

VIRGIN MONEY UK PLC

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2 August 2023

VIRGIN MONEY UK PLC COMMENCES £50M SHARE BUYBACK

Virgin Money UK PLC (“**Virgin Money**” or the “**Company**”) today announces a share buyback to repurchase up to £50 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 and any arrangements put in place to manage compliance with legal requirements, Virgin Money intends to repurchase Shares and CDIs in approximately equal proportions. The Buyback is expected to commence today, 2 August 2023, and will end no later than 22 November 2023.

Virgin Money first set out its updated capital framework and approach to shareholder distributions at its 2022 Interim Financial 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. The Company recently announced that it anticipated resuming its buyback programme during FY23, given the successful completion of the 2022 Annual Cyclical Scenario stress test. Following Prudential Regulation Authority (“**PRA**”) approval and with continued robust levels of capital, today’s buyback announcement supplements the 3.3p interim 2023 dividend announced alongside the 2023 Interim Financial Results on 4 May 2023, 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 (including their underlying Shares) will be cancelled.

The Buyback will be effected in accordance with the scope of the authority to repurchase shares conferred on the Company at its February 2023 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 PRA.

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 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, 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, tax and national insurance 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, Russia's invasion of Ukraine, any referendum on Scottish independence and any UK or global cost of living crisis or recession.

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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