



VIRGIN MONEY UK PLC

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30 June 2022

VIRGIN MONEY UK PLC LAUNCHES SHARE BUYBACK PROGRAMME

Virgin Money UK PLC ("**Virgin Money**" or the "**Company**") today announces a share buyback programme, with an initial repurchase of up to £75 million in aggregate between its ordinary shares of £0.10 each (the "**Shares**") listed on the London Stock Exchange and CHESS Depositary Interests ("**CDIs**"), each representing one Share, listed on the Australian Securities Exchange (the "**Buyback**"). Subject to trading liquidity, Virgin Money intends to repurchase Shares and CDIs in approximately equal proportions. The Buyback is expected to commence on 30 June 2022 and will end no later than 17 December 2022.

David Duffy, Chief Executive Officer, said: "As Virgin Money continues to deliver against its strategic objectives and maintain a strong capital base, I am pleased to confirm the launch of our inaugural share buyback programme. Buybacks will play a significant role in the capital return policy we announced in May, as the Company targets profitable growth and distributes excess capital. Today's announcement marks an important step in that journey."

As the Company executes its strategy to improve statutory profitability, drive growth, and enhance capital returns, the buyback programme will play an important role in delivering value for shareholders. Virgin Money set out its updated capital framework and approach to shareholder distributions at its interim results on 5 May 2022, outlining a 30% full year dividend pay-out, supplemented with buybacks, subject to an ongoing assessment of surplus capital, market conditions and regulatory approval. Following Prudential Regulation Authority approval and with continued robust levels of capital, today's buyback announcement supplements the 2.5p interim dividend in line with our announced framework.

The Company has entered into a non-discretionary arrangement with Citigroup Global Markets Limited to purchase Shares as riskless principal and to make trading decisions independently of the Company. Any purchase of Shares pursuant to this engagement will be carried out on the London Stock Exchange or other recognised investment exchanges¹. The Company has also entered into a discretionary arrangement with Citigroup Global Markets Australia Pty Limited (together with Citigroup Global Markets Limited, the "**Brokers**") to purchase CDIs on the Australian Securities Exchange on an agency basis during open periods. The purpose of the Buyback is to reduce the Company's issued share capital by returning surplus capital to shareholders. It is the Company's present intention that the repurchased Shares and CDIs (once transmuted into Shares) will be cancelled.

The Buyback will be effected in accordance with the scope of the authority to repurchase ordinary shares conferred on the Company at its February 2022 Annual General Meeting, Regulation (EU) No 596/2014 (the Market Abuse Regulation), the Commission Delegated Regulation (EU) 2016/1052 (both form part of Retained EU Law as defined in the European Union (Withdrawal) Act 2018) and Chapter 12 of the Listing Rules. The Buyback is subject to the continuing approval of the Prudential Regulation Authority.

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

¹ Chi-X Europe or BATS Europe

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Forward looking statements

The information contained within this document is deemed by the Group to constitute inside information as stipulated under the Market Abuse Regulation No 596/2014. Upon the publication of this document via Regulatory Information Service, this inside information is now considered to be in the public domain.

The information in this announcement 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 are subject to risks, uncertainties and assumptions about the Company and its subsidiaries (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 Virgin Money Holdings (UK) plc and its subsidiaries into the Group), trends in its operating industry, changes to customer behaviours and covenant, macroeconomic and/or geopolitical factors, the repercussions of the outbreak of coronaviruses (including but not limited to the COVID-19 outbreak), 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 exit from the EU (including any change to the UK's currency and the terms of any trade agreements (or lack thereof) between the UK and the EU), Eurozone instability, and any referendum on Scottish independence.

In light of these risks, uncertainties and assumptions, the events in the forward looking statements may not occur. Forward looking statements involve inherent risks and uncertainties. Other events not taken into account may occur and may significantly affect the analysis of the forward looking statements. No member of the Group or their respective directors, officers, employees, agents, advisers or affiliates gives any assurance that any such projections or estimates will be realised. All forward looking statements should be viewed as hypothetical. No representation or warranty is made that any forward looking statement will come to pass. No member of the Group or their respective directors, officers, employees, agents, advisers or affiliates undertakes any obligation to update or revise any such forward looking statement following the publication of this announcement nor accepts any responsibility, liability or duty of care whatsoever for (whether in contract, tort or otherwise) or makes any representation or

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Virgin Money UK PLC is registered in England and Wales (company number: 09595911) and as a foreign company in Australia (ARBN 609 948 281) and has its registered office at Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL