2B SERVICES

Subcontracting in the B2B model - as a subcontractor for other companies from the market

A verified operational mode.

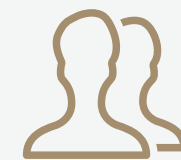


Market characteristics - the key to consolidation



A FRAGMENTED MARKET

- The Klepsydra Group operates in a highly fragmented market of funeral services in Poland.
- Industry organisations estimate that there are around 2,500 companies providing funeral services in Poland.



SUCCESSION ISSUE

- Nearly 60% of companies were established in the 1980s and 1990s.
- They can be divided into companies founded by individuals in the 1990s and companies with a "municipal" past, i.e. entities established under the previous system, which have been or are still being privatised since the 1990s.
- Some of them are family companies that currently face succession problems.



LOCAL GOVERNMENT MANAGEMENT

- In Poland and in Europe, there are still entities from the funeral sector, owned by local government units.
- Within their optimising processes, they continue to focus on their core business, outsourcing some tasks, e.g. funeral services.



LASTING DEMAND FOR FUNERAL SERVICES

- The number of deaths is the primary factor determining the demand for funeral services. In the past several years, it has been relatively constant, both in Europe and Poland.
- The exception was the years of the pandemic, when a significant increase in the number of deaths was recorded.
- In Poland, the mortality rate, apart from the pandemic years, remains stable and amounts to approximately 400,000 deaths per year..

Global Funeral Services is a new shareholder of the Group

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 funeral company in Catalonia with an extensive network of funeral homes and more than 120 years of tradition.

GFS in numbers:

434

cities and regions

21 300

funerals each year

51

funeral homes

15

crematoria

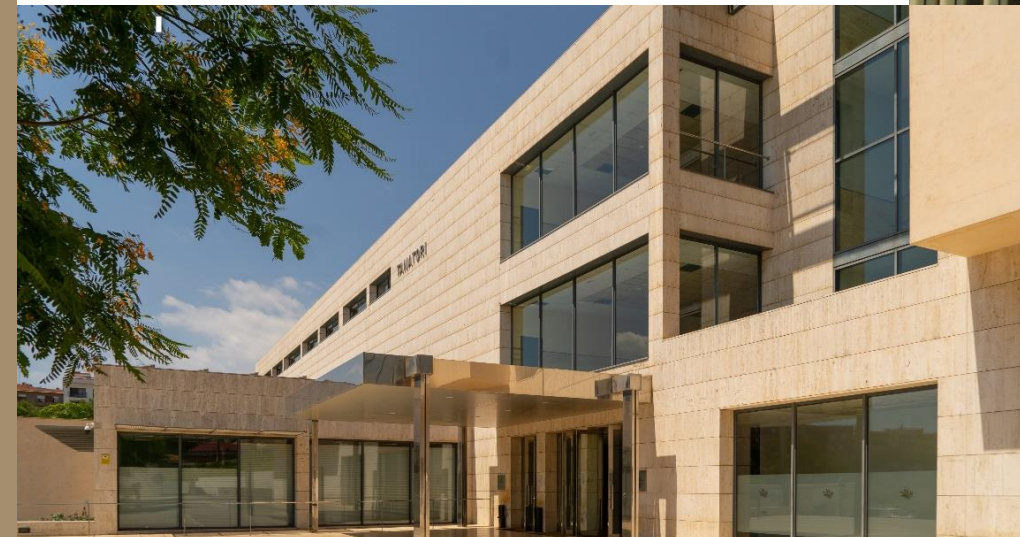
316

cemeteries under management

83 000

graves under management

- GFS acquired over **3.3 million** new series H shares and holds nearly 14% share in the share capital of the Group
- The Klepsydra Group raised nearly **PLN 23.3 million** for further acquisitions
- **5-year lock-up** on the company's shares for the main shareholders (Tomasz Salski, Marek Cichewicz) and the new investor, GFS
- **dividend payment of 20%** of the annual profit if it amounts to at least PLN 2 million.





Disclaimer

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