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# Press Release

**The Board of Directors of Credit Suisse Group AG proposes two share capital increases to further strengthen the Group's capital base and support its new strategic direction**

Ad hoc announcement pursuant to article 53 LR

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**The Board of Directors of Credit Suisse Group AG will propose to an Extraordinary General Meeting to be held on November 23, 2022, to approve two separate share capital increases: a first capital increase through the issuing of new shares to a number of qualified investors, including Saudi National Bank (SNB), and a second capital increase through a rights offering for existing shareholders. SNB has committed to invest up to CHF 1.5 billion in Credit Suisse to achieve a shareholding of up to 9.9%. Through the proposed share capital increases, Credit Suisse Group AG**

## **intends to raise CHF 4.0 billion to further strengthen the Group's capital base and support its strategic transformation.**

In a first step, a number of qualified investors have signed purchase and subscription agreements and have irrevocably committed, subject to customary conditions, to purchase new shares with a par value of CHF 0.04 each in the amount of approximately CHF 1.85 billion gross proceeds. The purchase price of each share to be purchased by these investors will correspond to 94% of the volume weighted average price of the shares of Credit Suisse Group AG traded on SIX Swiss Exchange on October 27 and October 28, 2022. Existing shareholders will not receive pre-emptive subscription rights for these new shares. The investors have committed not to sell the new shares until after the settlement date of the subsequent rights offering and to exercise all the rights that will be allocated to the shares they have committed to acquire. The issuance of these new shares is conditional upon approval by the Extraordinary General Meeting of the capital increase to create the shares, and of the following second measure.

In a second step, which is not conditional upon the Extraordinary General Meeting approving the above first measure, the Board of Directors will, at the same Extraordinary General Meeting, propose to conduct a rights offering (issuing of new shares to existing shareholders of Credit Suisse Group AG, if permitted under applicable local laws). In the context of the rights offering, Credit Suisse Group AG intends to issue new shares amounting to gross proceeds of approximately CHF 2.15 billion. To the extent that the first step outlined above (share issuance to qualified investors) does not take place (e.g. if it is not approved by the Extraordinary General Meeting), the size of the rights offering will be increased commensurately, up to a total of CHF 4.0 billion. The subscription price of the new shares to be issued in the rights offering will be based on the volume weighted average price of the shares of Credit Suisse Group AG traded on SIX Swiss Exchange on October 27 and October 28, 2022 and will be subject to a discount to the theoretical ex-rights price (TERP) of approximately 32%.

Saudi National Bank has committed to invest up to CHF1.5 billion in Credit Suisse across both capital increases to achieve a shareholding of up to 9.9%.

The expected terms of the rights offering as well as the purchase price and the number of shares to be issued under exclusion of the pre-emptive subscription rights as described above, are expected to be communicated on or around October 31, 2022.

Subject to the approval by the Extraordinary General Meeting, shareholders of Credit Suisse Group AG will be allotted one pre-emptive subscription right for each share they hold on November 25, 2022 (after close of trading).

The pre-emptive subscription rights are expected to be traded on SIX Swiss Exchange from November 28 to December 6, 2022. The exercise period for the pre-emptive subscription rights is expected to be from November 28 to December 8, 2022, 12:00 pm (CET). The listing and the first day of trading of the new shares on SIX Swiss Exchange, as well as the delivery of the new shares against payment of the offer price, are expected to take place on December 9, 2022.

A syndicate of banks has committed, subject to customary conditions, to carry out a firm underwriting of the new shares issued under the rights offering. The banking syndicate's underwriting obligation extends to the full potential amount of the rights issue size (i.e. up to CHF 4.0 billion).

The gross proceeds of the two share capital increases are expected to amount to approximately CHF 4.0 billion.

### **Credit Suisse**

Credit Suisse is one of the world's leading financial services providers. The bank's strategy builds on its core strengths: its position as a leading wealth manager, its specialist investment banking and asset management capabilities and its strong presence in its home market of Switzerland. Credit Suisse seeks to follow a balanced approach to wealth management, aiming to capitalize on both the large pool of wealth within mature markets as well as the significant growth in wealth in Asia Pacific and other emerging markets, while also serving key developed markets with an

emphasis on Switzerland. The bank employs more than 50,000 people. The registered shares (CSGN) of Credit Suisse Group AG, are listed in Switzerland and, in the form of American Depositary Shares (CS), in New York. Further information about Credit Suisse can be found at [www.credit-suisse.com](http://www.credit-suisse.com).

### **Important note**

This document is not an offer to sell or a solicitation of offers to purchase or subscribe for securities of Credit Suisse Group AG. This document may qualify as advertisement under the Swiss Federal Act on Financial Services ("**FinSA**") but is not a prospectus nor a key information document pursuant to the FinSA, nor does it qualify as a prospectus under any other applicable laws. Copies of this document may not be sent to jurisdictions, or distributed in or sent from jurisdictions, in which this is barred or prohibited by law. The information contained herein shall not constitute an offer to sell or the solicitation of an offer to buy, in any jurisdiction in which such offer or solicitation would be unlawful prior to registration, exemption from registration or qualification under the securities laws of any jurisdiction.

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The information contained herein does not constitute an offer of securities to the public in the United Kingdom. No prospectus offering securities to the public will be published in the United Kingdom. This document is only addressed to and directed at persons in the United Kingdom who are "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129, as amended, as it forms part of retained EU law by virtue of the European Union (Withdrawal) Act 2018 (the "**U.K. Prospectus Regulation**"). In addition, this document is being distributed to, and is only directed at, qualified investors (i) who have professional experience in matters relating to investments falling within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) who fall within Article 49(2)(a) to (d) of the Order or (iii) to whom it may otherwise lawfully be communicated (all such persons, together with "qualified investors" within the meaning of Article 2(e) of the U.K. Prospectus Regulation, being referred to as "**relevant persons**"). This announcement and the information contained herein must not be acted on or relied upon in the United Kingdom, by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the same will be engaged in only with, relevant persons.

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### **Statement regarding capital, liquidity and leverage**

Credit Suisse Group AG is subject to the Basel framework, as implemented in Switzerland, as well as Swiss legislation and regulations for systemically important banks, which include capital, liquidity, leverage and large exposure requirements and rules for emergency plans designed to maintain systemically relevant functions in the event of threatened insolvency. Credit Suisse Group AG has adopted the Bank for International Settlements (BIS) leverage ratio framework, as issued by the Basel Committee on Banking Supervision (BCBS) and implemented in Switzerland by the Swiss Financial Market Supervisory Authority FINMA.

Unless otherwise noted, all CET1 ratio, CET1 leverage ratio, Tier-1 leverage ratio, risk-weighted assets and leverage exposure figures in this document are as of the end of the respective period.

Unless otherwise noted, leverage exposure is based on the BIS leverage ratio framework and consists of period-end balance sheet assets and prescribed regulatory adjustments. The tier 1 leverage ratio and CET1 leverage ratio are calculated as BIS tier 1 capital and CET1 capital, respectively, divided by period-end leverage exposure.

### **Cautionary statement regarding forward-looking information**

This document contains statements that constitute forward-looking statements. In addition, in the future we, and others on our behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the following:

- our plans, targets or goals;
- our future economic performance or prospects;
- the potential effect on our future performance of certain contingencies; and
- assumptions underlying any such statements.

Words such as “believes,” “anticipates,” “expects,” “intends” and “plans” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. We do not intend to update these forward-looking statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. We caution you that a number of important factors could cause results to differ materially from the plans, targets, goals, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited to:

- the ability to maintain sufficient liquidity and access capital markets;
- market volatility, increases in inflation and interest rate fluctuations or developments affecting interest rate levels;
- the ongoing significant negative consequences, including reputational harm, of the Archegos and supply chain finance funds matters, as well as other recent events, and our ability to successfully resolve these matters;
- the impact of social media speculation and unsubstantiated media reports about our business and its performance;
- the extent of outflows of assets or future net new asset generation across our divisions;
- our ability to improve our risk management procedures and policies and hedging strategies;
- the strength of the global economy in general and the strength of the economies of the countries in which we conduct our operations, in particular, but not limited to, the risk of negative impacts of COVID-19 on the global economy and financial markets, Russia's invasion of Ukraine, the resulting sanctions from the US, EU, UK, Switzerland and other countries and the risk of continued slow economic recovery or downturn in the EU, the US or other developed countries or in emerging markets in 2022 and beyond;
- the emergence of widespread health emergencies, infectious diseases or pandemics, such as COVID-19, and the actions that may be taken by governmental authorities to contain the outbreak or to counter its impact;
- potential risks and uncertainties relating to the severity of impacts from COVID-19 and the duration of the pandemic, including potential material adverse effects on our business, financial condition and results of operations;
- the direct and indirect impacts of deterioration or slow recovery in residential and commercial real estate markets;
- adverse rating actions by credit rating agencies in respect of us, sovereign issuers, structured credit products or other credit-related exposures;
- the ability to achieve our strategic initiatives, including those related to our targets, ambitions and goals, such as our financial ambitions as well as various goals and commitments to incorporate certain environmental, social and governance considerations into our business strategy, products, services and risk management processes;
- our ability to achieve our announced comprehensive new strategic direction for the Group and significant changes to its structure and organization;
- our ability to successfully implement the divestment of any non-core business;
- the future level of any impairments and write-downs, including from the revaluation of deferred tax assets, resulting from disposals and the implementation of the proposed strategic initiatives’;
- the ability of counterparties to meet their obligations to us and the adequacy of our allowance for credit losses;
- the effects of, and changes in, fiscal, monetary, exchange rate, trade and tax policies;
- the effects of currency fluctuations, including the related impact on our business, financial condition and results of operations due to moves in foreign exchange rates;
- geopolitical and diplomatic tensions, instabilities and conflicts, including war, civil unrest, terrorist activity, sanctions or other geopolitical events or escalations of hostilities, such as Russia's invasion of Ukraine;

political, social and environmental developments, including climate change;

the ability to appropriately address social, environmental and sustainability concerns that may arise from our business activities;

the effects of, and the uncertainty arising from, the UK's withdrawal from the EU;

the possibility of foreign exchange controls, expropriation, nationalization or confiscation of assets in countries in which we conduct our operations;

operational factors such as systems failure, human error, or the failure to implement procedures properly;

the risk of cyber attacks, information or security breaches or technology failures on our reputation, business or operations, the risk of which is increased while large portions of our employees work remotely;

the adverse resolution of litigation, regulatory proceedings and other contingencies;

actions taken by regulators with respect to our business and practices and possible resulting changes to our business organization, practices and policies in countries in which we conduct our operations;

the effects of changes in laws, regulations or accounting or tax standards, policies or practices in countries in which we conduct our operations;

the discontinuation of LIBOR and other interbank offered rates and the transition to alternative reference rates;

the potential effects of changes in our legal entity structure;

competition or changes in our competitive position in geographic and business areas in which we conduct our operations;

the ability to retain and recruit qualified personnel;

the ability to protect our reputation and promote our brand;

the ability to increase market share and control expenses;

technological changes instituted by us, our counterparties or competitors;

the timely development and acceptance of our new products and services and the perceived overall value of these products and services by users;

acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets;

and

other unforeseen or unexpected events and our success at managing these and the risks involved in the foregoing.

We caution you that the foregoing list of important factors is not exclusive. When evaluating forward-looking statements, you should carefully consider the foregoing factors and other uncertainties and events, including the information set forth in "Risk factors" in I – Information on the company in our Annual Report 2021.

#### **Stabilization Legend**

Stabilization/ICMA.

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