



10 December 2021

COMPANY ANNOUNCEMENT

The following is a Company Announcement by HSBC Bank Malta p.l.c. in compliance with the Capital Markets Rules.

Quote:

HSBC Bank Malta p.l.c. ('the Bank') refers to a proposed transaction in the context of a corporate restructuring by the HSBC Group which will be undertaken in order to comply with the obligation arising under Article 21(b) of Directive 2013/36/EU of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (CRD V). In accordance with the said Article 21(b), non-EU headquartered banking groups like the HSBC Group with significant EU operations are required to establish an intermediate parent undertaking ('EU IPU') in the EU by 30 December 2023 to facilitate holistic resolution and supervision within the EU.

In this regard, HSBC Continental Europe ('HBCE'), HSBC's principal French subsidiary and hub for continental Europe has been designated by the HSBC Group as its single EU IPU. As a result, all of HSBC's relevant EU banking subsidiaries, including the Bank, will become owned by the HSBC Group through HBCE as the EU IPU.

In so far as the Bank is concerned, the proposed transaction will involve the transfer of shares in the Bank from the current majority shareholder, HSBC Europe B.V., to HBCE. The said proposed transaction should be completed during 2022.

The proposed transaction will not involve any change in the day-to-day business of the Bank and its subsidiaries ('the HSBC Malta Group') and there will be no other change in the shareholding structure of the HSBC Malta entities, other than the transfer of shares held by HSBC Europe B.V. in the Bank to HBCE as mentioned above. Ultimate control of the HSBC Malta Group will not change and will remain vested in HSBC Holdings plc.

The proposed corporate restructuring by the HSBC Group is subject to social dialogue and to regulatory approvals in various jurisdictions, including approval by competent authorities in Malta vis-à-vis the HSBC Malta Group.

Unquote

A handwritten signature in black ink, appearing to be "G. Brancalone", written over a light blue horizontal line.

Dr George Brancalone LL.D.
Company Secretary