

To: Jambo SRC Limited (“**Bidco**”)  
STM Group plc (“**STM**”)  
Computershare Investor Services PLC (“**Receiving Agent**”)

From: Clifton Participations Limited (“**Clifton**” or “**we**”)

5<sup>th</sup> October 2023

Dear Sir/Madam:

### **Payment Direction Letter**

We understand that Bidco intends to acquire all of the issued and to be issued ordinary share capital of STM by way of the Scheme (as defined below) (the “**Acquisition**”), which shall be substantially on and subject to the terms and conditions set out or referred to in the near final version of the announcement attached to this Letter (the “**Announcement**”), together with such additional terms and conditions as may be required to comply with any applicable law and regulation or as may be agreed in writing between Bidco and STM. The Acquisition is conditional upon a management buyout of the STM self-invested personal pensions (“**SIPPs**”) business, to be led by Alan Kentish and the STM UK executive team (the “**MBO Sale**”).

The Acquisition is intended to be implemented by way of a court sanctioned scheme of arrangement (including any new, increased, renewed or revised scheme of arrangement, the “**Scheme**”) under Part X of the Isle of Man Companies Act 2006, ”), but may be made by way of a takeover offer (which shall be an offer for the purposes of the Isle of Man Companies Act 2006) (“**Offer**”).

We are the registered holders of 5,552,150 ordinary shares in the capital of STM (the “**STM Shares**”) and in connection with the Acquisition are expected to receive £3,331,290 in Cash Consideration (as defined in the Announcement) for the STM Shares (the “**Acquisition Proceeds**”).

Under the share purchase agreement for the MBO Sale to be entered into on or around the date of this letter, Pathlines Holdings Limited (as the buyer) is required to pay STM (as the seller) £2,500,000 of deferred consideration as set out in such share purchase agreement (the “**Payment Obligation**”).

Clifton hereby irrevocably and unconditionally directs (the “**Payment Direction**”) the Receiving Agent to pay £2.5 million of its Acquisition Proceeds to the below bank account of STM in full and final settlement of the Payment Obligation:

Bank Name: Lloyds Bank  
Account Name: STM Group plc  
Sort Code: 30-80-12  
Account Number: 18179568  
IBAN: GB03 LOYD 308012 18179568  
BIC: LOYDGB21

Clifton hereby undertakes to do all things necessary (including executing and delivering any necessary document) in order to give effect to the above Payment Direction.

This Letter and any dispute or claim (whether contractual or otherwise) arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the laws of England and Wales.

**IN WITNESS WHEREOF** this Letter has been executed as a Deed by Clifton Participations Limited and is intended to be and is hereby delivered on the date written at the start of this Deed for the benefit of, and may be enforced by, each of Bidco, STM and the Receiving Agent.

**SIGNED as a DEED and  
DELIVERED by  
Clifton Participations Limited**

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SIGNATURE:



For and on behalf of  
Sovereign Management Limited

In the presence of:

Witness

)  
)  
)  
)

SIGNATURE:

NAME:

ADDRESS:

