



CITY OF LONDON GROUP PLC
("COLG" or the "Company")

11 March 2022

Completion of Milton Homes sale

Following FCA approval of the change in control

On 6 September 2021, the Board of COLG (AIM:CIN) announced that it had signed a sale and purchase agreement for the sale of Milton Homes Limited ("Milton") to Max Barney Investments Limited ("MBIL") for a total consideration of £9.3 million (the "Disposal"), which was conditional on receiving regulatory approval from the Financial Conduct Authority for the change in control of Milton and of its lender.

We are pleased to announce that the Financial Conduct Authority approved the change in control on 25 February 2022, so satisfying the relevant condition in the Disposal.

Completion has taken place today with the Company transferring its shares in Milton to MBIL in return for the completion payment of £0.25 million. Under the agreement the Company received repayment of its £9.0m bonds i) through a repayment of £1.2m from Milton's own financial resources and ii) through the issuance of £7.8m new bonds by Milton Homes to HPB Pension Trust, an entity associated with MBIL in September 2021.

The net proceeds from the Disposal have been applied to contribute to the regulatory capital of the Company's subsidiary Recognise Bank Limited.

MBIL and HPB Pension Trust are deemed to be related parties of COLG under the AIM Rules for Companies. As set out in detail in the Company's announcement on 6 September 2021, the transaction is deemed a related party transaction.

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Enquiries

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