

City of London Group plc

("COLG" or the "Company")

Acquisition completion

Acquisition of Acorn to Oaks Financial Services

Following the announcement on 30 July 2018, regarding the formal agreement for COLG to acquire 100% of the shares of Acorn to Oaks Financial Services Limited ("A2O") (the "Acquisition"), COLG is pleased to announce that the Acquisition has completed.

As set out in the announcement on 30 July 2018, Jason Oakley, his wife Claire Oakley and a vehicle controlled by Mr and Mrs Oakley (together the "Founders") own 92% of the shares of A2O, and the initial consideration of £1.4m will be satisfied as follows:

a) the consideration payable to the Founders, which will be satisfied by way of zero-coupon loan notes that can be converted into new shares in COLG following the preparation of the annual accounts for the financial year-ending 31 March 2021; and

b) the consideration payable to the other shareholders of A2O, which will be satisfied by way of new shares in COLG.

Following completion of the Acquisition, the Company has issued 82,068 new ordinary shares of 2p each as part of the consideration outlined above.

An application will be made to the London Stock Exchange for the new ordinary shares to be admitted to trading on AIM ("Admission"). It is anticipated that Admission will occur on 14 January 2019.

Total voting rights

Following Admission, the issued share capital of the Company will comprise 29,287,263 ordinary shares with one voting right per share. The Company does not hold any shares in treasury. Therefore, the total number of ordinary shares and voting rights in the Company will be 29,287,263. The above figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

Enquiries

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Notes to Editors

About City of London Group

City of London Group is a forward-thinking organisation focused on serving the UK SME market. It is primed for the future, but grounded with traditional values and a strength and depth of expertise, looking to grow through its two-pronged strategy.

The Group's expertise covers equity release, finance for the SME sector, and secured lending. The Group has experience with commercial banking and mortgages, and access to funding arrangements such as commercial, SME, bridging and development finance, home reversion plans, and asset and loan finance.

COLG ensures its services are always delivered with a personal touch, so clients know that they are more than a customer and have a partner that will work with them as they look towards the future.