

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION

FOR IMMEDIATE RELEASE

22 April 2024

Recommended Cash Acquisition
of
Virgin Money UK PLC ("Virgin Money")
by
Nationwide Building Society ("Nationwide")
to be effected by means of a Scheme of Arrangement
under Part 26 of the Companies Act 2006
Publication of Scheme Document

On 21 March 2024, the boards of Virgin Money and Nationwide announced that they had agreed the terms of a recommended cash acquisition of the entire issued and to be issued share capital of Virgin Money by Nationwide (the "**Acquisition**"). The Acquisition is to be implemented by means of a scheme of arrangement between Virgin Money and its shareholders under Part 26 of the Companies Act (the "**Scheme**") and is subject to the terms and conditions set out in the scheme document relating to the Acquisition (the "**Scheme Document**").

Publication of Scheme Document

Virgin Money and Nationwide are pleased to announce that the Scheme Document, together with the associated Forms of Proxy, CDI Voting Instruction Forms, and CSN Voting Notification, are today being sent, or made available, to Virgin Money Shareholders and, for information purposes only, to persons with information rights and participants in the Virgin Money Share Plans. The Scheme Document contains, among other things, a letter from the Board Chair of Virgin Money, an explanatory statement pursuant to section 897 of the Companies Act, the full terms and Conditions of the Scheme and the Acquisition, notices convening the Court Meeting and the General Meeting, an expected timetable of principal events and details of the actions to be taken by Virgin Money Ordinary Shareholders and Virgin Money CDI Holders.

A copy of the Scheme Document will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Virgin Money's website at www.virginmoneyukplc.com/investor-relations/announcements/ and on Nationwide's website at <https://www.nationwide.co.uk/investor-relations/virgin-money-terms-of-access/> by no later than 12 noon (London time) on 23 April 2024. A copy of the Scheme Document will also be submitted to the National Storage Mechanism and will shortly be available for inspection at: <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Unless otherwise defined, all capitalised terms in this announcement have the meaning given to them in the Scheme Document. Unless the context otherwise requires, references in this announcement to Virgin Money Shares and Virgin Money Shareholders include Virgin Money CDIs and Virgin Money CDI Holders, as applicable. All references to times are to London, UK, times unless otherwise stated.

Current trading of Virgin Money

As set out in paragraph 8 of Part 1 (*Letter from the Board Chair*) of the Scheme Document and following the announcement on 21 March 2024, Virgin Money has continued to perform broadly as anticipated in the remainder of Q2 FY 2024. Over H1 FY 2024, Virgin Money delivered continued growth in relationship deposits and target lending segments, whilst maintaining a broadly stable margin, with ongoing cost efficiencies mitigating inflation. Net interest margin continued to be resilient, despite competition and the interest rate backdrop, supported by ongoing effective interest rate outperformance in the credit cards

portfolio. Costs in Q2 FY 2024 reflected the timing of annual wage rises and the new bank levy in the quarter. Asset quality trends remain broadly consistent with those set out as part of the Q1 FY 2024 trading statement and Virgin Money has progressed its review of the application of SICR (significant increases in credit risk) on the credit cards portfolio in line with expectations. During Q2 FY 2024, Virgin Money maintained a robust liquidity and funding position, with a strong capital position which, relative to Q1 FY 2024, benefited from the cancellation of the Virgin Money Group's share buyback programme.

Over the remainder of FY 2024, lower interest rates and competitive market dynamics are expected to be a headwind to net interest margin, offset by reinvestment of the structural hedge, growth in target segments and ongoing credit cards effective interest rate outperformance. The impact of persistent inflation and ongoing investment are expected to be headwinds to cost performance, partially mitigated by Virgin Money's existing cost saving programme.

The Virgin Money Group's half year performance remains subject to the usual ongoing finalisation and review process. The Virgin Money Board is in the process of finalising the appointment of Ernst & Young LLP as Virgin Money's auditors and following that change, full interim results are expected to be released on 13 June 2024 with an unaudited trading update on first half performance on 14 May 2024.

Payment currency of the Consideration and the FY 2024 Dividend

The Consideration payable under the Scheme and the FY 2024 Dividend will be paid to each Virgin Money Shareholder entitled thereto in the same currency as dividend payments that such Virgin Money Shareholder would receive from Virgin Money in the ordinary course and in accordance with any existing Electronic Payment Mandate held by Computershare at the relevant record time.

The FY 2024 Dividend will be paid (subject to the approval of the Virgin Money Board) as part of Virgin Money's ordinary course FY 2024 dividend calendar or, if earlier, shortly prior to Completion to Scheme Shareholders on the relevant dividend record date.

Where the FY 2024 Dividend or the Consideration (as applicable) is to be paid to a Virgin Money Shareholder in Australian Dollars or New Zealand Dollars: (i) the FY 2024 Dividend will be converted from pounds sterling to Australian Dollars or New Zealand Dollars at the relevant exchange rate on the date which is expected to be one Business Day (provided such Business Day is also an Australian Business Day) after the relevant dividend record date and in line with past practice; and (ii) the Consideration will be converted from pounds sterling to the relevant currency at the Consideration Exchange Rate.

The Consideration Exchange Rate includes a deduction for any applicable and properly incurred transaction and dealing costs associated with the conversion. The direct cost of conversion to Virgin Money Shareholders who receive the Consideration to which they are entitled in Australian Dollars or New Zealand Dollars is expected to be minimal but amounts payable to such Virgin Money Shareholders will be subject to the Consideration Exchange Rate actually obtained by or on behalf of Nationwide (which may be a lesser rate of exchange than the official pounds sterling to Australian Dollars or New Zealand Dollars exchange rate published by the Bank of England on the relevant payment date).

The attention of Virgin Money Ordinary Shareholders and Virgin Money CDI Holders is drawn to paragraph 14(A) of Part 2 (*Explanatory Statement*) of the Scheme Document which provides further details on the applicable exchange rates and instructions for any Virgin Money Ordinary Shareholder or Virgin Money CDI Holder who wishes to amend their payment instructions.

Notices of the Court Meeting and the General Meeting

Notices of the Court Meeting and the General Meeting, both of which will be held at Virgin Money's registered office, Jubilee House, Gosforth, Newcastle upon Tyne, England, NE3 4PL on Wednesday 22 May 2024, are set out in Part 9 (*Notice of Court Meeting*) and Part 10 (*Notice of General Meeting*) of the Scheme Document. The Court Meeting will commence at 1.00 p.m. and the General Meeting at 1.15 p.m. (or, if later, as soon as the Court Meeting has concluded or been adjourned).

As described in the Scheme Document, to become Effective the Scheme requires, among other things, (i) the approval of the Scheme by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) either in person or by proxy at the Court Meeting representing not less than 75 per cent. in value of the relevant Scheme Shares voted, (ii) the passing of the Acquisition Resolution (being the special

resolution of Virgin Money Shareholders to approve the Acquisition) and the Virgin Resolution (being the ordinary resolution of Independent Virgin Money Shareholders to approve the TMLA Amendment Agreement and the Virgin Red Exclusivity Agreement) at the General Meeting and (iii) the subsequent sanction of the Scheme by the Court. The Scheme is also subject to the satisfaction or waiver of the other Conditions and further terms that are set out in the Scheme Document, including the receipt of certain regulatory clearances.

In addition, the Virgin Money Shareholders will also be asked to vote on the Remuneration Policy Resolution (being the ordinary resolution of Virgin Money Shareholders to approve the amendment to the Directors' Remuneration Policy) at the General Meeting. The passing of the Remuneration Policy Resolution is not a Condition to the Scheme or to Completion.

The Scheme is not subject to any condition relating to the passing of a resolution by Nationwide's members.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of the Scheme Shareholders. Virgin Money Shareholders are therefore strongly urged to (a) in the case of Virgin Money Ordinary Shareholders and Virgin Money CDI Holders, complete and return their Forms of Proxy (or make an electronic appointment of a proxy or submit a proxy vote via CREST) or CDI Voting Instruction Forms (or submit their instructions electronically), as applicable, (b) in the case of a Virgin Money Share Account Holder, instruct the Equiniti Nominee to exercise the voting rights attached to the Virgin Money Ordinary Shares it holds on their behalf as soon as possible, or (c) in the case of a Virgin Money Share Plan Account Holder, instruct the Computershare Nominee to exercise the voting rights attached to the Virgin Money Ordinary Shares it holds on their behalf as soon as possible via EquatePlus. The deadlines for appointing proxies and submitting voting instructions are set out in the Appendix to this announcement and in the Scheme Document.

Recommendation

The Scheme and the Acquisition

The Virgin Money Directors, who have been so advised by Goldman Sachs International and J.P. Morgan Cazenove as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the Virgin Money Directors, Goldman Sachs International and J.P. Morgan Cazenove have taken into account the commercial assessments of the Virgin Money Directors. In addition, the Virgin Money Directors consider the Acquisition to be in the best interests of Virgin Money and Virgin Money Shareholders as a whole.

Accordingly, the Virgin Money Directors recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and the Virgin Money Shareholders vote in favour of the Acquisition Resolution at the General Meeting (or in the event that the Acquisition is implemented by way of an Offer, accept such Offer) as the Virgin Money Directors who are interested in Virgin Money Shares have each irrevocably undertaken to do in respect of their own beneficial shareholdings in Virgin Money.

Approval of the TMLA Amendment Agreement and the Virgin Red Exclusivity Agreement

The terms of the TMLA Amendment Agreement and Virgin Red Exclusivity Agreement are considered by Goldman Sachs International and J.P. Morgan Cazenove to be fair and reasonable. In forming this view, Goldman Sachs International and J.P. Morgan Cazenove have taken into account the commercial assessments of the Independent Virgin Money Directors.

The Independent Virgin Money Directors consider that the Virgin Resolution is in the best interests of Virgin Money and the Virgin Money Shareholders as a whole, and therefore recommend unanimously that the Independent Virgin Money Shareholders vote in favour of the Virgin Resolution at the General Meeting as the Independent Virgin Money Directors who are interested in Virgin Money Shares have each irrevocably undertaken to do in respect of their own beneficial shareholdings in Virgin Money.

The passing of the Virgin Resolution forms a non-waivable condition to the Acquisition and, if not passed, the Acquisition will lapse and will not proceed to Completion.

The Remuneration Policy Resolution

In addition, the Non-Executive Virgin Money Directors consider that the Remuneration Policy Resolution is in the best interests of Virgin Money and the Virgin Money Shareholders as a whole. Accordingly, the Non-Executive Virgin Money Directors unanimously recommend that Virgin Money Shareholders vote in favour of the Remuneration Policy Resolution at the General Meeting. The passing of the Remuneration Policy Resolution is not a Condition to the Scheme or to Completion.

Holders of Scheme Shares should read the Scheme Document in its entirety before making a decision with respect to the Scheme.

Timetable

The Scheme Document contains an expected timetable of principal events relating to the Scheme, which is also set out in the Appendix to this announcement. Subject to obtaining the necessary approvals of Scheme Shareholders at the Court Meeting and Virgin Money Shareholders at the General Meeting, the sanction of the Court and the satisfaction or, where applicable, waiver of the other Conditions (as set out in Part A of Part 3 (*Conditions to and further terms of the Acquisition*) of the Scheme Document), the Scheme is expected to become Effective during calendar Q4 of 2024.

If the Scheme is approved as outlined above, dealings in Virgin Money Ordinary Shares are expected to be suspended from 7.30 a.m. on the Business Day following the Court Hearing. It is intended that the London Stock Exchange and the FCA will be requested, respectively, to cancel trading in Virgin Money Ordinary Shares on the London Stock Exchange's main market for listed securities and to remove the listing of the Virgin Money Ordinary Shares from the Official List, in each case by 8.00 a.m. on the Business Day following the Effective Date.

Dealings in Virgin Money CDIs are expected to be suspended from 4.00 p.m. (AEST) on the date falling two Australian Business Days prior to the Court Hearing. It is intended that ASX Limited will be requested to remove the listing of Virgin Money from the Australian Securities Exchange on the Australian Business Day following the Effective Date.

The times and dates given in the expected timetable of principal events are based on Virgin Money's and Nationwide's current expectations and may be subject to change. If any of the times and dates set out in the timetable change, Virgin Money will give notice of this change by issuing an announcement through a Regulatory Information Service and the ASX Market Announcements Platform and, if required by the Panel, posting notice of the change(s) to Virgin Money Shareholders and persons with information rights. Such announcement will be made available on Virgin Money's website at www.virginmoneyukplc.com/investor-relations/announcements/ and on Nationwide's website at <https://www.nationwide.co.uk/investor-relations/virgin-money-terms-of-access/>. All Virgin Money Shareholders have the right to attend the Court Hearing.

Information for Virgin Money Shareholders

If you have any queries and are:

- a) a Virgin Money Ordinary Shareholder, please call the Virgin Money Shareholder helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except public holidays in England and Wales) on 0370 707 1172 from within the UK (or +44 (0)370 707 1172 if calling from outside the UK). Calls to the helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones;
- b) a Virgin Money CDI Holder, please call the Virgin Money Shareholder helpline between 8.30 a.m. and 5.30 p.m. (AEST), Monday to Friday (excluding public holidays in Australia) on 1800 764 308 (or +61 3 9415 4142 if calling from outside of Australia). Calls are charged at the standard geographical rate and will vary by provider. Calls from outside Australia will be charged at the applicable international rate;
- c) a Virgin Money Share Account Holder, please call the Virgin Money Share Account helpline between 8.30 a.m. and 5.30 p.m., UK time, Monday to Friday (except public holidays in England and Wales) on +44(0) 371 384 2937. Please use the country code if calling from outside the UK.

For deaf and speech impaired shareholders, we welcome calls via Relay UK. Please see www.relayuk.bt.com for more information. Calls to the Virgin Money Share Account helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones; or

- d) a Virgin Money Share Plan Account Holder, please (i) submit a request in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, UK; (ii) call 0370 707 1172 from within the UK (or +44 (0)370 707 1172 if calling from outside the UK); or (iii) use the EquatePlus "HelpChat" function. Calls are charged at the standard geographical rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Phone lines are open between 8.30 a.m. and 5.30 p.m. (London time), Monday to Friday (excluding public holidays in England and Wales).

Please note that the helplines referred to above are unable to give advice on the merits of the Acquisition or to provide financial, tax or investment advice. Calls may be recorded and randomly monitored for security and training purposes.

Request for hard copies

Virgin Money Shareholders may request a hard copy of the Scheme Document and this announcement by contacting Computershare. Virgin Money Ordinary Shareholders can: (i) submit a request in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom; or (ii) call the Virgin Money Shareholder helpline in the UK set out above. Virgin Money CDI Holders can: (i) submit a request in writing to Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford, VIC 3067, Australia; or (ii) call the Virgin Money Shareholder helpline in Australia set out above.

Virgin Money Shareholders may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form. If they have previously notified Computershare that they wish to receive all documents in electronic format, a hard copy of the Scheme Document and this announcement will not be sent to them unless a hard copy is requested in accordance with the procedure set out above.

Virgin Money's LEI Number is 213800ZK9VGCYYR6O495.

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

Enquiries:

Virgin Money UK PLC

Investors and Analysts

Richard Smith

+44 (0)7483 399303

Head of Investor Relations & Sustainability

richard.smith@virginmoney.com

Company Secretary

Lorna McMillan

+44 (0)7834 585436

Group Company Secretary

lorna.mcmillan@virginmoney.com

Media Relations

Press Office

+44 (0)800 066 5998

press.office@virginmoney.com

Goldman Sachs International (joint Rule 3 independent financial adviser and joint corporate broker to Virgin Money)

+44 (0)20 7774 1000

Anthony Gutman

Nimesh Khiroya

Ronan Breen

Bertie Whitehead
Pernille Thuesen

+44 (0)20 3493 8000

J.P. Morgan Cazenove (joint Rule 3 independent financial adviser and joint corporate broker to Virgin Money)

Conor Hillery
Dwayne Lysaght
Claire Brooksby
Ravin Mehta

+44 (0)7753 136628
+61 406 918080

Teneo (public relations adviser to Virgin Money)

Douglas Campbell (UK)
Julia Henkel (Australia)

Nationwide Building Society

Muir Mathieson, Deputy CFO and Treasurer
Sarah Abercrombie, Head of Investor Relations, Credit Ratings and Treasury Sustainability

Media enquiries:
Investor enquiries:

Nationwide-UK@fgsglobal.com
Nationwide.treasury@Nationwide.co.uk

UBS (financial adviser to Nationwide)

+44 (0)20 7567 8000

Sam Small
Ben Crystal
David Sissons

FGS Global (public relations adviser to Nationwide)

+44 (0)20 7251 3801

James Murgatroyd
Charlie Chichester
Richard Webster-Smith
Sophia Johnston

Clifford Chance LLP is acting as legal adviser to Virgin Money in connection with the Acquisition.

Slaughter and May is acting as legal adviser to Nationwide in connection with the Acquisition.

Further information

This announcement is for information purposes only and is not intended to and does not constitute, or form any part of, any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Virgin Money in any jurisdiction in contravention of applicable law. The Acquisition is made and implemented solely pursuant to the terms of the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer document), which contains the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer document). This announcement does not constitute a prospectus or a prospectus equivalent document.

The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set forth in this announcement since such date.

Disclaimers

Goldman Sachs International, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as joint financial adviser for Virgin Money and no one else in connection with the Acquisition and the distribution of this announcement and will not be responsible to anyone other than Virgin Money for providing the protections afforded to clients of Goldman Sachs International, or for giving advice in connection with the Acquisition or any matter referred to herein.

*J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove ("**J.P. Morgan Cazenove**"), is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the PRA and the FCA. J.P. Morgan Cazenove is acting as joint financial adviser exclusively for Virgin Money and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than Virgin Money for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to any matter referred to herein.*

*UBS AG, London Branch ("**UBS**") is authorised and regulated by the Financial Market Supervisory Authority in Switzerland. It is authorised by the PRA and subject to regulation by the FCA and limited regulation by the PRA in the United Kingdom. UBS is acting exclusively for Nationwide and no one else in connection with the Acquisition. In connection with such matters, UBS will not regard any other person as its client, nor will it be responsible to any other person for providing the protections afforded to its clients or for providing advice in relation to the Acquisition, the contents of this announcement or any other matter referred to herein.*

Information for Overseas Shareholders

Unless otherwise determined by Virgin Money and Nationwide or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within any Restricted Jurisdiction. Accordingly, copies of this announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving this announcement and all other documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from any Restricted Jurisdiction.

It is the responsibility of each Overseas Shareholder to satisfy himself or herself as to the full observance of the laws of the relevant jurisdiction in connection with the Acquisition, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

If Nationwide were to elect to implement the Acquisition by means of an Offer, such Offer will be made in compliance with all applicable laws and regulations, including the US tender offer rules, to the extent applicable.

*The financial information included in this announcement has been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to the accounting standards applicable to financial statements of US companies. US generally accepted accounting principles differ in certain respects from International Financial Reporting Standards. None of the financial information in, or incorporated by reference into, this announcement has been audited in accordance with auditing standards generally accepted in the US or the auditing standards of the Public Company Accounting Standards Oversight Board (United States). US persons should note that the Scheme relates to shares of an English company that is a "foreign private issuer" as defined in Rule 3b-4 under the US Securities Exchange Act of 1934 (the "**US Exchange Act**"), and the Scheme will be governed by the laws of England and Wales. Neither the proxy solicitation rules nor the tender offer rules under the US Exchange Act will apply to the Scheme. Moreover, the Scheme will be subject to the disclosure requirements and practices*

applicable in the UK to takeovers implemented by scheme of arrangement, which differ from the disclosure requirements under US securities laws. It may be difficult for any US holders of Virgin Money Shares to enforce their rights and any claim arising out of the US federal securities laws in connection with the Acquisition, since Nationwide and Virgin Money are located in, and organised under the laws of, a non-US jurisdiction, and some or all of their officers and directors may be residents of non-US jurisdictions. Any US holders of Virgin Money Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment.

Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of the Acquisition, or passed comment upon the adequacy or completeness of this announcement. Any representation to the contrary is a criminal offence.

Notice to Australian Virgin Money Shareholders

This announcement is not a disclosure document for the purposes of the Corporations Act 2001 (Cth) (the "Australian Corporations Act"), and is not required to, and does not, contain all the information which would be required in a disclosure document under the Australian Corporations Act. This announcement has not been and will not be lodged or registered with the Australian Securities and Investments Commission, ASX Limited or any other regulatory body or agency in Australia.

Share purchases

To the extent permitted by applicable law, in accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Nationwide and its members or their respective nominees or brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, Virgin Money securities other than pursuant to the Acquisition (if implemented by way of an Offer) such as in open market or privately negotiated purchases outside the United States during the period in which the Acquisition remains open for acceptance. In accordance with the requirements of Rule 14e-5(b) of the US Exchange Act, such purchases, or arrangements to purchase, must comply with the laws of England and Wales, the Takeover Code and the Listing Rules. Also, in accordance with Rule 14e-5(b) of the US Exchange Act, each of UBS, Goldman Sachs International and J.P. Morgan Cazenove will continue to act as an exempt principal trader in Virgin Money Shares and Virgin Money CDIs on the London Stock Exchange and the Australian Securities Exchange, respectively. If such purchases or arrangements to purchase were to be made, they would occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the US Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com.

Forward-looking statements

This announcement (including information incorporated by reference into this announcement), statements made regarding the Acquisition, and other information to be published by Nationwide and/or Virgin Money, contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and not based on historical facts, but rather on current expectations and projections of the management of Nationwide and/or Virgin Money about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this announcement include statements with respect to the financial condition, results of operations and business of Virgin Money and certain plans and objectives of Nationwide with respect thereto and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the fact that they do not relate only to historical or current facts and may use words such as "anticipate", "target", "expect", "estimate", "forecast", "intend", "plan", "budget", "scheduled" "goal", "believe", "hope", "aims", "continue", "will", "may", "should", "would", "could", or other words of similar meaning. These statements are based on assumptions and assessments made by Virgin Money and/or Nationwide in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve known and unknown risk and uncertainty and other factors which may cause actual results, performance or developments to differ materially from those expressed in or implied

by such forward-looking statements, because they relate to events and depend on circumstances that will occur in the future. Although Nationwide and/or Virgin Money believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this announcement. Neither Nationwide nor Virgin Money assumes any obligation to update or correct the information contained in this announcement (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are a number of factors which could cause actual results and developments to differ materially from those expressed or implied in forward-looking statements. The factors that could cause actual results to differ materially from those described in the forward-looking statements include, but are not limited to: the ability to proceed with or complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other conditions on the proposed terms; changes in the global, political, economic, business and competitive environments and in market and regulatory forces; changes in future inflation, deflation, exchange and interest rates; changes in tax and national insurance rates; future business combinations, capital expenditures, acquisitions or dispositions; changes in general and economic business conditions; changes in the behaviour of other market participants; the anticipated benefits of the Acquisition not being realised as a result of changes in general economic and market conditions in the countries in which Nationwide and Virgin Money operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which Nationwide and Virgin Money operate; the repercussions of the outbreak of epidemics (including but not limited to the COVID-19 outbreak); changes to the boards of Nationwide and/or Virgin Money and/or the composition of their respective workforces; exposures to terrorist activity, IT system failures, cyber-crime, fraud and pension scheme liabilities; risks relating to environmental matters such as climate change, including Nationwide and/or Virgin Money's ability, along with the government and other stakeholders, to measure, manage and mitigate the impacts of climate change effectively; changes to law and/or the policies and practices of the Bank of England, the FCA and/or other regulatory and governmental bodies; changes in the liquidity, capital, funding and/or asset position and/or credit ratings of Nationwide and/or Virgin Money; 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, conflicts in the Middle East, any referendum on Scottish independence, and any UK or global cost of living crisis or recession. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in light of such factors.

Neither Nationwide nor Virgin Money, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. Given the risks and uncertainties, you are cautioned not to place any reliance on these forward-looking statements.

Other than in accordance with their legal or regulatory obligations, neither Nationwide nor Virgin Money is under any obligation, and Nationwide and Virgin Money expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day

following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Takeover Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on website

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Nationwide's website at www.nationwide.co.uk/investor-relations/virgin-money-terms-of-access/ and Virgin Money's website at www.virginmoneyukplc.com/investor-relations/announcements/ by no later than 12 noon (London time) on the first Business Day following the date of this announcement. For the avoidance of doubt, neither the contents of these websites nor the contents of any websites accessible from any hyperlinks are incorporated into or form part of this announcement.

No profit forecasts, profit estimates or quantified benefits statements

No statement in this announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Virgin Money for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Virgin Money.

Electronic communications

Please be aware that addresses, electronic addresses and certain other information provided by Virgin Money Shareholders, persons with information rights and other relevant persons for the receipt of communications from Virgin Money may be provided to Nationwide during the offer period as required under Section 4 of Appendix 4 to the Takeover Code.

General

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are taking advice in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

APPENDIX

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

<i>Event</i>	<i>Time/date ⁽¹⁾</i>
Latest time for Virgin Money Share Account Holders to submit voting instructions for the Court Meeting	1.00 p.m. on 15 May 2024 ⁽²⁾
Latest time for Virgin Money Share Account Holders to submit voting instructions for the General Meeting	1.15 p.m. on 15 May 2024 ⁽³⁾
CDI Holder Voting Record Time	7.00 p.m. (AEST) on 17 May 2024 ⁽⁴⁾
Latest time for lodging blue CDI Voting Instruction Forms for the Court Meeting and white CDI Voting Instruction Forms for the General Meeting	10.00 p.m. (AEST) on 17 May 2024 ⁽⁵⁾
Latest time for lodging blue Forms of Proxy for the Court Meeting	1.00 p.m. on 20 May 2024 ⁽⁶⁾
Latest time for lodging white Forms of Proxy for the General Meeting	1.15 p.m. on 20 May 2024 ⁽⁷⁾
Ordinary Shareholder Voting Record Time	6.00 p.m. on 20 May 2024 ⁽⁸⁾
Court Meeting	1.00 p.m. on 22 May 2024
General Meeting	1.15 p.m. on 22 May 2024 ⁽⁹⁾
<i>Certain of the following dates are subject to change (please see Note (1) below):</i>	
Last day of dealings in Virgin Money CDIs on the Australian Securities Exchange	D-2* ⁽¹⁾
Suspension of dealings in Virgin Money CDIs	4.00 p.m. (AEST) on D-2* ⁽¹⁾
Court Hearing to sanction the Scheme	A date expected to be in calendar Q4 2024 subject to the satisfaction (or, where applicable, waiver) of the relevant Conditions ("D") ⁽¹⁰⁾
Last day of: (i) dealings in, and registration of transfers of, Virgin Money Ordinary Shares; and (ii) registration of transfers of Virgin Money CDIs	D ⁽¹⁾
CDI Record Time	7.00 p.m. (AEST) on D ⁽¹⁾⁽¹¹⁾
Scheme Record Time and disablement of Virgin Money Ordinary Shares in CREST	6.00 p.m. on D ⁽¹⁾⁽¹²⁾
Effective Date of the Scheme	D+1 ("E")** ⁽¹⁾
Suspension of listing of Virgin Money Ordinary Shares on the Official List and of trading of Virgin Money Ordinary Shares on the London Stock Exchange	7.30 a.m. on D+1*** ⁽¹⁾
Cancellation of listing of Virgin Money Ordinary Shares on the Official List and of trading of Virgin Money Ordinary Shares on the London Stock Exchange	By 8.00 a.m. on E+1*** ⁽¹⁾

Cancellation of listing of Virgin Money on the Australian Securities Exchange

E+I*⁽¹⁾

Latest date for despatch of cheques in respect of the Consideration and for settlement of the Consideration through CREST or other form of payment to Virgin Money Ordinary Shareholders and Virgin Money CDI Holders

Within 14 calendar days of the Effective Date ("NS")⁽¹⁾⁽¹³⁾

Expected date for the crediting to mandated bank accounts in respect of any Consideration due to Virgin Money Share Plan Account Holders

No later than 5 calendar days after NS⁽¹⁾⁽¹⁴⁾

Expected date for the crediting to mandated bank accounts of, or issuing of cheques in respect of, any Consideration due to Virgin Money Share Account Holders

No later than 10 Business Days after NS⁽¹⁾⁽¹⁵⁾

Long Stop Date

11.59 p.m. on 31 January 2025⁽¹⁾⁽¹⁶⁾

The Court Meeting and the General Meeting will each be held at Jubilee House, Gosforth, Newcastle upon Tyne, England, NE3 4PL.

- (1) These times and dates are indicative only and will depend, among other things, on the date upon which the Conditions are satisfied or, if capable of waiver, waived and the date on which the Court sanctions the Scheme. The timetable is also dependent on when the Court Order sanctioning the Scheme is delivered to the Registrar of Companies. Virgin Money will give notice of any updates or changes to these dates and times, when known, by issuing an announcement through a Regulatory Information Service and the ASX Market Announcements Platform and, if required by the Panel, posting notice of the change(s) to Virgin Money Shareholders and persons with information rights. Virgin Money Share Plan participants will be contacted separately to inform them of the effect of the Acquisition on their Awards.
- (2) Virgin Money Share Account Holders are asked to submit their voting instructions for the Court Meeting in accordance with the instructions set out in the CSN Voting Notification as soon as possible, but in any event so as to be received by the Equiniti Nominee by no later than 1.00 p.m. on 15 May 2024 or, in the case of an adjournment, not later than five Business Days before the time and date set for the adjourned Court Meeting.
- (3) Virgin Money Share Account Holders are asked to submit their voting instructions for the General Meeting in accordance with the instructions set out in the CSN Voting Notification as soon as possible, but in any event so as to be received by the Equiniti Nominee by no later than 1.15 p.m. on 15 May 2024 or, in the case of an adjournment, not later than five Business Days before the time and date set for the adjourned General Meeting.
- (4) If either of the Shareholder Meetings is adjourned, the CDI Holder Voting Record Time for the relevant adjourned meeting will be 7.00 p.m. (AEST) on the date falling three Australian Business Days before the date set for that adjourned meeting.
- (5) It is requested that blue CDI Voting Instruction Forms for the Court Meeting and white CDI Voting Instruction Forms for the General Meeting be lodged not later than 10.00 p.m. (AEST) on 17 May 2024 or, if either of the Shareholder Meetings is adjourned, not later than the time set out in the Notice of Court Meeting in Part 9 (*Notice of Court Meeting*) and in the notes to the Notice of General Meeting in Part 10 (*Notice of General Meeting*) of the Scheme Document, as applicable. In order for a Virgin Money CDI Holder to attend and vote in person at the Court Meeting or the General Meeting, such Virgin Money CDI Holder must choose Option B of the blue CDI Voting Instruction Form or the white CDI Voting Instruction Form (as applicable) and instruct CDN to appoint them as CDN's proxy. If a Virgin Money CDI Holder does not complete Option B in this way that Virgin Money CDI Holder will only be able to attend the Court Meeting or the General Meeting (as applicable) and speak but not be able to vote.
- (6) It is requested that blue Forms of Proxy for the Court Meeting be lodged not later than 1.00 p.m. on 20 May 2024 or, if the Court Meeting is adjourned, not later than the time set out in the Notice of Court Meeting in Part 9 (*Notice of Court Meeting*) of the Scheme Document. Blue Forms of Proxy not so lodged may be handed to a representative of Computershare on behalf of the Chair of the Court Meeting or to the Chair of the Court Meeting at the commencement of the Court Meeting.
- (7) It is requested that white Forms of Proxy for the General Meeting be lodged not later than 1.15 p.m. on 20 May 2024 or, if the General Meeting is adjourned, not later than the time set out in the notes to the Notice of General Meeting in Part 10 (*Notice of General Meeting*) of the Scheme Document. White Forms of Proxy cannot be handed to the Chair of the General Meeting at that meeting.
- (8) If either of the Shareholder Meetings is adjourned, the Ordinary Shareholder Voting Record Time for the relevant adjourned meeting will be 6.00 p.m. on the date falling two Business Days before the date set for that adjourned meeting.
- (9) To commence at 1.15 p.m. or as soon thereafter as the Court Meeting has concluded or been adjourned.
- (10) For the purposes of the Condition set out in paragraph 2(C) of Part A of Part 3 (*Conditions to and further terms of the Acquisition*) of the Scheme Document, the "expected date" shall be the date which is no later than 14 calendar days after the satisfaction or (if capable of waiver) waiver of the Conditions in paragraphs 2(A), 2(B), 3 and 4 of Part A of Part 3 (*Conditions to and further terms of the Acquisition*) of the Scheme Document.
- (11) Virgin Money CDI Holders who are on the CDI Register as at this time are entitled to receive the Consideration under the Acquisition.

- (12) Scheme Shareholders who are on the register of members of Virgin Money as at this time are entitled to receive the Consideration under the Acquisition.
 - (13) The attention of Virgin Money Shareholders is drawn to paragraph 14(A) of Part 2 (*Explanatory Statement*) of the Scheme Document which provides details on the currency in which payments will be made as well as instructions for any Virgin Money Shareholder who wishes to amend their payment instructions.
 - (14) Following the receipt by the Computershare Nominee of the Consideration due to it in respect of the Virgin Money Ordinary Shares it holds on behalf of the Virgin Money Share Plan Account Holders, the Computershare Nominee will distribute to the Virgin Money Share Plan Account Holders the relevant portion of the Consideration to which they are entitled within five calendar days thereafter.
 - (15) Following the receipt by the Equiniti Nominee of the Consideration due to it in respect of the Virgin Money Ordinary Shares it holds on behalf of the Virgin Money Share Account Holders, the Equiniti Nominee will distribute to the Virgin Money Share Account Holders the relevant portion of the Consideration to which they are entitled within ten Business Days thereafter, and issue Virgin Money Share Account statements within five Business Days after the date on which the Equiniti Nominee distributes the Consideration to the Virgin Money Share Account Holders.
 - (16) This date may be extended to such date (a) as Virgin Money and Nationwide may agree, or (b) (in a competitive situation) as may be specified by Nationwide with the consent of the Panel, and in each case that the Court (if required) may allow.
- (*) These references to "D-2" or "E+1" are to the day falling two Australian Business Days before the actual date which is D or one Australian Business Day after the actual date which is E, respectively.
- (**) In the context of the Effective Date, reference to "D+1" is to the day falling one calendar day following the actual date which is D.
- (***) These references to "D+1" or "E+1" are to the day falling one Business Day following the actual date which is D or E, respectively.

All references in this announcement to times are to times in London, UK (unless otherwise stated).