

22 November 2021

Share Purchase Plan

Propel Funeral Partners Limited (ASX: PFP) (**Propel** or **Company**) is pleased to announce that the share purchase plan (**SPP**) announced to the ASX on 27 October 2021, which closed at 5pm on 17 November 2021, received strong support from eligible shareholders and was oversubscribed, with applications totalling approximately \$13.7 million received from over 850 applicants.

Given the strong demand under the SPP, the Company's directors have exercised their discretion under the terms of the SPP to increase the SPP from \$10 million to approximately \$13.7 million to accommodate the demand from retail and other eligible shareholders under the SPP.

The SPP follows the circa \$50.2 million placement of new ordinary shares in Propel to existing and new institutional investors which completed on 19 October 2021 (**Placement**).

Following completion of the SPP, Propel will have raised an aggregate amount of approximately \$63.9 million under the SPP and the Placement. As announced on 19 October 2021, the net proceeds raised will be used to pay down debt to provide financial flexibility to pursue further growth initiatives, including acquisitions.

Propel's Chairman, Brian Scullin, commented "We are delighted with the strong support shown by eligible shareholders who have participated in the SPP, following the successful completion of the recent Placement to existing and new institutional investors. Propel is in a strong funding position, is well placed to continue its acquisition led growth strategy and I thank our shareholders for their continued support and welcome our new shareholders".

In accordance with the terms and conditions of the SPP, the price of the new shares that will be issued pursuant to the SPP has been set at \$4.10 per share, being the lowest of:

- the price at which new fully paid ordinary shares in Propel were issued under the Placement, which was \$4.10; and
- a 2% discount to the:
 - 5-day volume weighted average price of Propel ordinary shares traded on the ASX up to and including the closing date of the SPP, which was \$4.13; and
 - closing price of Propel ordinary shares traded on the ASX on the closing date of the SPP, which was \$4.17.

The new shares to be issued under the SPP will be issued on Tuesday, 23 November 2021 and are expected to commence trading on the ASX on Wednesday, 24 November 2021. It is expected that holding statements will be dispatched to participating eligible shareholders on Wednesday, 24 November 2021.

Following the allotment of the new shares under the SPP, Propel's:

- pro forma¹ net leverage ratio is approximately 1.0x;
- pro forma¹ available funding capacity is circa \$155 million; and
- total shares on issue will increase from 114,551,376 to 117,895,750.

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¹ As at 30 June 2021, including the proforma impacts of the management internalisation, the acquisition of State of Grace Funerals (completed on 14 September 2021), Berry Funeral Directors (completed on 1 October 2021), and Glenelg Funerals (expected to complete by 31 December 2021, subject to satisfaction/waiver of customary conditions precedents), payment of the FY21 final dividend (paid on 5 October 2021) and the impacts of the Placement and the SPP (including transactions costs).

About Propel:

Propel is listed on the Australian Securities Exchange and is the second largest private provider of death care services in Australia and New Zealand. Propel currently operates from 138 locations, including 32 cremation facilities and 9 cemeteries.

Further information, please contact:

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Authority to release:

This document has been authorised for release by the board of directors of the Company.

Important notices:

This announcement may contain forward-looking statements, which include all matters that are not historical facts. Without limitation, indications of, and guidance on, future earnings and financial position and performance are examples of forward-looking statements. Forward-looking statements, including projections or guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including Propel). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Actual results, performance or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based.