

## Virgin Australia Holdings Limited (ASX: VAH) announces issue of Virgin Australia Notes and Velocity Frequent Flyer acquisition now unconditional

26 November 2019

### NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

Virgin Australia Holdings Limited (ASX: VAH) (**Virgin Australia**) has successfully completed the Offer of Virgin Australia Notes (**Notes**) and is pleased to confirm that, on 26 November 2019, 3,250,000 Notes were issued and allotted to successful Applicants at an application price of A\$100 each, raising A\$325 million.

### Allocation policy

- **Institutional Offer** – Allocations to Institutional Investors were determined pursuant to a bookbuild conducted on 31 October 2019. Successful Applicants under the Institutional Offer have been advised of their allocation.
- **Broker Firm Offer** – Allocations to Syndicate Brokers were determined pursuant to a bookbuild conducted on 31 October 2019. Syndicate Brokers are responsible for determining allocations made to Broker Firm Applicants.

### Confirmation of Allocations

Applicants may contact their Syndicate Broker or the Virgin Australia Notes Information Line on 1300 850 505 (Monday to Friday 8.30am – 5.00pm, Sydney time) to confirm the allocation or make other enquiries.

CHESS allotment advices and issuer-sponsored Holding Statements, which will set out the number of Notes issued to each successful Applicant, are expected to be dispatched on Thursday 28 November 2019.

### Deferred settlement trading on ASX

Notes are expected to commence trading on the ASX on a deferred settlement basis on Wednesday 27 November 2019 under ASX code "VAHHA".

All successful Applicants are responsible for determining and confirming the number of Notes allocated to them prior to selling any Notes. This will assist successful Applicants to avoid the risk of selling Notes that they do not own. Applicants who sell Notes before receiving their CHESS allotment advice or issuer-sponsored Holding Statement do so at their own risk.

Trading on a normal settlement basis is expected to commence on Friday 29 November 2019.

### Interest payable for the first Interest Period

Holders of Notes will receive an Interest payment of A\$4.00 per Note on the first Interest Payment Date being 26 May 2020.

### Top 20 holders

A statement of the 20 largest holders of Notes and a distribution schedule of the number of holders of Notes is attached to this announcement.

## Velocity Frequent Flyer acquisition now unconditional and expected to complete on 26 November 2019

The aggregate proceeds of A\$950 million<sup>1</sup> from the Offer and the previously announced US\$ Notes Offer<sup>2</sup> will be used to fund Virgin Australia's acquisition of Connectivity Pte Ltd's (**Affinity's**) approximate 35% minority investment in Velocity Frequent Flyer Holdco Pty Limited (**Velocity Frequent Flyer acquisition**) for approximately A\$700 million. Surplus proceeds from the Offer and US\$ Notes Offer in excess of the amount required for the Velocity Frequent Flyer acquisition will be used for general corporate purposes.

Following completion of the Offer, the US\$ Notes Offer and the receipt of Foreign Investment Review Board approval on 22 October 2019, the Velocity Frequent Flyer acquisition is now unconditional, with completion expected to occur later today, 26 November 2019.

### Further information

For further information regarding Virgin Australia Notes, allocations or other enquiries, please visit [www.virginaustralianotes.com](http://www.virginaustralianotes.com) or call the Virgin Australia Notes Offer Information Line on 1300 850 505 (Monday to Friday 8.30am – 5.00pm, Sydney time). You may also contact your broker if you applied under the Broker Firm Offer. The Offer was made under a Prospectus dated 5 November 2019.

Capitalised terms in this release have the meaning given to them in the Prospectus

**ENDS**

### Media contacts:

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### Important notice

This release is not an offer of securities for sale in any jurisdiction and does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act")). The Notes have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act).

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<sup>1</sup> A\$325 million Offer plus A\$625 million, being the US\$425 million Notes Offer at an assumed AUD:USD exchange rate of 0.68.

<sup>2</sup> The US\$ Notes Offer was an offer of unsecured notes to be issued in the Rule144A/Regulation S debt capital markets to certain institutional investors in the United States and certain other jurisdictions. The US\$ Notes Offer was completed on 7 November 2019.

## Virgin Australia Notes – 20 largest holders and distribution schedule

### Virgin Australia Notes – 20 largest holders

Rank	Holder	Number of Notes held	% of Notes held
1.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	388,460	11.95
2.	WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	313,800	9.66
3.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	252,928	7.78
4.	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED <NO 1 ACCOUNT>	176,000	5.42
5.	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	132,880	4.09
6.	NATIONAL NOMINEES LIMITED	100,000	3.08
7.	BOW LANE NOMINEES PTY LTD	64,230	1.98
8.	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD DRP	58,648	1.80
9.	BNP PARIBAS NOMS PTY LTD <DRP>	55,000	1.69
10.	UBS NOMINEES PTY LTD	45,375	1.40
11.	PERSHING AUSTRALIA NOMINEES PTY LTD <ACCUM A/C>	37,360	1.15
12.	ACCBELL NOMINEES PTY LTD	34,892	1.07
13.	ORIENT GLOBAL HOLDINGS PTY LTD <THE AL'N'ALL A/C>	32,500	1.00
14.	TRUSTEES OF CHURCH PROPERTY FOR THE DIOCESE OF NEWCASTLE <SAVINGS & DEVELOPMENT A/C>	30,000	0.92
15.	AUSTRALIAN EXECUTOR TRUSTEES LIMITED <NO 1 ACCOUNT>	29,500	0.91
16.	CITICORP NOMINEES PTY LIMITED	25,000	0.77
17.	BT PORTFOLIO SERVICES LIMITED <MAO FAMILY A/C>	20,000	0.62

18.	BT PORTFOLIO SERVICES LIMITED <REN FAMILY INVESTMENT A/C>	20,000	0.62
19.	FIRST EXAR PTY LTD	20,000	0.62
20.	GURRAVEMBI INVESTMENTS PTY LTD	20,000	0.62
	<b>TOTAL FOR 20 LARGEST HOLDERS</b>	<b>1,856,573</b>	<b>57.13</b>
	<b>TOTAL FOR OTHER HOLDERS</b>	<b>1,393,427</b>	<b>42.87</b>
	<b>GRAND TOTAL</b>	<b>3,250,000</b>	<b>100.00</b>

## Virgin Australia Notes – Distribution schedule

Ranges	Number of holders	Number of Notes held	% of Notes held
1 to 1,000	2,292	672,405	20.69
1,001 to 5,000	193	427,666	13.16
5,001 to 10,000	26	209,796	6.46
10,001 to 100,000	20	676,065	20.80
100,001+	5	1,264,068	38.89
<b>TOTAL</b>	<b>2,536</b>	<b>3,250,000</b>	<b>100.00</b>