

DIGNITY PLC

If you are in any doubt as regards the contents of this letter, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor or other independent adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom. If you have sold or otherwise transferred all of your ordinary shares in Dignity plc, please send this communication at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or transferred only part of your holding of ordinary shares in Dignity plc, you should retain this communication and consult the bank, stockbroker or other agent through whom the sale was effected. However, this communication should not be forwarded or transmitted, in whole or in part, into any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of that jurisdiction.

To: Dignity plc (“**Dignity**” or the “**Company**”) shareholders and persons with information rights

9 January 2023

We are required by the City Code on Takeovers and Mergers (the “Code”) to make available to you this communication and the announcement to which it refers.

Dear Sir/Madam

Announcement regarding a possible offer for Dignity

On 4 January 2023, Dignity made an announcement confirming it had received a proposal from Yellow (SPC) Bidco Limited (“**Bidco**”), a newly formed company indirectly owned or controlled by SPWOne V Limited (“**SPWOne**”), Castelnau Group Limited (“**Castelnau**”) and Phoenix Asset Management Partners Limited (“**PAMP**”, and together with SPWOne and Castelnau, the “**Consortium**”), regarding a possible cash offer for Dignity of 525 pence per Dignity share (the “**Proposal**”).

The Board of Dignity (the “**Board**”) has considered the Proposal and indicated to Bidco that it would be willing to recommend to Dignity shareholders an offer on the financial terms of the Proposal, subject to the agreement of other customary terms and conditions. Accordingly, the Board is in discussions with Bidco in relation to these other terms and conditions and will be providing Bidco with access to management and confirmatory due diligence information.

In accordance with Rule 2.11 of the Code, please accept this communication as notification that a copy of the announcement in relation to the Proposal (the “**Announcement**”) and all other information and documents relating to the Proposal have been made available on the Company’s website at www.dignityplc.co.uk. This letter is not to be taken as a summary of the Announcement and should not be regarded as a substitute for reading the Announcement in full. For the avoidance of doubt, the content of Dignity’s website is not incorporated into, and does not form part of, this letter.

Although the Announcement has put the Company into what is known as an “offer period” under the Code, there can be no certainty that any person will proceed to make an offer for the Company. A further announcement will be made in due course as appropriate.

Please be aware that addresses, electronic addresses and certain other information provided by you for the receipt of communications from Dignity may be provided to the Consortium and/or Bidco during the offer period as required under Section 4 of Appendix 4 of the Code.

Should you wish to contact Dignity regarding administrative matters in view of the Announcement, please contact Dignity’s registrars, Equiniti, at +44 (0) 371 384 2674. Lines are open 8.30am to 5.30pm Monday to Friday (excluding public holidays in England and Wales). Lines are open 8.30am to 5.30pm Monday to Friday (excluding public holidays in England and Wales).

Yours faithfully

Tim George
Company Secretary
Dignity plc

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Dignity plc
Registered Office: 4 King Edwards Court, King Edwards Square, Sutton Coldfield, West Midlands, B73 6AP
Registered in England and Wales Number: 04569346

Right to request hard copies

You may request a copy of this communication and the Announcement and any information incorporated into it by reference to another source in hard copy form by writing to the Company's registrars, Equiniti, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, or by calling +44 (0) 371 384 2674. Lines are open 8.30am to 5.30pm Monday to Friday (excluding public holidays in England and Wales). A hard copy of this communication and the Announcement will not be sent to you unless you so request it.

You may also request that all future documents, announcements and information sent to you in relation to the Offer should be sent to you in hard copy form, again by writing to the address set out above or by calling the telephone number above.

Directors' responsibility statement

The directors of Dignity (the "**Directors**") accept responsibility for the information contained in this communication relating to Dignity. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this communication (including any expressions of opinion) is in accordance with the facts and does not omit anything likely to affect the import of such information.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table

on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.