

18 December 2025

**Caledonian Holdings plc
("Caledonian" or the "Company")**

Further investment in AlbaCo Limited

Caledonian Holdings plc (AIM: CHP), the financial services-focused investing company, is pleased to announce that it has entered into an agreement to provide a further £450,000 of short-term funding support to existing investee company, AlbaCo Limited ("Alba"), to support the business through the ongoing banking licence assessment process. This funding is in addition to the £1.0 million investment in Alba announced by the Company on 7 October 2025 and reflects Caledonian's continued conviction in Alba as a core portfolio investment.

Funding structure

The Company has today entered into a subscription agreement to commit £450,000 of funding to Alba as a prepayment towards Caledonian's participation in Alba's forthcoming regulatory capital fundraising. The funds will be drawn down by Alba immediately and satisfied from the Company's existing cash resources.

The facility will be provided on substantially the same terms as Caledonian's previous short-term support to Alba announced on 7 October 2025, with an accompanying 25% fee payable to Caledonian in cash or new ordinary shares in Alba upon completion of Alba's regulatory capital fundraising reflective of the nature and duration of the facility. Warrants will also be granted to Caledonian conditional on, *inter alia*, completion of Alba's regulatory capital fundraising.

Caledonian currently holds 1,500,000 shares in Alba which is equivalent to 5.47% of Alba's existing issued share capital.

Strategic Rationale

Caledonian views Alba as a core long-term investment and continues to support the development of a modern, digitally-enabled UK challenger bank. The provision of this short-term funding:

- supports Alba's operational continuity during the ongoing banking licence assessment process;
- enables the Alba business to maintain momentum across regulatory, operational and commercial workstreams; and
- reinforces Caledonian's commitment to Alba as it progresses towards potential authorisation and launch.

There can be no certainty that a banking licence will be granted, which remains subject to regulatory approval.

Keith Barclay, Investment Director, commented:

"This additional support reflects our continued confidence in Alba and the progress made across governance, systems and regulatory engagement. We believe it is appropriate to ensure the business remains well capitalised as it advances through the licensing process."

Jim McColl, Executive Director, added:

"Alba has made substantial progress this year in strengthening its business model, governance and funding position. This further support from Caledonian reflects our strong belief in the long-term opportunity and the high-quality team leading the Bank."

Information on Alba

Alba aims to be a new bank with a clear vision and purpose - to support small and medium-sized businesses as they develop their aspirations, grow and realise their potential. Alba aims to help SMEs grow by applying specialist expertise and insight while forming strong and lasting relationships with its customers. Alba is not yet open to trade pending full regulatory banking approval.

For the year ended 29 February 2024, Alba reported a loss after tax of approximately £8.96 million. As at 29 February 2024, Alba's net assets were £6.31 million.

For further information, see albacoltd.co.uk.

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