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We are required by the City Code on Takeovers and Mergers (the “Code”) to make this communication (and the announcement to which it refers) readily available to you. No action is required on your part.

STRICTLY PRIVATE AND CONFIDENTIAL

11 July 2023

To employees of STM Group Plc (the “Company”)

Statement regarding the possible offer for STM Group Plc (the “Company”)

Dear Employee

I refer to the announcement released by the Company on 11 July 2023 (the "Announcement") which states that the Boards of STM Group Plc and PSF Capital GP II Limited as general partner of PSF Capital Reserve LP (“Pension SuperFund Capital”) have reached agreement in principle on the key terms of a possible cash offer for the entire issued and to be issued share capital of the Company ("Possible Offer") at a price of 70 pence per share. Discussions in relation to the Possible Offer are at a very early stage. There can accordingly, at this time, be no certainty that any offer will ultimately be made for the Company.

An "Offer Period" has now commenced in respect of the Company in accordance with the rules of the Code. Rule 2.6(a) of the Code requires that Pension SuperFund Capital must, by no later than 5.00 p.m. on 8 August 2023 (London Time), either announce a firm intention to make an offer for STM Group in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline will only be extended with the consent of the Takeover Panel in accordance with Rule 2.6(c) of the Code.

The Company will make further announcements when appropriate.

In accordance with Rule 2.11 of the Code, I enclose a copy of the Announcement. This letter and the enclosed Announcement will be available, subject to certain restrictions relating to persons resident in restricted jurisdictions, on the offer microsite on the Company's website at www.stmgroupplc.com by no later than 12 noon (London time) on the business day following the date of this letter. For the avoidance of doubt, the content of the website referred to in this letter is not incorporated into and does not form part of this letter.

This letter is not to be taken as a summary of the information in the Announcement and should not be regarded as a substitute for reading the Announcement in full. The Announcement also includes a

summary of the provisions of Rule 8 of the Code for all persons with a direct or indirect interest in 1 per cent or more of the shares of the Company.

You (as an STM Group Plc employee) should be aware of your right to appoint representatives, and the right of such representatives (if any) under Rule 25.9 of the Code to have a separate opinion on the effects of the offer (should a firm offer be made) on employment appended to any circular that may be published by STM Group Plc in accordance with Rule 25.1 of the Code. If any such opinion is not received in good time before publication of a circular (and provided that it is received no later than 14 days after the date on which the offer is declared wholly unconditional) then the Company will publish the opinion on the Company's website and announce that it has been published via an RNS announcement. The Company will also be responsible for the costs reasonably incurred by the employee representatives in obtaining the advice required for the verification of the information contained in their opinion and the costs of the publication of any such opinion received.

The directors of the Company (the "Directors") accept responsibility for the information (including any expressions of opinion) contained in this letter. 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 letter is in accordance with the facts and does not omit anything likely to affect the import of such information.

Please note that addresses, electronic addresses and certain other information provided by you for the receipt of communications from the Company (e.g. elections to receive communications in a particular form) may be provided to Pension SuperFund Capital during the offer period as required under Section 4 of Appendix 4 of the Code.

If you wish to contact the Company regarding administrative matters in view of the Announcement, please contact the Company's registrars, Computershare, between 9.00 a.m. to 5:30 p.m. Monday to Friday (excluding public holidays in England and Wales) on +44 (0) 370 707 4040 or by submitting a request in writing to Computershare at 13 Castle Street, St Helier, Jersey, JE1 1ES. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Please note that neither Computershare nor the Company will be able to provide you with any legal, financial, tax planning or investment advice.

Yours faithfully



Alan Kentish

Chief Executive Officer

STM Group Plc

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.