



Capital for Colleagues

28 April 2017

Capital for Colleagues plc
("Capital for Colleagues" or the "Company")

Completion of £2.42 million fundraising

On 12 April 2017, Capital for Colleagues, the investment vehicle focused on opportunities in the Employee Owned Business ('EOB') sector, announced that the Company was raising up to £2.02 million through the issue of up to 4,812,247 New Ordinary Shares at a price of 42p per share in the Open Offer.

The Open Offer closed at 11.00 on 27 April 2017 and the Company is pleased to announce that it has received valid acceptances from Qualifying Shareholders, including under the Excess Application Facility, in respect of 3,416,319 Open Offer Shares, representing 71 per cent of the New Ordinary Shares available in the Open Offer. Valid applications under the Excess Application Facility will be met in full.

The proceeds of the Open Offer therefore amount to £1.44 million (before expenses).

In addition, the Company has raised a further £0.98 million (before expenses) through the issue of 2,343,166 New Ordinary Share to the Subscribers, also at a price of 42p per share. This amount is greater than the £0.82 million referred to in the Circular, reflecting increased demand from the Subscribers.

The net proceeds of the Open Offer and the Subscription are estimated to amount to approximately £2.38 million and will be used by Capital for Colleagues to make further investments in line with the Company's investment strategy and to provide working capital for the Company's ongoing operations.

Commenting on the success of the fundraising, John Eckersley, Chief Executive of Capital for Colleagues said:

"We are delighted with the result of this fundraising and the support from existing shareholders and new investors in the Company. We believe that this is testament to the strength of our strategy, the quality of the companies in our portfolio and the recognised investment potential of the EOB sector. As "patient capital" becomes increasingly important to EOBs, we remain well placed to capitalise from the many investment opportunities that are available to us."

Directors' Interests

The Directors have taken up their Open Offer Entitlements as indicated in the Circular and therefore, on Admission, their interests in the Company will be as follows:

Director	Number of Ordinary Shares	% of Enlarged Issued Share Capital
Richard Bailey	183,369	1.2
John Eckersley	472,011	3.1
Alistair Currie	345,513	2.3
Edmund Jenkins	76,270	0.5

Application to the NEX Exchange Growth Market

Application has been made for the New Ordinary Shares to be admitted to trading on the Social Stock Exchange segment of the NEX Exchange Growth Market. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence on 2 May 2017.

In accordance with the Financial Conduct Authority's Disclosure and Transparency Rules, Capital for Colleagues announces that, on completion of the Open Offer and the Subscription, the Company will have 15,384,011 ordinary shares of 40p each in issue, each share carrying the right to one vote. The Company does not hold any ordinary shares in treasury.

The above figure of 15,384,011 should 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 Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Unless the context requires otherwise, all capitalised terms in this announcement have the same meanings as in the circular to shareholders dated 12 April 2017, which is available on the Company's website at www.capitalforcolleagues.com.

The Directors of Capital for Colleagues are responsible for the contents of this announcement.

CAPITAL FOR COLLEAGUES PLC

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Richard Bailey, Chairman

John Eckersley, Chief Executive

PETERHOUSE CORPORATE FINANCE LIMITED

020 7469 0930

Mark Anwyl

Duncan Vasey

Notes

Capital for Colleagues is an investment company focused on the Employee Owned Business ('EOB') sector. The Company has a clear strategy aimed at investing in, advising and growing established, mainly UK-based, EOBs as well as assisting companies which are looking to launch employee ownership schemes, providing the capital and advice to help them achieve their objectives.

Capital for Colleagues has a proven management team, with a wide network of contacts and affiliates, as well as established access to investment opportunities, enabling the Company to execute its strategy and identify and capitalise on EOB-focused investment opportunities.