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NatWest Group plc
2 June 2023

Successful disposal of shares in Permanent TSB Group Holdings PLC

Further to the announcement on 1 June 2023, NatWest Group plc ("NatWest") announces the successful completion of the disposal of part of its shareholding, held through the wholly owned subsidiary RBS AA Holdings (UK) Limited, in Permanent TSB Group Holdings PLC ("PTSB").

The overall size of the disposal by the Minister for Finance of Ireland and NatWest (the "Selling Shareholders") was 54.6 million ordinary shares in PTSB representing 10.0% of the ordinary share capital of PTSB, with NatWest disposing of 27.3 million ordinary shares in PTSB representing 5.0% of the ordinary share capital of PTSB. The disposal was effected by way of a placing (the "Placing") of shares (the "Placing Shares") in an accelerated book building process.

In summary, following settlement of the Placing which will take place on 6 June 2023:

- The shareholding of NatWest will be reduced from 90.9 million ordinary shares, representing approximately 16.7% of the ordinary share capital of PTSB, to 63.6 million ordinary shares, representing approximately 11.7% of the ordinary share capital of PTSB.
- The Placing price was €2.025 per share. As a result, the overall gross proceeds from the sale of the Placing Shares will be €110.5 million, with both Selling Shareholders receiving €55.2 million of gross proceeds each.
- The disposal will have an immaterial impact on NatWest's CET1 ratio and its TNAV per share.
- The Selling Shareholders have undertaken not to sell further shares in PTSB for a period of 90 calendar days following the completion of the Placing (subject to waiver by one of the co-bookrunners and certain customary exceptions).

NatWest CEO Alison Rose said:

"This transaction represents further positive progress on our phased withdrawal from the Republic of Ireland."

NatWest will keep further disposal options under active consideration, as and when market conditions permit.

Further information:

Investor Relations
+ 44 (0)207 672 1758

Media Relations
+44 (0)131 523 4205

Legal Entity Identifier: 2138005O9XJIJN4JPN90

Disclosure

IMPORTANT INFORMATION

This announcement is for information purposes only and does not constitute an offer or an invitation to acquire or dispose of any securities of PTSB in the United States, Canada, Australia or Japan or in any other jurisdiction in which such an offer of solicitation is unlawful. The shares sold pursuant to the Placing have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or under any securities laws of any state or jurisdiction of the United States and may not be offered or sold in the United States absent registration or an exemption from registration. There was no public offering of securities in the United States.

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No Placing Shares will be available to any investor whose purchase of such Placing Shares, whether on its own account or as a fiduciary or agent for one or more investor accounts, would require regulatory consent in any jurisdiction (including, without limitation, under the UK Financial Services and Markets Act 2000 or the United States Bank Holding Company Act of 1956).

Forward-looking statements

This document may include forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, such as statements that include, without limitation, the words 'expect', 'estimate', 'project', 'anticipate', 'commit', 'believe', 'should', 'intend', 'will', 'plan', 'could', 'probability', 'risk', 'Value-at-Risk (VaR)', 'target', 'goal', 'objective', 'may', 'endeavour', 'outlook', 'optimistic', 'prospects' and similar expressions or variations on these expressions. These statements concern or may affect future matters, such as NatWest's future economic results, business plans and strategies. In particular, this document may include forward-looking statements relating to NatWest in respect of, but not limited to: its economic and political risks, its regulatory capital position and related requirements, its financial position, profitability and financial performance (including financial, capital, cost savings and operational targets), the implementation of its purpose-led strategy, its environmental, social and governance and climate related targets, its access to adequate sources of liquidity and funding, increasing competition from new incumbents and disruptive technologies, its exposure to third party risks, its ongoing compliance with the UK ring-fencing regime and ensuring operational continuity in resolution, its impairment losses and credit exposures under certain specified scenarios, substantial regulation and oversight, ongoing legal, regulatory and governmental actions and investigations, the transition of LIBOR and IBOR rates to replacement risk free rates and NatWest's exposure to operational risk, conduct risk, cyber, data and IT risk, financial crime risk, key person risk and credit rating risk. Forward-looking statements are subject to a number of risks and uncertainties that might cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to, future growth initiatives (including acquisitions, joint ventures and strategic partnerships), the outcome of legal, regulatory and governmental

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