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NS Offer Update



IRREVOCABLE UNDERTAKINGS AND LETTER OF INTENT

STM GROUP PLC

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STM Group PLC
15 September 2023

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THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CODE AND DOES NOT CONSTITUTE A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL BE MADE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE MARKET ABUSE REGULATIONS (EU) NO 596/2014 AS IT FORMS PART OF DOMESTIC UK LAW PURSUANT TO THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("UK MAR"). UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THE INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN FOR THE PURPOSES OF UK MAR.

15 September 2023

STM Group PLC

("STM Group", the "Company" or the "Group")

Offer update - inadvertent breach of Rule 5 and replacement of certain irrevocable undertakings with letters of intent

and change of name of Nominated Adviser and Broker

Following discussions with the Panel, Pension SuperFund Capital have informed the Company that an inadvertent breach of Rule 5 occurred due to the signing of irrevocable undertakings to vote (or procure the vote) in favour of the revised possible offer from shareholders representing greater than 30% of the issued share capital of STM Group, as detailed in the announcement made by the Company on 8 September 2023 (the "Announcement").

Pension SuperFund Capital has therefore released Clifton Participations Limited from irrevocable undertakings over 2,000,000 shares, which has now been replaced by a letter of intent to support the transaction.

As a result, the Company has now received irrevocable undertakings to vote (or procure the vote) in favour of the Revised Possible Offer (as defined in the Announcement) at meetings that would be required to be convened in

connection with the Revised Possible Offer from certain Shareholders, in respect of, in aggregate, 29.34% of the Company's existing issued share capital, subject to an offer of no less than 67 pence in cash being made in accordance with Rule 2.7 of the Code by 5.00 p.m. on 27 September 2023. In addition, the Company has now received letters of intent to vote (or procure the vote) in favour of the Revised Possible Offer at meetings that would be required to be convened in connection with the Revised Possible Offer from Clifton Participations Limited, in respect of, 3.37% of the Company's existing issued share capital, provided always that the offer price is no less than 67 pence in cash.

Irrevocable Undertakings Received:

Shareholder	Number of Ordinary Shares	Percentage of issued share capital (%)
Septer Limited	6,450,000	10.86%
Peter Gyllenhammar	5,900,000	9.93%
Clifton Participations Inc (the shares form part of the assets of the Perros Trust, of which the settlor is Alan Kentish, the independent trustee is Lesley Nuttall and the potential beneficiaries are Alan Kentish, his wife Louise Kentish and their immediate family)	3,552,150	5.98%
Alan Kentish and his close relatives	1,526,750	2.57%
Total	17,428,900	29.34%

Letters of Intent Received:

Shareholder	Number of Ordinary Shares	Percentage of issued share capital (%)
Clifton Participations Inc (the shares form part of the assets of the Perros Trust, of which the settlor is Alan Kentish, the independent trustee is Lesley Nuttall and the potential beneficiaries are Alan Kentish, his wife Louise Kentish and their immediate family)	2,000,000	3.37%
Total	2,000,000	3.37%

As detailed in the 2.4 Announcement and in accordance with Rule 2.5 of the Code, Pension SuperFund Capital reserves the right to offer an alternative form of consideration, in addition to or as well as the cash consideration contemplated by the Possible Offer. Pension SuperFund Capital also reserves the right to make an offer on less favourable terms than those described in this announcement (i) with the agreement or consent of the Board of STM Group; (ii) if a third party announces a firm intention to make an offer for STM Group which, at that date, is of a value less than the value of the Possible Offer; or (iii) following the announcement by STM Group of a Rule 9 waiver transaction pursuant to Appendix 1 of the Code or a reverse takeover (as defined in the Code).

There can be no certainty either that any offer will ultimately be made for the Company.

Change of Name of Nominated Adviser and Broker

The Company also announces that its Nominated Adviser and Broker, finnCap Ltd, has now changed its name to Cavendish Capital Markets Ltd.

For further information, please contact:

Alan Kentish (CEO)	STM Group plc	Via Wallbrook PR
Matt Goode/ Emily Watts/ Henrik Persson / Abigail	Cavendish Capital Markets Ltd (Financial Adviser,	+ 44 (0) 20 7220 0500

Kelly (Corporate Finance) Tim Redfern (ECM)	Nominated Adviser and Broker to STM Group)	
Edmund Truell	Pension SuperFund Capital	edmund.truell@psf.capital
Will Smith / Graham Hertrich (Corporate Finance)	Davy Capital Markets UK (Financial Adviser to Pension SuperFund Capital)	+44 (0) 20 7448 8870
James Culverhouse	EQ	+44 (0) 20 7223 1100 +44 (0) 7912 508 322 James.culverhouse@eqcorp.com
Tom Cooper	Walbrook PR	+44 (0) 20 7933 8780 STM@walbrookpr.com

The person responsible for arranging the release of this announcement on behalf of the Company is Nigel Birrell, Chairman.

Cavendish Capital Markets Ltd which is regulated in the United Kingdom by the Financial Conduct Authority is acting for the Company in relation to the matters described in this announcement and is not advising any other person, and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to customers of Cavendish Capital Markets Ltd or for providing advice in relation to the matters described in this announcement.

Davy Capital Markets UK is a trading name of J & E Davy (UK) Limited. J & E Davy (UK) Limited is authorised and regulated by the Financial Conduct Authority ("FCA"). J & E Davy (UK) Limited is a Davy Group company and also a member of the Bank of Ireland Group. J & E Davy (UK) Limited is acting for Pension SuperFund Capital in relation to the matters described in this announcement and is not advising any other person, and accordingly will not be responsible to anyone other than Pension SuperFund Capital for providing the protections afforded to customers of J & E Davy (UK) Limited or for providing advice in relation to the matters described in this announcement.

Publication on website

A copy of this announcement will be made available (subject to certain restrictions relating to persons resident in restricted jurisdictions) at www.stmgroupplc.com by no later than 12 noon (London time) on the business day following the release of this announcement in accordance with Rule 26.1 of the Code. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

Rule 2.9

Pursuant to Rule 2.9 of the Code, the Company confirms that there are currently 59,408,088 ordinary shares of 0.1 pence each in issue in the Company, with International Securities Identification Number IM00B1S9KY98

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.

Note

References to "Code" are to the rules of the City Code on Takeovers and Mergers. The terms "offeror", "offeree company", "offer period", "interested" (and related variations), "relevant securities", "deals" (and related variations) and "acting in concert" all bear the same meanings given to them in the City Code on Takeovers and Mergers

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