

Castelnau Group plc
("Castelnau" or the "Group")
DIGNITY ACQUIRES FAREWILL

Castelnau is pleased to announce that Dignity, the leading end-of-life service provider in the UK, is acquiring Farewill Limited ("Farewill"), an award-winning leader in digital end-of-life services. This transaction has important strategic benefits for both companies, allowing them to combine their strengths and continue to serve their distinct customer bases, collectively reinforcing Dignity's position as the UK's largest and most comprehensive end-of-life service provider.

Farewill, founded in 2015 by Dan Garrett (its current CEO) and Tom Rogers, offers a range of later-life products, including wills, probate, at-need funerals, and pre-paid funeral plans. Recognised as the "National Will Writing Firm of the Year" four times and as the "Consumer Business of the Year", Farewill has helped raise £1.1 billion in pledges to charitable organisations.

The acquisition will allow Dignity to broaden its audience, enhance customer experience, expand its product offering, modernise its technology infrastructure, and further strengthen its talent pool. Farewill also brings an established will and probate bank and a well-established brand, enabling Dignity to engage with potential customers earlier in their later-life planning journey.

Farewill is being acquired for an enterprise value of £12.9 million. The acquisition will be financed through a share-for-share exchange, with the majority of Farewill shareholders becoming Castelnau shareholders. In exchange, Castelnau will increase its holding in Valderrama Limited (the joint venture with Sir Peter Wood's SPWOne Limited through which Castelnau holds its stake in Dignity). To fund its share of the acquisition, Castelnau expects to issue approximately 9.6 million shares based on an issue price of 99p per share.

Subject to the successful completion of the transaction, Castelnau will increase its ownership of Valderrama by 5.6 million shares to 199.9 million shares, representing 66.0% of Valderrama's issued share capital.

Completion of the acquisition is subject to FCA approval and is not expected to occur before 1 January 2025. An announcement will be made in due course confirming the final number of Castelnau Group shares issued in relation to the transaction.

Richard Brown, CEO of Castelnau, commented: "The addition of Farewill to Dignity's offering embodies Castelnau's strategic ambitions for Dignity, helping Dignity to drive its digital transformation and serve its customers even better. Adding Farewill's will and probate services to Dignity's current offerings will expand Dignity's touchpoints with customers throughout their entire 'end-of-life' journey. We are pleased the structuring of the transaction has also allowed us to increase our ownership in Dignity, a business where we continue to see a significant value-creation opportunity."

Dan Garrett, CEO of Farewill, added: "At Farewill, our mission has always been to make the end-of-life experience as straightforward and stress-free as possible. Joining forces with Dignity allows us to stay true to that mission while benefiting from the experience and resources of a company that has been a trusted name for generations. Farewill will continue to operate independently, with our own brand and focus, serving a growing audience that values the convenience and transparency of our services - alongside contributing to the group as we explore ways of improving every customers' experience."

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