

## PRE-CLOSE TRADING UPDATE For Year To 30 June 2020

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City of London Investment Group PLC  
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The information contained within this announcement is deemed by the Group to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

**CITY OF LONDON INVESTMENT GROUP PLC**  
("City of London" or "the Group" or "the Company")

### PRE-CLOSE TRADING UPDATE for the year to 30 June 2020

City of London (LSE: CLIG), a leading specialist asset management group focused on closed-end funds and REITs across emerging and developed markets, provides a pre-close trading update for its financial year ended 30 June 2020. The numbers that follow are unaudited.

Funds under management were US\$5.5 billion (£4.4 billion) at 30 June 2019 (2019: US\$5.4 billion or £4.2 billion), representing a 2% increase in US\$ terms for the year. A breakdown by strategy follows:

	FuM (\$mn)			Net Flows	Strategy Index	
	Jun-20 (estimate)	Jun-19	% inc/dec			% inc/dec
EM	3,828	4,221	-9%	(275)	MSCI EM	-3%
DM	1,244	729	71%	551	MSCI ACWI ACWI/Barclays Global	-5%
OV	256	233	10%	46	Agg	4%
Frontier	175	206	-15%	16	MSCI Frontier	-11%
	5,503	5,389		338		

Funds under Management excludes seed investments

The Emerging Market (EM) and Developed Strategies (DM) outperformed over the year, the Opportunistic Value (OV) and Frontier strategies underperformed. Both the EM and DM strategies benefitted from good country allocation. The Frontier strategy suffered from weak NAV performance, particularly impactful among Argentine holdings while the OV strategy suffered from negative allocation effects. In addition, as discounts widened significantly across CEF sectors, most notably in Q1 2020, all the strategies suffered to some extent from this factor over the 12 month period.

During the year under review, the OV and DM strategies recorded combined net inflows of \$597 million. The Frontier strategy saw net inflows of \$16 million while the EM strategy saw net outflows of \$275 million.

### Operations

Due to the COVID-19 pandemic, our business continuity plan was enabled with all staff working remotely via audio and secure video communication and full network connectivity to all critical systems with security protocols in place to protect client data.

The proposed merger with Karpus Management Inc. (KMI), which was announced on 9<sup>th</sup> June 2020, was approved overwhelmingly by CLIG shareholders yesterday with 99% voting in favor. Completion of the merger, which is expected on or around 1<sup>st</sup> October 2020, will provide shareholders with growth potential from a more diversified revenue base and has

the potential to be earnings enhancing in the first full year post-merger.

Further details of the transaction are available in the combined circular and prospectus, which was published on 12 June 2020 in relation to the share consideration to be issued to stockholders in KMI on completion of the merger. The prospectus remains live until admission of those consideration shares on completion, currently expected to occur on 1 October 2020. Whilst the prospectus remains live, the Company is prevented under the Prospectus Regulation from providing an estimate of its profits for the financial year to 30 June 2020, in the same way as it has done in previous years, without the approval and publication of a supplementary prospectus. However, subject to audit, the Board intends to at least maintain the final dividend at the same level as last year, in line with the stated dividend policy. The Board is not aware of any material additional information that Shareholders should be aware of at this time.

The Board confirms the final dividend timetable for the year to 30 June 2020:

- ex-dividend date: 08 October 2020
- dividend record date: 09 October 2020
- payable: 30 October 2020

City of London expects to announce final results alongside publication of its Accounts for the year to 30 June 2020 on 14 September 2020. The Group's Annual General Meeting will be held on 19 October 2020.

For further information, please visit <http://www.citlon.co.uk/> or contact:

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This release includes forward-looking statements, which may differ from actual results. Any forward-looking statements are based on certain factors and assumptions, which may prove incorrect, and are subject to risks, uncertainties and assumptions relating to future events, the Group's operations, results of operations, growth strategy and liquidity.

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