

## Virgin Australia Holdings Limited (ASX: VAH) pricing of a US\$425 million issue of unsecured notes in the Rule 144A/Regulation S debt capital markets

25 October 2019

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Virgin Australia Holdings Limited (ASX: VAH) (**Virgin Australia**) announced today the successful pricing of US\$425 million aggregate principal amount of unsecured notes due 2024 (the **Notes**). The Notes priced on 24 October 2019 (New York time) with settlement expected to occur on 7 November 2019 (New York time), subject to customary closing conditions.

The net proceeds from the Notes issue are intended to be used to fund, in part, the proposed acquisition of Affinity Equity Partners' approximately 35% minority investment in Velocity Frequent Flyer Holdco Pty Ltd (**Velocity Acquisition**).

Virgin Australia also advised that Foreign Investment Review Board approval, which is a condition precedent to completion of the Velocity Acquisition, has been obtained. The final condition precedent to be satisfied is funding.

As part of the funding strategy for the Velocity Acquisition, Virgin Australia also intends to make an offer of A\$ denominated notes (the **A\$ Notes**) in the near term to be listed on the ASX, subject to market conditions. Any such offer of the A\$ Notes would be made pursuant to a prospectus that would be lodged with the Australian Securities and Investments Commission in due course. Applications for the potential offer of the A\$ Notes may only be made on an application form that would be attached to or accompany the prospectus.

The Notes will be offered only to persons reasonably believed to be qualified institutional buyers, pursuant to Rule 144A under the U.S. Securities Act of 1933, as amended (the **Securities Act**), and to certain persons outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

**ENDS**

#### Media contacts:

Virgin Australia Public Affairs

1800 142 467

[publicaffairs@virginaustralia.com](mailto:publicaffairs@virginaustralia.com)

#### Important notice:

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, the Notes, the A\$ Notes or any other securities in the United States or in any other jurisdiction. Any offer of the Notes will be made only by means of a private offer document. Any offer of the A\$ Notes will be made only by means of a prospectus. The Notes have not been and will not be registered under the Securities Act nor the securities laws of Australia or any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act. The A\$ Notes have not been and will not be registered under the Securities Act and may not be offered or sold in the United States.