

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt regarding the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the UK or an appropriately authorised independent financial adviser if you are outside the UK.**

**If you have sold or otherwise transferred all of your shares in STM Group PLC subject to the restrictions on distribution described below and in the enclosed announcement, please send this letter and its enclosure as soon as possible 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.**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION. PERSONS INTO WHOSE POSSESSION THIS DOCUMENT COMES SHOULD INFORM THEMSELVES ABOUT AND OBSERVE ANY SUCH RELEVANT LAWS.**

Strictly Private and Confidential

11 July 2023

To STM Group Plc shareholders and persons with information rights

**Statement regarding the possible offer for STM Group Plc (the "Company")**

Dear Shareholder / persons with information rights

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 City Code on Takeovers and Mergers (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](http://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.

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](http://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.*

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

**FOR IMMEDIATE RELEASE**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**STATEMENT REGARDING POSSIBLE CASH OFFER**

**for**

**STM Group PLC**

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

**by**

**PSF Capital GP II Limited**

The Boards of STM Group Plc (AIM: STM), the cross border financial services provider, and PSF Capital GP II Limited as general partner of PSF Capital Reserve LP ("Pension SuperFund Capital") announce that they 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.

The Board of STM Group has confirmed to Pension SuperFund Capital that, should a firm offer be made on the financial terms of the Possible Offer, it would be minded to recommend it unanimously to STM Group's shareholders. Should a firm offer be made, it would be subject to the agreement of other customary terms and conditions, including the approval of the Financial Conduct Authority, the Gibraltar Financial Services Commission, the Malta Financial Services Authority and The Pensions Regulator. The Board is granting Pension SuperFund Capital access to due diligence materials.

### **About Pension SuperFund Capital**

The mission of Pension SuperFund Capital is to provide a complete solution to pension savers and members.

With deep and wide-ranging experience in pensions, Pension SuperFund Capital has access to significant lines of capital and assets, with which to help provide a safe and secure home to pensioners and pension savers. Pension SuperFund Capital has recently had an injection of further capital in preparation for several significant pension risk transfers; and in anticipation of the potential re-launch of the Pension SuperFund.

Pension SuperFund Capital is also the controlling shareholder of Long Term Assets, a vehicle intended to give pension savers access to private market investments through a listing on the London market. It is currently engaging in pre-marketing for its IPO. Its biggest asset, Global InterConnection Group Limited (CABLE:AEX) listed on the Euronext Amsterdam on 7<sup>th</sup> July 2023.

### **Important Takeover Code notes**

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.

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).

If STM Group announces, declares or pays any dividend or any other distribution or return of value to shareholders after the date of this announcement (other than the final dividend of 0.60 pence proposed to be paid on 19 September 2023), Pension SuperFund Capital reserves the right to make an equivalent reduction to the Possible Offer.

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.

This announcement has been made with the consent of Pension SuperFund Capital. Further announcements will be made as appropriate.

A summary is set out below of the dealing disclosure requirements under the Code, which require action by holders (whether directly or indirectly) of more than 1 per cent. of STM Group's issued share capital.

For further information, please contact:

Alan Kentish (CEO)	STM Group plc	Via Walbrook PR
Matt Goode/ Emily Watts/ Henrik Persson / Abigail Kelly (Corporate Finance)	finnCap Ltd  (Financial Adviser, Nominated Adviser and Broker to STM Group)	+ 44 (0) 20 7220 0500
Tim Redfern (ECM)		
Edmund Truell	Pension SuperFund Capital	edmund.truell@psf.capital
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

This Announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No 596/2014 (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018). Upon publication of this announcement, this inside information will be considered to be in the public domain. The person responsible for arranging the release of this announcement on behalf of the Company is Alan Kentish, Chief Executive Officer.

finnCap 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 finnCap or for providing advice in relation to the matters described in this announcement.

Pension SuperFund Capital is not aware of any dealings in STM Group shares that would require a minimum level, or particular form of consideration that it would be obliged to offer under Rule 6 or Rule 11 of the Code (as appropriate). However, it has not been possible to make such enquiries of all persons presumed to be acting in concert with Pension SuperFund Capital. To the extent that any such details are identified, Pension SuperFund Capital will make an announcement as soon as practicable, and in any event by the time it is required to make its Opening Position Disclosure pursuant to Rule 8.1 of the Code.

### **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](http://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](http://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