

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your Ordinary Shares in City of London Investment Group PLC (the “**Company**”), please send this Circular, as soon as possible, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding, you should retain these documents.

CITY OF LONDON INVESTMENT GROUP PLC

(Incorporated in England and Wales with registered no. 02685257)

Proposed Related Party Transaction and Notice of General Meeting

Sponsor

Beaumont Cornish Limited

This Circular should be read in its entirety. Your attention is drawn to the letter from the Senior Independent Director which is set out on pages 6 to 9 of this Circular and the recommendation in respect of the Resolution to be proposed at the General Meeting referred to below.

Notice of a general meeting of City of London Investment Group PLC to be held at 12.30 p.m. on 29 June 2021 at the Company’s registered office at 77 Gracechurch Street, London EC3V 0AS is set out on pages 20-24 of this Circular. Details of the action you are recommended to take are set out on pages 7-8 of this Circular. The Company is not sending out a Form of Proxy with this Circular and shareholders are encouraged to vote online by logging on to www.signalshares.com and following the instructions given. If you have not previously registered for electronic communications you will first be asked to register as a new user, for which you will require your investor code (which can be found on your share certificate). You may request a hard copy Form of Proxy directly from the Company’s registrar, Link Group (the “**Registrar**”) on tel: 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 9.00 a.m. – 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales. The proxy appointment and instructions must be received electronically by the Registrar not less than 48 hours before the time appointed for holding the General Meeting, being no later than 12.30 p.m. on 25 June 2021.

No person has been authorised to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation must not be relied on as having been so authorised. The delivery of this Circular shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Circular or that the information in it is correct as at any subsequent time.

Beaumont Cornish Limited (“**Beaumont Cornish**” or the “**Sponsor**”), is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and no one else in connection with the arrangements described in this Circular and will not regard any other person (whether or not a recipient of this Circular) as a client in relation to the arrangements described in this Circular and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the arrangements referred to in this Circular.

Apart from the responsibilities and liabilities, if any, which may be imposed on Beaumont Cornish by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liabilities under the relevant regulatory regime would be illegal, void and unenforceable, neither Beaumont Cornish nor any of its affiliates accepts any responsibility whatsoever or makes any representation or warranty, express or implied, for the contents of this Circular, including its accuracy, completeness or verification or for any other statement made or

purported to be made by it, or on its behalf, in connection with the Company, or the arrangements described in this Circular, and nothing contained in this Circular is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or the future. Beaumont Cornish and its respective affiliates accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this Circular or any such statement.

The information included herein is based on information available as at the date of this Circular and, except as requested by the FCA or required by the Listing Rules, the Prospectus Regulation Rules, the Disclosure Guidance and Transparency Rules as appropriate, or any other applicable law, will not be updated.

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Expected Timetable of Principal Events

	2021
Publication of this Circular	2 June
Latest time for receipt of proxy appointments and instructions for General Meeting	12.30 p.m. on 25 June
Voting record date	close of business on 25 June
General Meeting	12.30 p.m. on 29 June

Future times and dates are indicative only and are subject to change by the Company. If the expected timetable of events changes from the above, the Company will release an announcement to this effect.

References to time in this Circular are to London time.

Directors, Company Secretary and Advisers

Directors	Barry Aling (<i>Non-Executive Chairman</i>) Barry Olliff (<i>Non-Independent Non-Executive Director</i>) Tom Griffith (<i>Chief Executive Officer</i>) Mark Dwyer (<i>Chief Investment Officer – CLIM</i>) Daniel Lippincott (<i>Chief Investment Officer – KIM</i>) Carlos Yuste (<i>Executive Director</i>) Peter Roth (<i>Senior Independent Director</i>) Rian Dartnell (<i>Independent Non-Executive Director</i>) Tazim Essani (<i>Independent Non-Executive Director</i>) George Karpus (<i>Non-Independent Non-Executive Director</i>) Jane Stabile (<i>Independent Non-Executive Director</i>)
Company Secretary	Prism Cosec Limited (from 4 May 2021)
Sponsor	Beaumont Cornish Limited Building 3 566 Chiswick High Road London W4 5YA
Broker	Zeus Capital Limited 10 Old Burlington Street London W1S 3AG
English legal adviser to the Company	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH
Registrar	Link Group 10 th Floor Central Square 29 Wellington Street Leeds LS1 4DL

Part I

Letter from the Senior Independent Director

CITY OF LONDON INVESTMENT GROUP PLC

(Incorporated in England and Wales, with registered no. 02685257)

Directors:

Barry Aling *(Non-Executive Chairman)*
Barry Olliff *(Non-Independent Non-Executive Director)*
Tom Griffith *(Chief Executive Officer)*
Mark Dwyer *(Chief Investment Officer – CLIM)*
Daniel Lippincott *(Chief Investment Officer – KIM)*
Carlos Yuste *(Executive Director)*
Peter Roth *(Senior Independent Director)*
Rian Dartnell *(Independent Non-Executive Director)*
Tazim Essani *(Independent Non-Executive Director)*
George Karpus *(Non-Independent Non-Executive Director)*
Jane Stabile *(Independent Non-Executive Director)*

Registered Office:

77 Gracechurch Street
London
EC3V 0AS

2 June 2021

Dear Shareholder,

PROPOSED RELATED PARTY TRANSACTION AND NOTICE OF GENERAL MEETING

Introduction

The Board has become aware of a technical issue in respect of the payment of certain historic dividends paid by the Company in each of the financial years ended 31 May 2007 to, and including, 30 June 2019 (with the exception of the financial year ended 30 June 2018). The distributions affected by this issue are set out in paragraph 1 of Part II of this Circular (the “**Relevant Distributions**”).

Accordingly, I, Peter Roth, as the Company’s Senior Independent Director, am writing to you today to explain the proposals to address this issue and the action you are being asked to take, as the Chairman of the Board, Barry Aling, along with a number of our fellow Directors, are considered related parties under the Listing Rules in connection with the proposals described in this Circular.

This technical issue in respect of the Relevant Distributions is of an historic nature and there is no change to the financial outlook of the Company as a consequence. The Proposals described in this Circular do not affect the Company’s existing distributable reserves nor its capacity to pay shareholder dividends going forward in accordance with the Company’s dividend policy.

Background

The Companies Act provides that a public company may only pay a dividend out of its distributable reserves as shown in the last accounts circulated to members or, if used, interim accounts filed at Companies House. The requirement for the relevant accounts to have been filed applies even if the company in question has sufficient distributable profits and reserves at the relevant time in its financial records.

Whilst the Group has at all times had sufficient distributable reserves on a consolidated basis to cover the Relevant Distributions, those reserves had not always been distributed upward to the Company itself from its operating subsidiaries at the time of declaration of each Relevant Distribution and were not recorded, and therefore available, in the Company’s own accounts. In addition, interim accounts in respect of the Company were not always filed, where required, with Companies House to show the availability of sufficient distributable reserves in respect of Relevant Distributions made by the Company. In such cases, this constituted a breach of section 838(6) of the Companies Act which requires a copy of the interim accounts to be delivered to Companies House.

Therefore, regrettably, the Relevant Distributions were made otherwise than in accordance with the Companies Act. The Board has reviewed the Company's internal financial reporting procedures to ensure that a similar situation does not occur in the future. Separately, and as part of a wider review of the Company's service providers, the Company is delighted to confirm the appointment of Prism Cosec Limited as its corporate company secretary with effect from 4 May 2021.

The purpose of this Circular is to convene a General Meeting to propose the Resolution, which will, if passed, give the Board authority for the appropriation of the distributable profits of the Company to the payment of each of the Relevant Distributions and to enter into the deeds of release described in Part II of this Circular and put all potentially affected parties so far as possible in the position in which they were always intended to be had the Relevant Distributions been made in accordance with the requirements of the Companies Act.

The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Companies Act, it may have claims against past and present shareholders who were recipients of the Relevant Distributions and against persons who were directors of the Company at the time of payment of the Relevant Distributions. It is therefore proposed that the Company enters into the Shareholders' Deed of Release and the Directors' Deed of Release. The consequence of the entry into these deeds by the Company is that the Company will be unable to make any claims against:

- (i) past and present shareholders of the Company who were recipients of Relevant Distributions (the "**Recipient Shareholders**"); or
- (ii) all past and present directors of the Company who were directors at the time a Relevant Distribution was made, being: (a) the Company's current Chairman, Barry Aling; (b) certain of the Company's current Executive Directors, namely Tom Griffith, Mark Dwyer and Carlos Yuste; (c) certain of the Company's current Non-Executive Directors, namely Barry Olliff, Jane Stabile and Rian Dartnell; and (d) the following former directors of the Company, Susannah Nicklin, Tracy Rodrigues, Lynn Ruddick, George Robb, Mark Driver, Valerie Tannahill, Andrew Davison, David Cardale, Allan Bufferd, Omar Ashur and Douglas Allison (the "**Relevant Directors**"),

in each case in respect of the payment of the Relevant Distributions otherwise than in accordance with the Companies Act.

The entry by the Company into the Directors' Deed of Release constitutes a related party transaction (as defined in the Listing Rules) as Barry Aling, Barry Olliff, Tom Griffith, Mark Dwyer, Carlos Yuste, Jane Stabile, Rian Dartnell and Susannah Nicklin are considered related parties under the Listing Rules (being persons who are, or were within the last 12 months, directors of the Company) and each of them is a beneficiary of the deed. Therefore, the Resolution will seek the specific approval of the Company's shareholders for the entry into the Directors' Deed of Release as a related party transaction, in accordance with the requirements of the Listing Rules.

Further details and an explanation of the business of the General Meeting and the related party transaction are set out in Part II of this Circular.

Notice of General Meeting

A notice of General Meeting of the Company which will be held at the Company's registered office at 77 Gracechurch Street, London EC3V 0AS at 12.30 p.m. on 29 June 2021 can be found in Part V of this Circular.

You are advised to read the whole of this Circular, including the Notice, and not to rely solely on the information contained in this letter.

Action to be taken

Due to mandatory measures imposed by the UK Government as a result of the spread of the COVID-19 virus in the United Kingdom, the General Meeting will be convened with the minimum quorum of shareholders present in order to conduct the business of the meeting, which is in accordance with the latest guidance published by the Department for Business, Energy & Industrial Strategy and the Financial Reporting Council. Shareholders are therefore requested to appoint the Chairman of the General Meeting as his or her proxy as any other person so appointed will not be permitted to attend the General Meeting. A shareholder may appoint more than one proxy in

relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.

Shareholders can vote either:

- by logging on to www.signalshares.com and following the instructions;
- by requesting a hard copy Form of Proxy from the Registrar on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 9.00 a.m. – 5.30 p.m. Monday to Friday, excluding public holidays in England and Wales; or
- in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in the notes to the notice of General Meeting.

To be valid any proxy vote must be received by the Registrar by no later than 12.30 p.m. on 25 June 2021.

Further details are given in the notes to the notice of General Meeting set out on pages 22 to 24 of this Circular.

This letter is also being sent to those who have been nominated to receive information rights under section 146 of the Companies Act who do not themselves have a right to appoint a proxy or proxies. The attention of such nominated persons is drawn to note 10 to the Notice set out on page 23 of this Circular.

Recommendation

The Board, who has been so advised by Beaumont Cornish, believes that (i) the waiver of claims against the Relevant Directors pursuant to the Resolution and (ii) the entry into each of the Directors' Deed of Release and the Shareholders' Deed of Release, are fair and reasonable so far as the shareholders of the Company are concerned. Beaumont Cornish has taken into account the Board's commercial assessment of the effect of the Proposals. Further, the Board considers the Resolution is in the best interests of shareholders as a whole. The Interested Directors who are related parties as defined in the Listing Rules, have not taken part in the Board's consideration of these Proposals.

Accordingly, the Board unanimously recommends that shareholders vote in favour of the Resolution at the General Meeting, as the Independent Directors intend to do in respect of their own beneficial shareholdings amounting in aggregate to 16,202,898 Ordinary Shares, representing approximately 31.97 per cent. of the Company's current issued share capital and approximately 33.34 per cent. of the Ordinary Shares eligible to vote on the Resolution.

The Interested Directors and Susannah Nicklin, as related parties under the Listing Rules, being persons who are currently or were within the last 12 months directors of the Company, and who also hold Ordinary Shares, are precluded from voting any Ordinary Shares in which they are interested on the Resolution and therefore, they have each undertaken to abstain, and to take all reasonable steps to ensure that their respective associates abstain, from voting on the Resolution. As at 1 June May 2021 (being the latest practicable date before the publication of this Circular), the Interested Directors and Susannah Nicklin held, in aggregate, 2,084,151 Ordinary Shares in the capital of the Company, representing approximately 4.11 per cent. of the Company's existing ordinary share capital.

In accordance with current best practice and to ensure voting accurately reflects the views of shareholders, it will be proposed at the General Meeting that voting on the Resolution will be conducted by poll vote rather than by a show of hands and the relevant procedures will be explained at the General Meeting.

If the Resolution is not passed, the Company may continue to have claims against the Relevant Directors and Recipient Shareholders.

The Board has taken steps to ensure that, in the future, the issues referred to in this Circular do not arise in relation to the payment of dividends. We are grateful for shareholders' understanding in respect of the issues set out in this Circular.

On behalf of the Board, thank you for your continued support of the Company.

Yours sincerely

Peter Roth

Senior Independent Director

Part II

Business of the General Meeting

1 The Relevant Distributions

- 1.1 The Board has become aware of a technical issue in respect of the Company's procedures for the payment of the following dividends (the "Relevant Distributions"):

Relevant Distribution	Pence per Ordinary Share	Aggregate amount paid (£)
Interim dividend paid on 5 March 2007	3	735,864.00
Interim dividend paid on 3 March 2008	6	1,509,882.90
Final dividend paid on 21 November 2008	13.5	3,220,587.00
Interim dividend paid on 2 March 2009	5	1,197,492.50
Final dividend paid on 20 November 2009	10	2,455,039.50
Interim dividend paid on 1 March 2010	7	1,727,652.15
Final dividend paid on 19 November 2010	15	3,739,936.95
Interim dividend paid on 20 February 2011	8	2,046,662.64
Final dividend paid on 21 October 2011	16	4,041,461.28
Interim dividend paid on 27 February 2012	8	2,010,606.64
Final dividend paid on 19 October 2012	16	4,050,317.28
Interim dividend paid on 28 December 2012	8	1,996,393.92
Final dividend paid on 25 October 2013	16	4,020,707.84
Interim dividend paid on 28 February 2014	8	2,010,353.92
Final dividend paid on 31 October 2014	16	3,974,787.84
Interim dividend paid on 6 March 2015	8	1,985,039.04
Final dividend paid on 30 October 2015	16	3,985,017.28
Interim dividend paid on 11 March 2016	8	1,996,703.52
Final dividend paid on 31 October 2016	16	4,021,119.04
Interim dividend paid on 17 March 2017	8	2,026,845.76
Interim dividend paid on 22 March 2019	22.5	5,675,174.55

- 1.2 This issue, which is described in Part I of this Circular, resulted in the Relevant Distributions being made otherwise than in accordance with the Companies Act.
- 1.3 This issue only affected the Relevant Distributions and did not affect any other distributions made by the Company in the relevant financial years.

2 Consequences of the Relevant Distributions having been made otherwise than in accordance with the Companies Act

- 2.1 The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Companies Act, it may have claims against past and present shareholders who were recipients of Relevant Distributions and against persons who are now, or were at the time of payment of a Relevant Distribution, directors of the Company.
- 2.2 The Board notes, however, that the Company has no intention of bringing any such claims.

3 Shareholder Resolution

- 3.1 In order to remedy the potential consequences of the Relevant Distributions having been made otherwise than in accordance with the Companies Act and to put all potentially affected parties so far as possible in the position in which they were always intended to be had the Relevant Distributions been made in accordance with the requirements of the Companies Act, the Company is proposing the Resolution, the full text of which is set out in the Notice in Part V of this Circular.
- 3.2 If passed, the effect of the Resolution, which will be proposed as a special resolution, requiring 75 per cent. or more of those shareholders present in person or by proxy to vote in favour of the Resolution, will be to:
- 3.2.1 authorise the appropriation of the distributable profits of the Company to the payment of each of the Relevant Distributions;
- 3.2.2 waive any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions against its shareholders who appeared on the register of shareholders on the relevant record date for each Relevant Distribution (or the personal representatives and their successors in title of the estate of any deceased shareholders), such waiver to be effected by way of the entry by the Company into the Shareholders' Deed of Release; and
- 3.2.3 waive any and all claims which the Company may have against the Relevant Directors and the personal representatives (and their successors in title) of the estate of any Relevant Director, such waiver to be effected by way of the entry by the Company into the Directors' Deed of Release.
- 3.3 The approach that the Company is proposing by way of the Resolution is consistent with the approach taken by other companies incorporated in the United Kingdom whose shares are admitted to the Official List and to trading on the Main Market of the London Stock Exchange and that have also made distributions otherwise than in accordance with the Companies Act, having failed to comply with the procedural requirements to file relevant accounts specifically prepared for the purposes of the payment of a dividend or other distribution.

4 The authorisation of the appropriation of the Company's distributable profits and the Shareholders' Deed of Release

- 4.1 The approach that the Company is proposing involves the authorisation of the appropriation of the distributable profits of the Company to the payment of each of the Relevant Distributions. As a matter of common law, it is necessary for the appropriation of distributable profits to be approved by shareholders.
- 4.2 The Company has been advised that it is also preferable for shareholders to approve the Company's entry into the Shareholders' Deed of Release, since the release of those past and present shareholders who appeared on the register of members on the record date for each of the Relevant Distributions (or their personal representatives (and their successors in title) if they are deceased) from any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions will, insofar as those persons remain shareholders of the Company, comprise a benefit to shareholders tantamount to a distribution.
- 4.3 The proposed authorisation of the appropriation of the Company's distributable profits to the payment of the Relevant Distributions and the entry by the Company into the Shareholders' Deed of Release will not, however, have any effect on the Company's financial position. This is because the aggregate amount of the Relevant Distributions is equal to and offset by the release of each Recipient Shareholder from the liability to repay the amount already paid, and the Company will not be required to make any further payments to shareholders in respect of the Relevant Distributions.
- 4.4 In addition, the Company has not recorded or disclosed the potential right to make claims against Recipient Shareholders as an asset or a contingent asset in its financial statements. Under the Company's IFRS compliant accounting policies, it could only record such a right as an asset when an inflow of economic benefits in favour of the Company as a result of such claim or claims being brought was virtually certain. The value of any economic benefit which the Company may derive from bringing claims against the Recipient Shareholders is uncertain

(and, in any case, incapable of reliable estimation) on the basis that it may be possible for the Recipient Shareholders to establish defences to any such claims and there can be no certainty as to the amounts which could be recovered by the Company.

4.5 In addition, under IFRS, a contingent asset is required to be disclosed only when an inflow of economic benefits in favour of the Company is probable. The Board has concluded that any inflow of economic benefits as a result of such claims is less than probable.

4.6 Accordingly, the Company's entry into the Shareholders' Deed of Release will not result in any change in the Company's net assets or the level of its distributable reserves.

5 The Directors' Deed of Release

5.1 The entry by the Company into the Directors' Deed of Release and consequential waiver of any rights of the Company to make claims against the Relevant Directors and the personal representatives (and their successors in title) of any deceased Relevant Directors in respect of the Relevant Distributions, constitutes a related party transaction (as defined in the Listing Rules). This is because Barry Aling, Barry Olliff, Tom Griffith, Mark Dwyer, Carlos Yuste, Jane Stabile, Rian Dartnell and Susannah Nicklin are considered related parties under the Listing Rules, being persons who are, or, in the case of Susannah Nicklin, were within the last 12 months, directors of the Company and who will be party to, and are therefore interested in, the Directors' Deed of Release. As a result, the Resolution must be approved by the Company's shareholders who are not interested related parties. Accordingly, Barry Aling, Barry Olliff, Tom Griffith, Mark Dwyer, Carlos Yuste and Susannah Nicklin, being related parties and holders of Ordinary Shares in the Company, are precluded from voting the Ordinary Shares in which they are interested on the Resolution. Therefore, they have each undertaken to abstain, and to take all reasonable steps to ensure that their respective associates abstain, from voting on the Resolution.

5.2 The entry by the Company into the Directors' Deed of Release will not have any effect on the Company's financial position because, as with the position in relation to the Relevant Distributions and potential claims against past and present shareholders, the Company has not recorded or disclosed its right potentially to make claims against the Relevant Directors in respect of the Relevant Distributions as an asset or contingent asset of the Company.

5.3 Again, under the Company's IFRS accounting policies, it could only record such a right as an asset when an inflow of economic benefits in favour of the Company as a result of such claim or claims being brought was virtually certain. The value of any economic benefit which the Company may derive from bringing claims against Relevant Directors is uncertain (and, in any case, incapable of reliable estimation) on the basis that past and present directors would be entitled to seek the court's relief against such claims and there can be no certainty as to the amounts (if any) which could be recovered by the Company.

5.4 In addition, under IFRS, a contingent asset is required to be disclosed only when an inflow of economic benefits in favour of the Company is probable, i.e. more likely than not to occur. The Board has concluded that any inflow of economic benefits as a result of such claims is less than probable.

5.5 Therefore, the Company's entry into the Directors' Deed of Release does not involve the disposition of any recognised asset or contingent asset by the Company in favour of past or present directors.

5.6 As explained above, the entry by the Company into the Directors' Deed of Release constitutes a related party transaction (as defined in the Listing Rules). Therefore, the Resolution will also seek the specific approval of the Company's shareholders of the entry into the Directors' Deed of Release as a related party transaction, in accordance with the requirements of the Listing Rules.

6 The tax position of UK shareholders

6.1 The Company has drawn the attention of HM Revenue & Customs ("HMRC") to the circumstances surrounding the payment of the Relevant Distributions and to the steps that are now proposed to address the position. The Company has been advised by its legal advisers that, based on previous HMRC confirmations provided to other companies incorporated in the

United Kingdom whose shares are admitted to the Official List and to trading on the Main Market of the London Stock Exchange and that have also made distributions otherwise than in accordance with the Companies Act, the tax position of UK resident shareholders generally is not expected to be affected by any procedural irregularity in the Relevant Distributions. Therefore, the passing of the Resolution is not expected to affect the UK tax position of such persons.

- 6.2 Any UK resident shareholder who has any doubt about his, her or its tax position should consult an independent professional adviser.

7 The tax position of non-UK shareholders

- 7.1 The Company has not sought and does not intend to seek confirmation from any tax authority outside the UK.
- 7.2 If any non-UK resident shareholder has any doubts about his or her tax position, he or she should consult an independent professional adviser.

8 Other information

- 8.1 The share capital of the Company as at 1 June 2021 (being the latest practicable date before the publication of this Circular) comprises 50,679,095 Ordinary Shares, of which none are held in treasury.
- 8.2 Copies of the final forms of the Shareholders' Deed of Release and the Directors' Deed of Release are contained on pages 25 to 29 of this Circular and available on the Company's website <https://www.clig.com/> and in hard copy during normal business hours on any weekday (except for Saturdays, Sundays and public holidays) at the registered office of the Company up to the time of the General Meeting. Copies will also be available at the place of the General Meeting until the conclusion of the General Meeting.

Part III

Additional information

1 The Company

- 1.1 The Company was incorporated and registered in England and Wales on 7 February 1992 with registered number 02685257 as a public limited company under the name Scaleoption Public Limited Company. The Company's accounting reference date was changed from 31 May to 30 June in 2014.
- 1.2 On 30 April 1992, the Company changed its name to Olliff & Company PLC. On 29 June 1992, the Company changed its name to Olliff & Partners PLC and on 30 May 1997, the Company changed its name to City of London Investment Group PLC.
- 1.3 The Company's registered office is at 77 Gracechurch Street, London EC3V 0AS (tel. +44 (0) 207 711 0771). The principal legislation under which the Company operates is the laws of England and Wales.
- 1.4 The Company's website address is <https://www.clig.com/>. The information contained in the Company's website does not form part of this circular, save to the extent that such information has been expressly incorporated by reference into this circular.

2 Related party disclosures

- 2.1 Each of Barry Aling, Barry Olliff, Tom Griffith, Mark Dwyer, Carlos Yuste, Jane Stabile Rian Dartnell and Susannah Nicklin are beneficiaries of the Directors' Deed of Release. Barry Aling, Barry Olliff, Tom Griffith, Mark Dwyer, Carlos Yuste, Jane Stabile and Rian Dartnell are related parties for the purposes of the Listing Rules as they are Directors of the Company, and Susannah Nicklin is a related party as she was a director of the Company within the last 12 months, in each case at a time a Relevant Distribution was made.

Interests in Ordinary Shares

- 2.2 The interests of the related parties referred to in paragraph 2.1 above in the Ordinary Shares in the capital of the Company as at 1 June 2021 (being the latest practicable date before the date of this Circular), are as follows:

Shareholdings

Name	Number of Ordinary Shares held⁽¹⁾	Percentage of voting rights (%)⁽²⁾
Barry Aling	134,300	0.27
Barry Olliff	1,271,018	2.51
Tom Griffith	413,735	0.82
Mark Dwyer	133,924	0.26
Carlos Yuste	76,592	0.15
Jane Stabile	0	0
Rian Dartnell	50,000	0.10
Susannah Nicklin	4,582	0.01

(1) Including shares held by connected persons.

(2) On the basis that the total number of voting rights as at 1 June 2021 (being the latest practicable date before the publication of this Circular) is 50,679,095.

Interests pursuant to the Executive Incentive Plan

Director	Date of award	Number of Ordinary Shares	Share price on award	Vesting from	Vesting to
Tom Griffith	26 October 2018	25,498	3.873	26 October 2018	26 October 2021
	26 October 2019	18,524	4.258	26 October 2019	26 October 2022
	26 October 2020	40,120	4.028	26 October 2020	26 October 2023
		84,142			
Mark Dwyer	26 October 2018	23,806	3.873	26 October 2018	26 October 2021
	26 October 2019	16,022	4.258	26 October 2019	26 October 2022
	26 October 2020	37,240	4.028	26 October 2020	26 October 2023
		77,068			
Carlos Yuste	26 October 2019	18,182	4.258	26 October 2019	26 October 2022
	26 October 2020	34,036	4.028	26 October 2020	26 October 2023
		52,218			

Interests pursuant to the Employee Share Option Plan

Director	Share Options	Exercise price (£)	Date of grant	Vesting date	Expiry date
Tom Griffith	6,000	3.4875	4 November 2011	4 November 2014	4 November 2021
	17,000	2.55	30 January 2014	30 January 2017	30 January 2024
	23,500	3.52	19 June 2015	19 June 2018	19 June 2025
	46,500				
Mark Dwyer	50,000	3.60	3 May 2012	3 May 2015	3 May 2022
	5,500	2.55	30 January 2014	30 January 2017	30 January 2024
	17,500	3.52	19 June 2015	19 June 2018	19 June 2025
	73,000				
Carlos Yuste	46,000	5.04	16 March 2021	16 March 2024	16 March 2031
	46,000				

Service Contracts and Letters of Appointment

- 2.3 Each of Tom Griffith, Mark Dwyer and Carlos Yuste, being Executive Directors of the Company, has entered into a service contract with the Company dated 31 March 2020, 19 October 2015 and 20 March 2020 respectively. Each service contract can be terminated on 12 months' written notice by either party and the Company's Remuneration Committee has the discretion to make a payment in lieu of notice, which would consist of one year's base salary only.
- 2.4 Barry Aling, Barry Olliff and Jane Stabile are Non-Executive Directors of the Company and so have not entered into service contracts but are instead engaged pursuant to letters of appointment dated 1 August 2013, 30 March 2020 and 1 July 2018 respectively. Each appointment can be terminated on 6 months' written notice by either party, with the exception of Barry Olliff, whose appointment can be terminated on 30 days' written notice by either party. The Company's Remuneration Committee has the discretion to make a payment in lieu of notice.

- 2.5 In the last full financial year of the Company, the year ended 30 June 2020, the Directors referred to in paragraphs 2.3 and 2.4 above were granted the following remuneration (including contingent or deferred compensation) and benefits in kind by the Company and its subsidiaries for services in all capacities to the Company and its subsidiaries:

	Director fees (£)	Fees/salary (£)	Profit-share (£)	Waived profit-share (£)	*EIP share awards (£)	**Dividend equivalent EIP vesting (£)	Pension (£)	Taxable benefits (£)	Total 2019/2020 (£)
Executive									
Barry Olliff***	17,500	39,597	—	—	—	—	4,950	2,256	64,303
Tom Griffith	23,333	226,344	398,244	(80,800)	161,600	20,126	28,293	5,622	782,762
Mark Dwyer	23,333	200,835	375,000	(75,000)	150,000	19,392	25,104	3,261	721,925
Carlos Yuste†	17,500	91,939	169,072	(34,271)	68,542	—	11,492	3,084	327,358
Sub-total	81,666	558,715	942,316	(190,071)	380,142	39,518	69,839	14,223	1,896,348
Non-executive									
Barry Aling	60,000	—	—	—	—	—	—	—	60,000
Jane Stabile	45,000	—	—	—	—	—	—	2,315	47,315
Sub-total	105,000	—	—	—	—	—	—	2,315	107,315
Total	186,666	558,715	942,316	(190,071)	380,142	39,518	69,839	16,538	2,003,663

* The EIP share awards relate to the current year's waived bonus which is matched by the Company. The combined amount is the value of the awards which will be awarded in October following the year end. For non-UK Directors, the value is subject to movement as a result of currency translation.

** Uninvested EIP awards accrue a cash equivalent of the dividends declared during the vesting period and are paid when the Ordinary Shares vest.

*** Barry Olliff retired as an Executive Director on 31 December 2019 and from the CLIM Board on 30 November 2019. He became a Non-Executive Director from 1 January 2020. In addition to his Non-Executive Director's fee, Barry Olliff receives a corporate advisory fee of \$100,000 per annum.

† Carlos Yuste joined the Board on 1 January 2020.

- 2.6 Rian Dartnell was appointed as a Non-Executive Director following the end of the Company's last full financial year. He was appointed pursuant to a letter of appointment dated 30 September 2020. Under the terms of that letter Rian is entitled to an annual fee of £45,000 and his appointment can be terminated on 6 months' written notice by either party. The Company's Remuneration Committee has the discretion to make a payment in lieu of notice.
- 2.7 Susannah Nicklin was engaged by the Company pursuant to the terms of a letter of appointment in the same form as those in place for the Non-Executive Directors. For the last full financial year, Susannah Nicklin's total aggregate remuneration (including contingent or deferred compensation) and benefits in kind received from the Company and its subsidiaries for services in all capacities to the Company and its subsidiaries was £50,000.
- 2.8 Save as set out in this Circular, the Company has not entered into any related party transactions with Barry Aling, Barry Olliff, Tom Griffith, Mark Dwyer, Carlos Yuste, Jane Stabile, Rian Dartnell or Susannah Nicklin.

3 Major shareholders

In so far as is known to the Company, as at the date of this Circular, the following persons were interested, directly or indirectly, in three per cent. or more of the voting rights attaching to the Ordinary Shares:

Name	Number of Ordinary Shares at date of notification	Percentage of voting rights
George Karpus	15,948,201	31.5
Aberforth Partners	2,560,745	5.1

4 Material contracts

There are no material contracts to which the Company or any member of the Group is a party which contain information that shareholders of the Company would reasonably require to make a properly informed assessment of how to vote.

5 Significant change

There has been no significant change in the financial position of the Group since 31 December 2020, being the end of the last financial period for which interim financial information has been published.

6 Consent

Beaumont Cornish has given and has not withdrawn its written consent to the inclusion in this Circular of the references to its name in the form and context in which they are given.

7 Documents available for inspection

In addition to this Circular, the following documents will be available for inspection on the Company's website at <https://www.clig.com/> and, during normal business hours on any weekday (excluding Saturdays, Sundays and public holidays), at the Company's registered office at 77 Gracechurch Street, London EC3V 0AS, from the date of this Circular up to and including the date of the General Meeting:

- 7.1 the Company's articles of association;
- 7.2 the Shareholders' Deed of Release;
- 7.3 the Directors' Deed of Release; and
- 7.4 the written consent referred to in paragraph 6 of this Part III.

Part IV

Definitions

The following definitions apply throughout this Circular unless the context otherwise requires:

Beaumont Cornish or Sponsor	Beaumont Cornish Limited, authorised and regulated by the FCA and approved under section 88 of FSMA as a Sponsor
Board	the board of directors of the Company
Circular	this document
CLIM	City of London Investment Management Company Limited
Companies Act	the Companies Act 2006
Company	City of London investment Group PLC
CREST	the paperless settlement procedure operated by Euroclear enabling system securities to be evidenced otherwise than by certificates and transferred otherwise than by written instrument
CREST Manual	the rules governing the operation of CREST as published by Euroclear
Directors	the currently appointed directors of the Company as at the date of this Circular
Directors' Deed of Release	a deed of release by which the Company waives any rights to make claims against the Relevant Directors in respect of the Relevant Distributions, substantially in the form set out in Part V of this Circular
Euroclear	Euroclear UK & Ireland Limited
FCA Handbook	the FCA's Handbook of Rules and Guidance
Financial Conduct Authority or FCA	the Financial Conduct Authority of the United Kingdom
Form of Proxy	a hard copy form of proxy for use by shareholders in connection with the General Meeting, which may be requested from the Registrar
FSMA	the Financial Services and Markets Act 2000, as amended
General Meeting	the general meeting of the Company, to be held at the Company's registered office at 77 Gracechurch Street, London EC3V 0AS at 12.30 p.m. on 29 June 2021, or any adjournment thereof, notice of which is set out in Part V of this Circular
Group	the Company and its subsidiaries from time to time
HMRC	Her Majesty's Revenue & Customs
IFRS	the International Financial Reporting Standards promulgated by the International Accounting Standards Board
Independent Directors	Peter Roth, Tazim Essani, George Karpus and Daniel Lippincott, being Directors who are not Relevant Directors and are therefore not interested related parties pursuant to the Listing Rules
Interested Directors	Barry Aling, Barry Olliff, Tom Griffith, Mark Dwyer, Carlos Yuste and Rian Dartnell, being Directors and Relevant Directors
KIM	Karpus Management, Inc
Listing Rules	the listing rules made by the FCA under Part VI of FSMA (as set out in the FCA Handbook), as amended

Notice	the notice of General Meeting set out in Part V of this Circular
Official List	the list of securities admitted to listing and maintained by the Financial Conduct Authority in accordance with Part VI of FSMA
Ordinary Shares	ordinary shares of 1 penny each in the capital of the Company
Proposals	(i) the appropriation of the distributable profits of the Company to the payment of each of the Relevant Distributions; (ii) the waiver of claims against the Relevant Directors and Shareholders pursuant to the Resolution; and (iii) the entry into each of the Directors' Deed of Release and the Shareholders' Deed of Release, all set out in the Resolution
Recipient Shareholder	a shareholder of the Company who has received the Relevant Distribution
Registrar	Link Group
Relevant Directors	all past and present directors of the Company who were directors at the time a Relevant Distribution was made, being: (a) the Company's current Chairman, Barry Aling; (b) certain of the Company's current Executive Directors, namely Tom Griffith, Mark Dwyer and Carlos Yuste; (c) certain of the Company's current Non-Executive Directors, namely Barry Olliff, Jane Stabile and Rian Dartnell; and (d) the following former directors of the Company, Susannah Nicklin, Tracy Rodrigues, Lynn Ruddick, George Robb, Mark Driver, Valerie Tannahill, Andrew Davison, David Cardale, Allan Bufferd, Omar Ashur and Douglas Allison
Relevant Distributions	has the meaning given to it in paragraph 1 of Part II of this Circular
Resolution	the resolution to be proposed at the General Meeting, the full text of which is set out in the notice of General Meeting set out in Part V of this Circular
Shareholders' Deed of Release	a deed of release in favour of all shareholders who appeared on the register of members on the record date for one or more Relevant Distributions from any and all claims which the Company has or may have in respect of the payment of the Relevant Distributions, substantially in the form set out in Part V of this Circular

Part V

Notice of General Meeting

CITY OF LONDON INVESTMENT GROUP PLC
(Registered in England and Wales. No: 02685257)

NOTICE IS HEREBY GIVEN that a general meeting of City of London Investment Group PLC (the “**Company**”) will be held at the Company’s registered office at 77 Gracechurch Street, London EC3V 0AS on 29 June 2021 at 12.30 p.m. to consider and, if thought fit, pass the following resolution as a special resolution. Voting on this resolution will be by way of poll.

Special Resolution

1 That:

- 1.1 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 31 May 2007) to the payment of the interim dividend for 2007 of 3 pence per Ordinary Share paid on 5 March 2007 (the “**2007 Relevant Distribution**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2007 Relevant Distribution);
- 1.2 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 31 May 2008) to the payment of the interim dividend for 2008 of 6 pence per Ordinary Share paid on 3 March 2008 (the “**2008 Relevant Distribution**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2008 Relevant Distribution);
- 1.3 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 31 May 2009) to the payment of the final dividend for 2008 of 13.5 pence per Ordinary Share paid on 21 November 2008 and the interim dividend for 2009 of 5 pence per Ordinary Share paid on 2 March 2009 (the “**2009 Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2009 Relevant Distributions);
- 1.4 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 31 May 2010) to the payment of the final dividend for 2009 of 10 pence per Ordinary Share paid on 20 November 2009 and the interim dividend for 2010 of 7 pence per Ordinary Share paid on 1 March 2010 (the “**2010 Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2010 Relevant Distributions);
- 1.5 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 31 May 2011) to the payment of the final dividend for 2010 of 15 pence per Ordinary Share paid on 19 November 2010 and the interim dividend for 2011 of 8 pence per Ordinary Share paid on 20 February 2011 (the “**2011 Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2011 Relevant Distributions);
- 1.6 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 31 May 2012) to the payment of the final dividend for 2011 of 16 pence per Ordinary Share paid on 21 October 2011 and the interim dividend for 2012 of 8 pence per Ordinary Share paid on 27 February 2012 (the “**2012 Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2012 Relevant Distributions);
- 1.7 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 31 May 2013) to the payment of the final dividend for 2012 of 16 pence per Ordinary Share paid on 19 October 2012 and the interim dividend for 2013 of 8 pence per Ordinary Share paid on 28 December 2012 (the “**2013 Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2013 Relevant Distributions);

- 1.8 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial period ended 30 June 2014) to the payment of the final dividend for 2013 of 16 pence per Ordinary Share paid on 25 October 2013 and the interim dividend for 2014 of 8 pence per Ordinary Share paid on 28 February 2014 (the “**2014 Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2014 Relevant Distributions);
- 1.9 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 30 June 2015) to the payment of the final dividend for 2014 of 16 pence per Ordinary Share paid on 31 October 2014 and the interim dividend for 2015 of 8 pence per Ordinary Share paid on 6 March 2015 (the “**2015 Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2015 Relevant Distributions);
- 1.10 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 30 June 2016) to the payment of the final dividend for 2015 of 16 pence per Ordinary Share paid on 30 October 2015 and the interim dividend for 2016 of 8 pence per Ordinary Share paid on 11 March 2016 (the “**2016 Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2016 Relevant Distributions);
- 1.11 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 30 June 2017) to the payment of the final dividend for 2016 of 16 pence per Ordinary Share paid on 31 October 2016 and the interim dividend for 2017 of 8 pence per Ordinary Share paid on 17 March 2017 (the “**2017 Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2017 Relevant Distributions);
- 1.12 the appropriation of distributable profits of the Company (as shown in the audited financial statements of the Company for the financial year ended 30 June 2009) to the payment of the interim dividend for 2019 of 22.5 pence per Ordinary Share paid on 22 March 2019 (the “**2019 Relevant Distribution**”) and, together with the 2007 Relevant Distribution, the 2008 Relevant Distribution, the 2009 Relevant Distributions, the 2010 Relevant Distributions, the 2011 Relevant Distributions, the 2012 Relevant Distributions, the 2013 Relevant Distributions, the 2014 Relevant Distributions, the 2015 Relevant Distributions, the 2016 Relevant Distributions and the 2017 Relevant Distributions, the “**Relevant Distributions**”) be and is authorised (by reference to the same record dates as the original accounting entries for the 2019 Relevant Distribution);
- 1.13 any and all claims which the Company has or may have arising out of or in connection with the payment of the Relevant Distributions against its shareholders who appeared on the register of shareholders on the relevant record date for a Relevant Distribution (or the personal representatives and their successors in title (as appropriate) of a shareholder’s estate if he or she is deceased) be waived and released, and a deed of release in favour of such shareholders (or the personal representatives and their successors in title (as appropriate) of a shareholder’s estate if he or she is deceased) be entered into by the Company in the form produced to the General Meeting and initialled by the Chairman for the purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a deed poll for and on behalf of the Company; and
- 1.14 any and all claims which the Company has or may have against the Relevant Directors or the personal representatives and their successors in title (as appropriate) of his or her estate if such Relevant Director is deceased, arising out of or in connection with the approval, declaration or payment of the Relevant Distributions be waived and released and that a deed of release in favour of each of such Relevant Directors (or the personal representatives and their successors in title of his or her estate if such Relevant Director is deceased), be entered into by the Company in the form produced to the General Meeting and initialled by the Chairman for purposes of identification and any Director in the presence of a witness, any two Directors or any Director and the Company Secretary be authorised to execute the same as a deed poll for and on behalf of the Company.

Unless otherwise defined herein, capitalised terms used in this notice shall have the same meaning given to them in the circular to shareholders dated 2 June 2021 of which this notice forms part.

By Order of the Board

Company Secretary

Registered Office:
77 Gracechurch Street
London
EC3V 0AS

Dated: 2 June 2021

Notes:

- 1 Due to mandatory measures imposed by the UK Government as a result of the spread of the COVID-19 virus in the United Kingdom, the General Meeting will be convened with the minimum quorum of shareholders present in order to conduct the business of the meeting. Physical attendance at the General Meeting will be unlawful and those persons wishing to gain entry will be refused. Shareholders are therefore requested to appoint the Chairman of the General Meeting as his or her proxy as any other person so appointed will not be permitted to attend the General Meeting.
- 2 In order for your proxy to be counted, we strongly encourage you to appoint the Chairman of the General Meeting as your proxy, as attendance at the General Meeting by other persons will be refused. A proxy must vote in accordance with any instructions given by the member by whom the proxy is appointed. A proxy for a shareholder has one vote on a show of hands in all cases (including where one member has appointed multiple proxies) except when he is appointed by multiple members who instruct him to vote in different ways, in which case a shareholder's proxy has one vote for and one vote against the resolution.
- 3 The Company is not sending out a Form of Proxy with this Circular. You can vote either:
 - 3.1 by logging on to www.signalshares.com and following the instructions;
 - 3.2 by requesting a hard copy Form of Proxy directly from the Registrar, Link Group on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The Registrar is open between 9.00 a.m. – 5.30 p.m. Monday to Friday, excluding public holidays in England and Wales; or
 - 3.3 in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.
- 4 To be valid, a proxy vote must be received by the Registrar no later than 12.30 p.m. on 25 June 2021 (or 48 hours, excluding non-working days, before any adjourned meeting). If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
- 5 In the case of a shareholder which is a company, a Form of Proxy must be executed either (i) under its common seal or (ii) signed on its behalf by a duly authorised officer, representative or attorney of the company, whose capacity should be stated. Any power of attorney or any other authority under which a Form of Proxy is signed (or a duly certified copy of such authority) must be included with the Form of Proxy.
- 6 In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Link Group, PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any authority under which the revocation notice is executed or a copy of the authority certified notari ally) must be included with the revocation notice. The revocation notice must be received by Link Group, PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds LS1 4DL not later than 12.30 p.m. on 25 June 2021 (or 48 hours, excluding non-working days, before any adjourned meeting). If you attempt to revoke your proxy appointment but the revocation is received after the time specified then your proxy appointment will remain valid.

- 7 CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting (and any adjournment of the General Meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- 8 In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with Euroclear UK & Ireland Limited’s specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer’s agent (ID RA10) by 12.30 p.m. on 25 June 2021. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer’s agent is able to retrieve the message by enquiry to CREST in the manner prescribed in CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
- 9 CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
- 10 The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 (“**nominated persons**”). Nominated persons may have a right under an agreement with the registered shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.
- 11 Corporate representatives are entitled to attend and vote on behalf of the corporate member in accordance with Section 323 of the Companies Act 2006. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporate member) the same powers as the corporate member could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.
- 12 To be entitled to attend and vote at the General Meeting (and for the purpose of determination by the Company of the number of votes they may cast), Members must be entered on the Register by close of business on 25 June 2021 (the “record date”).
- 13 If the General Meeting is adjourned to a time not more than 48 hours after the record date applicable to the original General Meeting, that time will also apply for the purpose of determining the entitlement of Members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned General Meeting. If, however, the General Meeting is adjourned for a longer period then, to be so entitled, Members must be entered on the Register at the time which is 48 hours before the time fixed for the adjourned General Meeting or, if the Company gives new notice of the adjourned General Meeting, at the record date specified in that notice.

- 14 Members have a right under Section 319A of the Companies Act 2006 to require the Company to answer any question raised by a member at the General Meeting, which relates to the business being dealt with at the meeting, although no answer need be given: (a) if to do so would interfere unduly with the preparation of the meeting or involve disclosure of confidential information; (b) if the answer has already been given on the Company's website; or (c) it is undesirable in the best interests of the Company or the good order of the meeting.
- 15 Further information regarding the meeting which the Company is required by Section 311A of the Companies Act 2006 to publish on a website in advance of the meeting (including this Notice), can be accessed at <https://www.clig.com/>.
- 16 You may not use any electronic address provided in the Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.
- 17 As at 1 June 2021, the latest practicable date before this Notice is given, the total number of shares in the Company (excluding treasury shares) in respect of which members are entitled to exercise voting rights was 50,679,095 ordinary shares of 1p each. The total number of voting rights in relation to the shares in the Company on 1 June 2021 is therefore 50,679,095.
- 18 All of the Ordinary Shares carry one vote each and there are no Ordinary Shares held in treasury. The Chairman will propose that voting on the resolution at the General Meeting will be conducted by poll vote rather than by a show of hands, ensuring that every vote is recognised and giving a more accurate reflection of the views of members. On a poll vote every member who is present in person or by proxy has one vote for every Ordinary Share they hold. The relevant procedures will be
- 19 The results of the votes cast at the General Meeting will be announced as soon as possible, once known, through a Regulatory Information Service, and on the Company's website at <https://www.clig.com/>.

Form of Shareholders' Deed of Release

Deed Poll

This Deed Poll is made on [●] June 2021

BY City of London Investment Group PLC (registered number 02685257) whose registered office is at 77 Gracechurch Street, London EC3V 0AS (the "**Company**") in favour of the Recipient Shareholders (as defined below).

Whereas:

- (A) As explained in the notice of General Meeting addressed to the shareholders of the Company dated [●] 2021 that is appended to this deed poll (the "**GM Notice**"), the board of directors of the Company has become aware of a technical issue in respect of the Company's procedures for the payment of the following dividends (the "**Relevant Distributions**"):
- the interim dividend for 2007 of 3 pence per Ordinary Share paid on 5 March 2007;
 - the interim dividend for 2008 of 6 pence per Ordinary Share paid on 3 March 2008;
 - the final dividend for 2008 of 13.5 pence per Ordinary Share paid on 21 November 2008;
 - the interim dividend for 2009 of 5 pence per Ordinary Share paid on 2 March 2009;
 - the final dividend for 2009 of 10 pence per Ordinary Share paid on 20 November 2009;
 - the interim dividend for 2010 of 7 pence per Ordinary Share paid on 1 March 2010;
 - the final dividend for 2010 of 15 pence per Ordinary Share paid on 19 November 2010;
 - the interim dividend for 2011 of 8 pence per Ordinary Share paid on 20 February 2011;
 - the final dividend for 2011 of 16 pence per Ordinary Share paid on 21 October 2011;
 - the interim dividend for 2012 of 8 pence per Ordinary Share paid on 27 February 2012;
 - the final dividend for 2012 of 16 pence per Ordinary Share paid on 19 October 2012;
 - the interim dividend for 2013 of 8 pence per Ordinary Share paid on 28 December 2012;
 - the final dividend for 2013 of 16 pence per Ordinary Share paid on 25 October 2013;
 - the interim dividend for 2014 of 8 pence per Ordinary Share paid on 28 February 2014;
 - the final dividend for 2014 of 16 pence per Ordinary Share paid on 31 October 2014;
 - the interim dividend for 2015 of 8 pence per Ordinary Share paid on 6 March 2015;
 - the final dividend for 2015 of 16 pence per Ordinary Share paid on 30 October 2015;
 - the interim dividend for 2016 of 8 pence per Ordinary Share paid on 11 March 2016;
 - the final dividend for 2016 of 16 pence per Ordinary Share paid on 31 October 2016;
 - the interim dividend for 2017 of 8 pence per Ordinary Share paid on 17 March 2017; and
 - the interim dividend for 2019 of 22.5 pence per Ordinary Share paid on 22 March 2019.
- (B) The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Companies Act 2006, it may have claims against past and present shareholders who were recipients of the Relevant Distributions (or their personal representatives (and their successors in title) if they are deceased) (the "**Recipient Shareholders**").
- (C) Pursuant to the Resolution set out in the GM Notice and duly passed by the Company's shareholders in a general meeting on [●] June 2021, the Company proposes to waive and release any and all claims which it has or may have in respect of the Relevant Distributions against the Recipient Shareholders and wishes to enter into this deed poll in favour of the Recipient Shareholders in order to effect the same.

This Deed Poll witnesses as follows:

2 Release

The Company unconditionally and irrevocably waives and releases each of the Recipient Shareholders from any and all liability that any such Recipient Shareholder has or may have to the Company and all claims and demands the Company has or may have against each of them in connection with receipt by them of all or part of the Relevant Distributions.

3 Governing law

This deed poll is governed by English law. Any non-contractual obligations arising out of or in connection with this deed poll shall be governed by English law.

In witness of which this deed poll has been executed and has been delivered on the date which appears first on page 1 of this deed poll.

Executed as a deed by City of London Investment Group PLC acting by [two directors] [or] [one director and the company secretary]:

..... Director
signature

.....
print name

..... Director/
signature Secretary

.....
print name

Form of Directors' Deed of Release

Deed Poll

This Deed Poll is made on [●] June 2021

BY City of London Investment Group PLC (registered number 02685258) whose registered office is at 77 Gracechurch Street, London EC3V 0AS (the "**Company**") in favour of certain current and former directors of the Company, whose names are set out in the schedule to this deed (the "**Relevant Directors**") (or the personal representatives and their successors in title (as appropriate) of his or her estate if such Relevant Director is deceased).

Whereas:

- (A) As explained in the notice of General Meeting addressed to the shareholders of the Company dated [●] 2021 that is appended to this deed poll (the "**GM Notice**"), the board of directors of the Company has become aware of a technical issue in respect of the Company's procedures for the payment of the following dividends (the "**Relevant Distributions**"):
- the interim dividend for 2007 of 3 pence per Ordinary Share paid on 5 March 2007;
 - the interim dividend for 2008 of 6 pence per Ordinary Share paid on 3 March 2008;
 - the final dividend for 2008 of 13.5 pence per Ordinary Share paid on 21 November 2018;
 - the interim dividend for 2009 of 5 pence per Ordinary Share paid on 2 March 2009;
 - the final dividend for 2009 of 10 pence per Ordinary Share paid on 20 November 2009;
 - the interim dividend for 2010 of 7 pence per Ordinary Share paid on 1 March 2010;
 - the final dividend for 2010 of 15 pence per Ordinary Share paid on 19 November 2010;
 - the interim dividend for 2011 of 8 pence per Ordinary Share paid on 20 February 2011;
 - the final dividend for 2011 of 16 pence per Ordinary Share paid on 21 October 2011;
 - the interim dividend for 2012 of 8 pence per Ordinary Share paid on 27 February 2012;
 - the final dividend for 2012 of 16 pence per Ordinary Share paid on 19 October 2012;
 - the interim dividend for 2013 of 8 pence per Ordinary Share paid on 28 December 2012;
 - the final dividend for 2013 of 16 pence per Ordinary Share paid on 25 October 2013;
 - the interim dividend for 2014 of 8 pence per Ordinary Share paid on 28 February 2014;
 - the final dividend for 2014 of 16 pence per Ordinary Share paid on 31 October 2014;
 - the interim dividend for 2015 of 8 pence per Ordinary Share paid on 6 March 2015;
 - the final dividend for 2015 of 16 pence per Ordinary Share paid on 30 October 2015;
 - the interim dividend for 2016 of 8 pence per Ordinary Share paid on 11 March 2016;
 - the final dividend for 2016 of 16 pence per Ordinary Share paid on 31 October 2016;
 - the interim dividend for 2017 of 8 pence per Ordinary Share paid on 17 March 2017; and
 - the interim dividend for 2019 of 22.5 pence per Ordinary Share paid on 22 March 2019.
- (B) The Company has been advised that, as a consequence of the Relevant Distributions having been made otherwise than in accordance with the Companies Act 2006, it may have claims against each of the Relevant Directors (or the personal representatives and their successors in title (as appropriate) of his or her estate if such Relevant Director is deceased).
- (C) Pursuant to the Resolution set out in the GM Notice and duly passed by the Company's shareholders in a general meeting on [●] June 2021, the Company proposes to waive and release any and all claims which it has or may have in respect of the Relevant Distribution against each of the Relevant Directors (or the personal representatives and their successors in title (as appropriate) of his or her estate if such Relevant Director is deceased) and wishes to

enter into this deed poll in favour of the Relevant Directors and the personal representatives and their successors in title of the estate of any deceased Relevant Directors in order to effect the same.

This Deed Poll witnesses as follows:

4 Release

The Company unconditionally and irrevocably waives and releases each of the Relevant Directors or the personal representatives and their successors in title (as appropriate) of his or her estate if such Relevant Director is deceased from any and all liability that any of them has or may have to the Company and all claims and demands the Company has or may have against each of them, including, without limitation, any derivative action from or on behalf of shareholders of the Company, in connection with the making of all or part of the Relevant Distributions.

5 Governing law

This deed poll is governed by English law. Any non-contractual obligations arising out of or in connection with this deed poll shall be governed by English law.

In witness of which this deed poll has been executed and has been delivered on the date which appears first on page 1 of this deed poll.

Executed as a **deed** by **City of London Investment Group PLC** acting by [two directors] [or] [one director and the company secretary]:

..... Director
signature

.....
print name

..... Director/
signature Secretary

.....
print name

Schedule**Current Directors**

Barry Aling
Barry Olliff
Tom Griffith
Mark Dwyer
Carlos Yuste
Jane Stabile
Rian Dartnell

Former Directors

Susannah Nicklin
Tracy Rodrigues
Mark Driver
David Cardale
Allan Bufferd
Douglas Allison
Lynn Ruddick
Valerie Tannahill
Andrew Davison
George Robb
Omar Ashur

