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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF REGULATION 2014/596/EU AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED ("MAR"). IN ADDITION, MARKET SOUNDINGS WERE TAKEN IN RESPECT OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION.

For immediate release

14 April 2023

Arbuthnot Banking Group plc

Placing and Subscription raising approximately £12.0 million

Arbuthnot Banking Group plc (AIM: ARBB) ("**Arbuthnot**", the "**Company**" or the "**Group**") is pleased to announce an oversubscribed conditional placing of and subscription for new voting ordinary shares in the Company **(**"**Ordinary Shares**") at a price of 925 pence per share (the "**Placing Price**"), raising approximately £12.0 million (before expenses) (the "**Fundraising**").

Fundraising highlights

- Fundraising raising gross proceeds of approximately £12.0 million by way of:
    - a conditional agreement with Sir Henry Angest, Chairman and Chief Executive of the Company, to subscribe for 729,843 new Ordinary Shares (the "**Subscription Shares**") at the Placing Price to raise approximately £6.75 million (the "**Subscription**"); and
    - a conditional placing to raise approximately £5.25 million at the Placing Price through the issue of 567,454 new Ordinary Shares (the "**Placing Shares**" and, together with the Subscription Shares, the "**New Ordinary Shares**") to certain existing and new institutional investors (the "**Placing**").
- Following the announcement of the Group's final results on 30 March 2023, which reported a significant increase in profitability, the net proceeds of the Fundraising will be used to enable the Company to maintain its current loan growth momentum in 2023 and beyond. It will also strengthen the Group's ability to take advantage of the opportunities that are expected to emerge given the current conditions in the non-bank lending markets despite the increase in the countercyclical capital buffer in July 2023 from 1% to 2%, which will increase the Group's regulatory capital requirements.
- The Group has benefitted in the past from its strong balance sheet during times of greater turbulence in the financial and banking markets. As at 31 December 2022, the CET1 ratio was 11.6%, which the Fundraising will result in a pro forma increase of 80 basis points to 12.4%.

- Shore Capital Stockbrokers Limited ("**Shore Capital**" or the "**Bookrunner**") acted as Financial Adviser, Broker and Bookrunner in connection with the Placing.
- The New Ordinary Shares will represent approximately 8.0 per cent. of the Company's issued Ordinary Share capital (excluding 390,274 Ordinary Shares held in Treasury) as enlarged by the New Ordinary Shares ("**Enlarged Ordinary Share Capital**") and will be issued fully paid and ranking *pari passu* in all respects with the existing voting Ordinary Shares in issue. The New Ordinary Shares will not be entitled to receive the final dividend declared in respect of the financial year ended 31 December 2022.
- The Placing Price represents a discount of approximately 3.4 per cent. to the closing middle market price of 957.5 pence per Ordinary Share on 13 April 2023, being the last practicable date before this announcement of the Fundraising.
- The Placing and Subscription are conditional, amongst other things, on the approval by Shareholders of resolutions to be proposed at a general meeting of the Company which is expected to be convened on 4 May 2023 (the "**General Meeting**") to approve the issue of the New Ordinary Shares on a non pre-emptive basis (the "**Resolutions**"), the admission of the New Ordinary Shares to trading on AIM and AQSE and the Placing Agreement not having been terminated. A circular (the "**Circular**") containing details of the Fundraising and the notice of the General Meeting is expected to be posted to Shareholders on or around 18 April 2023 and will include instructions on how to vote at the General Meeting.
- Subject to, *inter alia*, the passing of the Resolutions, the New Ordinary Shares are expected to be admitted to trading on AIM and AQSE on or around 5 May 2023.

Sir Henry Angest, Chairman and Group Chief Executive, commented:

"The Group has invested over many years in developing Arbuthnot Latham as a bank built on providing a high level of service and strong client relationships. As our results announced on 30 March 2023 show, this business model is now delivering substantially increased profits while maintaining strong capital and liquidity. In the last few months, we have seen greater volatility and uncertainty return to the banking sector, which represents a series of potential opportunities for us to continue our rate of growth. Against this backdrop we have decided to raise £12.0 million of new equity capital to further strengthen our balance sheet to be able to pursue these opportunities, whilst meeting the increase in regulatory capital requirements being required by the regulator across the banking sector."

General Meeting, admission and settlement

The Placing and Subscription are conditional, amongst other things, upon the approval by Shareholders of the Resolutions at the General Meeting, which is expected to be convened at the offices of Arbuthnot at Arbuthnot House, 7 Wilson Street, London EC2M 2SN at 11.00 a.m. on 4 May 2023.

The Circular, containing details of the Fundraising and the notice of the General Meeting, which is expected to be posted to Shareholders on or around 18 April 2023, will include instructions on how to vote at the General Meeting. The Circular, when published, will be available on the Company's website at: www.arbuthnotgroup.com.

Applications will be made to the London Stock Exchange and AQSE for the New Ordinary Shares to be admitted to trading on AIM and AQSE ("**Admission**"). Subject to, *inter alia*, the passing of the Resolutions, it is expected that Admission will take place and dealings will commence in the New Ordinary Shares at 8.00 a.m. on 5 May 2023.

Following Admission, the total number of ordinary shares of £0.01 (1 penny) each with voting rights attached in the capital of the Company will be 16,576,619, of which 390,274 are held in Treasury. Therefore, the total number of voting rights in the Company will be 16,186,345 upon Admission, and this figure may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Director participation and Related Party Transaction

The participation of Sir Henry Angest, through Flowidea Limited (a company of which he is the sole beneficial owner), in the Subscription as a Director of the Company and a substantial shareholder for the purposes of the AIM Rules and the AQSE Rules, constitutes a related party transaction pursuant to each of Rule 13 of the AIM Rules and Rule 4.6 of the AQSE Rules.

Following Admission, the beneficial interest in the Ordinary Shares of Sir Henry Angest will be as follows:

Shareholder	*Number of existing Ordinary Shares*	*Percentage of existing Ordinary Share capital* (excluding Ordinary Shares held in treasury)	*Number of New Ordinary Shares subscribed for*	*Number of Ordinary Shares following Admission*	*Percentage of Enlarged Ordinary Share Capital* (excluding Ordinary Shares held in treasury)
Sir Henry Angest	8,376,401	56.26%	729,843	9,106,244	56.26%

For the purpose of the AIM Rules, the directors of the Company with the exception of Sir Henry Angest and Frederick Angest (the "**Independent Directors**") consider, having consulted with Grant Thornton, the Company's nominated adviser, that the terms of Sir Henry Angest's participation in the Subscription are fair and reasonable insofar as Shareholders are concerned. For the purposes of the AQSE Rules, the Independent Directors consider that, having exercised reasonable care, skill and diligence, the participation by Sir Henry Angest in the Subscription is fair and reasonable as far as Shareholders are concerned.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section below.

Capitalised terms not otherwise defined in the text of this Announcement are defined in the Appendix to this Announcement.

This Announcement should be read in conjunction with the full text of the Circular to be posted to Shareholders, copies of which shall be available on the Company's website at: www.arbuthnotgroup.com.

The person responsible for arranging for the release of this information on behalf of the Company is Andrew Salmon.

Enquiries:

Arbuthnot Banking Group plc 020 7012 2400
Sir Henry Angest, Chairman and Chief Executive
Andrew Salmon, Group Chief Operating Officer
James Cobb, Group Finance Director

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H/Advisors Maitland (Financial PR) Sam Cartwright	020 7379 5151

IMPORTANT NOTICES

The distribution of this Announcement and/or information relating to the Fundraising and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or Shore Capital or any of their respective affiliates, agents, directors, officers, consultants, partners, or employees ("**Representatives**") that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and Shore Capital to inform themselves about and to observe any such restrictions.

This Announcement or any part of it is for information purposes only and does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities.

Shore Capital Stockbrokers Limited and Shore Capital and Corporate Limited (together "**Shore Capital**" or the "**Bookrunner**"), are authorised and regulated by the Financial Conduct Authority (the "**FCA**") in the United Kingdom and are acting exclusively for the Company and no one else in connection with the Placing, and Shore Capital will not be responsible to anyone (including any subscribers pursuant to the Placing) other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Shore Capital or by any of its Representatives as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefor is expressly disclaimed.

Grant Thornton UK LLP, is authorised and regulated by the FCA in the United Kingdom. Grant Thornton UK LLP acts as nominated adviser to the Company and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or any other matters referred to in this Announcement. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Grant Thornton UK LLP or by any of its Representatives as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed. Grant Thornton UK LLP's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to London Stock Exchange plc and are not owed to the Company or to any director of the Company or to any other person.

None of the information in this Announcement has been independently verified or approved by the Bookrunner or any of its directors, officers, partners, agents, employees, affiliates, advisors, consultants, or persons connected with them as defined in the Financial Services and Markets Act 2000, as amended ("**FSMA**") (together, "**Affiliates**"). Save for any responsibilities or liabilities, if any, imposed on the Bookrunner by FSMA or by the regulatory regime established under it, no responsibility or liability whatsoever whether arising in tort, contract or otherwise, is accepted by the Bookrunner or any of its Affiliates whatsoever for the contents of the information contained in this Announcement (including, but not limited to, any errors, omissions or inaccuracies in the information or any opinions) or for any other statement made or purported to be made by or on behalf of the Bookrunner or any of its Affiliates in connection with the Company, the Placing Shares, the Placing, or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this Announcement or its contents or otherwise in connection with this Announcement or from any acts or omissions of the Company in relation to the Placing. The Bookrunner and its Affiliates accordingly disclaim all and any responsibility and liability whatsoever, whether arising in tort, contract or otherwise (save as referred to above) in respect of any statements or other information contained in this Announcement and no representation or warranty, express or implied, is made by the Bookrunner or any of its Affiliates as to the accuracy, completeness or sufficiency of the information contained in this Announcement.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance, and persons needing advice should consult a suitably qualified independent financial adviser.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this Announcement.

FORWARD LOOKING STATEMENTS

This Announcement may contain, or may be deemed to contain, "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including amongst other things, United Kingdom domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company and the Bookrunner expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

APPENDIX - EXTRACTS FROM THE CIRCULAR

Letter from the Chairman

1. Introduction

The Company has completed, conditional on Shareholder approval, a Placing and Subscription for New Ordinary Shares at a price of 925 pence each with certain existing and new institutional investors to raise approximately £12.0 million (before commissions and expenses) (the "Fundraising").

It is proposed that the Net Proceeds will be used to enable the Company to maintain its current loan growth momentum in 2023 and beyond. It will also strengthen the Group's ability to take advantage of the opportunities that are expected to emerge given the current conditions in the non-bank lending markets despite the increase in the countercyclical capital buffer in July 2023 from 1% to 2%, which will increase the Group's regulatory capital requirements. Further details of the rationale for the Fundraising and the intended use of the Net Proceeds can be found in paragraph 2.4 below.

In order to maintain his beneficial shareholding of approximately 56 per cent. of the Ordinary Shares, the Chairman and Chief Executive of the Company, Sir Henry Angest, has agreed to subscribe for 729,843 New Ordinary Shares pursuant to the Subscription via Flowidea Limited, a company of which he is the sole beneficial owner.

The purpose of the Circular is to set out the reasons for, and provide further information on, the Fundraising, to explain why the Board considers the Fundraising to be in the best interests of the Company and its Shareholders as a whole and to convene the necessary General Meeting at which resolutions will be proposed to approve the issue of the New Ordinary Shares on a non-pre-emptive basis.

2. Details of the Fundraising and use of proceeds

The Company has conditionally raised approximately £12.0 million (before commissions and expenses) through the conditional placing of the Placing Shares and conditional issue of the Subscription Shares at the Placing Price. The Placing Price represents a discount of 3.4 per cent. against the mid-market closing price on 13 April 2023, being the last practicable date before the announcement of the Fundraising. The Group has benefitted in the past from its strong balance sheet during times of greater turbulence in the financial and banking markets. As at 31 December 2022, the CET1 ratio was 11.6%, which the Fundraising will result in a pro forma increase of 80 basis points to 12.4%.

The New Ordinary Shares, when issued, will represent approximately 8.0 per cent. of the Company's Enlarged Ordinary Share Capital immediately following Admission. The New Ordinary Shares will rank in full for all dividends made, paid or declared on the Ordinary Shares by reference to a record date on or after the date of Admission and otherwise equally with the Ordinary Shares in issue from the date of Admission. It is expected that the New Ordinary Shares will be admitted to trading on each of AIM and AQSE on 5 May 2023. The New Ordinary Shares will not be entitled to the final dividend payable in respect of the financial year ended 31 December 2022 which will be paid to Shareholders on the register on 21 April 2023.

The Placing and Subscription (which are not being underwritten) are conditional, amongst other things, upon:

(a) the Placing Agreement becoming unconditional in all respects (save for Admission) and not having been terminated in accordance with its terms prior to Admission;

(b) the Subscription Agreement not having been varied (other than with the prior consent of Shore Capital) or terminated prior to Admission;

(c) the Resolutions being approved at the General Meeting; and

(d) Admission of the New Ordinary Shares becoming effective on or before 8.00 am on 5 May 2023, or such later date as the Company and Shore Capital may agree, being no later than 8.00 am on 19 May 2023.

2.1. *The Placing Agreement*

Pursuant to the Placing Agreement, SCS has conditionally agreed to use its reasonable endeavours, as agent for the Company, to procure subscribers for the Placing Shares with certain institutional and other investors.

The Placing Agreement contains warranties from the Company in favour of Shore Capital in relation to, inter alia, the accuracy of the information in the Circular and other matters relating to the Company and the Group. In addition, the Company has agreed to indemnify Shore Capital in relation to certain liabilities they may incur in respect of the Placing. Shore Capital has the right to terminate the Placing Agreement in certain circumstances prior to Admission, in particular, in the event of a breach of the warranties given in the Placing Agreement, the failure of the Company to comply with its obligations under the Placing Agreement, the variation or termination of the Subscription Agreement without the prior consent of Shore Capital, the occurrence of a force majeure event which in Shore Capital's opinion may be material and adverse to the Group or the Placing, or a material adverse change affecting the financial position or business or prospects of the Group.

2.2. *The Subscription Agreement*

Pursuant to the terms of the Subscription Agreement, Sir Henry Angest (via Flowidea Limited, a company of which he is the sole beneficial owner), the Chairman and Chief Executive of the Company, has agreed, subject to the satisfaction of certain conditions, to subscribe for 729,843 new Ordinary Shares at the Placing Price. Sir Henry Angest is interested in approximately 56 per cent. of the voting rights in the Company and will remain interested in approximately 56 per cent. of the voting rights in the Company following Admission as a result of the Subscription.

2.3. *Settlement and dealings*

Applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM and to the Aquis Exchange for the New Ordinary Shares to be admitted to trading on AQSE. It is expected that Admission to each of AIM and AQSE will become effective and that dealings in the New Ordinary Shares will commence on 5 May 2023, subject to the passing of the Resolutions at the General Meeting.

The New Ordinary Shares being issued pursuant to the Placing and Subscription will, on Admission, rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares by reference to a record date on or after Admission and will otherwise rank *pari passu* in all respects with the existing Ordinary Shares. The New Ordinary Shares will not be entitled to the final dividend payable in respect of the financial year ended 31 December 2022 which will be paid to Shareholders on the register on 21 April 2023.

2.4. Rationale for the Fundraising and use of proceeds

In 2020, the Group articulated to Shareholders its "Future State" capital allocation strategy, which set out its approach to leverage its substantial deposit book to drive growth through its lending businesses, which generate high returns on capital employed, to grow net interest margins and returns on equity.

For the year ended 31 December 2022, the Group reported significantly increased profitability, driven by higher net interest margins as a result of the execution of its strategy, combined with the increased Bank of England bank rate and a low cost of deposits (as well as the benefit of a lag in the repricing of deposits). In the current environment, the Group has continued to grow its lending book whilst also tightening credit appetite. Customer deposit balances reached £3.1 billion at the end of 2022 and the Board believes that the current market dislocation will provide further opportunities to deliver continued lending growth, whilst also allowing the Group to take advantage of opportunities that may arise given current market conditions.

The increase in Group profitability has brought forward the creation of capital to fund its continued growth. However, in order to enable the Company to maintain its current loan growth momentum in 2023 and beyond alongside the increase in the countercyclical capital buffer ("CCyB") in July 2023 (further details of which are set out below), the Company is seeking to raise approximately £12.0 million (before commissions and expenses) pursuant to the conditional Placing and Subscription.

Background to the CCyB

The increase in the CCyB in July 2023 mandated by the Prudential Regulation Authority ("PRA") will require all banks to hold additional capital balances. The CCyB is a macroprudential tool that enables the PRA's Financial Policy Committee ("FPC") to adjust the resilience of the banking system to the changing scale of risk it faces over time. By increasing the CCyB when risks are judged to be building up, banks will have an additional cushion of capital to absorb potential losses. When threats to stability are judged to have receded, or when credit conditions are weak and banks' capital buffers are judged to be more than sufficient to absorb future losses, the CCyB can be reduced by the FPC. By aligning resilience with risk, the CCyB seeks to reduce the extent to which economic shocks will be amplified by the banking system, including through contracting the supply of credit and other services. The CCyB applies to all banks, building societies and investment firms (other than those exempted by the FCA) incorporated in the United Kingdom. The CCyB is applied at both individual entity and consolidated group levels. Each bank must calculate its 'institution-specific' CCyB rate, defined as the weighted average of the CCyB rates in effect across the jurisdictions in which it has credit exposures. The institution-specific CCyB rate is then applied to the firm's total risk weighted assets.

The current UK CCyB rate is 1 per cent., which will increase to 2 per cent. with effect from 5 July 2023.

3. **Related party transaction**

The participation of Sir Henry Angest, through Flowidea Limited, in the Subscription as a Director of the Company and a substantial shareholder for the purposes of the AIM Rules and the AQSE Rules, constitutes a related party transaction pursuant to Rule 13 of the AIM Rules and Rule 4.6 of the AQSE Rules. Following Admission, the beneficial interest in the Ordinary Shares of Sir Henry Angest will be as follows:

Shareholder	Number of existing Ordinary Shares	Percentage of existing Ordinary Share capital (excluding Ordinary Shares held in treasury)	Number of Ordinary Shares following completion of the Fundraising	Percentage of Enlarged Ordinary Share Capital (excluding Ordinary Shares held in treasury)
Sir Henry Angest	8,376,401	56.26%	9,106,244	56.26%

Sir Henry Angest also holds a beneficial interest in 86,674 Ordinary Non-Voting Shares, representing 64.88 per cent. of the Ordinary Non-Voting Shares in issue. No Ordinary Non-Voting Shares are being issued pursuant to the Fundraising.

For the purpose of the AIM Rules, the Independent Directors consider, having consulted with Grant Thornton, the Company's nominated adviser, that the terms of Sir Henry Angest's participation in the Subscription are fair and reasonable insofar as Shareholders are concerned. For the purpose of the AQSE Rules, the Independent Directors consider that, having exercised reasonable care, skill and diligence, the participation by Sir Henry Angest in the Subscription is fair and reasonable as far as Shareholders are concerned.

4. **General Meeting**

Set out at the end of the Circular will be a notice convening the General Meeting to be held at the offices of Arbuthnot at Arbuthnot House, 7 Wilson Street, London EC2M 2SN on 4 May 2023 at 11.00 a.m., at which an ordinary and a special resolution will be proposed which will, if passed, give the Directors authority to allot up to 1,297,297 New Ordinary Shares on a non-pre-emptive basis.

An ordinary resolution requires a simple majority of members entitled to vote and present in person or by proxy to vote in favour in order for it to be passed. A special resolution requires a majority of at least

75 per cent. of members entitled to vote and present in person or by proxy to vote in favour in order for it to be passed.

5. **Recommendation**

The Directors consider the Fundraising to be in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting, as they intend to do in respect of their beneficial holdings amounting, in aggregate, to 8,460,162 existing Ordinary Shares, representing approximately 56.82 per cent. of the issued Ordinary Share capital of the Company.

Expected Timetable of Principal Events

	2023
Publication of the Circular	on or around 18 April
Latest time and date for receipt of proxy votes for the General Meeting	11.00 a.m. on 2 May
General Meeting	11.00 a.m. on 4 May
Admission, completion of the Fundraising and commencement of dealings in the New Ordinary Shares	8.00 a.m. on 5 May
CREST accounts credited	5 May
Dispatch of share certificates in respect of the New Ordinary Shares	By 19 May

Notes:

1. Each of the times and dates above is indicative only and subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified by the Company to Shareholders by announcement through a Regulatory Information Service.

2. All of the times above refer to London time.

Definitions

"Act"	the Companies Act 2006 (as amended);
"Admission"	admission of the New Ordinary Shares to trading on: (i) AIM becoming effective in accordance with Rule 6 of the AIM Rules; and (ii) the AQSE becoming effective;
"AIM"	the AIM Market operated by the London Stock Exchange;
"AIM Rules"	the AIM Rules for Companies published by the London Stock Exchange from time to time;
"AQSE"	AQSE Growth Market, Apex Segment;
"AQSE Rules"	the rules governing companies whose securities are traded on AQSE as published by the Aquis Exchange from time to time being, in relation to the Ordinary Shares, the rules set out in the Aquis Exchange's APEX Rulebook;
"CCyB"	countercyclical capital buffer;
"Circular"	the circular to be sent to Shareholders containing details of the Fundraising and the Notice of General Meeting;
"Company" or "Arbuthnot"	Arbuthnot Banking Group plc, a company incorporated in England and Wales with company number 01954085;

“CREST”	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755);
“Directors” or “Board”	the directors of the Company, or any duly authorised committee thereof;
“Enlarged Ordinary Share Capital”	the issued Ordinary Share capital of the Company (excluding 390,274 Ordinary Shares held in Treasury) as enlarged by the Placing Shares and the Subscription Shares;
“Euroclear”	Euroclear UK & International Limited, the operator of CREST;
“Existing Shares”	the 14,889,048 Ordinary Shares (which excludes the 390,274 Ordinary Shares held in treasury) and 152,621 Ordinary Non-Voting Shares in issue;
“FCA”	the UK Financial Conduct Authority;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“Fundraising”	together the Placing and the Subscription;
“General Meeting”	the general meeting of the Company to be held at the offices of Arbuthnot at Arbuthnot House, 7 Wilson Street, London EC2M 2SN on 4 May 2023 at 11.00 a.m., notice of which will be set out at the end of the Circular;
“Grant Thornton”	Grant Thornton UK LLP, the Company’s nominated adviser and corporate adviser for the purposes of the AIM Rules and AQSE Rules, respectively;
“Group”	the Company and its subsidiaries from time to time;
“Independent Directors”	the Directors with the exception of Sir Henry Angest and Frederick Angest;
“London Stock Exchange”	London Stock Exchange plc;
“Net Proceeds”	the gross proceeds of the Fundraising, less expenses and commissions incurred;
“New Ordinary Shares”	the Placing Shares and the Subscription Shares;
“Notice of General Meeting”	the notice convening the General Meeting which will be set out at the end of the Circular;
“Ordinary Non-Voting Shares”	ordinary shares of £0.01 (1 penny) each without voting rights attached in the capital of the Company;
“Ordinary Shares”	ordinary shares of £0.01 (1 penny) each with voting rights attached in the capital of the Company;
“Placing”	the conditional placing of the Placing Shares by SCS, as agent on behalf of the Company, pursuant to the Placing Agreement;
“Placing Agreement”	the conditional agreement dated 14 April 2023 and made between the Company and Shore Capital in relation to the Placing;
“Placing Price”	925 pence per New Ordinary Share;
“Placing Shares”	the 567,454 new Ordinary Shares to be issued and allotted by the Company pursuant to the Placing;
“Resolutions”	the resolutions set out in the Notice of General Meeting;
“SCC”	Shore Capital and Corporate Limited, the Company’s financial adviser;
“SCS”	Shore Capital Stockbrokers Limited, the Company’s broker for the purposes of the AIM Rules and the Fundraising;

"Shareholders"	holders of Ordinary Shares and/or Ordinary Non-Voting Shares, as the context requires;
"Shore Capital"	SCC and/or SCS as the context requires;
"Subscription"	the conditional subscription for 729,843 new Ordinary Shares at the Placing Price pursuant to the Subscription Agreement;
"Subscription Agreement"	the conditional agreement dated 14 April 2023 and made between the Company and Flowidea Limited, a company of which Sir Henry Angest is the sole beneficial owner, in relation to the Subscription; and
"Subscription Shares"	the 729,843 new Ordinary Shares to be issued and allotted by the Company pursuant to the Subscription.