

Date: 29 December 2023

## **London Finance & Investment Group PLC** **("the Company")**

### **Related Party Transaction**

London Finance & Investment Group PLC (LSE: LFI, JSE: LNF) refers to the announcement on 28<sup>th</sup> December 2023 from Western Selection PLC ("WSL") with regards to its proposed capital reduction.

The Company is pleased to support WSL's proposed capital reduction and return of 80.5p per cancelled share through the following means:

- The Company has committed to retain at least 25,029 Ordinary Shares and, depending on the number of Ordinary Shares that other WSL Shareholders wish to retain, intends to retain the minimum number of additional Ordinary Shares so that the number of Ordinary Shares remaining in issue in WSL is at least 57,143 and the Company's percentage holding does not fall below 43.8 per cent.
- The Company shall provide a Loan Facility to WSL for a value of up to £200,000 to fund its working capital.
- The Company has provided irrevocable undertakings, relating to its 43.8% holding in WSL, to vote in favour of all resolutions it is entitled to vote on at the WSL general meetings to be held on the 25 January 2024 and 31 January 2024.

On completion of the proposed capital reduction the Company will receive approximately £6,307,566 if it retains 25,029 Ordinary Shares only. The Company intends to reinvest these funds in its portfolio of international blue-chip securities.

The Loan Facility is considered to be a related party transaction. The terms of the Loan Facility are as follows:

- The amount that will be available to borrow by WSL under the Loan Facility will be £200,000, of which £150,000 may be drawn down immediately following the approval of the Capital Reduction.
- The balance of £50,000 will be available for draw down by WSL at any time prior to 31 December 2027 (the "Expiry Date").

The Loan Facility, which will be unsecured, will bear interest at a fixed rate of 3 per cent. per annum above the Bank of England base rate payable quarterly and will be repayable in full by the Expiry Date. Interest shall accrue daily, and WSL shall pay the accrued interest, on the amount of loan taken, on the interest period dates.

The Directors consider that, having exercised reasonable care, skill and diligence, the Loan Facility is fair and reasonable as far as its Shareholders are concerned.

The directors of the Company accept responsibility for the contents of this announcement.

Enquiries to:

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JSE Sponsor to the Company:

**Questco Corporate Advisory Proprietary Limited**