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## **HSBC Holdings plc**

### **Overseas Regulatory Announcement**

The attached announcement has been released to the other stock exchanges on which HSBC Holdings plc is listed.

The Board of Directors of HSBC Holdings plc as at the date of this announcement comprises: Mark Tucker\*, Noel Quinn, Geraldine Buckingham†, Rachel Duan†, Carolyn Julie Fairbairn†, James Anthony Forese†, Steven Guggenheimer†, José Antonio Meade Kuribreña†, Eileen K Murray†, David Nish†, Ewen Stevenson and Jackson Tai†.

\* Non-executive Group Chairman

† Independent non-executive Director

Hong Kong Stock Code: 5

#### **HSBC Holdings plc**

*Registered Office and Group Head Office:*

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Web: [www.hsbc.com](http://www.hsbc.com)

*Incorporated in England with limited liability. Registered in England: number 617987*



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2 August 2022

## HSBC HOLDINGS PLC LAUNCHES EXCHANGE OFFERS AND CONCURRENT CASH TENDER OFFERS FOR SUBORDINATED NOTES

London, England -- HSBC Holdings plc (the '**Company**') announced today (the '**Launch Date**') offers to exchange (the '**Exchange Offers**' and each, an '**Exchange Offer**') any and all validly tendered (and not validly withdrawn) and accepted notes of the series of subordinated notes indicated in the table below (together, the '**Original Notes**') for corresponding series of subordinated notes to be issued by the Company (the '**Exchange Notes**') that will be registered under the Securities Act of 1933, as amended (the '**Securities Act**'), pending effectiveness of a Registration Statement on Form F-4 (the '**Registration Statement**') relating to the Exchange Offers filed today with the United States Securities and Exchange Commission (the '**SEC**'). The Exchange Offers are made upon the terms and subject to the conditions set forth in the Registration Statement and the related letter of transmittal. The Registration Statement and the letter of transmittal will be available from 9:30 A.M. (New York City time) on the Launch Date at the following link: <https://www.gbsc-usa.com/hsbc/>.

The Exchange Offers are being conducted primarily in order to introduce a clause regarding contractual recognition of the UK bail-in power, which is not present in the Original Notes. Whilst the terms of the Exchange Notes will be substantially similar to those of the Original Notes in all other material respects, they will feature ancillary amendments to a limited number of provisions (relative to the Original Notes) to reflect recent legislative and regulatory developments.

ISIN/ CUSIP No.	Existing notes to be exchanged (collectively, the 'Original Notes' and each, a 'series')	Aggregate principal amount outstanding <sup>1</sup>	New notes to be issued in exchange (collectively, the 'Exchange Notes' and each, a 'series')	Exchange Consideration (principal amount) <sup>(1)</sup>	Participation Cash Incentive <sup>(4)</sup>	Total Consideration <sup>(1)(2)</sup>
US404280AE90/ 404280AE9	7.35% Subordinated Notes Due 2032 (the ' <b>Original 7.35% Notes due 2032</b> ')	\$222,042,000	7.35% Subordinated Notes Due 2032 (the ' <b>Exchange 7.35% Notes due 2032</b> ')	\$1,000	\$3.50	\$1,003.50
US404280AF65/ 404280AF6	7.625% Subordinated Notes Due 2032 (the ' <b>A Original 7.625% Notes due 2032</b> ')	\$483,613,000	7.625% Subordinated Notes Due 2032 (the ' <b>Exchange 7.625% Notes due 2032</b> ')	\$1,000	\$3.50	\$1,003.50
Rule 144A Notes: US404280AD18/ 404280AD1	7.625% Subordinated Notes Due 2032 (the ' <b>B Original 7.625% Notes due 2032</b> ') <sup>(3)</sup>	\$4,300,000	Exchange 7.625% Notes due 2032	\$1,000	\$3.50	\$1,003.50
Reg S Notes: USG4634UAV47/ G4634UAV4						
US404280AG49/ 404280AG4	6.5% Subordinated Notes Due 2036 (the ' <b>Original Notes due 2036</b> ')	\$2,000,000,000	6.5% Subordinated Notes Due 2036 (the ' <b>Exchange Notes due 2036</b> ')	\$1,000	\$3.50	\$1,003.50

<sup>1</sup> The '\$' symbol refers to U.S. dollars.

US404280AH2/ 404280AH2	6.5% Subordinated Notes Due 2037 (the ' <b>Original Notes due 2037</b> ')	\$2,500,000,000	6.5% Subordinated Notes Due 2037 (the ' <b>Exchange Notes due 2037</b> ')	\$1,000	\$3.50	\$1,003.50
US404280AJ87/ 404280AJ8	6.8% Subordinated Notes Due 2038 (the ' <b>Original Notes due 2038</b> ')	\$1,500,000,000	6.8% Subordinated Notes Due 2038 (the ' <b>Exchange Notes due 2038</b> ')	\$1,000	\$3.50	\$1,003.50

(1) Consideration per \$1,000 principal amount of the applicable series of Original Notes validly tendered and accepted for exchange. Holders of Original Notes must tender a minimum aggregate principal amount of \$200,000 of a series of Original Notes in order to participate in the Exchange Offer for such series.

(2) Includes the Participation Cash Incentive (as defined below) payable for the applicable series of Original Notes validly tendered and not validly withdrawn prior to the Expiration Deadline.

(3) The B Original 7.625% Notes due 2032 are not registered under the Securities Act and were issued and sold by the Company in reliance upon an exemption from the registration requirements of the Securities Act.

(4) Participation Cash Incentive per \$1,000 principal amount of Original Notes validly tendered and accepted for exchange pursuant to the Exchange Offer.

In exchange for each \$1,000 principal amount of Original Notes of a series that is validly tendered prior to 11:59 p.m., New York City time, on 29 August 2022, unless extended, (the '**Expiration Deadline**') and not validly withdrawn prior to the Expiration Deadline of the relevant Exchange Offer, holders will be eligible to receive the total consideration set out in the table above (the '**Total Consideration**'), comprising \$1,000 principal amount of Exchange Notes of the corresponding series (the '**Exchange Consideration**') and the cash incentive specified in the table above (the '**Participation Cash Incentive**').

The Exchange Notes will be issued in fully registered, global (i.e., book-entry) form. Book-entry interests in the Exchange Notes will be issued in minimum denominations as set out in the table below:

<b>Exchange Notes</b>	<b>Minimum Denomination</b>
Exchange 7.35% Notes due 2032.....	\$200,000 and integral multiples of \$1,000 in excess thereof
Exchange 7.625% Notes due 2032 .....	\$200,000 and integral multiples of \$1,000 in excess thereof
Exchange Notes due 2036.....	\$100,000 and integral multiples of \$1,000 in excess thereof
Exchange Notes due 2037.....	\$100,000 and integral multiples of \$1,000 in excess thereof
Exchange Notes due 2038.....	\$100,000 and integral multiples of \$1,000 in excess thereof

**Holders of Original Notes must tender a minimum aggregate principal amount of \$200,000 of a series of Original Notes in order to participate in the Exchange Offer for such series.** The Company intends to issue the Exchange Notes promptly after the Expiration Deadline. In order to be exchanged, an Original Note must be validly tendered, not validly withdrawn and accepted prior to the relevant Expiration Deadline for such series of Original Notes. The Company intends to exchange all Original Notes that are validly tendered and not validly withdrawn, subject to the satisfaction or waiver of the conditions of the Exchange Offers (see '*Conditions to the Exchange Offers*' in the Registration Statement).

Concurrently with the Exchange Offers, the Company is offering to purchase for cash Original 7.35% Notes due 2032, A Original 7.625% Notes due 2032 and B Original 7.625% Notes due 2032 (the '**Cash Tender Notes**'), up to a maximum aggregate principal amount of \$70,000,000, solely to holders of such Cash Tender Notes that (1) are not 'qualified institutional buyers' as defined in Rule 144A under the Securities Act; and (2) hold an aggregate principal amount of less than \$200,000 in the relevant series of the Cash Tender Notes, under the terms and conditions of the offer to purchase dated as of the date hereof (the '**Offer to Purchase**') and the related certification instruction letter, copies of which may be obtained from the Exchange Agent, Depository and Information Agent (the '**Concurrent Cash Tender Offers**'). The Offer to Purchase and the

related certification instruction letter will be available from 9:30 A.M. (New York City time) on the Launch Date at the following link: <https://www.gbsc-usa.com/hsbc/>.

The Exchange Offers and the Concurrent Cash Tender Offers will expire at the Expiration Deadline, unless extended by the Company. Tenders of Original Notes tendered in the Exchange Offers or of Cash Tender Notes tendered in the Concurrent Cash Tender Offers, respectively, may be withdrawn at any time before the Expiration Deadline.

The Exchange Notes will have the same interest rate, interest payment dates and maturity date as those of the Original Notes. However, the terms of the Exchange Notes will differ from the terms of the Original Notes in certain respects, as further described in the Registration Statement. Investors should see the relevant '*Comparison of Material Differences Between the Original Notes and the Exchange Notes*' section in the Registration Statement for more details. Any Original Notes not exchanged or tendered will remain outstanding and continue to accrue interest according to their terms.

The terms and conditions of the Exchange Offers are described in the Registration Statement and the related letter of transmittal.

Holders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in the Exchange Offers or the Concurrent Cash Tender Offers.

Capitalised terms used in this release and not defined herein have the meanings given to them in the Registration Statement.

HSBC Securities (USA) Inc. is serving as Dealer Manager in connection with the Exchange Offers and the Concurrent Cash Tender Offers. For additional information regarding the terms of the Exchange Offers and the Concurrent Cash Tender Offers, please contact: HSBC Securities (USA) Inc. at +1 (888) HSBC-4LM (toll-free) or +1 (212) 525-5552 (collect), Europe: +44 (0)20 7992 6237. Requests for the Registration Statement or the Offer to Purchase may be directed to Global Bondholder Services Corporation, which is acting as the Exchange Agent, Depositary and Information Agent for the Exchange Offers and the Concurrent Cash Tender Offers, at (212) 430-3774 or (855) 654-2014 (toll-free) or [contact@gbsc-usa.com](mailto:contact@gbsc-usa.com).

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This announcement is for informational purposes only and does not constitute an offer to exchange, purchase or sell, or a solicitation of an offer to exchange, purchase or sell, any security. No offer, solicitation, sale or exchange will be made in any jurisdiction in which such an offer, exchange, solicitation, or sale would be unlawful. The Exchange Offers and the Concurrent Cash Tender Offers are only being made pursuant to the Registration Statement and the Offer to Purchase, respectively. Holders of the Original Notes are urged to carefully read the Registration Statement and the Offer to Purchase, as applicable, before making any decision with respect to the Exchange Offers or the Concurrent Cash Tender Offers.

**United Kingdom.** This communication and any other documents or materials relating to the Exchange Offers or the Concurrent Cash Tender Offers are 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, this communication and such documents and/or materials are not being distributed to, and must not be passed on to, persons in the United Kingdom other than (i) to those persons who are within Article 43 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the '**Financial Promotion Order**'), including existing members or creditors of the Company, or (ii) to any other persons to whom it may otherwise lawfully be made (all such persons together being referred to as '**Relevant Persons**') and the transactions contemplated by the Registration Statement or the Offer to Purchase will be available only to, and engaged in only with, Relevant Persons. Any person who is not a Relevant Person should not act on or rely on this communication or any of its contents.

**Belgium.** Neither this communication nor any other documents or materials relating to the Exchange Offers or the Concurrent Cash Tender Offers have been submitted to or will be notified to, and neither this communication nor any other documents or materials relating to the Exchange Offers or the Concurrent Cash Tender Offers have been or will be approved by, the Belgian Financial Services and Markets Authority ('Autoriteit voor Financiële Diensten en Markten/Autorité des Services et Marchés Financiers'). The Exchange Offers and the Concurrent Cash Tender Offer may therefore not be made in Belgium by way of a public takeover bid (openbaar overnamebod/offre publique d'acquisition) as defined in Article 3 of the Belgian Law of 1 April 2007 on public takeover bids, as amended (the '**Belgian Takeover Law**'), nor, with respect to the Exchange Offers, by way of an offer to the public as defined in Regulation (EU) 2017/1129, as amended, save in those circumstances where a private placement exemption is available.

The Exchange Offers and the Concurrent Cash Tender Offers are conducted exclusively under applicable private placement exemptions. The Exchange Offers and the Concurrent Cash Tender Offers may therefore not be advertised and the Exchange Offer and the Concurrent Cash Tender Offers will not be extended, and neither this communication nor any other documents or materials relating to the Exchange Offers or the Concurrent Cash Tender Offers (including any memorandum, information circular, brochure or any similar documents) have been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than (i) to 'qualified investors' within the meaning of Article 2(e) of Regulation (EU) 2017/1129, as amended and (ii) in any circumstances set out in Article 6, §4 of the Belgian Takeover Law or, with respect to the Exchange Offers, Article 1(4) of Regulation (EU) 2017/1129, as amended. The Registration Statement and the Offer to Purchase will be issued only for the personal use of the above-mentioned qualified investors and exclusively for the purpose of the Exchange Offers and Concurrent Cash Tender Offers, respectively. Accordingly, the information contained in the Registration Statement and the Offer to Purchase may not be used for any other purpose or disclosed to any other person in Belgium.

**Italy.** None of the Exchange Offers, the Concurrent Cash Tender Offers, this communication or any other document or materials relating to the Exchange Offers or the Concurrent Cash Tender Offers 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 Exchange Offers and the Concurrent Cash Tender Offers are being carried out in the Republic of Italy as exempted offers 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. Holders or beneficial owners of the Original Notes or the Cash Tender Notes that are located in Italy can offer to exchange Original Notes pursuant to the Exchange Offers or can tender the Cash Tender Notes for purchase in the Concurrent Cash Tender Offers, respectively, through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of 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 Exchange Offers and the Concurrent Cash Tender Offers.

**Hong Kong.** This communication and any other documents or materials relating to the Concurrent Cash Tender Offers and/or the Cash Tender Notes is not being made in Hong Kong, by means of any document, other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) (the '**CWUMPO**'), or (ii) to 'professional investors' as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the '**SFO**') and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a 'prospectus' as defined in the CWUMPO.

The Exchange Notes have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to 'professional investors' as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a 'prospectus' as defined in the CWUMPO or which do not constitute an offer to the public within the meaning of that Ordinance.

No invitation, advertisement or document relating to the Exchange Offers, the Concurrent Cash Tender Offers, the Exchange Notes and/or the Cash Tender Notes has been or will be issued, or has been or will be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Exchange Offers, the Concurrent Cash Tender Offers, the Exchange Notes and/or the Cash Tender Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to 'professional investors' as defined in the SFO and any rules made thereunder.

## **Canada**

*Concurrent Cash Tender Offers.* Any offer or solicitation in Canada must be made through a dealer that is appropriately registered under the laws of the applicable province or territory of Canada, or pursuant to an exemption from that requirement. Where the Dealer Manager or any affiliate thereof is a registered dealer or able to rely on an exemption from the requirement to be registered in such jurisdiction, the Concurrent Cash Tender Offers shall be deemed to be made by such Dealer Manager, or such affiliate, on behalf of the relevant company in that jurisdiction.

*Exchange Offers.* The Exchange Offers and any solicitation in respect thereof, and the sale of the Exchange Notes, are not being made, directly or indirectly, in Canada or to holders of the Original Notes who are resident and/or located in any province or territory of Canada. The Registration Statement has not been filed with any securities commission or similar regulatory authority in Canada in connection with the Exchange Offers, and the Exchange Notes have not been, and will not be, qualified for sale under the securities laws of Canada or any province or territory thereof and no securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon the Registration Statement, any other documents or materials relating to the Exchange Offers or the merits of the Exchange Notes and any representation to the contrary is an offence. Accordingly, Canadian holders of the Original Notes are hereby notified that, to the extent such holders of Original Notes are persons or entities resident and/or located in Canada, the Exchange Offers is not available to them and they may not accept the Exchange Offers. As such, any tenders of Original Notes received from such persons or entities shall be ineffective and void. No Exchange Notes may be offered, sold, delivered or exchanged, nor may copies of the Registration Statement or of any other document relating to the Exchange Notes and the Exchange Offers be distributed or made available in Canada. The Registration Statement and any other documents or offering materials relating to the Exchange Offers or the Exchange Notes may not be distributed in Canada and the Registration Statement does not constitute an offer or an invitation to participate in the Exchange Offers to any person resident in Canada.

**France.** This communication and any other offering material relating to the Exchange Offers or the Concurrent Cash Tender Offers may not be distributed in the Republic of France except to qualified investors as defined in Article 2(e) of Regulation (EU) 2017/1129, as amended. Neither this communication, nor any other such offering material has been or will be submitted for clearance to, nor approved by, the *Autorité des Marchés Financiers*.

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## **Cautionary Statement Regarding Forward-Looking Statements**

In this communication the Company has made forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements may be identified by the use of terms such as 'believes', 'expects', 'estimate', 'may', 'intends', 'plan', 'will', 'should', 'potential', 'reasonably possible' or 'anticipates' or the negative thereof or similar expressions, or by discussions of strategy. We have based the forward-looking statements on current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about us, as described under 'Risk Factors' in the Registration Statement and in the Offer to Purchase. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed herein might not occur. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of their dates.

*ends/more*

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**Note to editors:****HSBC Holdings plc**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. HSBC serves customers worldwide from offices in 63 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,985bn at 30 June 2022, HSBC is one of the world's largest banking and financial services organisations.

*ends/all*