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20 August 2019

CYBG PLC

(incorporated under the laws of England and Wales)

NOTICE

To the Holders of the Outstanding

**£230,000,000 Fixed Rate Resettable Additional Tier 1 Securities (XS1516312409)
(the "AT1 Notes")**

and

**£350,000,000 3.375 per cent. Fixed Rate Reset Callable Senior Notes due 24 April 2026
(XS1813150247)
(the "MREL Notes")**

**(each a "Series" and together, the "Notes")
issued by Virgin Money Holdings (UK) plc**

Capitalised terms used in this notice and not otherwise defined shall have the meanings given to them in the Consent Solicitation Memorandum prepared by Virgin Money Holdings (UK) plc (the "**Issuer**") and CYBG PLC dated 24 July 2019.

1. AT1 NOTES

Further to the notice dated 15 August 2019, notice is hereby given to the holders of the AT1 Notes that, on 20 August 2019, the Amended and Restated Trust Deed implementing the Proposals in respect of the AT1 Notes was executed and CYBG PLC was substituted in place of the Issuer in its capacity as issuer and principal debtor under the AT1 Notes and all rights, claims or entitlements against the Issuer in its capacity as former issuer and principal debtor under the AT1 Notes were released and waived, effective 20 August 2019 (such date being the Implementation Date).

A copy of the Amended and Restated Trust Deed in respect of the AT1 Notes is available from the offices of CYBG PLC and the Tabulation Agent.

2. MREL NOTES

Further to the notice dated 15 August 2019, notice is hereby given to the holders of the MREL Notes that, on 20 August 2019, the Supplemental Trust Deed implementing the Proposals in respect of the MREL Notes was executed and CYBG PLC was substituted in place of the Issuer in its capacity as issuer and principal debtor under MREL Notes. All rights, claims or entitlements against the Issuer in its capacity as former issuer and principal debtor under the MREL Notes were released and waived, effective 20 August 2019 (such date being the Implementation Date).

A copy of the Supplemental Trust Deed in respect of the MREL Notes is available from the offices of CYBG PLC and the Tabulation Agent. A copy of the amended and restated final terms prepared in relation to MREL Notes is attached hereto

MREL NOTES AMENDED AND RESTATED FINAL TERMS

[see next page]

FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. No key information document required by Regulation (EU) No. 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Final Terms dated 20 April 2018, as amended on 20 August 2019

CYBG PLC

£350,000,000 3.375 per cent. Fixed Rate Reset Callable Senior Notes due 24 April 2026

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes (the "**Conditions**") set forth in the supplemental trust deed dated 20 August 2019 between, *inter alios*, CYBG PLC and Citicorp Trustee Company Limited to effect the substitution of CYBG PLC as issuer in place of Virgin Money Holdings (UK) plc, effective from 20 August 2019 (the "**Substitution**"). This document constitutes the Final Terms of the Notes described herein and must be read in conjunction with the Trust Deed.

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|----|--|---|
| 1. | Issuer: | CYBG PLC |
| 2. | (i) Series Number: | A |
| | (ii) Tranche Number: | 1 |
| | (iii) Date on which the Notes become fungible: | Not Applicable |
| 3. | Specified Currency or Currencies: | Pounds Sterling ("£") |
| 4. | Aggregate Nominal Amount: | £350,000,000 |
| 5. | Issue Price: | 99.614 per cent. of the Aggregate Nominal Amount |
| 6. | (i) Specified Denominations: | £100,000 and integral multiples of £1,000 in excess thereof |
| | (ii) Calculation Amount: | £1,000 |
| 7. | (i) Issue Date: | 24 April 2018 |

	(ii)	Interest Commencement Date:	Issue Date
8.		Maturity Date:	24 April 2026
9.		Interest Basis:	Reset Notes
			(see paragraphs 14 and 15 below)
10.		Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11.		Change of Interest or Redemption/ Payment Basis:	Not Applicable
12.		Put/Call Options:	Issuer Call
			(see paragraph 18 below)
13.	(i)	Status of the Notes:	Senior Notes
	(ii)	Senior Notes Waiver of Set-off:	Applicable
	(iii)	Senior Notes Events of Default:	Condition 14(b): Applicable
	(iv)	Date Board of Virgin Money Holdings (UK) plc approval for issuance of Notes obtained:	24 January 2018 and 22 February 2018
	(v)	Date Board approval of CYBG PLC for substitution as Issuer of Notes obtained:	28 November 2018

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.		Fixed Rate Note Provisions	Not Applicable
15.		Reset Note Provisions	Applicable
	(i)	Initial Rate of Interest:	3.375 per cent. per annum payable in arrear on each Interest Payment Date
	(ii)	Interest Payment Date(s):	24 April in each year up to and including the Maturity Date
	(iii)	Fixed Coupon Amount up to (but excluding) the First Reset Date:	£33.75 per Calculation Amount
	(iv)	Broken Amount(s):	Not Applicable
	(v)	Reset Reference Rate:	Mid-Swap Rate and Reference Bond Rate as the fallback Reset Reference Rate to the Mid-Swap Rate
	(vi)	First Reset Date:	24 April 2025
	(vii)	Subsequent Reset Date(s):	Not Applicable
	(viii)	Mid-Swap Rate:	Single Mid-Swap Rate
	(a)	Mid-Swap Maturity:	1 year

	(b)	Mid-Swap Floating Leg Benchmark Rate:	LIBOR
	(c)	Relevant Screen Page:	BPSW1 CMPN
	(d)	First Margin:	+1.868 per cent. per annum
	(e)	Subsequent Margin:	Not Applicable
(ix)		Reference Bond Rate:	Applicable
	(a)	Reference Bond:	The provisions in the Conditions apply
	(b)	First Margin:	+1.868 per cent. per annum
	(c)	Subsequent Margin:	Not Applicable
(x)		Reference Banks:	The provisions in the Conditions apply
(xi)		Day Count Fraction:	Actual/Actual (ICMA)
(xii)		Reset Determination Dates:	The provisions in the Conditions apply
(xiii)		Reset Determination Time:	The provisions in the Conditions apply
(ix)		Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent):	The Principal Paying Agent shall be the Calculation Agent
16.		Floating Rate Note Provisions	Not Applicable
17.		Zero Coupon Note Provisions	Not Applicable
PROVISIONS RELATING TO REDEMPTION			
18.		Call Option	Applicable
	(i)	Optional Redemption Date(s) (Call):	24 April 2025
	(ii)	Optional Redemption Amount (Call) of each Note:	£1,000 per Calculation Amount
	(iii)	Series redeemable in part:	No
	(iv)	If redeemable in part:	
		Minimum Redemption Amount:	Not Applicable
		Maximum Redemption Amount	Not Applicable
	(v)	Notice period:	As per the Conditions
19.		Put Option	Not Applicable
20.		Final Redemption Amount of each Note	£1,000 per Calculation Amount
21.		Optional Redemption Amount (Regulatory Event)	Not Applicable

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|-----|---|-------------------------------|
| 22. | Loss Absorption Disqualification Event Redemption of Senior Notes: | Condition 10(e) applies |
| | (i) Optional Redemption Amount (Loss Absorption Disqualification Event): | £1,000 per Calculation Amount |
| 23. | Early Redemption Amount (Tax) | £1,000 per Calculation Amount |
| 24. | Early Termination Amount | £1,000 per Calculation Amount |

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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|-----|---|---|
| 25. | Form of Notes: | <p>Registered Notes:</p> <p>Unrestricted Global Note Certificate exchangeable for Unrestricted Individual Note Certificates in the limited circumstances specified in the Unrestricted Global Note Certificate</p> <p>Unrestricted Global Note Certificate (£350,000,000 nominal amount) registered in the name of a nominee for a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))</p> |
| 26. | New Global Note: | Not Applicable |
| 27. | New Safekeeping Structure: | Yes |
| 28. | Additional Financial Centre(s) or other special provisions relating to payment dates: | Not Applicable |
| 29. | Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | No |

PART B – OTHER INFORMATION

30. LISTING AND ADMISSION TO TRADING

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|--|---|
| (i) Admission to Trading: | <p>Application was made by Virgin Money Holdings (UK) plc (or on its behalf) for the Notes to be admitted to trading on the Professional Securities Market of the London Stock Exchange with effect from 24 April 2018</p> <p>Application was made for the issuer of the Notes to be changed from Virgin Money Holdings (UK) plc to CYBG PLC following the Substitution</p> |
| (ii) Estimate of total expenses related to admission to trading: | £3,600 |

31. RATINGS

The Notes are rated:

Fitch Ratings Limited ("**Fitch**"): BBB+

Moody's Investor Services ("**Moody's**"): Baa3

Each of Fitch and Moody's is established in the EEA and registered under Regulation (EU) No.1060/2009, as amended (the "**CRA Regulation**")

33. YIELD

Indication of yield:	<p>3.438 per cent.</p> <p>The yield is calculated at the Issue Date as the yield to the Optional Redemption Date on the basis of the Issue Price. It is not an indication of future yield</p>
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34. OPERATIONAL INFORMATION

ISIN:	XS1813150247
CUSIP:	Not Applicable
Common Code:	181315024
Any clearing system(s) other than Euroclear and/or Clearstream, Luxembourg and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility:

Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met

35. DISTRIBUTION

- | | | |
|-------|---|---|
| (i) | Method of Distribution for initial issuance: | Syndicated |
| (ii) | If non-syndicated, name of Dealer: | Not Applicable |
| (iii) | U.S. Selling Restrictions for initial issuance: | Reg. S Compliance Category 2; TEFRA not applicable – Not Rule 144A Eligible |
| (iv) | Prohibition of Sales to EEA Retail Investors: | Applicable |
| (v) | Prohibition of Sales to Belgian Consumers: | Applicable |

Further Information

Further details about the transaction can be obtained from:

Debt Investors

The Solicitation Agents

Barclays Bank PLC

1 Churchill Place
Canary Wharf
London E14 5HP
United Kingdom

Tel: +44 (0) 20 3134 8515
Email: eu.lm@barclays.com
Att: Liability Management Group

Deutsche Bank AG, London Branch

Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Tel: +44 (0) 207 545 8011
Att: Liability Management Team

The Solicitation Agents are not acting through a U.S. broker-dealer affiliate and, accordingly, will not discuss the Consent Solicitations or the contents of this Notice with any Noteholder who is unable to confirm it is not located or resident in the United States.

Tabulation Agent

Lucid Issuer Services Limited

Tankerton Works
12 Argyle Walk
London WC1H 8HA
United Kingdom

Tel: +44 20 7704 0880
Email: virginmoney@lucid-is.com
Att: David Shilson

CYBG

Equity Analysts

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Company Secretary

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Forward looking statements

The information in this document may include forward looking statements, which are based on assumptions, expectations, valuations, targets, estimates, forecasts and projections about future events. These can be identified by the use of words such as 'expects', 'aims', 'targets', 'seeks', 'anticipates', 'plans', 'intends', 'prospects', 'outlooks', 'projects', 'forecasts', 'believes', 'estimates', 'potential', 'possible', and similar words or phrases. These forward looking statements, as well as those included in any other material discussed at any presentation, are subject to risks, uncertainties and assumptions about the Group and its securities, investments, and the environment in which it operates, including, among other things, the development of its business and strategy, any acquisitions, combinations, disposals or other corporate activity undertaken by the Group (including but not limited to the integration of the business of the Issuer and its subsidiaries into the Group), trends in its operating industry, changes to customer behaviours and covenant, macroeconomic and/or geopolitical factors, changes to its board and/or employee composition, exposures to terrorist activity, IT system failures, cyber-crime, fraud and pension scheme liabilities, changes to law and/or the policies and practices of the Bank of England, the Financial Conduct Authority and/or other regulatory and governmental bodies, inflation, deflation, interest rates, exchange rates, changes in the liquidity, capital, funding and/or asset position and/or credit ratings of the Group, future capital expenditures and acquisitions, the repercussions of the UK's referendum vote to leave the European Union (EU), the UK's exit from the EU (including any change to the UK's currency), Eurozone instability, and any referendum on Scottish independence.

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Certain figures contained in this document, including financial information, may have been subject to rounding adjustments and foreign exchange conversions. Accordingly, in certain

instances, the sum or percentage change of the numbers contained in this document may not conform exactly to the total figure given.

None of the Issuer, CYBG, the Solicitation Agents, the Trustee, the Tabulation Agent, the Principal Paying Agent, the Registrar or any director, officer, employee, agent or affiliate of any such person is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to any Consent Solicitation or any Extraordinary Resolution. This announcement must be read in conjunction with the Consent Solicitation Memorandum. No offer to acquire any Notes is being made pursuant to this announcement. If any holder of Notes is in any doubt as to any action it should take in relation to the contents of this announcement, it is recommended to seek its own advice, including as to any tax consequences, from its broker, bank manager, solicitor, accountant or other independent adviser.

The distribution of this announcement and/or the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement and/or Consent Solicitation Memorandum comes are required by each of the Issuer, CYBG, the Solicitation Agents, the Trustee, the Tabulation Agent, the Principal Paying Agent and the Registrar to inform themselves about, and to observe, any such restrictions.