



LONDON
STOCK
EXCHANGE

An LSEG Business

NS Offer Update



OFFER UPDATE

STM GROUP PLC

Released 16:53:40 05 September 2023

RNS Number : 4663L
STM Group PLC
05 September 2023

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

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.

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.

5 September 2023

STM Group PLC

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

Offer update - revised offer terms and further extension to PUSU Deadline

The board of STM Group is pleased to provide the following update.

On 11 July 2023, the Company announced (the "2.4 Announcement") that it was in discussions with PSF Capital GP II Limited as general partner of PSF Capital Reserve LP ("Pension SuperFund Capital") regarding a possible offer for the issued and to be issued share capital of the Company at a price of 70 pence per share (the "Possible Offer"). In the 2.4 Announcement, Pension SuperFund Capital reserved the right, *inter alia*, to make an offer on less favourable terms than those described in that announcement with the agreement or consent of the Board of STM Group.

Accordingly, the Board of STM Group has reached agreement in principle on revised key terms of the Possible Offer such that it would be a cash offer for the entire issued and to be issued share capital of the Company at a price of 67 pence per share and would be conditional upon the completion of a disposal of certain parts of the Group that are non-core to the strategy of Pension SuperFund Capital (the "Revised Possible Offer"). As a result, Alan Kentish (a director and shareholder of the Company) has signed heads of terms with STM Group and Pension SuperFund Capital to acquire certain parts of the Group, comprising the UK SIPP businesses and the businesses connected with and including the Master Trust. The acquisition of such parts of the Group would be conditional upon certain regulatory approvals and the Revised Possible Offer completing (the "Proposed

Disposal"). The Proposed Disposal would also be subject to Rule 16 of the Code and require the approval of independent shareholders at a general meeting of the Company that would be convened if a firm offer pursuant to Rule 2.7 of the Code is announced by Pension SuperFund Capital.

In light of the Proposed Disposal and Alan Kentish's interest in it, an independent committee of the Board of STM Group, comprising Nigel Birrell, Peter Smith and Therese Neish has been formed (the "Independent Committee") to consider the Revised Possible Offer and the Proposed Disposal. The Independent Committee has confirmed to Pension SuperFund Capital that, should a firm offer be made on the financial terms of the Revised 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.

Pension SuperFund Capital is in the late stages of securing credit committee approval from its lending bank, for a new credit facility to fund the Revised Possible Offer (the "Proposed Credit Facility"), enabling STM Group and Pension SuperFund Capital to complete the further work required for Pension SuperFund Capital to make an offer in accordance with Rule 2.7 of the Code. The Company is also in the process of discussing irrevocable undertakings to vote (or procure the vote) in favour of the Revised Possible Offer from certain Shareholders, on the basis that credit committee approval is received from its lending banker for the Proposed Credit Facility by Pension SuperFund Capital.

Important Takeover Code notes

In the light of this development, a further extension has been granted by the Panel and, in accordance with Rule 2.6(a) of the Code, Pension SuperFund Capital is required, by not later than 5.00pm on 8 September 2023, either to announce a firm intention to make an offer in accordance with Rule 2.7 of the Code or to 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 may be further extended with the consent of the Panel, at STM Group's request, in accordance with Rule 2.6(c) of the Code.

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.

A further announcement will be made when appropriate. This announcement has been made with the consent of Pension SuperFund 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
Marco Schwartz / 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.

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 Ltd 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

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

OUPEELFBXKLEBBF

London Stock Exchange plc is not responsible for and does not check content on this Website. Website users are responsible for checking content. Any news item (including any prospectus) which is addressed solely to the persons and countries specified therein should not be relied upon other than by such persons and/or outside the specified countries. [Terms and conditions](#), including restrictions on use and distribution apply.

© 2023 London Stock Exchange plc. All rights reserved.