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**FOR IMMEDIATE RELEASE**

**27 September 2024**

**Recommended Cash Acquisition**

**of**

**Virgin Money UK PLC ("Virgin Money")**

**by**

**Nationwide Building Society ("Nationwide")**

**Court Sanction of Scheme of Arrangement and Other Updates**

The boards of Virgin Money and Nationwide are pleased to announce that the Court has today issued the Court Order sanctioning the scheme of arrangement between Virgin Money and its shareholders under Part 26 of the Companies Act (the "**Scheme**") to implement the recommended cash acquisition of the entire issued and to be issued share capital of Virgin Money by Nationwide (the "**Acquisition**").

The Acquisition is subject to the terms and conditions set out in the scheme document relating to the Acquisition published on 22 April 2024 (the "**Scheme Document**") and was approved by Virgin Money Shareholders at the Shareholder Meetings on 22 May 2024.

Unless otherwise defined, all capitalised terms in this announcement have the meaning given to them in the Scheme Document. All references to times are to London, UK, times unless otherwise stated.

**Next steps**

There has been no material change to the expected timetable of principal events for the Acquisition set out in the announcements made by Virgin Money and Nationwide in relation to the Acquisition on 6 September 2024.

The Scheme remains conditional on, and will become Effective upon, the delivery of a copy of the Court Order to the Registrar of Companies, which is expected to occur on 1 October 2024.

Virgin Money confirms that the last day of: (i) dealings in, and registration of transfers of, Virgin Money Ordinary Shares; and (ii) registration of transfers of Virgin Money CDIs is today, 27 September 2024. The Scheme Record Time and the time at which Virgin Money Ordinary Shares will be disabled in CREST is 6.00 p.m. today, 27 September 2024 and the CDI Record Time is 7.00 p.m. (AEST) today, 27 September 2024.

A request has been made for the suspension of the listing of Virgin Money Ordinary Shares on the Official List and of the trading of Virgin Money Ordinary Shares on the London Stock Exchange's main market with effect from 7.30 a.m. on 30 September 2024.

The de-listing of Virgin Money Ordinary Shares from the Official List and the cancellation of the trading of Virgin Money Ordinary Shares on the London Stock Exchange's main market for listed securities have also been applied for and, subject to the Scheme becoming Effective, are expected to take effect from 8.00 a.m. on 1 October 2024. The cancellation of listing of Virgin Money on the Australian Securities Exchange will, subject to the Scheme becoming Effective, take effect on 1 October 2024.

Virgin Money notes that, subject to the Scheme becoming Effective, it intends to extend its current accounting reference date of 30 September to 31 March, to bring its financial year-end into alignment with that of Nationwide. Virgin Money now expects to publish interim results, and an interim Pillar 3 document, covering the 12 months to 30 September 2024 on 27 November 2024. Virgin Money's new financial calendar will be made available on Virgin Money's website at [www.virginmoneyukplc.com/investor-relations/announcements/](http://www.virginmoneyukplc.com/investor-relations/announcements/) in due course.

Further announcements will be made when the Scheme has become Effective and upon each of the suspension and the cancellation of the listing and trading of the Virgin Money Ordinary Shares.

If any of the expected times and dates set out above change, Virgin Money will give notice of this change by issuing an announcement through a Regulatory Information Service and the ASX Market Announcements Platform and, if required by the Panel, posting notice of the change(s) to Virgin Money Shareholders and persons with information rights. Such announcement will be made available on Virgin Money's website at [www.virginmoneyukplc.com/investor-relations/announcements/](http://www.virginmoneyukplc.com/investor-relations/announcements/) and on Nationwide's website at <https://www.nationwide.co.uk/investor-relations/virgin-money-terms-of-access/>.

Virgin Money expects to recognise certain transaction-related costs at or around Completion, including the £250m exit fee under the TMLA Amendment Agreement, and adjustments reflecting, where appropriate, the alignment of its accounting policies with Nationwide. The Combined Group (including Virgin Money after Completion) expects to remain robustly capitalised with a strong balance sheet, which will support future growth and financial resilience. As part of its management of capital within the Combined Group, Nationwide will take any required actions to ensure that Virgin Money remains robustly capitalised including the down streaming of capital resources as needed.

Separately, following its normal annual Supervisory Review and Evaluation Process (SREP) cycle, Virgin Money has been notified by the PRA that its Total Capital Requirement will be 11.7%, effective 2 October 2024.

Full details of the Acquisition are set out in the Scheme Document.

Virgin Money's LEI Number is 213800ZK9VGCYYR6O495.

Announcement authorised for release by Lorna McMillan, Group Company Secretary of Virgin Money.

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***Further information***

*This announcement is for information purposes only and is not intended to and does not constitute, or form any part of, any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Virgin Money in any jurisdiction in contravention of applicable law. The Acquisition is made and implemented solely pursuant to the terms of the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer document), which contains the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer document). This announcement does not constitute a prospectus or a prospectus equivalent document.*

*The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set forth in this announcement since such date.*

***Disclaimers***

*Goldman Sachs International, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as joint financial adviser for Virgin Money and no one else in connection with the Acquisition and the distribution of this announcement and will not be responsible to anyone other than Virgin Money for providing the protections afforded to clients of Goldman Sachs International, or for giving advice in connection with the Acquisition or any matter referred to herein.*

*J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove ("**J.P. Morgan Cazenove**"), is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the PRA and the FCA. J.P. Morgan Cazenove is acting as joint financial adviser exclusively for Virgin Money and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than*

*Virgin Money for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to any matter referred to herein.*

*UBS AG, London Branch ("UBS") is authorised and regulated by the Financial Market Supervisory Authority in Switzerland. It is authorised by the PRA and subject to regulation by the FCA and limited regulation by the PRA in the United Kingdom. UBS is acting exclusively for Nationwide and no one else in connection with the Acquisition. In connection with such matters, UBS will not regard any other person as its client, nor will it be responsible to any other person for providing the protections afforded to its clients or for providing advice in relation to the Acquisition, the contents of this announcement or any other matter referred to herein.*

### ***Information for Overseas Shareholders***

*Unless otherwise determined by Virgin Money and Nationwide or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within any Restricted Jurisdiction. Accordingly, copies of this announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving this announcement and all other documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from any Restricted Jurisdiction.*

*It is the responsibility of each Overseas Shareholder to satisfy himself or herself as to the full observance of the laws of the relevant jurisdiction in connection with the Acquisition, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.*

*If Nationwide were to elect to implement the Acquisition by means of an Offer, such Offer will be made in compliance with all applicable laws and regulations, including the US tender offer rules, to the extent applicable.*

*The financial information included in this announcement has been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to the accounting standards applicable to financial statements of US companies. US generally accepted accounting principles differ in certain respects from International Financial Reporting Standards. None of the financial information in, or incorporated by reference into, this announcement has been audited in accordance with auditing standards generally accepted in the US or the auditing standards of the Public Company Accounting Standards Oversight Board (United States). US persons should note that the Scheme relates to shares of an English company that is a "foreign private issuer" as defined in Rule 3b-4 under the US Securities Exchange Act of 1934 (the "**US Exchange Act**"), and the Scheme will be governed by the laws of England and Wales. Neither the proxy solicitation rules nor the tender offer rules under the US Exchange Act will apply to the Scheme. Moreover, the Scheme will be subject to the disclosure requirements and practices applicable in the UK to takeovers implemented by scheme of arrangement, which differ from the disclosure requirements under US securities laws. It may be difficult for any US holders of Virgin Money Shares to enforce their rights and any claim arising out of the US federal securities laws in connection with the Acquisition, since*

*Nationwide and Virgin Money are located in, and organised under the laws of, a non-US jurisdiction, and some or all of their officers and directors may be residents of non-US jurisdictions. Any US holders of Virgin Money Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.*

*Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of the Acquisition, or passed comment upon the adequacy or completeness of this announcement. Any representation to the contrary is a criminal offence.*

### **Notice to Australian Virgin Money Shareholders**

*This announcement is not a disclosure document for the purposes of the Corporations Act 2001 (Cth) (the "Australian Corporations Act"), and is not required to, and does not, contain all the information which would be required in a disclosure document under the Australian Corporations Act. This announcement has not been and will not be lodged or registered with the Australian Securities and Investments Commission, ASX Limited or any other regulatory body or agency in Australia.*

### **Share purchases**

*To the extent permitted by applicable law, in accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Nationwide and its members or their respective nominees or brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, Virgin Money securities other than pursuant to the Acquisition (if implemented by way of an Offer) such as in open market or privately negotiated purchases outside the United States during the period in which the Acquisition remains open for acceptance. In accordance with the requirements of Rule 14e-5(b) of the US Exchange Act, such purchases, or arrangements to purchase, must comply with the laws of England and Wales, the Takeover Code and the Listing Rules. Also, in accordance with Rule 14e-5(b) of the US Exchange Act, each of UBS, Goldman Sachs International and J.P. Morgan Cazenove will continue to act as an exempt principal trader in Virgin Money Shares and Virgin Money CDIs on the London Stock Exchange and the Australian Securities Exchange, respectively. If such purchases or arrangements to purchase were to be made, they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

### **Publication on website**

*In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Nationwide's website at [www.nationwide.co.uk/investor-relations/virgin-money-terms-of-access/](http://www.nationwide.co.uk/investor-relations/virgin-money-terms-of-access/) and Virgin Money's website at [www.virginmoneyukplc.com/investor-relations/announcements/](http://www.virginmoneyukplc.com/investor-relations/announcements/) by no later than 12 noon (London time) on the first Business Day following the date of this announcement. For the avoidance of doubt, neither the contents of these websites nor the contents of any websites accessible from any hyperlinks are incorporated into or form part of this announcement.*

### ***Electronic communications***

*Please be aware that addresses, electronic addresses and certain other information provided by Virgin Money Shareholders, persons with information rights and other relevant persons for the receipt of communications from Virgin Money may be provided to Nationwide during the offer period as required under Section 4 of Appendix 4 to the Takeover Code.*

### ***General***

*If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are taking advice in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.*