

THIS ANNOUNCEMENT RELATES TO THE DISCLOSURE OF INFORMATION THAT QUALIFIED OR MAY HAVE QUALIFIED AS INSIDE INFORMATION WITHIN THE MEANING OF ARTICLE 7(1) OF THE MARKET ABUSE REGULATION (EU) 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (AS AMENDED, THE EUWA).

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The Co-operative Bank Holdings p.l.c.
10 September 2024

THE CO-OPERATIVE BANK HOLDINGS P.L.C. ANNOUNCES TENDER OFFER

The Co-operative Bank Holdings p.l.c. (the **Offeror**) announces today that it is inviting holders of its outstanding £200,000,000 Fixed Rate Reset Callable Notes due 2025 (ISIN: XS2263766078, such Notes originally issued by The Co-operative Bank Finance p.l.c.) (the **Notes**) to tender any and all of their Notes for purchase by the Offeror for cash, subject to the satisfaction (or waiver) of the New Issue Condition (such invitation, the **Offer**).

The Offer is being made on the terms and subject to the conditions contained in the tender offer memorandum dated 10 September 2024 (the **Tender Offer Memorandum**) prepared by the Offeror in connection with the Offer and is subject to the offer restrictions set out below and as more fully described in the Tender Offer Memorandum. Capitalised terms used but not otherwise defined in this announcement shall have the meanings given to them in the Tender Offer Memorandum.

Noteholders are advised to read carefully the Tender Offer Memorandum for full details of, and information on the procedures for participating in, the Offer.

Summary

The table below sets out certain information relevant to the Offer:

Description of the Notes	ISIN / Common Code	Outstanding Nominal Amount	Purchase Price	Amount subject to the Offer
£200,000,000 Fixed Rate Reset Callable Notes due 2025 (Reset Date: 27 November 2024) ¹	XS2263766078 / 226376607	£200,000,000	100.60 per cent.	Any and all

¹ The Offeror may at its option redeem the Notes on the “Reset Date” (being 27 November 2024), having given not less than 30 nor more than 60 days’ notice to the Noteholders.

Rationale

Alongside the Offer, the Offeror has announced its intention to issue sterling denominated Fixed Rate Reset Callable Notes due 2028 (the **New Notes**), subject to market conditions. The issue of the New Notes and the Offer are intended to maintain the capital structure and debt profile of the Offeror and illustrate the Offeror's proactive approach to capital management.

Notes purchased by the Offeror pursuant to the Offer are expected to be cancelled and will not be re-issued or re-sold.

Purchase Price and Accrued Interest Payments

The Offeror will, on the Settlement Date, pay for Notes validly tendered and accepted by it for purchase pursuant to the Offer a cash purchase price equal to 100.60 per cent. of the nominal amount of the relevant Notes (the **Purchase Price**).

The Offeror will also pay an Accrued Interest Payment in respect of any Notes validly tendered and accepted for purchase by it pursuant to the Offer.

New Issue Condition

The Offeror announced today its intention to issue the New Notes, subject to market conditions. Whether the Offeror will accept for purchase any Notes validly tendered in the Offer is subject, without limitation, to the successful completion (in the sole determination of the Offeror) of the issue of the New Notes (the **New Issue Condition**) unless such condition is waived by the Offeror in its sole discretion.

Even if the New Issue Condition is satisfied or waived, the Offeror is under no obligation to accept for purchase any Notes tendered pursuant to the Offer. The acceptance for purchase by the Offeror of Notes validly tendered pursuant to the Offer is at the sole and absolute discretion of the Offeror, and tenders may be rejected by the Offeror for any reason. Pricing of the New Notes is expected to occur prior to the Expiration Deadline (as defined in the Tender Offer Memorandum).

*Neither this announcement nor the Tender Offer Memorandum constitutes an offer of the New Notes and may not be used for the purposes of any such offer. Any investment decision to purchase any New Notes should be made solely on the basis of the information contained in the prospectus to be prepared by the Offeror in connection with the issue and listing of the New Notes (including any amendment or supplement thereto, the Prospectus), and no reliance is to be placed on any representations other than those contained in the Prospectus. Subject to compliance with applicable securities laws and regulations, a preliminary prospectus (the Preliminary Prospectus) dated 10 September 2024 is available from Deutsche Bank AG, London Branch, Goldman Sachs International or NatWest Markets Plc (the **Joint Lead Managers**) on request.*

For the avoidance of doubt, the ability to purchase New Notes is subject to all applicable securities laws and regulations in force in any relevant jurisdiction (including the jurisdiction of the relevant Noteholder and the selling restrictions set out in the Prospectus). It is the sole responsibility of each Noteholder to satisfy itself that it is eligible to purchase the New Notes.

*The New Notes are not being, and will not be, offered or sold in the United States. Nothing in this announcement or the Tender Offer Memorandum constitutes an offer to sell or the solicitation of an offer to buy the New Notes in the United States or any other jurisdiction. Securities may not be offered, sold or delivered in the United States absent registration under, or an exemption from the registration requirements of, the United States Securities Act of 1933, as amended (the **Securities Act**). The New Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons.*

Compliance information for the New Notes: MiFID II and UK MiFIR professionals/ECPs-only/No UK PRIIPS KID or EU PRIIPS KID – eligible counterparties and professional clients only (all distribution channels). No sales to UK retail investors or EEA retail investors; no key information document in respect of the UK or the EEA has been or will be prepared.

See the Preliminary Prospectus for further information.

No action has been or will be taken in any jurisdiction in relation to the New Notes to permit a public offering of securities.

Preferential Allocation in the New Notes

When considering allocation of the New Notes, the Offeror may give preference to those Noteholders who, prior to such allocation, have validly tendered or have given among other factors, a firm indication to the Offeror or the Joint Dealer Managers that they intend to tender their Notes for purchase pursuant to the Offer. Therefore, a Noteholder who wishes to subscribe for any New Notes in addition to tendering its existing Notes for purchase pursuant to the Offer may be eligible to receive, at the sole and absolute discretion of the Offeror, priority in the allocation of the New Notes, subject to the issue of the New Notes and subject to completion of the Offer including satisfaction or waiver of the New Issue Condition and such Noteholder making a separate application for the purchase of such New Notes to one of the Joint Dealer Managers (in its capacity as a Joint Lead Manager) in accordance with the standard new issue procedures of such Joint Lead Manager. Any such preference will, subject to the sole and absolute discretion of the Offeror, be applicable up to the aggregate nominal amount of Notes tendered or firmly intended to be tendered by such Noteholder pursuant to the Offer. However, the Offeror is not obliged to allocate any of the New Notes to a Noteholder who has validly tendered or indicated a firm intention to tender its Notes for purchase pursuant to the Offer and, if New Notes are so allocated, the nominal amount thereof may be less or more than the nominal amount of Notes tendered by such Noteholder and accepted for purchase by the Offeror pursuant to the Offer and may be less than the allocation received by other investors in the New Notes (including without limitation those that did not tender or indicate a firm intention to tender Notes). Any such allocation will also, among other factors, take into account the minimum denomination of the New Notes (which will be £100,000).

All allocations of the New Notes, while being considered by the Offeror as set out above and in the Tender Offer Memorandum, will be made in accordance with customary new issue allocation processes and procedures. In the event that a Noteholder validly tenders Notes pursuant to the Offer, such Notes will remain subject to such tender and the conditions of the Offer as set out in the Tender Offer Memorandum irrespective of whether that Noteholder receives all, part or none of any allocation of New Notes for which it has applied.

It is the sole responsibility of each Noteholder to satisfy itself that it is eligible to purchase the New Notes before registering its interest with, and making an application to, a Joint Dealer Manager (in its capacity as a Joint Lead Manager of the issue of the New Notes) for the purchase of any New Notes. Any failure by a Noteholder to make an application for the purchase of the New Notes in accordance with the standard new issue procedures of the relevant Joint Lead Manager of the issue of the New Notes (including as a result of such Noteholder being ineligible to be offered or to be sold the New Notes in accordance with any applicable securities laws and regulations) will result in no priority being given to such Noteholder.

Noteholders should note that the pricing and allocation of the New Notes are expected to take place prior to the Expiration Deadline for the Offer, and any Noteholder who wishes to subscribe for New Notes in addition to tendering their Notes for purchase pursuant to the Offer should therefore provide, as soon as practicable, to the Offeror or a Joint Dealer Manager, an indication of its firm intention to tender their Notes for purchase and the nominal amount of the Notes that it so intends to tender pursuant to the Offer in order for this to be taken into account as part of the New Notes allocation process.

Announcement of Results

The Offeror will announce, as soon as reasonably practicable on 18 September 2024, its decision of whether to accept (subject to satisfaction (or waiver) of the New Issue Condition on or prior to the Settlement Date) valid tenders of Notes pursuant to the Offer and, if so accepted, the aggregate nominal amount of Notes accepted for purchase pursuant to the Offer, with such announcement expected to occur on or around the Business Day following the Expiration Deadline.

No Pro Rata Scaling

If the Offeror decides to accept valid tenders of Notes for purchase pursuant to the Offer, it will accept for purchase any and all of the Notes that are validly tendered, with no *pro rata* scaling, subject to the conditions set out in the Tender Offer Memorandum including the satisfaction (or waiver) of the New Issue Condition.

Tender Instructions

In order to participate in, and be eligible to receive the Purchase Price and Accrued Interest Payment pursuant to, the Offer, Noteholders must validly tender their Notes for purchase by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Tender Agent by 4.00 p.m. (London time) on 17 September 2024 (the **Expiration Deadline**), unless extended, re-opened, amended and/or terminated as provided in the Tender Offer Memorandum.

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer by the deadlines specified below and in the Tender Offer Memorandum. The deadlines set by any such intermediary and each Clearing System for the submission and revocation of Tender Instructions will be earlier than the relevant deadlines specified below and in the Tender Offer Memorandum.

Tender Instructions will be irrevocable except in the limited circumstances described in the Tender Offer Memorandum.

Tender Instructions must be submitted in respect of a minimum nominal amount of Notes of no less than £100,000, being the minimum denomination of the Notes, and may be submitted in integral multiples of £1,000 thereafter.

The anticipated transaction timetable is summarised below:

Events

Times and Dates

Commencement of the Offer

Offer announced. Tender Offer Memorandum available from the Tender Agent, including via the Offer Website (subject to offer and distribution restrictions set out below and in the Tender Offer Memorandum).

Tuesday, 10 September 2024

Expiration Deadline

Final deadline for receipt of valid Tender Instructions by the Tender Agent in order for Noteholders to be able to participate in the Offer.

4.00 p.m. (London time) on
Tuesday, 17 September 2024

Announcement of Results

Announcement by the Offeror of whether (subject to satisfaction (or waiver) of the New Issue Condition on or prior to the Settlement Date) the Offeror will accept valid tenders of Notes pursuant to the Offer and, if so accepted, the aggregate nominal amount of Notes accepted for purchase pursuant to the Offer.

As soon as reasonably practicable
on Wednesday, 18 September
2024

Settlement Date for the Offer

Subject to satisfaction (or waiver) of the New Issue Condition on or prior to the Settlement Date, expected settlement date for the Offer.

Thursday, 19 September 2024

The above times and dates are subject to the right of the Offeror to extend, re-open, amend, waive any condition of and/or terminate the Offer (subject to applicable law and as provided in the Tender Offer Memorandum). Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer by the deadlines set out above.

Unless otherwise stated, announcements will be made by (i) publication through RNS and (ii) the delivery of notices to the Clearing Systems for communication to Direct Participants. Announcements may also be made on the relevant Reuters Insider Screen and/or through the issue of a press release to a Notifying News Service or any other means. Copies of all such announcements, press releases and notices can also be obtained from the Tender Agent, the contact details for which are set out below. Noteholders are urged to contact the Tender Agent for the relevant announcements during the course of the Offer. In addition, holders of Notes may contact the Joint Dealer Managers for information using the contact details set out below.

Noteholders are advised to read carefully the Tender Offer Memorandum for full details of, and information regarding the procedures for participating in the Offer. For detailed terms of the Offer please refer to the Tender Offer Memorandum which (subject to distribution restrictions) can be obtained from the Tender Agent referred to below.

Deutsche Bank AG, London Branch (Telephone: +44 20 7545 8011; Attention: Liability Management), **Goldman Sachs International** (Telephone: +44 20 7774 4836; Attention: Liability Management Group; Email: liabilitymanagement.eu@gs.com) and **NatWest Markets Plc** (Telephone: +44 20 7678 5222; Attention: Liability Management; Email: NWMLiabilityManagement@natwestmarkets.com) are acting as Joint Dealer Managers for the Offer.

Kroll Issuer Services Limited (Telephone: +44 20 7704 0880; Attention: Owen Morris; Email: co-op@is.kroll.com; Offer Website: <https://deals.is.kroll.com/co-op>) is acting as Tender Agent for the Offer.

This announcement is released by the Offeror and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the EUWA (UK MAR), encompassing information relating to the Offer described above. For the purposes of UK MAR and the Implementing Technical Standards, this announcement is made by Catherine Green, Company Secretary of the Offeror.

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DISCLAIMER This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to the Offer. If any Noteholder is in any doubt as to the contents of the Tender Offer Memorandum or the action it should take, it is recommended to seek its own financial and legal advice, including as to any tax consequences, from its broker, bank manager, solicitor, accountant or other independent financial, tax, regulatory or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Notes pursuant to the Offer. None of the Offeror, the Joint Dealer Managers or the Tender Agent nor any of their respective directors, officers, agents, advisers, employees or affiliates makes any recommendation as to whether Noteholders should tender Notes pursuant to the Offer. None of the Offeror, the Joint Dealer Managers or the Tender Agent (or any of their respective directors, employees or affiliates) is providing Noteholders with any legal, financial investment, business, regulatory, tax or other advice in this announcement. Noteholders should consult with their own advisers as needed to assist them in making an investment decision and to advise them whether they are legally permitted to tender Notes for cash.

OFFER AND DISTRIBUTION RESTRICTIONS

Neither this announcement nor the Tender Offer Memorandum constitutes an offer to buy or a solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Offer will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In any jurisdiction where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer and any Joint Dealer Manager or any of the Joint Dealer Managers' respective affiliates is such a licensed broker or dealer in such jurisdiction, the Offer shall be deemed to be made by the Joint Dealer Managers or such affiliate, as the case may be, on behalf of the Offeror in such jurisdiction.

No action has been or will be taken in any jurisdiction in relation to the New Notes that would permit a public offering of securities and the minimum denomination of the New Notes will be £100,000.

United States

The Offer is not being made, and will not be made, directly or indirectly in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States or to any U.S. person (as defined in Regulation S of the United States Securities Act of 1933, as amended (each a **U.S. Person**)). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offer are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States, to any person located or resident in the United States or to any U.S. Person, and the Notes cannot be tendered in the Offer by any such use, means, instrumentality or facility or from within the United States or by any person located or resident in the United States or by, or by any person acting for the account or benefit of, a U.S. Person. Any purported tender of Notes in the Offer resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by any person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or by or on behalf of any U.S. Person or by use of such mails or any such means, instrumentality or facility will be invalid and will not be accepted.

Neither this announcement nor the Tender Offer Memorandum is an offer of securities for sale in the United States or to U.S. Persons. Notes may not be offered, sold or delivered in the United States absent registration under, or an exemption from the registration requirements of, the Securities Act. The New Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons.

Each Noteholder participating in the Offer will represent that it is not a U.S. Person and is not located in the United States and is not participating in the Offer from the United States, or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in the Offer from the United States and who is not a U.S. Person. For the purposes of this and the above two paragraphs, **United States** means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

Italy

None of the Offer, this announcement, the Tender Offer Memorandum or any other document or materials relating to the Offer have been or will be submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* (**CONSOB**) pursuant to Italian laws and regulations. The Offer is being carried out in the Republic of Italy (**Italy**) as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the **Issuer's Regulation**). The Offer is also being carried out in compliance with article 35-bis, paragraph 7 of the Issuer's Regulation. Accordingly, Noteholders or beneficial owners of the Notes that are located in Italy can tender Notes for purchase pursuant to the Offer through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes and/or the Offer.

United Kingdom

The communication by the Offeror of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offer is not being made, and such documents and/or materials have not been approved by, an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and materials as a financial

promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the **Financial Promotion Order**)) or persons who are within Article 43 of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

France

This announcement, the Tender Offer Memorandum and any other document or material relating to the Offer have only been and shall only be distributed in France to qualified investors as defined in Article 2(e) of Regulation (EU) 2017/1129. Neither this announcement nor the Tender Offer Memorandum has been or will be submitted for clearance to or approved by the *Autorité des Marchés Financiers*.

General

In addition to the representations referred to above in respect of the United States, each Noteholder participating in the Offer will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in "*Procedures for Participating in the Offer*" on pages 21 to 25 of the Tender Offer Memorandum. Any tender of Notes for purchase pursuant to the Offer from a Noteholder that is unable to make these representations will not be accepted. Each of the Offeror, the Joint Dealer Managers and the Tender Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Offeror determines (for any reason) that such representation is not correct, such tender may be rejected.

For the avoidance of doubt, neither this Announcement nor the Tender Offer Memorandum constitutes an offer of the New Notes nor may be used for the purposes of any such offer.